HERO FUTURE ENERGIES®

planet positive power

Challenging limits, powering possibilities.

Annual Report **FY 2024-25**

We are a global renewable energy leader, driving the energy transition with innovative clean-tech solutions like green hydrogen, energy storage, and hybrid power

Our corporate mantra: Shaping a sustainable future through clean-tech solutions

Our goal is to achieve carbon neutrality by 2030 while empowering industries to reach their net-zero ambitions

In this report

Our business verticals

India Utility

Read more on 17

India Commercial and Industrial

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International markets

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Emerging technologies

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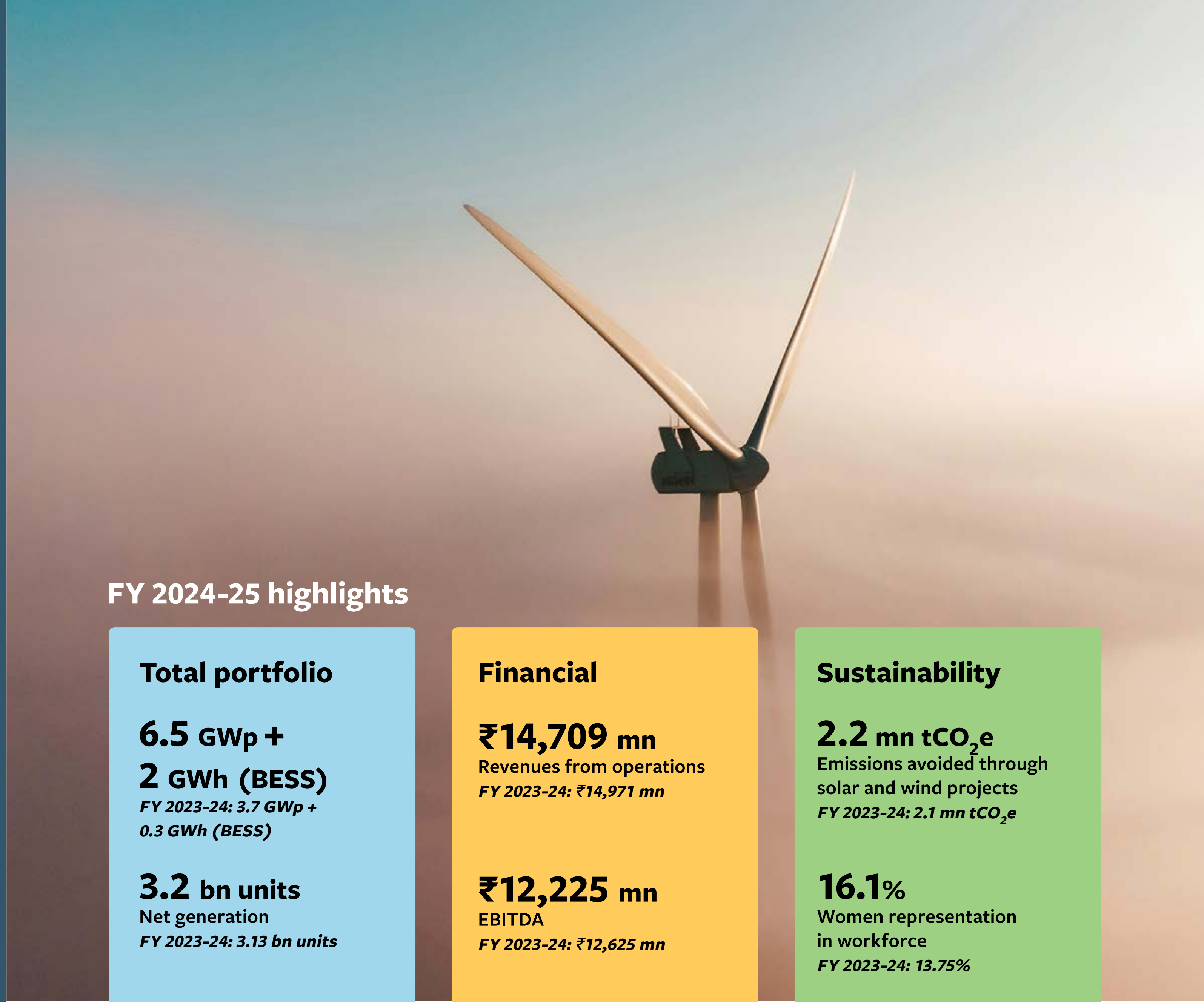


FY 2024-25 highlights

Total portfolio

6.5 GWp + **2** GWh (BESS)
FY 2023-24: 3.7 GWp + 0.3 GWh (BESS)

3.2 bn units
Net generation
FY 2023-24: 3.13 bn units

Financial

₹14,709 mn
Revenues from operations
FY 2023-24: ₹14,971 mn

₹12,225 mn
EBITDA
FY 2023-24: ₹12,625 mn

₹3,596 mn
Cash PBT*
FY 2023-24: ₹3,755 mn

*Cash PBT includes PBT and depreciation

Sustainability

2.2 mn tCO_2e
Emissions avoided through solar and wind projects
FY 2023-24: 2.1 mn tCO_2e

16.1%
Women representation in workforce
FY 2023-24: 13.75%

Zero
instances of non-compliance till date

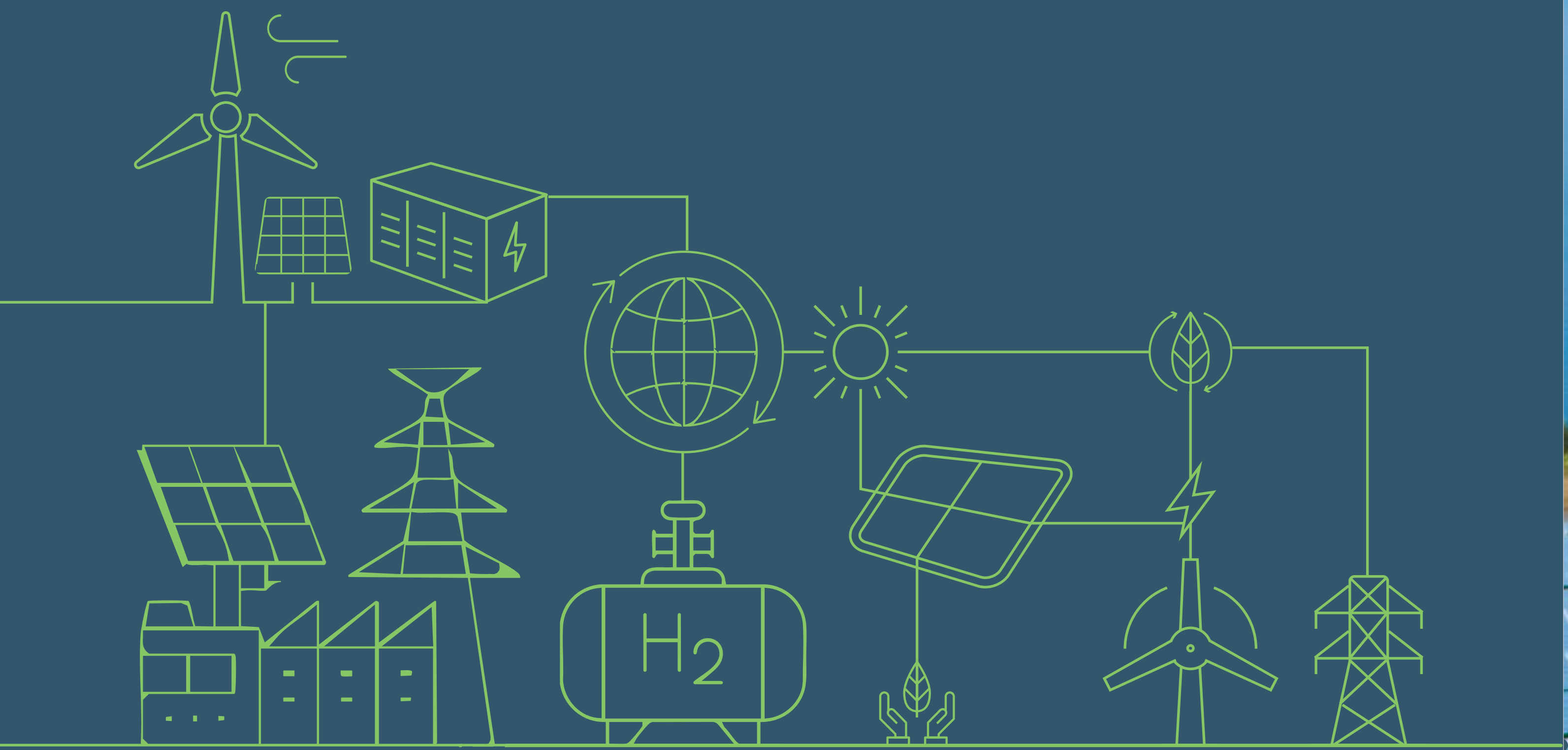
https://herofutureenergies.com/
to discover more about our values, strengths and press releases

Cautionary statement

This Annual Report contains forward-looking statements with respect to the financial condition, operations and performance of the Group. These statements reflect knowledge and information available at the date of preparation of this Annual Report. By their nature, these statements involve uncertainty since future events and circumstances can cause results and developments to differ materially from those anticipated. The Company undertakes no obligation to update these forward-looking statements and nothing in this Annual Report should be construed as a profit forecast.

Challenging limits, powering possibilities

A testament to our leadership and commitment to innovation, resilience, and the relentless pursuit of a sustainable future.



Hero Future Energies is actively contributing to India's energy transition story, which is unfolding at an impressive pace. As India takes rapid strides towards decarbonisation and pursues climate compatible economic growth, HFE is catalysing this journey with its innovative clean-tech offerings – be those complex projects that are making green power more firm and dependable, tailor-made solutions that are helping the Commercial and Industrial (C&I) sector reduce their carbon footprint or leveraging green hydrogen and its derivatives to decarbonise hard-to-abate sectors.

Our commitment to partnering in sustainable nation building is underpinned by our guiding principle: 'Challenging limits, powering possibilities', which encapsulates our relentless pursuit of innovation and our courage to foray into uncharted territories, as we shape a brighter tomorrow.

At HFE, we foster a culture that encourages questioning the status quo and pushing the boundaries of what is considered possible. Our ethos revolves around bold thinking, creative problem-solving, and the willingness to tackle the most complex challenges in the renewable energy sector. From deploying large-scale, complex projects that combine solar, wind, and other clean sources, to being an early mover into nascent sectors like advanced energy storage and green hydrogen, we are focused on championing pioneering interventions that are redefining the energy landscape.

Leveraging our culture of constant learning and improvement, our team is well-equipped to handle our robust pipeline of projects. Our ability to focus on the larger picture and stay ahead of the curve is what enables us to consistently set new benchmarks.

Our mission goes beyond merely generating renewable energy; it is about creating new opportunities for people, communities, and businesses. We are committed to unlocking the full potential of sustainable technologies to drive economic growth, enhance energy access, create green jobs and improve quality of life. Every project we undertake is a step towards an empowered, resilient, and sustainable society.

The theme is not just aspirational—it is the foundation of our daily actions and strategic decisions. It guides us as we invest in cutting-edge technologies, nurture talent, and collaborate with like-minded partners. As we look ahead, 'Challenging limits, powering possibilities' will continue to drive our efforts to be at the forefront of India's energy transition, delivering value to our stakeholders while actively contributing to the global fight against climate change.

Leading innovation and operational excellence

Six months to success
Hybrid power perfected

Read more on Page 04

Pioneering possibilities
Decarbonising hard to abate industries using green hydrogen

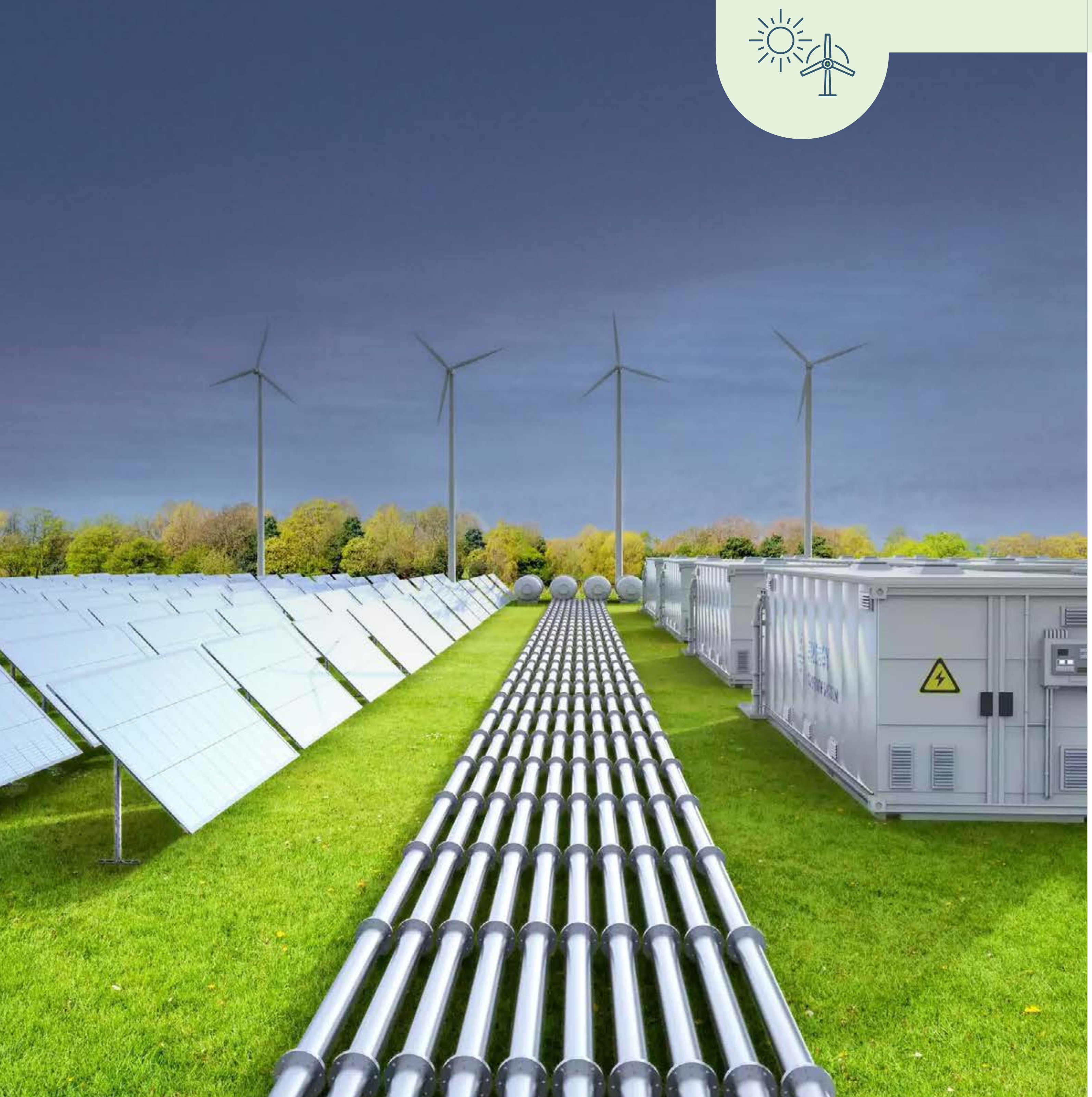
Read more on Page 06

Feature story - 1

Six months to success

Hybrid power perfected

HFE demonstrably 'powered possibilities' for Karnataka's energy landscape. This project stands as a testament to our ability to deliver sustainable and scalable energy solutions, directly contributing to the state's burgeoning industrial growth and environmental stewardship.



Project highlights

125 MW
Total capacity (99 MW Solar/ 26 MW Wind)

500+ acres
Land secured within 1 km of the substation

~85%
Energy needs offset by the hybrid project

3.3 MW
Capacity of each Wind Turbine

~322 GWh
Annual generation

Seamless execution

Exceptional timelines

Start of construction → **Operational readiness**

November 2024 → **April 2025**

The hybrid RE project in Karnataka started in November 2024 and was operational within a span of six months, with a goal of generating ~322 GWh per year.

Economic advantages

- Hybrid RE plant capable of offsetting PPAs up to 85% of energy needs
- Guaranteed savings with long-term PPA
- Exempt from Cross Subsidy Surcharge
- Exempt from additional surcharges

Workplace safety

The project involved a dedicated team of 500+ workers who worked relentlessly to complete the project in record time. HFE holds the safety of our workforce at the core of our business, prioritising providing safe working conditions, such as a zero-incident approach, strict construction protocols and the highest operational safety standards to ensure worker safety.

Zero
incidents with 500+ workers ensured of safe working conditions throughout the project

What does it mean for the future?

This project breaks down barriers to renewable energy adoption. By utilising a 'Group Captive' model within the 'Open Access' framework, we provide a pathway for multiple consumers to collectively invest in and benefit from renewable energy sources. This collaborative approach enhances accessibility, making clean energy a viable option for a wider range of participants. The project is also a long-term contribution to Karnataka's decarbonisation effort as we have entered long-term PPAs with guaranteed savings.

Average savings from the grid tariffs has been 25% from Industrial Tariff and 35% from Commercial Tariff. This renewable energy project ensures customers are exempt from Cross Subsidy Surcharge and additional surcharges, providing clear and predictable energy costs.

25%
Average savings from Industrial tariffs

35%
Average savings from Commercial tariffs

Feature story - 2

Pioneering possibilities

Decarbonising hard-to-abate industries using green hydrogen

HFE has commissioned a first-of-a-kind plant that blends Green Hydrogen with LPG and PNG for industrial heating at the Tirupati factory of Rockman Industries, a leading manufacturer of automotive alloy wheels. This project is a real-world demonstration of how green hydrogen can decarbonise hard-to-abate sectors—without requiring major infrastructure changes.

H2

"With this initiative, we have taken a significant step forward in proving that industries can decarbonise today, without waiting for long-term policy shifts or infrastructure overhauls. This project is not just about technology; it is about leadership, responsibility, and making a real impact on our journey toward a net-zero economy."

Mr. Sudhir Pathak,

Head Engg, QA, Green Hydrogen, HFE

Project Partners

TECNICAS REUNIDAS

ohmium

ROCKMAN

Project highlights

210 TPA CO_2e
CO_2e emissions reduction

25 TPA
Annual Green Hydrogen production in FY 2024-25

190-195 TPA
Oxygen released into the atmosphere

Blending flexibility

The system is designed so that Green Hydrogen, produced onsite using a rooftop solar plant and a 300 kW PEM electrolyser, can be blended with either LPG (up to 4% by volume) or PNG (up to 10% by volume). This blended fuel is then used in a furnace for melting aluminium alloy ingots, leading to reduced carbon emissions. While hydrogen blending with PNG is common, this is the first successful real-world demonstration of hydrogen blending with LPG for industrial heating. Crucially, no modifications are required in burner operation and product quality remains unaffected.

Approvals

Comprehensive safety and regulatory approvals (HARA, HAZOP, HAZID) were secured, making this a fully compliant and risk-mitigated deployment.

Project benefits

Seamless integration with existing infrastructure

The project's ability to blend hydrogen without requiring significant modifications to existing burners and infrastructure is a crucial process innovation. This minimises the need for costly and time-consuming overhauls, thereby enhancing energy efficiency and cost-effectiveness and also reducing the barriers to adoption. It serves as a real-world demonstration of how green hydrogen can decarbonise hard-to-abate sectors like automobile manufacturing, metallurgy, and heavy industries—without requiring major infrastructure changes.

Successful trial runs conducted with both LPG and PNG, demonstrating seamless integration with Rockman's operational setup.

Future-forward strategy

Success of Rockman project enables HFE to

1. Expand hydrogen blending beyond 20%, optimising the furnace operation
2. Scale up technology to multiple industrial applications across C&I customers
3. Collaborate with global technology leaders and policymakers to enhance green hydrogen's economic feasibility
4. Applying this technology in other industrial sectors such as steel, cement, petrochemicals, and glass manufacturing
5. Aligning with India's National Hydrogen Mission for the goal of 5 million metric tons of hydrogen production by 2030

HFE's journey in the sector

Inception

2012
- Commencement of HFE's journey as Hero Group diversifies into clean power
- One of the early entrants to large-scale renewable projects

2013
- Commissioned our 1st Utility (Wind) project

2015
- Commissioned 1st C&I (Wind) project
- Commissioned 1st Utility (Solar) project

2016
- Issued India's first domestic green bond to raise finances
- Onboarded International Finance Corporation (IFC) as shareholder and received infusion of US$ 125 million

Diversification

2017
- Crossed 1 GWp of operational renewable energy capacity

2018
- Commissioned India's first hybrid (solar + wind) project of 87 MWp in Kavithal, Karnataka to serve commercial and industrial customers

2019
- Installed 7.1 MWp of rooftop solar capacity for the Delhi Metro Rail Corporation (DMRC) at 35 stations

2020
- Commissioned 450 MWp solar park at Bhadla, Rajasthan - one of the largest renewable energy plants in the country
- Expanded into international markets (Ukraine)

2021
- Won India's first storage-based tender (EPC) from India's leading power generation company NTPC
- Issued US$ denominated green bonds (US$ 363 million) in Singapore

Expansion

2022
- Onboarded Kohlberg Kravis Roberts & Co. (KKR & Co. Inc.) as shareholder with commitment to infuse equity of US$ 450 million

2023
- Entered Vietnam C&I market
- Won 1st Complex tender (Peak Power)

2024
- Won 1st Firm and Dispatchable Renewable Energy (FDRE) project
- Initiated first-of-its-kind Green Hydrogen project involving blending with LPG and PNG
- Expanded portfolio by securing 2.2 GWp capacity in high-CUF tenders (peak power, load-following and FDRE)

and now

2025
- Signed MoU with the Government of Karnataka to invest ₹11,000 crore for setting up projects in renewable energy, green hydrogen, and its derivatives in the state
- Constructing BESS project in Wrexham, UK for ancillary services and energy arbitrage
- Won 1st RTC project

Our key differentiators

01 Rich legacy
Rooted in the legacy of the Hero Group, we imbibe a culture of trust-based relationships, ethics and transparency.

02 Over a decade of excellence
Over 12 years of committing innovation and operational excellence to India's energy independence.

03 Backing of renowned institutions
We have received funding from world-class institutions like IFC, KKR & Co. in addition to the backing of the Hero Group.

04 Optmising growth with returns
6.5 GWp portfolio, with 1.7 GWh of BESS in addition. Industry leading mix of complex projects.

05 State-of-the-art O&M
Continuously leveraging technology to boost asset productivity through forecasting and predictive maintenance.

06 Deep customer connects
Deep domain expertise and knowledge of local markets, enabling customised solutions for clients.

07 Stable & diverse portfolio
Healthy mix of projects, geographies and off-takers.

08 Safety, compliance & governance focus
Compliance with the highest international standards for governance and safety along with strong risk mitigation processes.

Chairman and Managing Director's message

Rahul Munjal
Chairman and Managing Director

> "We look ahead with confidence in our strategy, our people and the nation's continued commitment to a clean energy future."

Dear Shareholders,

I am pleased to present our Annual Report for FY 2024-25. It was a year in which HFE strengthened its leadership in the renewable energy sector through exceptional project wins, particularly in complex tenders, which remain our core focus.

India's RE market

FY 2024-25 saw India progress steadily toward the 2030 target of 500 GW of renewable energy. Enabled by targeted policies, the country added 30 GW of wind and solar capacity and auctioned over 36 GW of new tenders. India continues to lead in hybrid RE deployment, with nearly 60% of auctions focused on innovative, complex projects.

Demand for renewable energy remains strong, driven by rising consumption, expanding electrification and rapid growth in power-intensive sectors such as AI and data centres. At HFE, we are aligned with these needs and remain focused on developing high-quality and highly efficient power plants.

30 GW
Wind and solar capacity added (India)

36+ GW
Tenders auctioned (India)

Our portfolio

High-CUF complex projects are fast becoming the benchmark for the sector, with realised tariffs comparable to new-build coal plants. I am proud that we are at the forefront, with a future-ready complex projects pipeline of 2.7 GWp + 1.5 GWh BESS under construction and another 1.1 GW + 0.3 GWh under-development.

2.7 GWp + 1.5 GWh
BESS under construction

1.1 GW + 0.3 GWh
Under-development

We also saw increased decarbonisation activity within the Commercial and Industrial (C&I) segment, with more companies pursuing open-access RE procurement. Our diversified 700 MWp C&I portfolio spans operating, under-construction and under-development projects across five states. We work closely with customers to understand their requirements and support their net-zero goals.

Diversified portfolio of
700 MWp
for C&I customers

Spread across
5 states
in India

We continue to follow a disciplined approach to capital allocation and cost control. Timely execution of our utility-scale and C&I projects over the next two years will significantly increase revenue. A substantial portion of our pipeline has achieved financial closure on favourable terms, supported by our strong base of marquee lenders. With a solid balance sheet, improved profitability and a well-diversified portfolio, we are well-positioned for sustained growth and enhanced returns.

Our strategy going forward

Our strategy remains aligned with the evolving energy landscape.
We are building a diversified project pipeline for utility and C&I customers, with a continued focus on high-CUF complex projects that support India's decarbonisation pathway. At the same time, we are strengthening operational performance through advanced analytics, predictive maintenance and digital asset management.

Sustainability and culture

Sustainability sits at the core of our business model. Beyond capacity growth, we measure success through the socio-economic value we create. During the year, we supported communities through remedial education for schoolchildren, skill development for women, and water conservation initiatives. Our solar plants reduced water use by 11% through robotic cleaning and optimised cleaning cycles. We value safety in our approach, supporting our strong performance.

We remain committed to responsible growth, transparency, and creating long-term value that benefits all our stakeholders, including shareholders, employees, partners, contractors, workers, customers and local communities.

Hard-to-abate sectors such as steel, cement, shipping and aviation contribute to over 20% of global CO_2 emissions. Green hydrogen and its derivatives offer a viable pathway for decarbonisation. At HFE, innovation and new technologies are central to our philosophy, and we are building capabilities across the green hydrogen value chain.

Our pioneering furnace-heating green hydrogen plant at Rockman Industries, inaugurated by the Hon'ble Chief Minister of Andhra Pradesh, is a global first blending hydrogen with LPG/PNG. Its successful operation is yielding valuable insights for future projects.

Even as we grow, our operating assets continue to deliver industry-leading availability and efficiency. Our digitised maintenance systems and AI-led interventions have strengthened performance further.

I am extremely proud of my high-calibre team and have full faith in their abilities to meet our targets. Our work culture is rooted in integrity, trust, transparency, meritocracy and an entrepreneurial mindset, with zero tolerance for discrimination. These values are not mere words —we live them in all our actions.

In addition, we also invest in our people's learning and development through programmes such as the Continuing Education Programme, which allows them to become well-rounded professionals and stay on top of the rapidly evolving business environment. HFE has earned the Great Place to Work certification for four years running. The Company has also been recognised among 'Top 100 Best Workplaces for Women, 2024', again by Great Place To Work India, in the mid-size category. These awards are a testimony to the positive culture we have built in the organisation.

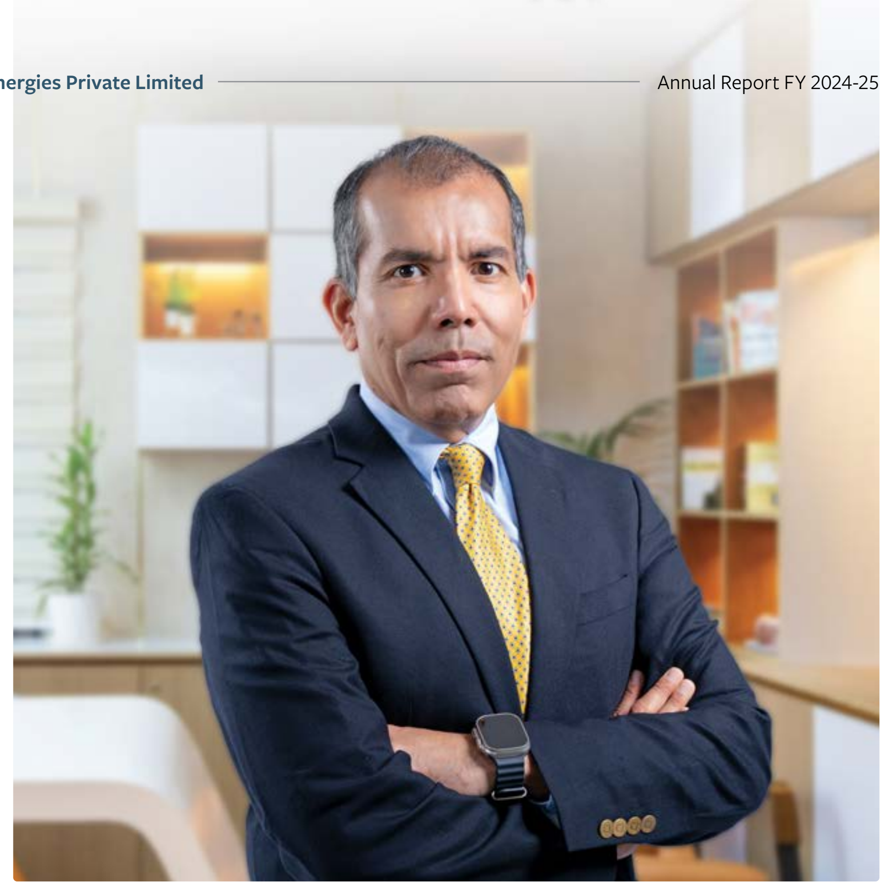
Great Place to Work
for the fourth consecutive year

Recognised as
Top 100 Best Workplaces for Women, 2024

As we look ahead, we do so with confidence in our strategy, our people and the nation's continued commitment to a clean energy future. We thank all our stakeholders for their trust and support as we contribute to next phase of India's renewable energy growth..

Rahul Munjal
Chairman and Managing Director

From the CEO's desk



Srivatsan Iyer
Global Chief Executive Officer

> Our next chapter is about building not just scale, but impact—creating reliable, sustainable energy systems that power progress while delivering long-term value for stakeholders."

FY 2024-25 was a defining year for Hero Future Energies. We set new benchmarks in project execution, pioneered technologies that will shape tomorrow's energy landscape, and expanded our portfolio at scale — all while staying true to our values of safety, sustainability, and people-first leadership. As we prepare for the next chapter in our growth journey, I want to reflect on the milestones we achieved and share my vision for the future.

What does 'Challenging limits, powering ossibilities' mean for HFE, and how did FY 2024-25 reflect this vision?

It is our commitment to push boundaries and unlock opportunities that others might consider impossible. FY 2024-25 was proof of this mindset — from securing our first Round-the-Clock (RTC) power project, to constructing the Doni Hybrid project within 6 months to piloting an industry-first blending use-case for green hydrogen. These achievements show how we are translating ambition into measurable outcomes.

What were HFE's standout achievements and milestones in FY 2024-25?

Four accomplishments stand out:

Execution excellence: The Doni Hybrid Project 125 MW (99 MW Solar/26 MW Wind) was constructed in less than six months, under budget, and with zero safety incidents.

Innovation leadership: With the Rockman pilot, we became one of the world's first developers to blend green hydrogen with LPG commercially.

Portfolio scale-up: Our platform grew to 6.5 GWp of renewable capacity and 2 GWh of storage.

Strategic wins: Landmark RTC and FDRE projects reinforced our position as leaders in complex renewable solutions.

How is HFE evolving from a renewable developer to a fully integrated energy solutions provider?

At HFE, we are building an ecosystem that extends well beyond project development. As an Integrated Power Producer, we deliver comprehensive, in-house capabilities spanning design and engineering, financing, construction, operations and maintenance, and digital performance monitoring—all integrated within our project execution. This cohesive approach enhances our resilience, ensures consistency and quality across the project lifecycle, and enables us to serve as a long-term partner to our customers and communities.
In parallel, we are also advancing a dedicated vertical focused on green hydrogen and its derivatives, aligned with emerging decarbonisation opportunities across hard-to-abate sectors.

What is driving the Company's focus on RTC power, hybrid projects, and green hydrogen?

Because the future demands more than just clean power — it needs reliable, round-the-clock green power and new low-carbon fuels for industries that cannot decarbonise through renewables alone. RTC and hybrid projects provide firm power that can replace fossil-fuel baseload, while hydrogen opens new frontiers in steel, fertilisers, refining, and transport. By investing early, we are shaping tomorrow's markets today.

How is HFE managing rapid scale-up and project complexity?

Scale is an opportunity, not a burden, when approached with discipline. We cluster projects into execution nodes to create synergies and work with Tier-1 supply partners for reliability.
To enhance transparency and accelerate decision-making, we leverage digital tools that provide real-time visibility into project milestones, risks, and progress. This enables timely interventions, efficient execution, and sharper focus on outcomes across our portfolio.
Most importantly, we have built a team with world-class expertise and an entrepreneurial spirit, giving us the ability to deliver complex projects at pace.

How do you sustain a high-performance culture as the company grows?

Our culture is our edge. In 2025, we earned the Great Place to Work certification for the fourth year running, but for us, culture is more than recognition — it is how we operate.
We are investing in diversity, leadership development, and transparent leadership. With 16% women in our workforce and robust learning programmes, we are ensuring that as HFE grows, our people continue to feel empowered, valued, and inspired.

> One of the world's first developers to blend green hydrogen with LPG commercially."

What steps is HFE taking to uphold the highest health, safety & environment standards?

In FY 2024-25, we prevented ~2.3 million tonnes of CO_2 emissions, saved 49 million litres of water through robotic cleaning, and recorded zero lost-time injuries. Our ESG practices are globally benchmarked, and the multiple national and international safety awards we received reaffirm our standards.

What are your priorities and vision for the next phase of HFE's growth?

Looking forward, our priorities are clear:

1. Strengthening governance and financial resilience to support sustainable growth.
2. Expanding and diversifying our portfolio, with a disciplined focus on complex projects, storage, and green hydrogen.
3. Driving innovation leadership in firm, round-the-clock renewable power and next generation decarbonisation solutions.
4. Building trusted partnerships with governments, businesses, and communities to accelerate the energy transition.

Our next chapter is about building not just scale, but impact—creating reliable, sustainable energy systems that power progress while delivering long-term value for stakeholders.

Closing note

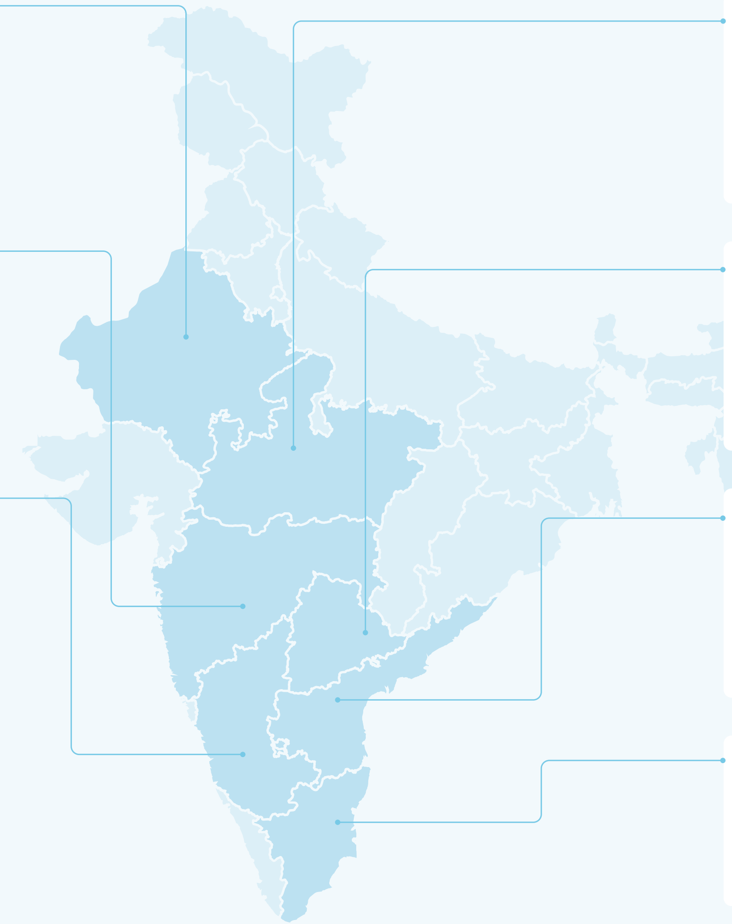
FY 2024-25 proved that when we challenge limits, we unlock possibilities—for our Company, our partners, and the planet. The journey ahead is ambitious, but with the passion of our people, the trust of our stakeholders, and the strength of our vision, Hero Future Energies will continue to lead the clean energy transition with scale, innovation, and purpose.

Srivatsan Iyer
Global Chief Executive Officer

Introduction to HFE

HFE is one of the leading renewable energy Independent Power Producers (IPP)/ developers in India with presence in 14 states in India and four countries. With an operational capacity of 2 GWp and total capacity of 6.5 GWp and storage capacity of 2 GWh, we are actively scaling up our portfolio to meet the growing demand for clean energy. We are a fully integrated player with capabilities spanning project development and financing, to construction, operations and asset management.

Operational projects in India[1]



Rajasthan 7
550 MWp
118 MWp
20 MWp
Total installed capacity 170 MWp

Maharashtra 2
45 MWp
37 MWp
Total installed capacity 82 MWp

Karnataka 8
390 MWp
183 MWp
50 MWp
50 MWp
Total installed capacity 673 MWp

Madhya Pradesh 1
123 MWp
100 MWp
Total installed capacity 223 MWp

Telangana 2
40 MWp
27 MWp
Total installed capacity 67 MWp

Andhra Pradesh 2
50 MWp
120 MWp
Total installed capacity 170 MWp

Tamil Nadu 1
17 MWp
Total installed capacity 17 MWp

Map not to scale.

Utility-scale projects

Reliable, firm and dispatchable green power for utility customers through hybrid, peak power, round-the-clock power and energy storage solutions provided to state DISCOMs.

Read more on Page 17

Commercial and Industrial

Customised open access and rooftop solutions for industrial users for a cost-effective, clean and reliable transition from fossil-fuel based power.

Read more on Page 24

India Utility | India Commercial and Industrial (C&I) | Solar | Wind | Number of projects in each state

Map not to scale.

[1]Excludes rooftop solar of 34 MWp

Capacity overview[1]

6.5 GWp + 2 GWh

Total portfolio size

	Operational (MWp) A	Under-construction (RE-MWp) B	Under-construction (BESS – MWh) C	Under-development (RE-MWp) D	Under-development (BESS – MWh) E	Total Capacity (RE-MWp) A+B+D	Total Capacity (BESS – MWh) C+E
India							
India Utility	1,982	2,680	1,478	1,080	465	5,742	1,943
India C&I	211	176	—	322	—	709	—
International							
United Kingdom	—	—	31	—	—	—	31
Vietnam	2	11	—	—	—	13	—
Ukraine	36	26	—	—	—	62	—
Total	2,230	2,893	1,509	1,401	465	6,524	1,974

[1]As of March 31, 2025.

Business verticals

We have built a robust foundation that spans four key business verticals. From large-scale utility projects that power the nation's grid to bespoke solutions for commercial and industrial clients through our India C&I vertical. We are also expanding our footprint in international markets and exploring future-ready energy solutions such as green hydrogen.

Powering scale, industry, and innovation

India Utility

India Commercial and Industrial (C&I)

International market

Emerging technologies

India Utility

At HFE, our utility business embodies our strategic focus on future-ready renewable energy. Our portfolio is well diversified across technologies, and comprises (i) standalone solar (ii) standalone wind and (iii) complex projects, which integrate one or more renewable energy sources with storage technologies to provide firm power solutions.

Business snapshot[1]

45
Total projects till date (includes operational, under construction and under-development)

6
Indian states with operational presence

88.8%
Contribution to the Group's total revenue in FY25

100%
of 4 GWp + 2 GWh India utility pipeline contracted to AAA/AA+ rated central off-takers

[1] As of March 31, 2025

Direction

- Targeting early-stage ISTS connectivity in strategic zones to secure a first-mover advantage in upcoming tenders.
- Positioned to capture significant share of MNRE's 50 GW annual RE tender pipeline spanning solar, wind, hybrid, and storage.

Strengths

- 4 GWp + 2 GWh utility pipeline, 100% with integrated storage, diversified across high-resource solar and wind zones.
- 100% of utility pipeline contracted with AAA/AA+ rated central off-takers, ensuring predictable cash flows.
- Fully integrated engineering, procurement, and construction capabilities, reducing dependency on third parties and enabling faster, more cost-efficient delivery.
- Pioneering integration of Firm & Dispatchable Renewable Energy (FDRE), Round-the-Clock (RTC) solutions, etc.

Business verticals

Portfolio distribution by technology and stages

	Operational (MWp)	Under-construction		Under-development	
		(RE-MWp)	(BESS – MWh)	(RE-MWp)	(BESS – MWh)
Solar	1,488	—	—	—	—
Wind	494	—	—	—	—
Complex	—	2,680	1,478	1,080	465
Total	1,982	2,680	1,478	1,080	465

Business development strategy

We adopt a prudent and structured approach towards project selection and bidding for utility-scale projects. As our guiding principles, we employ disciplined bid-selection criteria that focus on land and connectivity availability, pre-bid resource assessment, and detailed costing with Bill of Quantities (BOQ).

Guiding principles	Tenets of selection
Pre-bid feasibility study	Before bidding, we ensure land is secured and in-principle grid connectivity is obtained to minimise development risks and enable timely project execution. We also complete all resource assessments and micro-siting activities in advance.
Credit history of the offtaker	We enter into PPAs with central off-takers that have a strong credit rating of AAA or AA+. This ensures financial reliability and long-term project viability. As of March 31, 2025, 100% of our 4 GWp + 2 GWh Indian utility pipeline is contracted to such off-takers.
Threshold returns	Additionally, we assess threshold returns and pursue project bids that offer target returns in the high teens.

Solar projects

Our operational utility-scale solar assets are primarily contracted with Solar Energy Corporation of India and state DISCOMs across Madhya Pradesh, Karnataka, Rajasthan, Telangana, and Andhra Pradesh.

Key projects

- Gulbarga, Karnataka (220 MWp)
- Bhadla, Rajasthan (449 MWp)
- Bhadla-2, Rajasthan (375 MWp)
- Tumakuru, Karnataka (198 MWp)
- Ratlam, Madhya Pradesh (32 MWp)
- Sehore, Madhya Pradesh (58 MWp)
- Agar, Madhya Pradesh (48 MWp)
- Hiriyur, Karnataka (11 MWp)
- Medak, Telangana (43 MWp)
- Chittoor, Andhra Pradesh (54 MWp)

Wind projects

Our operational utility-scale wind projects are contracted with state DISCOMs across Andhra Pradesh, Madhya Pradesh, Karnataka, Maharashtra, Rajasthan and Telangana. With a total capacity of ~496 MW, these assets are secured by long-term 25-year PPAs and deliver reliable power from resource-rich zones.

Key projects

- Dhar, Madhya Pradesh (100 MW)
- Anantapur, Andhra Pradesh (120 MW)
- Bijapur, Karnataka (50 MW)
- Satara, Maharashtra (30 MW)
- Sangareddy, Telangana (27 MW)
- Sangli, Maharashtra (34.5 MW)
- Pratapgarh, Rajasthan (38 MW)
- Jaisalmer, Rajasthan (40 MW)
- Barmer, Rajasthan (40 MW)

Business verticals

Complex projects

Over the years, we have shifted our focus from single-technology projects to multi-technology integration as seen in the growth of our Complex Projects business, that are aligned with national priorities for grid reliability and dispatchable clean power.

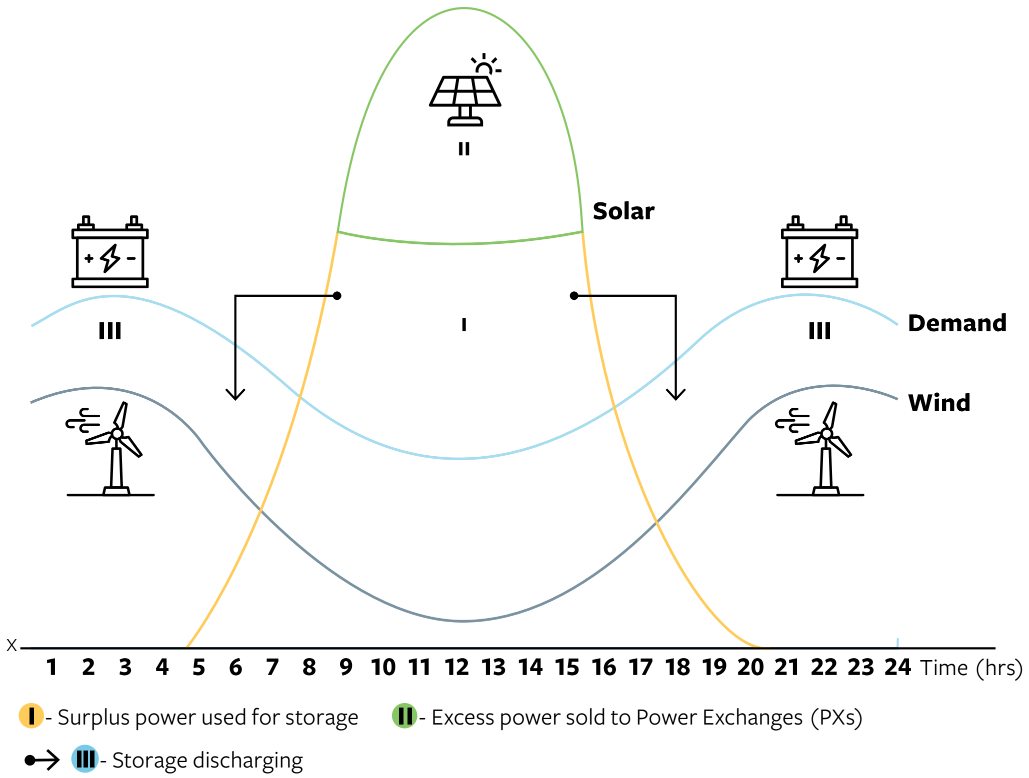
Our solutions include Firm & Dispatchable Renewable Energy (FDRE), Round-the- Clock (RTC), and Peak Power projects, designed to meet diverse off-taker requirements with high CUF and tailored generation profiles. We adopt a disciplined bidding strategy, focused on projects aligned with our return benchmarks. With over a decade of experience in wind and early leadership in hybrid integration, we continue to pioneer complex, storage-backed projects that strengthen grid reliability and deliver superior returns.

Complex projects, by combining energy storage capabilities with wind and solar technologies, mitigate the intermittent nature of these resources. Underlying our approach to all Complex Projects are two key pillars.

First, we ensure dispatchability: our systems can follow intra-day demand variations, maintain continuous firm power, or deliver fixed-hour supply as needed. Second, we prioritise firmness by achieving a high level of predictability throughout the day or during specified identified hours.

We build in operational flexibility to accommodate multiple daily ramp-ups and ramp-downs or more uniform profiles as required. We have robust systems to minimise penalties for profile deviations and to meet high CUF expectations.

Profile and generation mix for an illustrative complex project



Not by scale, simplified for representation

A further driver for Complex Projects is cost competitiveness. The total cost of dispatchable renewable energy (including storage) is now competitive with new-build fossil generation, while better utilising fixed transmission infrastructure. Furthermore, complex projects allow for a higher utilisation of fixed transmission infrastructure. This focus on dispatchable power makes these advanced solutions more viable and attractive in the current market landscape and is driving the prominence of complex tenders. This is evident in the growing share of complex renewable energy tenders from 32% in FY 2020-21 to 59% in FY 2024-25.

As of March 2025, ~4.2 GWp of our portfolio integrates storage, underscoring our leadership in delivering reliable and firm clean power. By combining wind, solar, and storage, Complex Projects reduce intermittency, optimise transmission assets and are now cost-competitive with new-build fossil generation.

Winning record

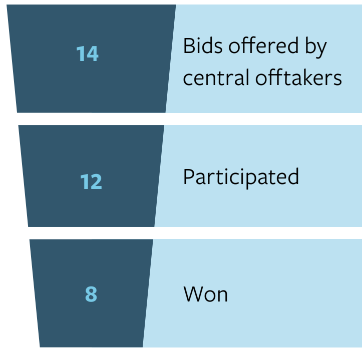
We have a demonstrated track record in winning Complex Projects tenders through a disciplined and strategic approach to bidding.

Out of a total of 14 bids offered by central off-takers between April 2021 and March 2025, we evaluated each opportunity carefully, considering the tender specific terms of the power purchase and sale agreements, the competitive environment, and technology specifications. Furthermore, we pursued only those projects that met our return thresholds and avoided bids where financial or strategic benchmarks were not met. We participated in 12 of the bids during this period.

This reflects our deliberate focus on projects that align with our broader strategic objectives, rather than indiscriminate bidding. We successfully won 8 of the participated bids, resulting in a bid-win rate of 75%.

75%

Bid-win ratio between April 2021 and March 2025



Range of complex projects undertaken across our four central government off-takers

	Category	Credit Rating	Pipeline RE Capacity (MWp)	Planned Battery Capacity (MWh)
SECI	RTC	AAA	1,492	1,253
SJVN	FDRE	AA+	1,565	440
NTPC	Peak Power	AAA	373	120
NHPC	Peak Power	AAA	330	130
Total			3,760	1,943

Business verticals

FY 2024-25 connectivity and bidding activity

Connectivity

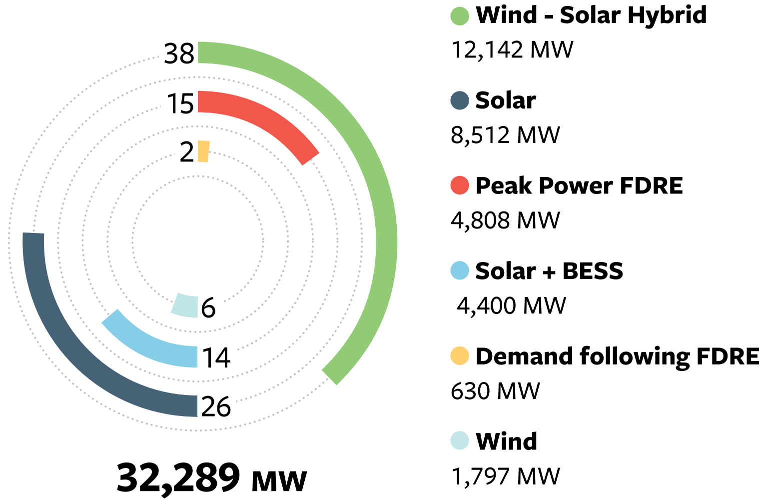
The year marked a sharp uptick in Inter-State Transmission System (ISTS) connectivity applications, with 123 GW of capacity approved across India. This underscores the surge in RE development and the growing importance of transmission access.

The Southern Region led with 44.5 GW, followed by 42.5 GW in the North and 36 GW in the West. This milestone strengthens our ability to participate in future tenders with pre-approved connectivity in place.

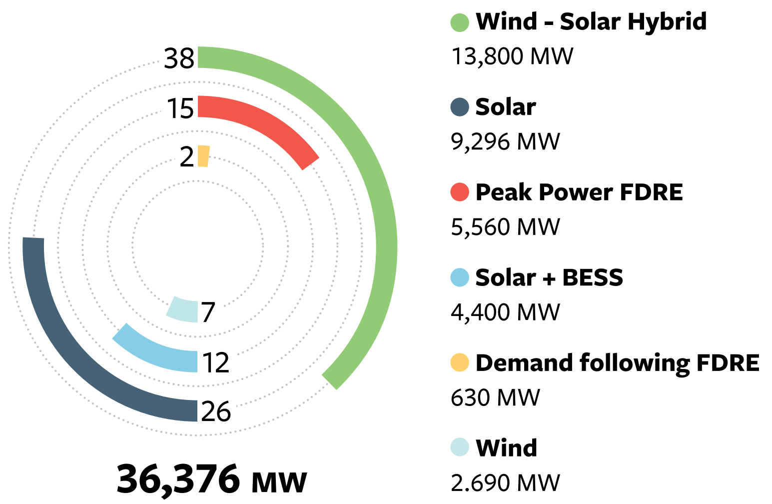
Tenders

FY 2024-25 was a record year for tender wins, driven by active participation across categories such as peak power FDRE and Solar + ESS. We secured 860 MW of capacity, including a green shoe option of 120 MW that we exercised. In the overall market for awarded capacity, plain vanilla wind accounted for just 1%, but it continues to play a key role within hybrid and dispatchable solutions like peak power and RTC.

FY 2024-25, capacity awarded, capacity (%)



FY 2024-25, capacity tendered & closed, capacity (%)



Under-construction utility

	Project Name	Off-taker	State	Category	Tariff units	Contracted Capacity (MW)	Installed Capacity (RE) (MWp)	Installed Capacity (BESS) (MWh)
1	SJVN FDRE-I 120MW	SJVN	Andhra Pradesh	Peak Power	4.39	120	Solar: 251 | Wind: 145	150
2	SJVN FDRE-I 150MW	SJVN	Karnataka	Peak Power	4.38	150	Solar: 297 | Wind: 178	200
3	SECI Hybrid T-6 120MW	SECI	Andhra Pradesh	Peak Power	4.72	60	Solar: 113 | Wind: 79	60
4	SECI Solar + BESS T-15 250MW (2h)	SECI	Karnataka	Peak Power	3.42	250	Solar: 428	280
5	NHPC FDRE-I 100MW	NHPC	Karnataka	Peak Power	4.63	100	Solar: 185 | Wind: 145	130
6	SJVN FDRE-II 120MW	SJVN	Andhra Pradesh	Peak Power	4.25	120	Solar: 195 | Wind: 152	45
7	SECI Solar + BESS T-17 270MW (4h)	SECI	Gujarat	Peak Power	3.52	270	Solar: 512	613
	Total					**1,070**	**1980 | 700**	**1478**

Under-development utility

	Project Name	Off-taker	State	Type Category	Tariff	Contracted Capacity (MW)	Installed Capacity (RE) (MWp)	Installed Capacity (BESS) (MWh)
1	SECI Hybrid T-6 120MW	SECI	Andhra Pradesh	Peak Power	4.72	60	Solar: 178 | Wind: 23	240
2	NTPC FDRE-I 120MW	NTPC	Gujarat	Peak Power	4.69	120	Solar: 218 | Wind: 155	120
3	SECI FDRE-IV 100MW	SECI	Gujarat	FDRE	4.98	100	Solar: 60 | Wind: 99	60
4	SJVN FDRE-II 120MW GS	SJVN	Andhra Pradesh	Peak Power	4.25	120	Solar: 195 | Wind: 152	45
	Total					**400**	**651 | 429**	**465**

Business verticals

India Commercial and Industrial (C&I)

Our B2B offerings enable MSMEs and corporates to advance their decarbonisation goals through customised renewable energy solutions. These range from tailored onsite solar systems to offsite open-access power. By integrating advanced energy storage systems, we will ensure a firm and dispatchable supply of renewable energy, enhancing the reliability and stability of clean energy supply to the C&I customers. We will also continue to develop behind-the-meter projects for some key clients as part of their decarbonisation and net-zero roadmaps.

Business snapshot[1,2]

4

Indian states with operational presence

9.2%

Contribution to the Group's total revenue in FY25

100%

Under-construction projects with connectivity secured

[1]As of March 31, 2025

[2]Excluding rooftop business

Direction

- Targeting larger share of the 1+ GW annual C&I open-access additions market.
- Expanding on the Rockman project to explore GH_2 for industrial decarbonisation across sectors.
- Engaging with policy makers to address transmission bottlenecks and regulatory hurdles.
- Leveraging advanced energy management tools to maximise efficiency and enable deeper decarbonisation.
- Continue to evaluate new states for expansion which are resource rich and where the regulatory framework is supportive.
- Use advanced energy storage systems to provide a reliable, stable supply of renewable energy.
- Continue developing behind-the-meter projects for key clients as part of their net-zero strategies.

Strengths

- Sizeable operational C&I portfolio of approximately 211 MWp[2].
- Onsite solar (rooftop, ground-mounted, carports), offsite wind, and hybrid open-access projects.
- Relationships with marquee corporates, metros, and institutions.
- India's first commercial green hydrogen project integrated with rooftop solar.
- HFE holds the distinction of executing India's first Wind Solar hybrid project (87 MW) at Kavithal, Karnataka.

[2]As on March 31, 2025

Portfolio distribution by stages

708 MWp

Total capacity of India C&I projects (including operational, under-construction and under-development)

	Operational (MWp)	Under-construction (MWp)	Under-construction (BESS - MWh*)	Under-development (MWp)	Under-development (BESS - MWh*)
India C&I	211	176	—	322	—

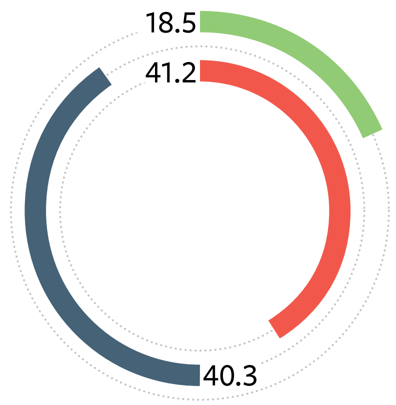
100%

of our under-construction and under-development projects in India C&I are group captive

5

States targeted for growth based on key drivers

Distribution of the operational India C&I portfolio (%)



Standalone Wind
39 MWp

Standalone Solar
85 MWp

Hybrid projects
87 MWp

Project development strategy

Pre-development

Tying up land and related orders, approvals and mapping customer potential

Early development

Construction of evacuation infra, tying up PPAs with anchor customers, securing major contracts

Towards completion

Fast track execution, securing full off-take, achieving CoD

Business verticals

Hybrid projects

Our hybrid energy solutions integrate solar and wind power to deliver self-sustaining, cost-effective systems that help businesses significantly reduce carbon emissions. Beginning with India's first 87 MWp hybrid project in Kavithal, Karnataka, we have expanded our portfolio to include multiple open access projects that combine competitive tariffs with high reliability.

Projects

- Kavithal, Karnataka (87 MWp)

Standalone wind projects

Our off-site wind energy solutions offer operational flexibility, allowing businesses to participate in the clean energy transition even where on-site wind installations are not feasible.

With operational wind farms in Tamil Nadu and Rajasthan, we have partnered with leading organisations to deliver consistent renewable power through the Open Access Model.

Projects

- Tirunelveli, Tamil Nadu (17 MWp)
- Jaisalmer, Rajasthan (20 MWp)

Standalone solar projects

We offer tailored solar energy systems to our industrial and commercial clients. Our onsite portfolio spans rooftop solar, ground-mounted arrays, and solar carports, enabling clients to reduce operating costs and optimise their energy mix.

Key projects

- Ashwamedha, Karnataka (29 MWp)
- Bellary, Karnataka (22 MWp)
- Jammalamadugu, Andhra Pradesh (20 MWp)
- Delhi, Noida & Ghaziabad (7 MWp)
- Killworthy, Telangana (5 MWp)

End-to-end energy transition partner

We partner with a diverse range of commercial and industrial (C&I) clients, including Micro, Small, and Medium Enterprises (MSMEs) and large corporates, to help them achieve their decarbonisation goals. We offer integrated solutions,including personalised net-zero assessments, advanced energy management to optimise demand and supply, and access to carbon credits and offsets to facilitate carbon neutrality.

Our clients range from institutions to industries. Approximately 40% of our off-take in the C&I segment comes from credit-rated corporates, enabling reliable revenue generation and long-term relationships. Each engagement enhances portfolio diversity while helping clients meet their unique energy needs.

Industry

- Construction
- Automotive
- Energy
- Consumer goods
- Information technology

Metro

KOCHI METRO RAIL LIMITED

Educational institutes

NISE

G D GOENKA UNIVERSITY

DELTECH

FY 2024-25 activities

Key wins

- Commissioned first Group Captive Open Access in Karnataka; the Ashwamedha 20 MW (29 MWp) project in November 2024.
- Commissioned first GH_2 project at the Rockman site. A combination of 1.2 MWp rooftop solar and 300 kW electrolyser, this is India's first commercial scale GH_2 blending with LPG/PNG.
- A 5.2 MWp rooftop project is located at the Action Tesa plant in Uttarakhand, a leading player in the furniture industry.
- Advanced project development at Maharashtra and Haryana, along with land bank creation in key states to aid future projects.

Industry and policy updates

- FY 2024-25 is a key year where banking norms have started undergoing drastic changes.
  - Tamil Nadu and Andhra Pradesh have adopted a 15-minute block for energy accounting. Surplus generation within this block becomes banked energy (subject to charges and a monthly use limit). This regulatory shift now demands highly accurate load forecasting to optimise the cost-effectiveness of Renewable Energy (RE) purchases.
  - Hybrid solutions are now a mandatory requirement for new RE project sizing, and BESS integration is essential for consumers aiming for higher offsets, reflecting the market's shift toward firm power. This growth is accelerated by government mandates, including a new requirement for co-located two-hour energy storage equivalent to 10% of installed solar capacity.

Business verticals

International markets

We operate in diverse global markets, leveraging our expertise to develop innovative solutions tailored to local energy landscapes and business needs. From pioneering new technologies to expanding our C&I portfolio, our strategic approach enables us to address unique market demands while building a future-ready, sustainable energy business.

United Kingdom

Our strategic focus in the UK is on developing new technical solutions and business models for potential future use in the Indian market. By leveraging the expertise and mature energy infrastructure of the UK, we aim to be at the forefront of innovation, preparing for similar opportunities as they emerge in India. We have commenced construction on our first energy storage project, which has a capacity of 19.8 MWh.

A key area of emphasis is battery storage solutions, with the specific goal of participating in the energy arbitrage market through established energy exchange platforms. This allows us to buy and store energy when prices are low and sell it back to the grid during peak demand, optimising value and contributing to grid stability.

Vietnam

In Vietnam, we are focused on expanding our C&I portfolio, capitalising on the significant potential for scaling up to larger projects. The country presents a dynamic market where businesses are increasingly looking to lower their operational costs and adopt cleaner energy sources. Our solar rooftop portfolio, with a capacity of ~13 MWp[1], is designed to cater to this growing C&I market, providing bespoke solutions that help companies meet their energy demands efficiently and sustainably. We continue to explore new opportunities to support businesses in their transition to renewable energy.

[1]As on March 31, 1.8 MWp was operational and 11.3 MWp was under construction.

Ukraine

As on March 31, 2025, 35.8 MWp of solar capacity is operational and 25.7 MWp is under construction.

Emerging technologies

HFE is advancing next-generation clean energy through breakthroughs in green hydrogen. Our green hydrogen initiatives open decarbonisation pathways for hard-to-abate sectors. We are unlocking this potential through cutting-edge pilots, industry partnerships, and scalable infrastructure development building a robust value chain that positions us at the forefront of the hydrogen economy.

Business activities

We are well positioned as a low-cost renewable energy provider for Green Hydrogen production and have established strategic uses cases in partnership with industry leaders across the entire green hydrogen value chain.

We are collaborating with leading businesses in hard-to-abate sectors (i.e. applications of fossil fuels that cannot be directly electrified using renewable energy) on innovative and scalable use cases for green hydrogen deployment.

- **Grey to green for industries:** Replaces carbon-intensive hydrogen with renewable green hydrogen to reduce emissions in industrial processes (refineries, fertiliser, chemical, etc.).
- **Blending hydrogen with NG/LPG for furnace/boiler applications:** Lowers carbon footprint by blending green hydrogen with conventional fuels for cleaner combustion.
- **Long haul/heavy-duty mobility:** Provides a sustainable, zero-emission fuel alternative for trucks, buses, and other heavy-duty vehicles.
- **DRI for low carbon steel:** Enables the production of steel with significantly reduced carbon emissions through hydrogen-based direct reduction of iron.
- **Hydrogen for refineries/ fertiliser/chemical industries:** Offers a sustainable alternative for fertiliser production and serves as an efficient hydrogen storage and transport medium.
- **Power generation from hydrogen:** Powers turbines or fuel cells for clean electricity generation without carbon emissions.
- **Shipping applications (Green methanol):** Acts as a low-carbon alternative fuel and feedstock for chemicals, supporting decarbonisation efforts in various sectors like shipping.

Our strong commercial and industrial relationships and expertise position us well to drive these solutions. We operate on the Build-Own-Operate as well as Engineering, Procurement and Construction (EPC) models.

Key projects: Rockman Tirupati

The green hydrogen project at Tirupati is the first of its kind in the world, blending green hydrogen and LPG. The project required no burner modifications and reduces carbon emissions substantially. The project includes a 300 kW PEM electrolyser powered by a 1.1 MWp rooftop solar plant. It can blend up to 10% green hydrogen with LPG and 3% with PNG.

Case study

IIT Bbs R&D Project – DST programme for setting up Hydrogen Valley Innovation Cluster (HVIC)

We are executing a pilot project to demonstrate hydrogen blending in industrial applications and optimise costs through renewable energy-linked electrolyser configurations.

An alkaline electrolyser with a co-located solar plant will generate hydrogen for use in the following three applications: direct reduction of iron, de-sulphurisation in refineries, and the retrofitting of mining trucks with dual-fuel engines (Diesel and GH_2). It involves a reduction of carbon footprint by switching from conventional steel to green steel, replacement of grey H_2 by green H_2 for de-sulphurisation, and reduced use of diesel.

We have also been selected under the Department of Science and Technology's (DST) 'Hydrogen Valley Innovation Cluster Initiative' to conduct techno-economic feasibility studies for scalable, industrial-grade green hydrogen models.

Operating context

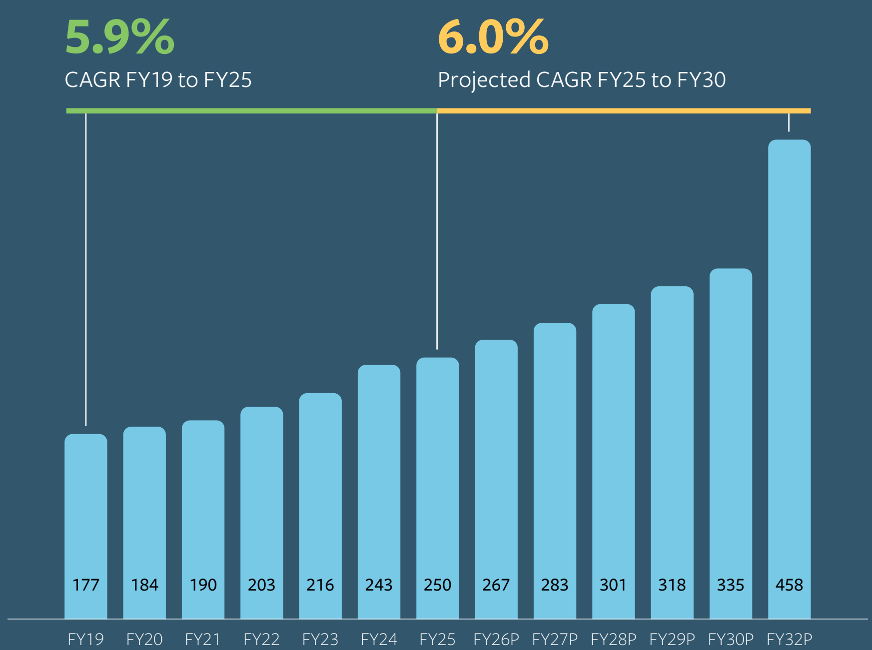
The Indian renewable energy market is witnessing robust growth, driven by soaring energy demand, ambitious national carbon reduction targets, and supportive policy frameworks. This expansion is unlocking significant opportunities across the country to integrate RE capacities into the grid, enhance efficiency, and accelerate the adoption of clean energy solutions. HFE is attractively positioned to operate in this evolving industry landscape.

Economic growth-driven demand

Between CY 2019 and CY 2024, India recorded growth rates of approximately 4.7% in electricity demand. While base energy demand[1] has moderated in recent years following the COVID-19 pandemic, India's peak power demand[1] has risen at a CAGR of 5.9% over the past seven years. This growth is forecasted to reach 458 GW in FY 2032. India's per capita electricity consumption remains well below the global average (Global: 3.8 MWh in CY 2025, India: 1.4 MWh) that of other major and developing economies.

The surging peak power demand shifts the core opportunity from generating intermittent renewable energy to deploying dispatchable, premium storage and hybrid solutions, capturing greater value by ensuring grid reliability.

Peak energy demand over the years[2]



P = Projected

[1]Source: International Energy Agency (IEA)

[2]Source: CEA and Ministry of Power (PIB)

The upward trajectory is underpinned by multiple structural drivers: robust GDP growth of 6.5% in FY 2024-25[3], accelerating industrialisation with the sector already accounting for 41.2% of total electricity consumption, and the unlocking of latent demand as infrastructure bottlenecks are resolved.

Rapid urbanisation, now encompassing over 35% of the population, together with rising disposable incomes, is expected to drive a two- to sixteen-fold surge in air conditioning demand. By 2030, cooling equipment is expected to contribute one-third to the peak electricity load in India, potentially reaching 140 GW.[4] This will place considerable stress on peak load management, underscoring the need for advanced residential demand management strategies. In FY 2024-25, India achieved a zero-peak demand-supply deficit, representing the sector's strengthened generation and transmission capabilities, as well as the resilience of the nation's expanding electricity infrastructure.

Drivers

Drivers					
Strong GDP growth that is highly correlated to power demand	Electrification of road and rail transport	Emergence of data centres, EVs that are highly power intensive	Rising urbanisation and disposable income	Government incentivising manufacturing and infrastructure	Green hydrogen and industry decarbonisation

HFE's response

Strong GDP growth, closely correlated with electricity demand, is being reinforced by the electrification of road and rail transport, the expansion of power-intensive sectors such as data centres and electric vehicles, and rising urbanisation and disposable incomes.

Government incentives for manufacturing and infrastructure, coupled with the transition toward green hydrogen and industrial decarbonisation, are expected to structurally strengthen long-term power demand. As on March 31, 2025, we have a total renewable energy portfolio of approximately 6.5 GWp (excluding 1.7 GWh BESS).

[3]Source: Press Information Bureau (PIB)

[4]Source: IEA Electricity 2025

Operating context

Supportive policy landscape-driven RE capacity mix, led by solar

To meet the country's surging power requirements, India has adopted a multi-pronged approach that expands both renewable and thermal energy capacity. These measures align with India's Panchamrit commitments announced at COP26, targeting 500 GW of non-fossil fuel energy capacity and net-zero emissions by 2070, enforcing a long-term vision for sustainable energy development.

The Panchamrit commitments

India's Panchamrit initiative sets five medium- and long-term targets to reduce carbon emissions and promote sustainable growth

- Achieve 500 GW of non-fossil fuel energy capacity by 2030
- Meet 50% of energy requirements from renewable sources by 2030
- Reduce projected carbon emissions by one billion tonnes by 2030
- Lower the carbon intensity of the economy to less than 45% by 2030
- Achieve net-zero emissions by 2070

Launched in FY 2009-10, the National Solar Mission has been instrumental in expanding solar capacity. Under Phase II Batch II Tranche I, 3,000 MW was commissioned. The Solar Energy Corporation of India (SECI) has since tendered ~7 GW under Phase II Batches III and IV through state-specific Viability Gap Funding (VGF). Additionally, SECI has begun tendering projects outside the Jawaharlal Nehru National Solar Mission (JNNSM) under the Inter-State Transmission System (ISTS) scheme, with ~35 GW (including hybrid projects) already tendered and allocated.

Central Public Sector Undertakings (CPSUs) are playing a crucial role in India's energy transition. The government has encouraged these financially strong entities to invest in renewable energy, extending the CPSU programme under the JNNSM to 12 GW in February 2019. Major players like NTPC, NHPC, and Indian Railways are making significant commitments to expand their renewable energy capacities, with other PSUs also expected to contribute to this momentum.

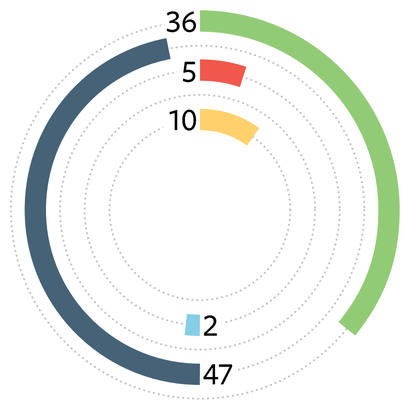
State-level policies have further bolstered capacity expansion, with ~27 GW of projects under construction and expected to be commissioned between FY 2025-26 and FY 2029-30. Based on tenders floated by states as of February 2025, another ~12 GW of solar capacity is expected to come up for bidding during the same period.

It is expected that the installed renewable energy capacity outlook in the C&I market will increase by a CAGR of 13-14% from 42 GW in the FY 2024-25 to 78-80 GW in FY 2029-30.

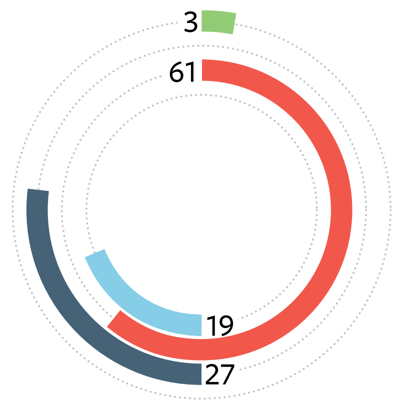
Capacity growth outlook[5]

Between FY 2019-20 and FY 2024-25, India's total installed generation capacity grew at a CAGR of 5.1%, while renewable energy sources (excluding large hydro) grew at 14.6%. Solar capacity saw the sharpest increase, with a CAGR of 25% during this period. India's ranks fourth worldwide for its total installed renewable energy capacity of 221 GW. As of March 2025, India's total installed power generation capacity stood at 475 GW. This figure included 220.10 GW of installed Renewable Energy (RE) capacity, with solar power contributing ~106 GW. This represented a substantial year-on-year increase from the 190.57 GW recorded previously. The accelerated pace of growth is set to continue, as the projected increase in RE capacity (excluding large hydro) is estimated to be over 180 to 190 GW, led by solar (155 to 160 GW), followed by wind (25 to 27 GW), and other RE sources (2 to 3 GW).

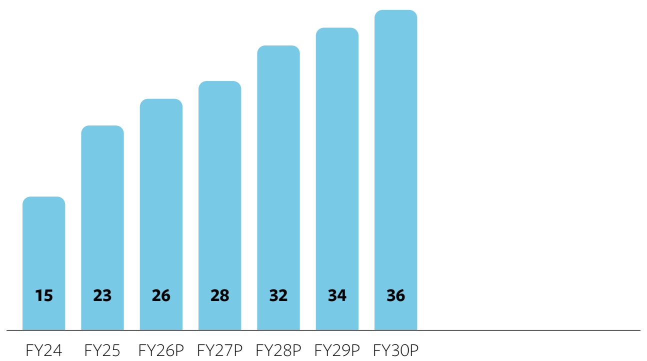
Installed generation capacity as of March 2025 (%)



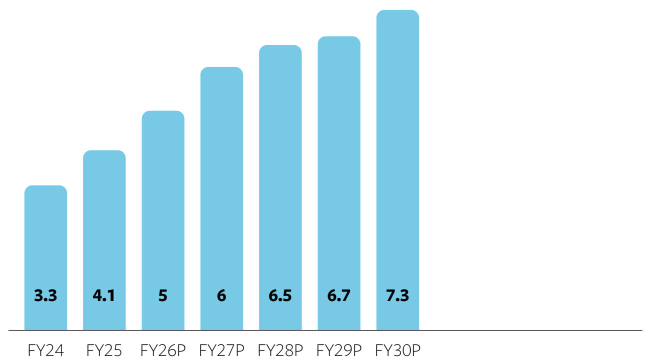
Installed RE capacity as of March 2025 (%)



Year-wise expected annual solar capacity additions (GW)



Year-wise expected annual wind power capacity additions (GW)



Source: CRISIL Intelligence

HFE's response

Through selective participation in tenders and strong discipline in bidding, we have successfully secured a portfolio of >5 GWp of under-construction projects with highly attractive returns.

We also plan to significantly expand our presence in the C&I segment, catering to the growing demand for decarbonisation among corporations. We will continue to focus on expanding our Complex RE Solutions portfolio in India's utility-scale renewable energy market.

[5] CEA

Operating context

Increasing scale and potential of complex renewable projects

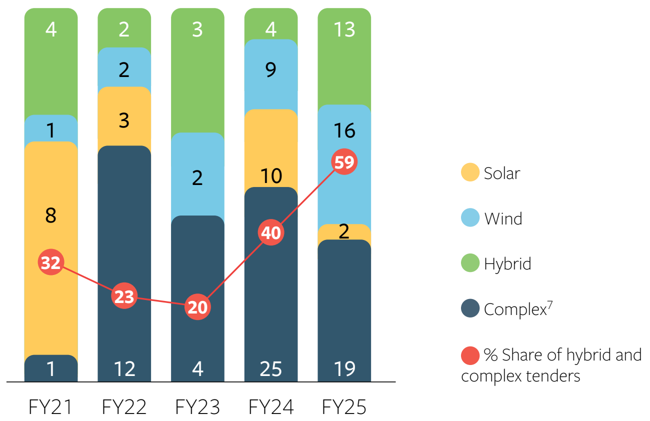
On May 14, 2018, the Ministry of New and Renewable Energy (MNRE) introduced the National Hybrid Policy, which helped create a broad classification for RE projects in India.

RE Projects

- **Plain vanilla Wind/Solar**
- **Hybrid (Wind+Solar)**
- **Complex hybrid (Wind+Solar+Storage)**
  - **Firm power**
  - **Round-the-Clock (RTC)**
  - **Peak power**

India has immense untapped renewable energy potential, but its variable nature - solar during the day, wind at certain times - presents a challenge to maintaining a stable power supply. To address this, Energy Storage Systems (ESS) have become crucial, particularly within complex projects that combine wind, solar, and storage. These systems store excess energy and release it during peak demand, ensuring a reliable, round-the-clock power supply and a higher Capacity Utilisation Factor (CUF). While the share of complex Renewable Energy (RE) projects in total tendered renewable capacity in operation has grown from 32% in FY 2020-21 to 59% in FY 2024-256, significant potential remains to be unlocked.

Tendered annual RE capacity mix over the years



119 GW out of 748 GW

Installed solar capacity out of estimated solar capacity potential[7] as of July 2025

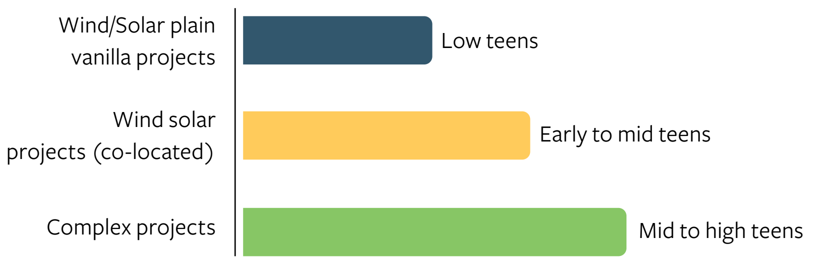
52 GW out of 696 GW

Installed wind capacity out of estimated wind capacity potential[8] as of July 2025

By providing a continuous supply of electricity, these projects offer a higher return[9] at a tariff of ₹4-5 per unit, despite higher initial costs.

Higher the integration, higher the returns

Indicative Equity IRRs



Includes only utility scale tenders concluded during the year

[7]Complex tender includes FDRE & peak power tenders

Source: Central and State nodal agencies

[6]Source: Central and State nodal agencies, CRISIL Intelligence

[7]Source: National Institute of Solar Energy (NISE)

[8]Source: National Institute of Wind Energy (NIWE)

[9]As compared to ISTS connected plain vanilla solar and wind projects between ₹2.5-2.7/ kWh and ₹3.0 – 3.5/kWh in FY 2023-24 and FY 2024-25

[10]Source: National Renewable Energy Laboratory

ESS is the key to unlocking the full potential of renewable energy, evident from the surge in their tenders from 1.3 GWh in 2022 to 21.5 GWh by March 2025. Firm power tenders require a constant and reliable supply of renewable power. These tenders have specific requirements regarding power availability, delivery during peak times, or following a particular load profile. Round-the-Clock (RTC) tenders aim to ensure a continuous supply of renewable energy, demanding high availability from the power sources. Peak Power Supply (PPS) tenders are designed to meet energy demands during the busiest times of the day, typically requiring renewable energy to be supplied for four hours each day.

Key drivers of ESS adoption

A supportive policy and regulatory environment, coupled with rapid technological advancements, are accelerating the adoption of ESS. In February 2025, the Ministry of Power (MoP) issued a mandate requiring new solar projects to incorporate co-located ESS to enhance grid stability. This, along with higher Renewable Purchase Obligation (RPO) targets, is creating a strong policy push for storage. Simultaneously, the energy storage sector is benefitting from falling costs and continuous innovation. The cost of lithium-ion batteries has dropped significantly from around \$160-\$170 per kWh in 2020 to \$110-\$120 per kWh in 2024 making Battery Energy Storage Systems (BESS) an increasingly attractive and viable option for complex projects. This trend is expected to continue, further strengthening the economic case for ESS in India's energy transition.

HFE's response

Over the years, we have gradually shifted our focus from single-technology projects to integrating multiple technologies within individual projects. Through these complex projects, we support our off-takers with tailored, integrated energy solutions that blend renewable generation with storage for maximum flexibility and grid integration. Our increased focus on complex projects is also driven by their inherent potential to generate higher returns. We have 59% of complex projects (as a percentage of total capacity), highest among our industry peers who have average of 24%

59%

Share of complex hybrid projects in HFE's total portfolio

The green hydrogen opportunity

India is the world's third-largest producer and consumer of hydrogen, behind China and the United States. Its current annual production of around 6.5 million metric tonnes is primarily grey hydrogen, made from natural gas, and is mainly used in oil refineries and for fertiliser production. To recognise the overarching objective, Government of India launched the National Green Hydrogen Mission. The mission, with a financial outlay of ₹19,744 crore until FY 2029-30 aims to establish the country as a global hub for green hydrogen, improve energy independence, reduce emissions, and create jobs. Considering the renewable energy potential and the enabling framework proposed under the Mission, India's Green Hydrogen production costs are expected to be among the lowest in the world.

India's National Green Hydrogen Mission has several key objectives. By 2030, the country aims to have the capacity to produce 5 MMTPA of green hydrogen, which would decrease its reliance on imported fossil fuels. This production could even double to 10 MMTPA if export markets expand. The mission is projected to attract over ₹8 lakh crore in investment and create more than 600,000 jobs. Furthermore, it's expected to reduce India's fossil fuel import bill by ₹1 lakh crore and add over 100 GW of renewable energy capacity, which would lead to an annual reduction of 50 $MTCO_2$ emissions.

HFE's response

Being a first mover allows us to operate in markets with higher potential returns before they become overly commoditised. This strategy resulted in us being among the first to win complex RE Solutions with attractive returns in utility tenders.

Green hydrogen has the potential to become a major component of global energy systems. It plays a crucial role in decarbonising sectors that are traditionally 'hard to abate', such as heavy industry and long-haul transportation.

Global CFO's insights

Benjamin Paul Fraser
Global Chief Financial Officer

"With a strengthened balance sheet, improved profitability, and a diversified portfolio, Hero Future Energies is well-positioned for sustainable growth and enhanced financial returns."

I am pleased to report on our strong financial performance in the year ended March 31, 2025. We increased our total income for the year while taking important steps for the execution of our under-construction portfolio to substantially improve our profitability over the next few years. These efforts have laid a solid foundation for executing our ambitious growth plans while maintaining a sustainable financial profile in line with our long-term strategy.

Increased total income

In FY 2024-25, total income increased to ₹16,631 million, up from ₹16,216 million in the previous year despite slightly lower revenue from operations due to the level of solar and wind resource. Other income was boosted by ₹569 million due to a court order restoring the original tariff and the refund of liquidated damages with respect to Clean Solar Power (Tumkur) Private Limited.

Revenue diversification and collection efficiency

Our revenue streams remain well diversified across solar, wind, and hybrid projects, with operations spread across several states. Revenue collections improved, with receivables declining to ₹5,437 million from ₹5,880 million, and receivable days improving to 135 from 143.

The completion of our under-construction portfolio will improve the robustness of our revenue streams further. We have signed long-term PPAs with SECI, SJVN, NHPC, and NTPC for various peak power and FDRE projects at competitive tariffs. These off takers are rated AAA or AA+ by leading agencies, indicating high credit quality that will further enhance our revenue stability.

Disciplined control of operational costs

We have maintained a disciplined control of operational costs even while increasing our expenditure to both carry out the necessary O&M activities to efficiently manage the growing operating portfolio (O&M expenses – FY 2024-25: ₹1,177 million, FY 2023-24: ₹1,068 million) and to hire more employees (Employee benefits expense – FY 2024-25: ₹915 million, FY 2023-24: ₹745 million).

Disciplined control of finance costs

The cost of finance remains our most significant cost, and we remain focused on accessing the most competitive interest rates in both domestic and international markets to support both our operating and under construction portfolios.

While total gross debt (excluding cumulative compulsorily convertible preference shares) increased from ₹82,750 million at the start of the financial year to ₹91,598 million at the end of the financial year due to the growth of our operating and under construction portfolios, total finance cost fell from ₹8,933 million in FY 2023-24 to ₹8,628 million in FY 2024-25 due to the lower interest rates that we were able to negotiate.

Equity for under-construction portfolio

Our financial position improved significantly in FY 2024-25. Total equity rose to ₹1,192 million from a negative of ₹13,021 million, primarily due to an equity infusion of ₹13,136 million. At the same time, we also have ₹10,311 million of equity that we raised that has not yet been drawn down. This will be deployed towards completion of the under-construction portfolio.

Project finance for under-construction portfolio

During the financial year we made good progress in sourcing project finance for our under-construction portfolio on competitive terms and this progress has continued after the year end. As at the end of September 2025 we had secured sanctions of in excess of ₹83,000 million and today we remain on track to increase those sanctions by more than ₹40,500 million by the end of FY 2025-26.

"In FY 2024-25 operating portfolios in Ukraine and Vietnam totalling 37.55 MWp contributed operational revenue of ₹550 million."

Increased domestic capacity

From December 1, 2024 our operating revenue includes the electricity sales from the 375 MWp solar plant of Clean Solar Power (Jodhpur) Private Limited following the successful conclusion of a transaction to reconsolidate these operations back in the Group. This transaction has resulted in a capital reserve of ₹1,004 million. Domestic capacity was further increased during the year by the commissioning of a 29 MWp group captive solar project as part of our C&I business.

Addition of international capacity

A strategic restructuring of the assets of the wider HFE Group was completed in December 2024 consolidating all international renewable assets under Hero Future Energies Private Limited. In FY 2024-25 operating portfolios in Ukraine and Vietnam totalling 37.55 MWp contributed operational revenue of ₹550 million. As at the end of September 2025, the operating capacity of these portfolios was in excess of 67.22 MWp and therefore greater contribution is expected from international operations in FY 2025-26.

Outlook

Execution of our funded pipeline of projects is expected to substantially increase revenues in the coming years. We will continue to maintain a disciplined approach to cost control and capital allocation. With a strengthened balance sheet, improved profitability, and a diversified portfolio, Hero Future Energies is well-positioned for sustainable growth and enhanced financial returns.

Benjamin Paul Fraser
Global Chief Financial Officer

Transforming energy, preserving nature

Beyond our commitment to the green energy transition, we operate responsibly by minimising emissions and optimising natural resource use. Our project sites adhere to rigorous waste management, biodiversity conservation and regulatory compliance standards.

Goal 1
Create a Scope 3 emissions inventory by FY 2024-25
Achieved
Category 1, 2, 5, 6 and 7

Goal 2
Become a carbon neutral organisation by 2030
2.2 mn tCO_2e
Emissions avoided through solar and wind projects in FY 2024-25

Goal 3
Become water-positive by 2027
11%
YoY reduction in water consumption for module cleaning in FY 2024-25

Goal 4
Plant 100,000 trees by 2030
10,000
Number of trees planted in FY 2024-25

Goal 5
Adopt circular and low-cost RE solutions such as recycled materials and panel efficiencies across Hero Future Energies' operations
Adoption
of new generation of panel technology like Topcon M10R and G12R

Goal 6
Eliminate irreversible and minimise reversible impact on terrestrial ecosystem/Aim to develop and implement a transparent biodiversity management plan by 2027
3
Initiatives launched around biodiversity conservation till date

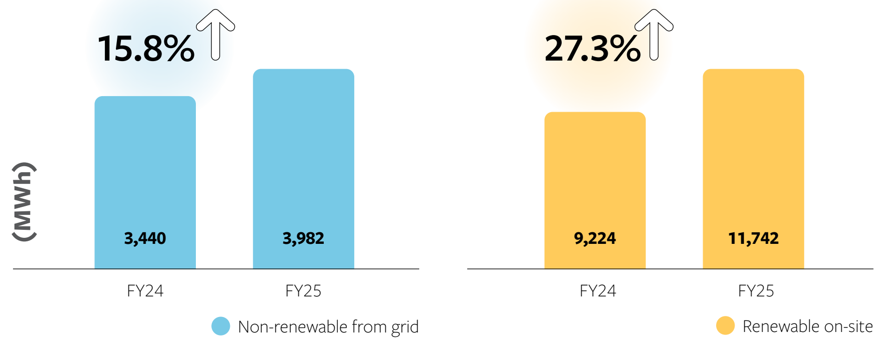
Energy management

We are committed to meeting our growing energy needs sustainably. Our focus is on energy efficiency, reducing consumption, and increasing the use of renewable energy.

Our direct energy requirements are met by fossil fuels, whilst our indirect energy requirements are met by electricity. Fossil fuels are primarily consumed by fleet vehicles and project machinery. We meet our electricity requirements through external purchase and captive consumption.

Source-wise consumption

Despite having low specific energy consumption, we always endeavour to use energy efficient equipment to optimise our energy consumption. This reduced operational costs and contributed to lower GHG emissions. During FY25 our energy consumption saw an increase due to a significant uptick in project construction, with renewable sources being utilised more than non-renewable.



Emission management

We track our emissions in line with GHG Protocol standards.

Avoided emissions

(In tCO_2e)

GHG Scope 1 + 2 (market-based)

GHG Scope 1

Includes diesel and petrol use in company vehicles and DG sets

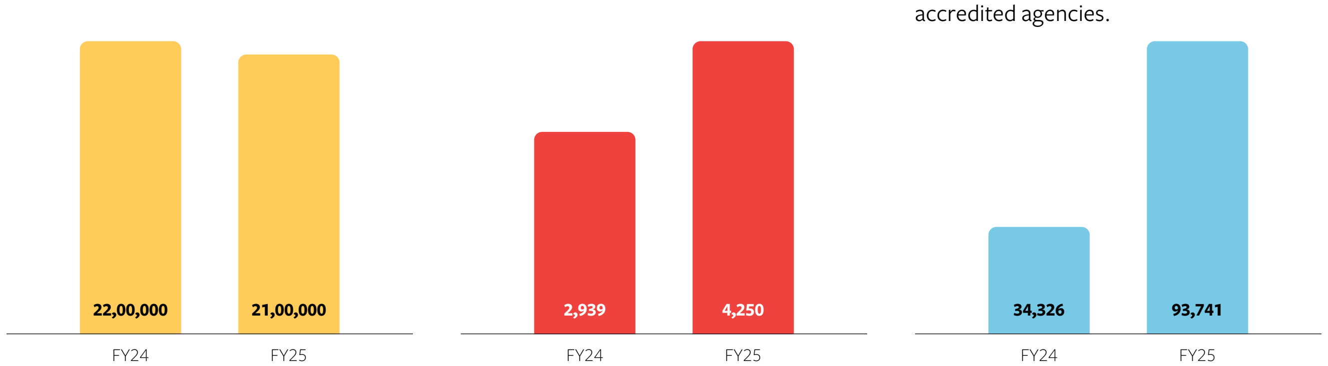
GHG Scope 2

Includes electricity consumption

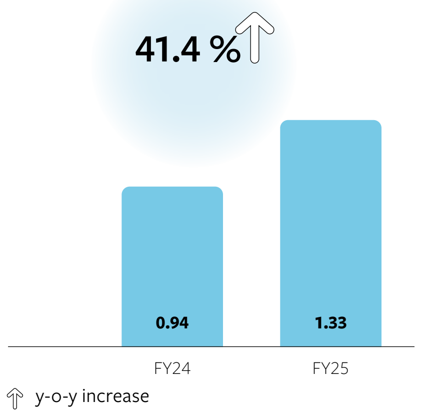
GHG Scope 3

We have computed Scope 3 emissions for five relevant categories namely Purchased goods and services, capital goods, waste disposal, business travel and employee commute.

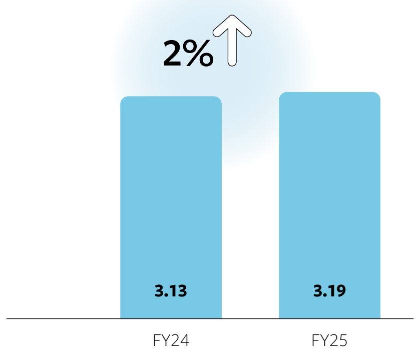
Additionally, we earn carbon credits for nine projects, certified by accredited agencies.



Emission intensity ($kgCO_2e/MWh$)



Energy generated from renewable sources (TWh)



Transforming energy, preserving nature

Water management

We are committed to conserving water and minimising waste as part of our sustainability strategy. Prioritising water as a critical natural resource, we aim to achieve water-positivity status by 2027. We assess direct and indirect water usage, implementing rainwater harvesting and waterless robotic cleaning to reduce reliance on freshwater, especially in solar operations.

In FY 2024-25, we harvested 284.20 kl of rainwater for reuse across 14 solar sites and also achieved 95 kl ground water recharge capacity across two solar sites.

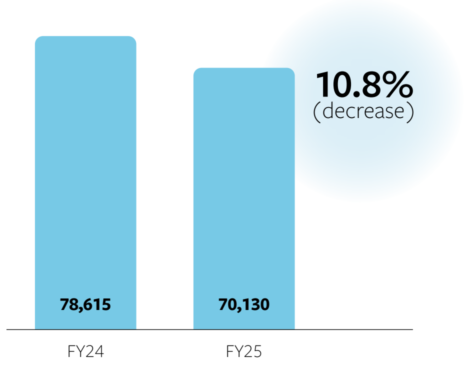
100%

of sites where No-Objection Certificate (NOC) for groundwater extraction have been obtained

284.20 kl

Rainwater harvested

Water consumption for module cleaning (kl)



Biodiversity and land optimisation

We screen and mitigate the impact of our activities on biodiversity through a strategy focusing on Vegetation Management and Solid Waste Management. Our systematic approach aligns with our Environmental and Social Management System (ESMS) and IFC performance standards.

We undertake third-party Environmental, Social impact assessment (ESIA) of each project site. These assessments are informed by guidelines prescribed by the International Union for Conservation of Nature (IUCN); the findings from these assessments are used to inform our strategy on minimising ecosystem disruption and habitat conservation and restoration.

Biodiversity and no-deforestation policy

In sensitive areas of our project sites, we use the Integrated Biodiversity Assessment Tool (IBAT) and involve third-party consultants for risk mitigation.

Avifauna conservation at wind power sites

We conduct bird and bat mortality assessments on our wind plants to help us understand and estimate the mitigation measures required to prevent any loss to avifauna and bats, thereby helping us to adhere to International Union of Conservation of Nature (IUCN) guidelines.

We have increased carcass monitoring frequency at our sites from monthly to weekly as per The Good Practice Handbook on Post-construction Bird and Bat Fatality Monitoring (PCFM) for Onshore Wind Energy Facilities (WEFs) by IFC.

Informed by the bird and bat mortality studies, we implement mitigation measures such as:

Mitigation measures for protecting avifauna

Bird diverters

HFE installs high-visibility bird diverters on transmission lines wherever applicable to reduce collision risks, using designs that are easy to deploy and maintain.

Vegetation management

Vegetation near solar and wind installations is managed to avoid attracting birds / animals / reptiles attractions which prevents damage to biodiversity.

Underground cabling

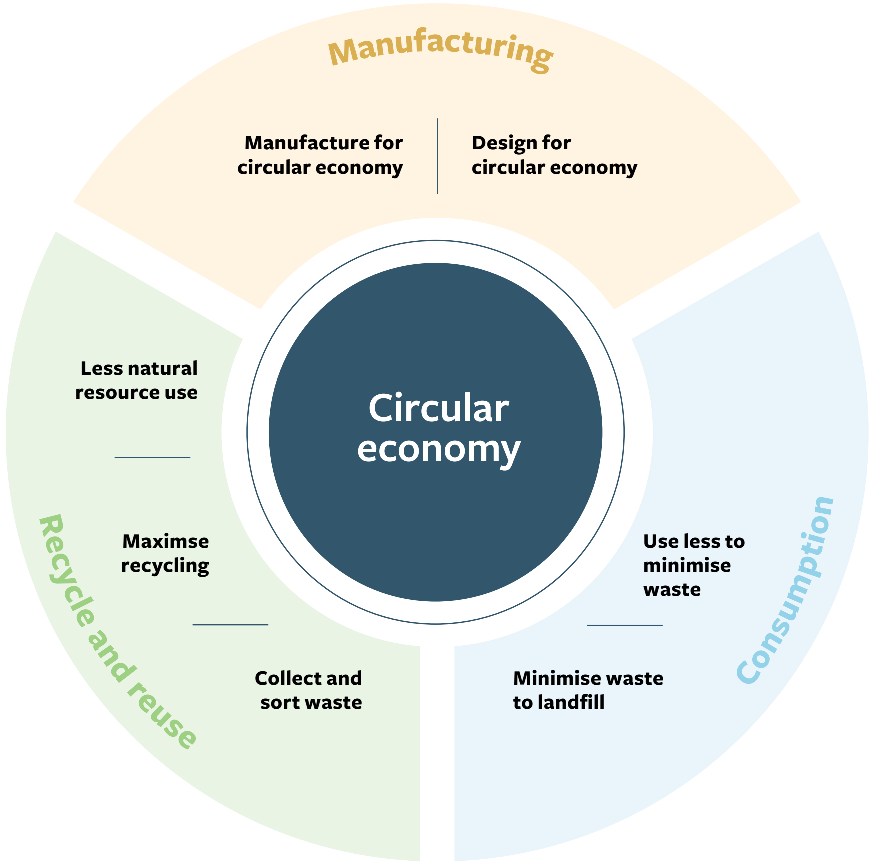
HFE uses underground cabling to reduce visual and physical barriers for animals/birds, with layouts designed for safe human access and minimal ecological footprint.

Solid waste management

HFE prioritises robust waste management practices to prevent site clutter and eliminate food waste, thereby minimising the risk of attracting birds and ensuring safer, cleaner operational environment.

Material use

We prioritise sustainable materials to minimise environmental impact across our projects. Since FY 2021-22, we have incorporated circular economy principles into our operations, emphasising the reuse, repair, and recycling of materials to prolong their lifespan.

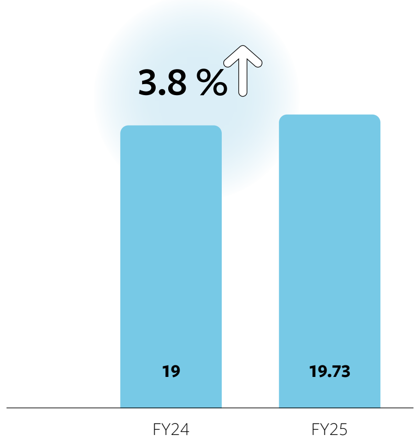


Waste management

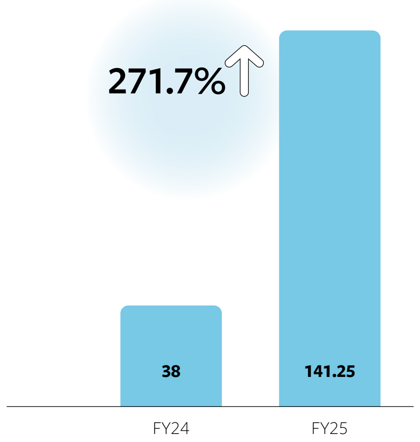
Our waste management approach focuses on recycling, reuse and responsible disposal in line with regulatory guidelines. We follow strict SOPs as part of the EHS policy for hazardous waste and collaborate with authorised recyclers. We also comply with the Central Pollution Control Board's standards. Additionally, we are reducing waste through packaging optimisation and digital alternatives, reinforcing our commitment to a circular economy.

The waste has increased in FY 2024-25 largely on account of the significant increase in under-construction projects over FY 2023-24.

E-waste (tonnes)



Other waste (tonnes)



Empowering people, enriching lives

Rooted in the Hero Group's ethos, our mission is a positive work experience built on Trust, Transparency and Camaraderie. We empower our team through learning, mentorship, and equality. We ensure a supportive, valued environment, with zero tolerance for discrimination, reflecting the best of our parent company's values.

Great Place To Work® Certified 2025 INDIA ™

Goal 1

Ensure zero complaints regarding the violation of human rights each year

Zero

complaints regarding the violation of human rights in FY 2024-25

Goal 2

Maintain zero fatalities and zero reportable loss time injuries each year

Zero

cases of reported injuries

Goal 3

Increase the proportion of women in the workforce to 30% by 2030

16.1%

of workforce consists of women employees, a 2.7% increase from FY 2023-24

Workforce snapshot

Our diverse workforce of 364 employees are a balance of youth and experience, with 80% in the age group 30-50.

364
Employees across the Group

12,290
Workdays

Employee headcount

	<2 years	2-5 years	5-10 years	>10 years	Grand Total
Total employees	204	68	83	9	**364**
CEO/Chairman	-	1	-	1	**2**
Senior management	5	4	12	4	**25**
Middle management	46	30	32	4	**112**
Junior management	153	33	39	-	**225**

Holistic hiring

Our hiring strategy centres on 'Hire for attitude, train for skills'. We foster a collaborative environment by involving peers and direct reports in the process and maintain strong relationships with alumni for potential re-hires.

Testimonial

"Induction sessions were very good and paced in very comfortable way, interaction with seniors from different functions helped us comprehend organisation values, strategy, offerings, and what sets us apart in short span of time."

Rakesh[1]

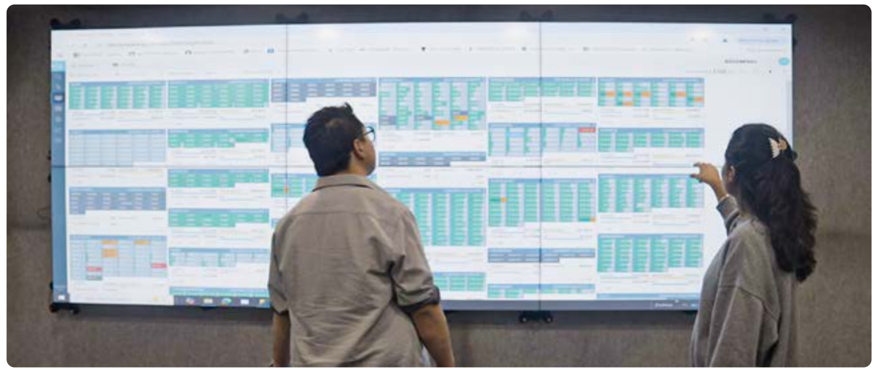
[1]Name changed to protect identity

Empowering people, enriching lives

Diversity and equal opportunity

Our Human Rights, DEI, and Equal Opportunity Employer policies ensure fair, merit-based hiring. We are committed to providing all our employees with equal chances for development and advancement, reflected in our array of developmental programmes and initiatives.

With female participation in the Company's workforce targeted at 30% by 2030, we are on course to achieve that goal. Women comprised 16% of our workforce in FY 2024-25, up from 14% in FY 2023-24.



Direct Dialogue with CEO

Our commitment to inclusivity extends beyond the recruitment process. We have cultivated an open-door policy that encourages employees, regardless of their position, tenure or background, to freely express their ideas and thoughts. In an innovative move to enhance transparency, we have also launched 'Tea with the CEO' and 'Coffee with the CMD', fostering direct dialogue. These sessions break down hierarchical barriers, allowing employees to share feedback and ideas directly with top leadership, building a more open and inclusive culture, and ensuring accountability from the bottom up, across all levels in the organisation.

Talent management

We implement a strong talent management programme to identify and develop the right talent. We support our employees' growth by developing their leadership skills and expanding their expertise in new technologies. To nurture high-potential team members, critical talent, and future leaders, we implement structured developmental plans tailored to individual needs and career aspirations.

We have a well-defined Delegation of Authority (DOA) framework that is updated continuously to keep pace with the organisation's growth. It empowers employees and grants greater autonomy and decision-making authority to functional heads and their teams.

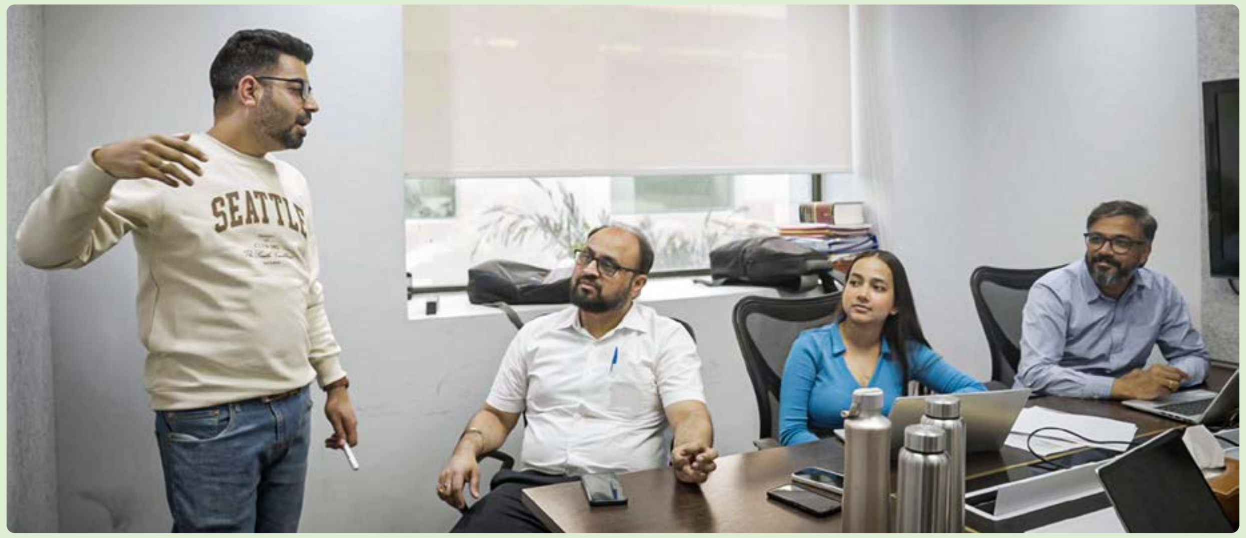
Investing in our workforce

HFE collaborated with the British Council to promote learning and development in emerging and future-oriented areas of the energy industry. Driven by a strategic vision to prepare HFE's employees for the challenges and opportunities ahead, we are simultaneously identifying and developing internal talent from departments like Design to ensure future readiness as we venture into newer growth segments.

Case study

Empowering for innovation

We have updated our Delegation of Authority (DOA) to grant more autonomy and decision-making power to department heads and their teams. By empowering teams, we cultivate ownership and creative problem-solving, which speeds up responses in the energy sector and fosters innovation. Leadership training ensures managers are ready for this autonomy, driving a proactive and valued workforce. HFE's Performance Management System (PMS) fosters continuous development and feedback, cultivating a cohesive and high-performing work culture. The platform encourages ongoing growth and accountability, empowering managers to deliver timely and transparent feedback throughout the year.



Annual rewards and recognitions

To encourage excellence, HFE's 'Rewards and Recognition' programme formalises our long-standing practice of valuing and awarding employees for outstanding performance. We aim to foster a culture where good work is consistently recognised. The objective is to reward:

- Behaviour linked to organisation's culture
- Superlative performance or task by individual or team
- Care for environment
- Exceptional performance at site and adhering to compliances
- Innovation and creativity
- Long standing association with HFE

Star Award
Site performance, HSE, CSR
₹1 lakh
vouchers

Individual Environmental Responsibility
Sustainability/environment contributions
5-star
dinner

Cheers for Peers
HFE values & culture
5-star
dinner

Long Service Award
Tenure appreciation
₹5,35,000
each

Extra-Miler Award
Performance beyond KRAs
₹1 lakh
vouchers

Chairman's Challenge
Innovation, cost/resource savings
International Sports Events
(e.g. London, Qatar, Paris)

Empowering people, enriching lives

Prioritising a supportive work environment

We remain steadfast in championing employee well-being and seek to empower our workforce, through comprehensive and inclusive policies, which foster a supportive and balanced workplace. Our approach to employee welfare goes beyond the provision of standard benefits and perks. We strive to create an environment where every individual receives equitable treatment and experiences a sense of belonging. We understand that when employees feel connected to their workplace, they are able to focus more effectively on their work, leading to higher levels of satisfaction and productivity.

A key aspect of our culture is the emphasis on treating every employee as an 'intrapreneur'. This approach encourages our team members to take ownership of their roles and view their contributions through the lens of an entrepreneur. By empowering our employees in this manner, we foster a sense of responsibility and accountability, driving them to innovate and excel in their respective areas. We run programmes that cultivate employee value and drive innovation, crucial in the evolving renewable energy sector where forward-thinking approaches ensure competitive advantage and future success.

Manthan project

Manthan, started in 2019 drives HFE's site performance and power generation through innovative ideas and best practices. It fosters internal collaboration to identify cost savings and revenue opportunities across departments. This initiative champions unconventional concepts, with site employee suggestions leading to tangible power generation improvements and cross-site knowledge sharing, enhancing overall operational efficiency.

5X5Y

HFE's 5X5Y Programme encourages employee innovation by challenging them to find five problems and propose five solutions each. It fosters continuous improvement, valuing practical, implementable ideas. Success is measured by problem identification, solution quality, and successful departmental implementation, driving efficiency and performance enhancements.

DoA (Delegation of Authority)

The Delegation of Authority (DOA) powerfully demonstrates the organisation's commitment to cultivating a culture of empowerment, innovative thinking, and devolved decision-making.

Flex working

Since FY 2021-22, we have embraced 'Flex Working', prioritising work-life harmony. This removes rigid hours and attendance tracking, focusing on availability, empowering workforce with schedule autonomy. Our approach, marked by the absence of fixed hours and attendance requirements, emphasises being available when needed. This flexibility grants our workforce the autonomy to effectively balance professional duties with personal priorities.

Work from Anywhere policy

Our 'Work from Anywhere' policy, excluding site personnel, supports the diverse needs of our workforce. This allows employees to work from locations best suited to their personal and professional circumstances, requiring office presence only for critical, interdependent tasks. This reflects our belief that productivity and efficiency are not limited by traditional office environments.

Testimonial

"As we were doing work from home with flexible working hours, it was very helpful for me at the time of family emergencies. I am grateful to Hero Future and our HR team for providing such WFH facility for all employees. With flexible working it became easy for me to manage all necessary work - official/personal - within the day. Such facilities are helpful to manage work life balance and enabled me to give my best."

Deepak Kumar Singh*

*Name changed to protect identity

Leave policy

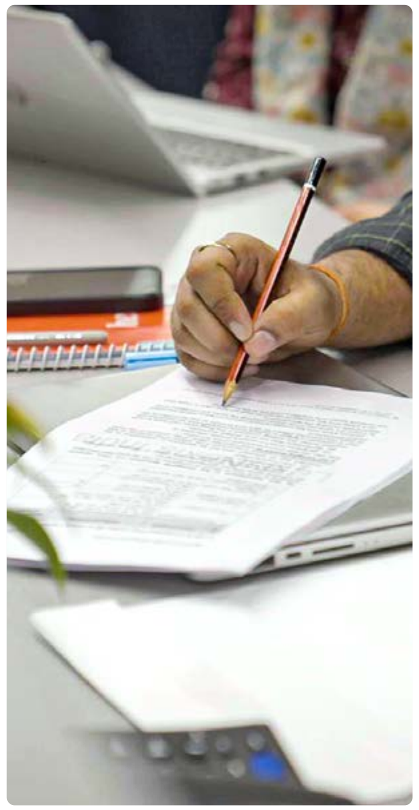
In accordance with statutory requirements, we offer standard leave allowances: seven days casual, seven days sick, and twenty-one days privilege leave per financial year. To promote work-life balance, half of the privilege leave lapses annually. Maternity and paternity leave are provided, with five days paternity leave offered. Since FY 2023-24, we have one period leave per a month.

Group personal assurance policy

Active since 2013, this policy covers on-roll employees for fatal accidents and work-related absences, ensuring financial security in unforeseen circumstances.

Group term insurance policy

Implemented in December 2020, this policy covers all forms of death, including suicide, with coverage up to four times the CTC, capped at ₹1 crore.



Prevention of Sexual Harassment (POSH) at workplace

The safety and security of our employees are paramount, and our POSH policy is a critical component of this commitment. We have an Internal Committee in place to ensure the prevention and redressal of sexual harassment, adhering to the POSH Act. Awareness sessions are conducted for new joiners during induction and refresher training for existing employees, to maintain a harassment-free, safe workplace for every individual, regardless of gender, age or nationality.

Loan against salary

Employees with over a year's service can access a loan of up to four months' fixed CTC, with maximum repayment installment upto 24 months, easing financial strain, and creating a sense of belonging in the workforce, which in turn motivates them to find ways to contribute in bigger and better ways to the Company.

48

Employees who availed the loan against salary facility

At Hero Future Energies (HFE), we have always believed that the heart of our business lies in our people. Our commitment to creating an equitable and fulfilling work environment has been a guiding principle in all our practices, shaping an organisational culture that is both inclusive and nurturing. This ethos is deeply rooted in our belief that when employees feel genuinely cared for and valued, they are more engaged, productive, and motivated to contribute their best to the organisation.

Strengthening communities, sustaining growth

We aim to promote inclusive development in the communities surrounding our project sites. Through detailed need assessments and due diligence, we identify and prioritise the most pressing needs of each area. By engaging community members in this process, we make sure our initiatives are meaningful and effective.

CSR Policy

Our organisation is focused on giving back to the society through various initiatives under the umbrella of our CSR & Sustainability programme with the mission of being 'People Positive', 'Water Positive' and 'Climate Positive'.

CSR thrust areas

Education and skill development

₹2.26 mn
CSR expenditure

22,500
Beneficiaries

Direct: 4,500 | Indirect: 18,000

Environmental protection and restoration

₹0.85 mn
CSR expenditure

60,150
Beneficiaries

Direct: 12,500 | Indirect: 47,650

Education and skill development

1,975
Students benefitted by the educational programmes at ASHA centres

79
ASHA centres

Environmental protection and restoration

Each check dam restores around 9,00,000 cubic feet of water annually, boosting the groundwater table, agriculture, and the local economy. In FY 2024–25, we built two more at Barod (Madhya Pradesh) and Satara (Maharashtra), reinforcing our commitment to sustainable water management.

20
Villages benefitted by water check dam

Our Water ATMs bring health and happiness to villagers by providing clean, safe and chilled water, especially during summers. In FY 2024–25, HFE relocated and upgraded the Alote Water ATM to the village centre, adding a chiller to better serve the community.

11
Villages benefitted by water ATM

Corporate governance

At HFE, governance is the foundation of our approach, guiding our strategy and commitment to ESG principles. It shapes our decision-making, accountability, and stakeholder engagement. By defining our vision, values, and operational framework, governance ensures we operate effectively, ethically, and in full compliance with the law.

Policies and practices

- Anti-bribery and Anti-corruption Policy
- Health, Safety and Environment Policy
- Information Security Policy
- Equal Opportunity Policy
- Anti-money Laundering and Anti-terrorist Financing Policy
- Website Privacy and Cookie Policy
- Whistleblower Policy
- Enterprise Risk Management Policy
- Rights of Persons with Disability
- Anti-Slavery and Human Trafficking Policy
- Prevention of Sexual Harassment (PoSH) at the Workplace Policy
- Delegation of Authority Policy
- Code of Conduct and Ethics Policy
- Anti-Facilitation of Tax Evasion Policy
- Compliance Policy
- Grievance Procedure

Values around governance

Achieve objectives and deliver value to beneficiaries, customers and funders

Enhance credibility and reputation and build trust among stakeholders

Manage risks, seize opportunities, and adapt to changing circumstances effectively

Our governance framework

Audit Committee

- Recommends the appointment and remuneration of the auditors. Reviews and monitors their independence and the effectiveness of the audit process
- Examines the financial statements and the auditor's report. Evaluates internal financial controls and risk management systems
- Approves or modifies related party transactions. Scrutinises inter-corporate loans and investments
- Maintains a vigilance mechanism. Discusses issues with internal and statutory auditors

Nomination and Remuneration Committee

- Formulates the criteria for determining the qualifications, positive attributes, and independence of Directors
- Recommends a policy to the Board relating to the remuneration of Directors
- Approves the issue and allotment of shares against the exercise of employee stock options

Corporate Social Responsibility Committee

- Formulates and recommends a Corporate Social Responsibility (CSR) policy to the Board, detailing the activities the Company will undertake as per the Companies Act, 2013
- Reviews and recommends the amount of expenditure to be incurred on the identified CSR activities
- Monitors the Company's CSR policy and its implementation from time to time
- Addresses any other matter deemed appropriate by the committee after Board approval, or as directed by the Board

Banking and Finance Committee

- Approves the opening and closing of bank accounts and changes in bank signatories. Obtains necessary Internet Banking facilities and tax registrations (like GST)
- Manages all day-to-day investments in Fixed Deposits and Mutual Funds according to policy
- Approves all Non-Fund Based facilities with financial institutions

Implementing a governance framework is an ongoing and adaptable process. It evolves to meet the changing needs and expectations of the Company, our stakeholders, and the shifting environment. We actively engage in governance feedback and evaluation to ensure its continued effectiveness.

Board of Directors and Management Team

Srivatsan Iyer
Group CEO

Benjamin Paul Fraser ●
Group CFO

Ashutosh Vyas
Head, India Utility

R Sunder
Head, C&I

Devendra Kumar Dwivedi
Head – Projects, Land and PMO

Sudhir Pathak
Head, Design, Engineering and Quality

Bhawna Kirpal Mital
CHRO

Harish Pant ●
Head, Operations and Maintenance

Anuj Agarwal ●
Head, Corporate Finance and Investor Relations

Sumit Kumar Roy[1] ●
General Counsel

Sanjeev Anand
Head, Supply Chain Management

Shashidhar Srirambhatla
Head, Risk and Internal Audit

[1]Resigned as Director and from its committees effective May 26, 2025

● Board of Director

Mitigating risks, maximising value

HFE views risk management as crucial to decision-making and success. In the volatile and uncertain renewable energy market, our Enterprise Risk Management (ERM) framework helps us to track various risk factors, plan and monitor mitigating activities under a common framework This approach ensures we are prepared to manage these uncertainties and remain resilient in a dynamic environment.

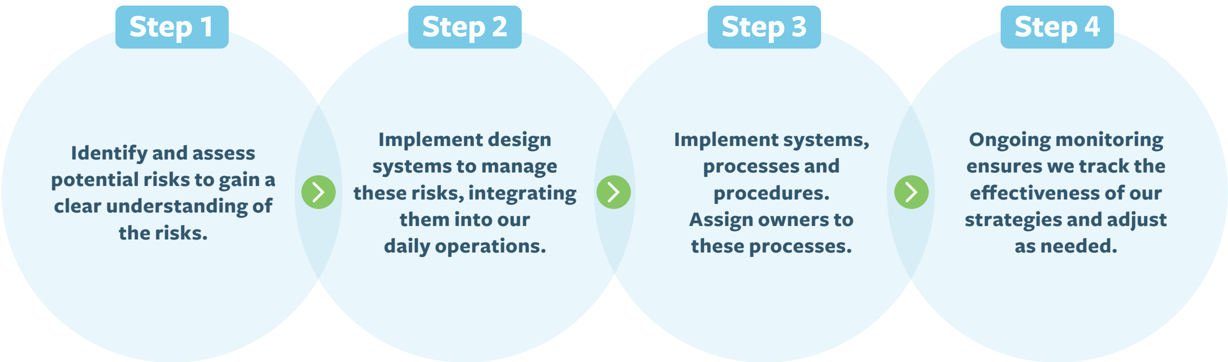
ERM framework and controls

The ERM framework enhances risk awareness, operational efficiency, and accountability, with ongoing monitoring of action plans. It provides a structured, consistent approach to risk identification, assessment, mitigation, and monitoring, thereby enabling the Company to respond effectively to a dynamic and evolving risk landscape.

Risks are measured using a consistent scale, allowing for effective prioritisation and the design of robust controls aligned with the Company's strategic objectives. This ensures clarity in ownership and facilitates accountability across all functions.

We maintain an up-to-date risk register, which captures key risks and the corresponding mitigation measures. These are regularly reported to the Audit Committee for review, oversight, and strategic guidance. The iterative approach helps us stay vigilant and adaptable to emerging risks, maintaining a strong risk culture and an effective strategy in a dynamic environment.

Rigorous, monitoring and calibration of risks



Risk management process

HFE follows a prudent risk management process based on the three lines of defence model.

First line of defence

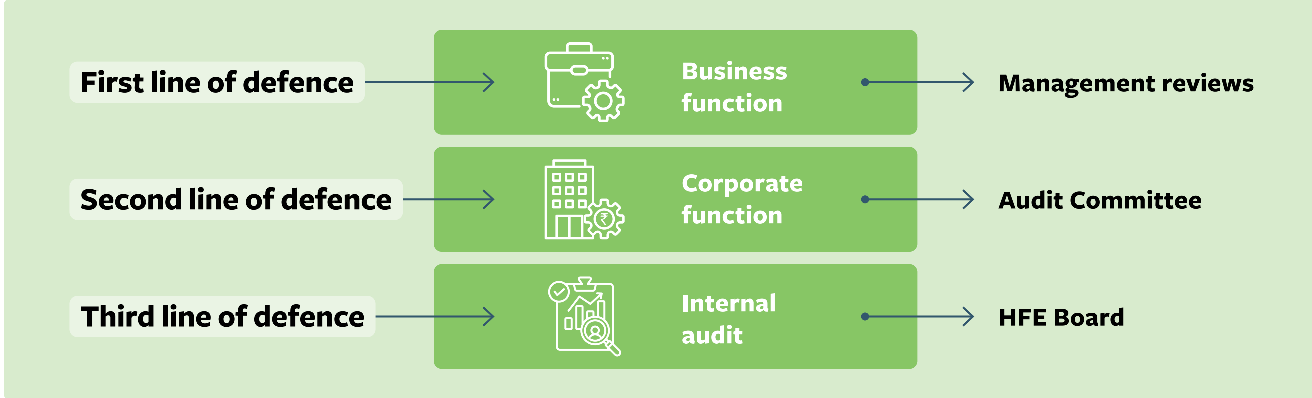
Business and process owners are the first line directly responsible for executing day-to-day risk management activities and implementing internal controls within their respective domains.

Second line of defence

Support functions such as Finance, Compliance, and Quality assist the management in overseeing and managing risks and controls, providing guidance and ensuring adherence to relevant policies and frameworks.

Third line of defence

The Internal Audit function constitutes the third line, offering independent assurance to senior management and the Board. It evaluates the effectiveness of the first two lines and provides recommendations for strengthening the overall risk management framework.



Identified risks

Geopolitical risk

Our international operations in Ukraine, Vietnam, and UK expose us to geopolitical risks arising out of any conflicts, sanctions or currency volatility in these countries. Any import restrictions or regulatory changes from our vendor countries can increase costs and delay timelines.

Concentration risk

We have significant operating assets and under construction assets in a few states in India, like Karnataka and Andhra Pradesh, exposing us to resource availability and changes in regulations in these states. We also have a significant share of our revenues coming from Central offtakers and or Center backed oftakers. Within our India utility business segment, 87.36% of our total capacity (excluding BESS), was secured by central off-takers with high credit ratings. This ensures greater predictability and visibility of revenues and cash flows.

Operational risk

Delays in augmentation of and non-availability or limited access to transmission systems, downtime in evacuation infrastructure could impair electricity delivery. Operational issues such as equipment failure, weather disruptions, and delays in sourcing spare parts can reduce energy generation. Failure of third-party vendors and O&M contractors for equipment and services can also lead to supply backlogs, quality issues.

Despite having insurance for key assets, our coverage may not fully protect against all operational risks, including equipment failure, natural disasters or accidents

Project development risk

Regulatory, supply chain, environmental or land access challenges could lead to construction delays. In addition, developing and operating complex projects that integrate wind, solar and BESS involves high capital costs, land constraints and design risks. Acquiring land or securing rights-of-way, especially in remote locations is a challenging task further complicated by fragmented ownership, non-digitised records, and documentation issues. Gaining approvals from local communities and government authorities is also an onerous exercise.

Interest rate and forex risk

We operate in a capital-intensive sector and depend on internal accruals and external financing for project development. Capital may not always be available at the time we seek or at the rates that are attractive to us.
A significant portion of our borrowings carries variable interest rates, making us vulnerable to rate fluctuations.
Although our revenue and expenses are largely in Indian Rupees, certain capital expenditures are in foreign currencies. While external commercial borrowings are hedged, payables generally are not. All these add an additional layer of risk to the balance sheet.

Cybersecurity risk

Our operations depend on secure and reliable IT and OT systems. Disruptions, including cyber-attacks, system failures, or data breaches, could result in reputational harm, legal liabilities, financial loss, or service disruptions.

Legal and regulatory risk

Our business is significantly influenced by government policies and financial incentives supporting renewable energy which are susceptible to withdrawal, reduction, or delays in such support. Government-linked projects are particularly vulnerable to procedural delays, funding gaps and policy shifts. Adverse changes or discontinuation of benefits could materially impact our business.

We regularly enter into related party transactions in the normal course of business. While conducted at an arm's length basis and with required approvals, such transactions could involve potential conflicts of interest.

HSE risk

Our operations are subject to evolving environmental, health, and safety regulations. Non-compliance may result in fines, criminal sanctions, or halted projects. Stricter rules, enforcement actions, and local opposition could increase costs, delay timelines, or impact operations and revenues.

Resource risk

Electricity generation from wind and solar projects depends on variable weather and long-term climate trends. Inaccurate initial assessments, shifting wind patterns, or even new obstructions like buildings or other turbines (which cause 'wake effects') can lead to lower-than-expected electricity output from wind projects. Solar project efficiency is impacted by factors such as sunlight intensity, duration, cloud cover and dust. Adverse weather events like prolonged cloudiness, pollution or severe storms can also diminish solar farm output.

Awards and recognitions

June 2024

RE Project of the Year – Solar Power

The IHW Good Air Awards recognised HFE for a significant renewable energy project in the solar sector.

August 2024

Best Performing Wind Farm – Above 2 MW category

The Indian Wind Power Association awarded HFE for exceptional performance in wind energy generation.

October 2024

Top 100 India's Best Workplaces for Women – Mid Size

Great Place to Work Institute recognised HFE as one of the best workplaces for women in the mid-size company category.

Company of the Year – Driving Innovation in Asset Management

The RE Assets India Leadership Awards 2024 recognised HFE for innovative approaches in asset management.

Company of the Year – Predictive Analytics & Maintenance Optimisation

The RE Assets India Leadership Awards acknowledged HFE for excellence in predictive analytics and maintenance optimisation.

Company of the Year – Digital AI & Machine Learning

The RE Assets India Leadership Awards honoured HFE for leadership in digital AI and machine learning applications.

November 2024

Best Impactful Care Ecosystem for Employees

The FICCI Women in Workforce Awards recognised HFE for creating a supportive care ecosystem for employees.

Award for Excellence in Plant Performance – Wind and Solar

The 6th CII Performance Excellence Awards awarded HFE for outstanding performance in wind and solar plant operations.

Global Sustainability Icon

News 9 Plus honoured Rahul Munjal as a global sustainability icon for significant contributions to global sustainability efforts.

December 2024

Champions of CSR 2024

TIMES NOW recognised HFE for exemplary corporate social responsibility initiatives.

North India Best Employer Brand Award

The World Sustainability Congress awarded HFE for being a leading employer brand in North India.

February 2025

Highest Carbon Credit Issuance Samman

The Carbon Markets Association of India awarded HFE for the highest issuance of carbon credits.

March 2025

Best Organisations for Women to Work

ET NOW recognised HFE as a top organisation for women to work in.

Corporate information

Company Name	HERO FUTURE ENERGIES PRIVATE LIMITED
CIN	U40300DL2013PTC253648
Registered Office	Plot No. 202, Second Floor, Okhla Industrial Estate, Phase-III, New Delhi-110020
Corporate Office	202, Third Floor, Okhla Industrial Estate, Phase-III, New Delhi-110020
Company Secretary	Mr. Mayur Maheshwari
Internal Auditor	Mr. Shashidhar Srirambhatla
Statutory Auditors	**MSKA & ASSOCIATES** The Palm Springs Plaza, Office No. 1501-B, 15th Floor, Sector-54, Golf Course Road, Gurugram, Haryana-122001
E-mail	secretarial@herofutureenergies.com
Website	www.herofutureenergies.com
Telephone Number	+91-11-49598000

Statutory reports & financial statements

In this section

Management Discussion and Analysis

Overview

We are the green energy venture of the Hero Group, a conglomerate of Indian companies with interests in multiple business segments. The Hero Group is one of India's oldest corporate houses with a history spanning more than 60 years.

We are one of the leading renewable energy Independent Power Producers ("IPP") developers in India, in terms of total capacity, with a total portfolio capacity of 6.5 GWp and Battery Energy Storage System ("BESS") of 1.76 GWh, as on March 31, 2025. We are a fully integrated player with capabilities spanning project development and financing, to construction, operations and asset management. With an operational capacity of 2.23 GWp and an additional capacity of 4.30 GWp and BESS of 1.76 GWh under construction and under development, we are actively scaling up our portfolio to meet the growing demand for clean energy. Our diversified approach encompasses a broad range of technologies and geographies, enabling us to navigate resource variability across regions and possible changes in regulatory and market environments. Over the past 12 years, we have been at the forefront of India's energy transition and were among the early movers in deploying wind energy projects, and have established a strong foundation in both solar and wind sectors.

Our business is structured across four key verticals:

(i) India Utility: This segment includes utility scale solar, wind and Complex Projects. Central agencies comprise 87% of our India utility portfolio (excluding BESS capacity), and state-owned DISCOMs, comprise 13%.

(ii) India C&I: This segment supports the decarbonisation goals of C&I off-takers, by providing grid connected group captive and open access solutions, as well as on-site Behind The Meter ("BTM") installations.

(iii) International Markets: We operate in three select geographies;
  (i) the UK, where we focus on developing new technical solutions and business models for potential future use in the Indian market
  (ii) Vietnam, where we are focused on building our C&I portfolio
  (iii) Ukraine, where we operate three self-built, solar utility plants

(i) Emerging Technologies: We are actively building a presence in green hydrogen and its derivatives. This underscores our commitment to provide clean energy solutions and address some of the most challenging industrial decarbonisation needs.

Our portfolio is well diversified across technologies, and comprises, (i) standalone solar and wind energy projects, (ii) co-located, wind and solar hybrid projects ("WSH Projects"), and (iii) complex projects ("Complex Projects"), which integrate one or more renewable energy sources with storage technologies to provide firm power solutions.

Significant factors affecting our results of operations and financial condition

Our results of operations and financial condition are affected by a number of important factors including:

Ability to execute and develop projects on schedule

Our portfolio comprises 2 GWp of operational capacity, with an additional 4 GWp in projects that are either under construction or under development. The successful execution and timely completion of these projects are critical for our future growth.

We may face a number of challenges that could delay or impede our progress. These include delays or failures in receiving essential components and equipment that meet our design specifications and delivery schedules, difficulties in acquiring the necessary land for upcoming projects, insufficient grid infrastructure, complexities in securing interconnection and transmission rights, shortages of skilled personnel, and adverse weather, environmental, or geological conditions. Any delays, cost overruns, or execution challenges could reduce our market competitiveness and place pressure on our financial resources, particularly if penalties are imposed.

Power generation variability

Revenue from our wind and solar energy projects depends heavily on prevailing climatic and environmental conditions, which directly affect the volume of electricity generated. Both wind and solar projects are subject to significant fluctuations caused by seasonal changes, short-term weather variations, and the longer-term effects of climate change.

For wind projects, we select sites and make investment decisions based on wind speed data measured on location and analyses validated by independent consultants. However, actual wind conditions may differ from measured or projected data due to daily, seasonal, and year-on-year variations, as well as changes linked to the strength of the Indian monsoon. Additionally, the presence of new structures, such as buildings or other wind turbine generators, that are built after our projects are commissioned may disrupt wind flows, a phenomenon known as "wake effects," thereby reducing available wind resources.

Solar projects face similar variability due to fluctuations in sunlight intensity and duration, cloud cover, dust accumulation, and shading. Unfavourable weather, such as prolonged cloudiness, high atmospheric pollution, solar eclipses, or severe storms, can lower the efficiency of solar farms, damage critical equipment, or cause construction delays, leading to higher costs or reduced power output.

For both wind and solar projects, if we fail to meet anticipated production levels, we may be required to pay penalties or liquidated damages to off-takers under our PPAs. This could hinder our ability to recover investments, meet debt obligations, fulfil performance guarantees, or achieve expected returns.

Power Purchase Agreements (PPAs)

One of the key factors which affect our results of operations is our ability to enter into long-term PPAs for our generated power, thereby enhancing the security and long-term visibility of our revenues and limiting the impact of market price variability on our revenues. Our generated power is sold under PPAs to state utilities, SECI, third party C&I off-takers and group captive off-takers. While these PPAs reduce exposure to volatility in the market price for power, the predictability of our operating results and cash flows vary by project based on the negotiated terms of these agreements, in particular the tariffs.

A significant portion of our revenue is derived from the sale of power. For PPAs entered into with a utility company, there are two sale models: (i) a feed-in tariff model; and (ii) competitive bidding. For PPAs entered into with C&I off-takers supplied through group captive and third-party open access arrangements, a variable tariff for electricity (which is generally indexed to the retail HT tariff as is determined by the SERC of the respective state on an annual basis) applies.

The growth of our business and revenue depends on our ongoing ability to meet our obligations under existing PPAs and to secure additional PPAs for future projects. If we fail to fulfil our obligations under these agreements, such as by not supplying the minimum contracted amount of power or by failing to obtain required regulatory approvals, licences, or clearances, we may become liable for penalties and, in certain circumstances, risk termination of the PPAs. Our operating results are also influenced by our off-takers' willingness and ability to meet their contractual obligations, including making timely payments.

EPC and O&M of our projects

We have comprehensive end-to-end capabilities across the project lifecycle, with particular strengths in EPC, as well as O&M, both of which are critical to our business.

We adopt a "nodal approach," which leverages shared infrastructure and services across multiple projects, optimising capital expenditure and accelerating project execution. All of our projects are executed entirely in-house by a team of more than 60 project execution professionals as of March 31, 2025, with full in-house capabilities for EPC activities. Additionally, we have established strategic supply-chain partnerships with leading OEMs. Our O&M strategy emphasises the use of real-time monitoring and advanced data analytics. By analysing operational data, we are able to improve predictive maintenance, enhance grid integration, and maximise asset performance.

Maximising power generation is dependent on improving the availability and capacity of our projects while minimising planned and unplanned project downtime. The number and length of planned outages, undertaken in order to perform necessary inspections and testing to comply with industry regulations and to permit us to carry out any maintenance activities, can impact operating results. When possible, we seek to schedule the timing of planned outages to coincide with periods of relatively low demand for power at the relevant project. Each of our projects enters into insurance coverage at its level. However, even if such outages are covered by insurance, our insurance policies may not cover all resulting losses.

In addition, when we purchase turbines, our contracts with suppliers typically include comprehensive O&M service for a period of five to ten years with a renewal option over the operational life of the turbine (with free service, in some cases, generally for the first two years), a warranty in respect of the turbines for a minimum period of two to three years from the earlier of the date of commissioning or the date of supply, a power curve guarantee which assures optimum operational performance of the turbines as well as a guaranteed performance commitment in the form of a minimum availability guarantee of 95% to 97% during the wind season which assures the turbines' availability to generate electricity for a specified percentage of the time with liquidated damages calculated by way of revenue loss subject to a cap.

Our solar O&M contracts generally include service level agreements which provide target performance thresholds evaluated on a yearly basis with pre-agreed performance ratio percentages in order to ensure optimal operational performance of the solar farm. The O&M contractor is typically liable to pay compensation proportionate to the shortfall in availability with a cap for such liability up to 50% of annual O&M fees. O&M contracts typically also include a limitation of liability, with a cap up to 100% of annual O&M fees for other contractual breaches. With regard to solar projects, the efficiency of our solar modules tends to fall overtime due to routine degradation of the modules.

Capital expenditure costs

Demand for qualified labour and components in the renewable energy industry have increased over the last few years. This has led to increases in the costs of construction of power generation projects. Capital expenditure is necessary to construct our projects and meet regulatory and prudential operating standards. Future costs will be highly dependent on the cost of components and availability of contractors that can perform the necessary work to construct our projects, as well as changes in laws, rules and regulations which could require us to make capital improvements to our projects. In FY 2024-25, we spent ₹ 1,287.47 million towards additions to fixed assets and incurred capital expenditure of ₹ 6,129.33 million on CWIP (projects under construction).

Financing requirements

Energy project development and construction are capital intensive. We incur costs and expenses for the purchase of turbines, solar modules,

Management Discussion and Analysis (contd.)

the purchase of land, feasibility studies and construction and other development costs. As a result, our ability to access cost-effective financing is crucial to our growth strategy. Historically, we have financed our projects primarily at the project level through secured, non-recourse financing. While we expect to fund the construction and development of our projects with a combination of cash flows from operations, debt financing and equity financing our ability to arrange for such financing remains subject to factors affecting the macro-economic environment.

As of March 31, 2025, our total borrowings (consisting of non-current borrowings, current borrowings and current maturities of non-current borrowings) of ₹ 116,547.99 million were at variable rates of interest and exposed us to interest rate risk. While we have not incurred any debt in foreign currencies to fund our international projects and currently face no foreign exchange risk, we may seek foreign currency funding in the future, which would expose us to foreign exchange risk.

Government policies and initiatives

Our performance depends in part on government policies and initiatives that support clean energy and enhance the economic feasibility of developing clean energy projects. For several years, India has adopted policies and subsidies actively supporting clean energy. Preferential tariffs for clean energy have been established in many states and in addition we also benefit from the Generation Based Incentive ("GBI") scheme. We availed of GBI for renewable energy projects commissioned before March 31, 2017, with some of our Operational Projects still earning GBI. Additionally, we benefitted from the Government of India's viability gap funding, which partially financed certain past renewable energy projects. However, this funding is no longer available, as renewable energy has now become commercially viable.

Furthermore, the government introduced the production linked incentive scheme for high efficiency solar Photovoltaic ("PV") modules with an aim to promote manufacturing of high efficiency solar PV modules in India and thus reduce import dependency in the area of renewable energy. The government also launched the National Green Hydrogen Mission in January 2023, with an outlay of ₹ 197.44 billion. The objective of the mission is to make India a global hub for production, usage and export of green hydrogen and its derivatives, by targeting production of 5 MMT per annum of green hydrogen by 2030. These incentives play an important role in supporting our financing efforts, the development of new clean energy projects aligned with current tariff and cost assumptions, and the profitability of our existing projects. Any changes, reductions or restrictions in these incentives may influence our funding options, the feasibility of future projects, and the financial performance of our operations.

Policies and regulations in the renewable energy sector can also shape market dynamics and may, in some cases, have an adverse impact on project costs or operations. For example, in India, the Ministry of New and Renewable Energy's Approved List of Models and Manufacturers ("ALMM") policy has changed procurement practices and increased capital expenditure requirements for developers. Designed to promote domestic manufacturing and enhance quality control, the policy restricts the use of lower-cost Chinese modules, which has resulted in higher balance-of-system and per-megawatt costs for utility-scale projects.

The price differential between domestic modules compliant with the ALMM and international modules not on the list can vary significantly depending on project specifications. As a result, domestic procurement processes have become a greater focus, requiring close attention to safety, quality, and performance standards when selecting solar cells from domestic suppliers.

Material accounting policies

A summary of the material accounting policies applied in the preparation of the consolidated financial statements are as given below. These accounting policies have been applied consistently to all periods presented in the consolidated financial statements.

Current versus non-current classification

Assets and liabilities are classified as current if they are expected to be realised or settled within the company's operating cycle of twelve months. Otherwise, they are non-current.

Revenue recognition

The company recognises revenue when it transfers control of goods or services to customers. Revenue from power sales is recognised over time based on units supplied to the grid, while interest income is recorded using the effective interest rate method. Trade receivables represent the right to consideration for transferred goods or services.

Property, plant and equipment

Property, plant and equipment are recorded at cost, minus accumulated depreciation and impairment losses. They are removed from the books when disposed of or when no future economic benefits are expected. Day-to-day servicing costs are expensed as incurred.

Depreciation and amortisation of property, plant and equipment and intangible assets

Depreciation on tangible assets like plant, equipment, and buildings is calculated using the straight-line method over their estimated useful lives, which range from 3 to 35 years. Intangible assets are amortised over a 5-year period. The company reviews these useful lives and methods annually, adjusting them as needed.

Borrowing costs

Borrowing costs, such as interest and ancillary fees, are capitalised as part of an asset's cost if they are directly related to its acquisition, construction, or production over a substantial period. All other borrowing costs are expensed immediately.

Functional and presentational currency

The company's standalone financial statements are presented in Indian Rupees (₹), which is also its functional currency. The functional currency is the one used in the company's primary economic environment for generating and spending cash. All financial data is in ₹ unless specified otherwise.

Leases

A contract is considered a lease if it gives the company the right to control an identified asset for a period of time. This is determined by assessing if the company controls the use and obtains the benefits of the asset. The company records a "right-of-use" asset and a corresponding lease liability at the lease's start date, with the asset depreciated over the lease term. The company can, however, choose to recognise short-term leases (12 months or less) and low-value leases as an expense, rather than capitalising them.

Retirement and other employee's benefits

The company's retirement benefits include a defined contribution scheme for the provident fund and a defined benefit retirement plan for gratuity. The company recognises provident fund contributions as an expense when services are rendered. The gratuity liability and other long-term employee benefits, such as compensated absences, are based on an independent actuarial valuation using the projected unit credit method.

Provisions

The company recognises provisions for present obligations resulting from past events when an outflow of resources is probable and can be reliably estimated. These provisions are discounted if the time value of money is significant and are reviewed and adjusted at each reporting period. The company also specifically provides for decommissioning costs as a liability, discounted to its present value and included in the cost of the related asset.

Financial instruments

A financial instrument is a contract that creates a financial asset for one entity and a financial liability or equity instrument for another. All financial assets and liabilities are initially recognised at fair value. Financial assets are subsequently measured at amortised cost or fair value, while financial liabilities are measured at amortised cost. Instruments are derecognised when their contractual obligations expire or are transferred.

Impairment of financial assets

The company uses an expected credit loss (ECL) model to assess impairment on financial assets. For trade receivables, a simplified approach recognises a lifetime ECL. For other financial assets, a 12-month ECL is used unless credit risk has significantly increased, in which case a lifetime ECL is recognised. Impairment losses are recorded as an expense and an allowance on the balance sheet.

Impairment of non-financial assets

At each reporting date, the company assesses if there is an indication that a non-financial asset may be impaired. If an indication exists, the company estimates the asset's recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. If the carrying amount of an asset exceeds this recoverable amount, an impairment loss is recognised in the statement of profit and loss. Previously recognised impairment losses can be reversed if there is a change in the assumptions used to determine the asset's recoverable amount.

Fair value measurement

Fair value is defined as the price to sell an asset or transfer a liability in an orderly transaction between market participants. The company uses appropriate valuation techniques, prioritising observable data. Assets and liabilities are categorised into a three-level hierarchy (Level 1: quoted prices, Level 2: observable inputs, Level 3: unobservable inputs) based on the significance of the lowest-level input used in the valuation.

Taxes

Current income tax is based on enacted tax laws. Deferred tax is recognised for temporary differences between accounting and tax bases, and deferred tax assets are only recognised if future profits are probable.

Cash and cash equivalents

Cash and cash equivalents include cash on hand, bank balances, and short-term deposits with a maturity of three months or less. For the cash flow statement, this also includes outstanding bank overdrafts.

Earnings Per Share (EPS)

EPS is a company's net profit divided by its shares. Basic EPS uses the weighted average number of outstanding shares. Diluted EPS includes the shares from all potential conversions, like options, that could dilute earnings.

Events occurring after the balance sheet date

The company adjusts its financial statements for events after the balance sheet date that provide new information about existing conditions. However, it does not adjust for non-adjusting events, but will disclose significant ones.

Contingent liabilities and contingent assets

A contingent liability is a possible obligation not warranting a provision, but is disclosed unless the outflow of resources is remote. Contingent assets are not recognised or disclosed, but are continually assessed and recognised when an inflow of economic benefits becomes virtually certain.

Standards issued but not yet effective

The MCA has amended Ind AS 21, The Effects of Changes in Foreign Exchange Rates, to provide guidance on how to account for a currency when it cannot be exchanged for another. The amendment, effective from April 1, 2025, defines non-exchangeability, provides a method to estimate spot exchange rates in such situations, and requires enhanced disclosures. The company is currently assessing its impact.

Management Discussion and Analysis (contd.)

Changes in accounting policies

The change in accounting policy in FY 2024-25 was as follows:

The Ministry of Corporate Affairs notified Ind AS 117, Insurance Contracts, via a notification dated August 12, 2024, and Ind AS 104, Insurance Contracts, stands revoked with effect from April 1, 2024.

With the discontinuation of Ind AS 104 and the applicability of Ind AS 117, our Group had an irrevocable choice to either apply Ind AS 117 or Ind AS 109, Financial Instruments, for existing financial guarantees issued by parent company on behalf of our Group companies. We have elected to apply Ind AS 109 for financial guarantees as per the transitional provisions mentioned in the notification and corresponding adjustments had been made to the financial statements for FY 2024-25.

The MCA notified the Companies (Indian Accounting Standards) Second Amendment Rules, 2024, dated September 9, 2024, which amend Ind AS 116, Leases, with respect to Lease Liability in a Sale and Leaseback. The amendment specifies the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains. The amendment is effective for annual reporting periods beginning on or after April 1, 2024 and must be applied retrospectively to sale and leaseback transactions entered into after the date of initial application of Ind AS 116. The amendments do not have any impact on the Group's financial statements.

Principal components of income and expenditure

Income

Our total income comprises:

(i) Revenue from operations

(ii) Other income.

Revenue from operations

Revenue from operations comprises:

(i) Sale of goods and services; and (ii) Other operating revenue.

Our primary operating revenue depending on the type of goods or services is derived from the following:

(i) Sale of electricity: Revenue from sale of power is recognised net of estimated rebates and other similar allowances over the time on the supply of units generated from plants to the grid as per terms of PPAs entered into with the off-takers.

(ii) Incentive under generation-based schemes: Generation Based Incentive ("GBI") is recognised for eligible wind projects commissioned on or after April 1, 2012, providing ₹ 0.50 per unit of electricity supplied to the grid for 4 to 10 years, capped at ₹ 10 million per MW.

In addition to the above, we also generate revenue from sale of rooftop solar plant, sale of services which includes operation and maintenance fees and sale of traded goods.

Other operating revenue consists of income from the sale of carbon credits and the amortisation of deferred revenue. Revenue from the sale of carbon credits is recognised at the point at which the carbon credits are transferred to the customer, based on the consideration agreed in the sale agreements.

Other income

Other income primarily includes (i) interest income on fixed deposits; (ii) balances and provisions written back; (iii) liquidated damages; (iv) amortisation of deferred government grant; (v) insurance claim received; (vi) unwinding of discount on deposits and under late payment surcharge scheme; (vii) income from safeguard duty and GST refund; and (viii) mark to market gain on mutual funds.

The table below provides details of our other income in FY 2024-25:

(₹ million)

Particulars	FY25
Late payment surcharges	3.15
Balances and provision written back	441.37
Interest income on fixed deposits[1]	649.22
Interest income on loan to related parties	-
Mark to market gain on mutual funds	49.23
Unwinding of discount on of financial assets	76.04
Insurance claim received[2]	104.05
Amortisation of deferred government grant	158.13
Income from SGD and GST refund	55.92
Mark to market gain on derivative instruments	-
Interest income on income tax refund	13.03
Gain on sale of mutual funds	-
Fair value gain on asset held for sale	-
Liquidated damages[3]	297.74
Profit on disposal/sale of property, plant and equipment	45.59
Miscellaneous income	14.49
Gain on lease modification	14.22
Total	**1,922.18**

Notes:

[1] During the year, interest income of ₹ 6.80 million (March 31, 2024: Nil and March 31, 2023: Nil) has been transferred to capital work-in-progress.

[2] We recognise income from insurance claims from third parties when the same becomes receivable.

[3] During FY 2024-25, our subsidiary Clean Solar Power Tumkur Private Limited had reimbursed liquidated damages earlier deducted by DISCOMs of ₹ 297.74 million.

Expenses

Our expenses comprise (i) cost of materials consumed; (ii) employee benefits expense; (iii) finance costs; (iv) depreciation and amortisation expense; (v) impairment of non-current assets; and (v) other expenses.

Costs of materials consumed

Cost of materials consumed comprises cost of construction for capex power plants (including material costs associated with such projects).

Employee benefits expense

Employee benefits expense primarily comprises (i) salaries, wages and bonus; (ii) contribution to provident and other funds; (iii) employee stock option plan expenses; (iv) gratuity expenses; and (v) staff welfare expenses.

Other expenses

Other expenses primarily comprises: (i) operation and maintenance expenses; (ii) legal and professional expenses; (iii) repair and maintenance; (iv) provision for doubtful debts; (v) insurance; (vi) travelling and conveyance; (vii) rent, rates and taxes; (viii) IT and software subscription fees; and (ix) application, processing and registration fees.

Finance costs

Finance costs comprises primarily (i) interest on debts and borrowings banks and financial institutions; (ii) interest on onshore ECB bonds; and (iii) other finance cost which primarily comprises of loan processing fee, bank guarantee charge, letter of credit charges, amortisation of prepaid corporate guarantee and other bank charges.

Depreciation and amortisation expenses

Depreciation and amortisation expenses comprises (i) depreciation on property, plant and equipment; (ii) amortisation on intangible assets; and (iii) depreciation on right of use asset.

Results of operations

The following table sets forth certain information with respect to our results of operations on a consolidated basis for FY 2024-25.

Particulars	FY25	
	Amount	% of total income
	(₹ million)	(%)
Revenue from operations	14,709.11	88.44
Other income	1,922.18	11.56
Total Income	**16,631.29**	**100.00**
Expenses		
Cost of materials consumed	43.18	0.26
Employee benefits expense	914.87	5.50
Finance costs	8,627.94	51.88
Depreciation and amortisation expense	3,635.39	21.86
Impairment of non-current assets	668.98	4.02
Other expenses	3,448.84	20.74
Total expenses	**17,339.20**	**104.26**

Particulars	FY25	
	Amount	% of total income
	(₹ million)	(%)
Profit/(loss) before exceptional items and tax	(707.91)	(4.26)
Exceptional items	**318.50**	**1.92**
Profit/(loss) before tax	**(1,026.41)**	**(6.17)**
Tax expense		
Current tax expense	155.98	0.94
Adjustment of tax relating to earlier years	(38.28)	(0.23)
Deferred tax charge/ (credit)	460.33	2.77
Total tax expense	**578.03**	**3.48**
Profit/(Loss) for the year	**(1,604.44)**	**(9.65)**
Other comprehensive income		
Other comprehensive income that will be reclassified subsequently to statement of profit and loss		
Exchange difference on translation of foreign operations	14.29	0.09
Income tax effect	-	-
Net comprehensive income not to be reclassified to statement of profit or loss in subsequent year	**14.29**	**0.09**
Other comprehensive income not to be reclassified to statement of profit or loss in subsequent years:		
Re-measurement (loss)/gains on defined benefit plans	14.61	0.09
Income tax effect	(1.29)	(0.01)
Net other comprehensive income/ (loss) not to be reclassified to statement of profit or loss in subsequent years	**13.32**	**0.08**
Other comprehensive income for the year, net of tax	**27.61**	**0.17**
Total comprehensive (loss) for the year, net of tax	**(1,576.83)**	**(9.48)**
Loss for the year	**(1,604.44)**	**(9.65)**
Attributable to:		
Equity holders of Hero Future Energies Limited	(1,581.59)	(9.51)
Non-controlling interests	(22.85)	(0.14)
Other comprehensive expense for the year	**27.61**	**0.17**
Attributable to:		
Equity holders of Hero Future Energies Limited	14.26	0.09
Non-controlling interests	13.35	0.08
Total comprehensive expense for the year	**(1,576.83)**	**(9.48)**

Management Discussion and Analysis (contd.)

Liquidity and capital resources

Our liquidity requirements relate to development and construction of renewable energy projects, including solar, wind, WSH and Integrated RE Solutions projects, along with the related infrastructure. Our funding is used to meet both short-term and long-term debt obligations, support working capital requirements and maintain various reserves such as the debt service reserve account and interest service reserve account, and cash reserves to manage fluctuations in operating cash flows. Cash outflows for projects occur primarily in the early stages, while revenue is generated over time through the sale of power and other related sources. We currently hold our cash and cash equivalents primarily in Indian Rupees.

We have funded our growth principally from equity funding, bank borrowings and internal cash flows. Our principal uses of cash have been, and are expected to continue to be, funding our growth which includes long investments and development of renewable energy projects. We intend to continue to fund our liquidity and capital requirements primarily through equity funding, bank borrowings, issuance of non-convertible debentures and internal cash flows. We proactively manage our liquidity and capital by periodically raising funds at both the Company and SPV levels. We consistently monitor our funding levels to ensure we can meet the financial needs of our projects in construction, development and operations as well as cover any tax obligations or other business requirements. Additionally, we regularly track the conditions outlined in our facility agreements, including loan disbursements and the maturity of liabilities.

Cash flows

The following table sets forth certain information relating to our cash flows in FY 2024-25:

(₹ million)

Particulars	FY25
Net cash flows generated from operating activities	11,360.20
Net cash flows generated from / (used in) investing activities	(10,946.83)
Net cash flows generated from / (used in) financing activities	2,911.37
Net Cash and cash equivalents at the end of the year	**8,476.72**

Operating activities

Net cash flows generated from operating activities was ₹ 11,360.20 million. Loss before tax was ₹ 1,026.41 million in FY 2024-25. Primary adjustments consisted of finance costs of ₹ 8,627.94 million and depreciation and amortisation expense of ₹ 3,635.39 million. Operating profit before working capital changes was ₹ 10,774.65 million. The main working capital adjustments in FY 2024-25 included a decrease in trade and other receivables of ₹ 1,004.00 million, an increase in trade and other payables of ₹ 299.76 million and a decrease in other financial assets of ₹ 277.70 million which was partially offset by an increase in other assets of ₹ 1,027.93 million. Cash generated from operating activities post working capital changes in FY 2024-25 was ₹ 11,353.60 million. Taxes paid was ₹ 6.60 million.

Investing activities

Net cash flows used in investing activities was ₹ 10,946.83 million in FY 2024-25, primarily on account of payment made for purchase of property, plant and equipment of ₹ 9,095.80 million and acquisition of Clean Solar Power (Jodhpur) Private Limited, a Subsidiary of ₹ 2,305.73 million and investment in mutual funds of ₹ 2,201.41 million.

Financing activities

Net cash flows generated from financing activities was ₹ 2,911.37 million in FY 2024-25, primarily on account of proceeds from equity share capital (net of share issue expense) of ₹ 13,080.39 million which was partially offset by interest paid of ₹ 8,238.39 million and repayment of borrowings of ₹ 1,902.24 million.

Indebtedness

As of March 31, 2025, we had total borrowings of ₹ 91,598.32 million and our debt/ equity ratio was 3.1 times as of March 31, 2025.

The following table sets forth certain information relating to our principal outstanding indebtedness (excluding interest accrued, if any) as of March 31, 2024, and our repayment obligations as at March 31, 2025:

(₹ million)

Particulars	As of March 31, 2025 Payment due by period				
	On demand	Up to 1 year	1 – 5 years	More than 5 years	Total
Borrowings	-	11,997.82	22,232.20	30,086.96	64,316.99
Trade payables	-	1,795.83	-	-	1,795.83
Other financial liabilities	-	2,679.83	3.38	-	2,683.21
Lease liabilities	-	75.02	273.38	1,739.15	2,087.55

Contingent liabilities and capital commitments

Contingent liabilities

We classify our contingent liabilities and other legal issues under four categories: project related, land related, vendor related and regulatory matters. The project related contingent liabilities that are material to the us are as follows:

(i) Vayu Urja Bharat Private Limited, a subsidiary had entered into a PPA with Southern Power Distribution Company of Andhra Pradesh Limited ("APSPDCL"). Subsequently, APSPDCL's attempt to reduce the PPA tariff was denied by the Hon'ble High Court of Andhra Pradesh vide order dated March 15, 2022, which reaffirmed the PPA tariff in favour of Vayu Urja Bharat Private Limited. Thereafter, the Hon'ble Supreme Court vide order dated January 2, 2023 dismissed an appeal filed by APSPDCL against the aforementioned tariff order passed by the Hon'ble High Court of Andhra Pradesh. This resolved the longstanding dispute over the PPA tariff in favour of the subsidiary.

Consequently, APSPDCL is paying at the full PPA tariff, subject to certain deductions, which include claims related to the GBI payments received by Vayu Urja Bharat Private Limited from the Indian Renewable Energy Development Agency Limited and deductions related to breach of CUF limits. Our management considers these deductions to be invalid and has initiated recovery actions. As of March 31, 2025, the outstanding GBI related deductions amounts to ₹ 1,061 million, of which we have already obtained favourable orders from Hon'ble High Court of Andhra Pradesh for the recovery of ₹ 405.00 million. The remaining amount is under litigation as this matter continues to be an industry-wide issue in the State of Andhra Pradesh. Further, as of March 31, 2025, the outstanding CUF deductions amounts to ₹ 585 million, which continues to be under litigation. In this GBI industry wide issue in which Vayu Urja Bharat Private Limited is a party, Appellate Tribunal for Electricity vide its order dated December 19, 2024 has directed for the refund of all GBI deducted within the next four months along with interest. APSPDCL has challenged this order and the matter is presently pending for hearing before the Supreme Court.

Based on the progress achieved made so far and legal opinions obtained, our management is confident that the GBI and CUF deductions are fully recoverable and, therefore no loss allowance is required to be made for these amounts were made in consolidated financial statements for the financial year ended March 31, 2025.

(ii) Clean Wind Power (Bhavnagar) Private Limited, a subsidiary entered into a PPA with Maharashtra Electricity Distribution Company Limited ("MSEDCL") for a 75.6 MW wind project, with a commercial operation deadline of January 17, 2020, which was not met. In September 2021, Clean Wind Power (Bhavnagar) Private Limited deposited ₹ 151.00 million to MSEDCL for not meeting the commercial operation deadline. Potential further penalties could be approximately ₹ 1,250.00 million.

In September 2021, Clean Wind Power (Bhavnagar) Private Limited petitioned Maharashtra Electricity Regulatory Commission ("MERC") for frustration of the PPA due to force majeure events. In November 2024, MERC issued an order dismissing Clean Wind Power (Bhavnagar) Private Limited's petition for frustration of the PPA. Clean Wind Power (Bhavnagar) Private Limited had challenged this order before Appellate Tribunal for Electricity ("APTEL"). APTEL vide its Order dated February 4, 2025 restrained MSEDCL from initiating any proceedings against Clean Wind Power (Bhavnagar) Private Limited for recovery of any potential penalties during pendency of the appeal before APTEL. Our management is confident that the outcome of this filing shall be successful, and therefore the ₹ 151.00 million deposited for not meeting the commercial operation deadline shall be recoverable and no further penalties will be levied. Accordingly, no provision has been made consolidated financial statements for the financial year ended March 31, 2025.

Capital commitments

During the normal course of business, we have capital commitments pertaining to construction of wind and solar energy projects and estimates that we will incur (net of advance) ₹ 21,730.15 million during FY 2024-25.

Off-balance sheet arrangements

We do not have any off-balance sheet arrangements, derivative instruments or other relationships with other entities that would have been established for the purpose of facilitating off-balance sheet arrangements.

Capital expenditures

In FY 2024-25, our capital expenditure towards additions to fixed assets are set forth in the table below:

(₹ million)

Particulars	FY25
Freehold land	50.91
Plant and equipment	1,172.74
Building and substation	11.25
Computers and Data processing machines	52.57
Total	**1,287.47**

Related party transactions

We enter into various transactions with related parties in the ordinary course of business. These transactions principally include interest income, unsecured loans, interest on unsecured loans and operation and maintenance services, issue of share capital and purchase of investments.

Auditor's observations

Our statutory auditors have included the following emphasis of matter relating to our Company in the Restated Consolidated Financial Information for the periods set out below:

"We draw attention to Note 41(c)((i)(ii) to the Consolidated Financial Statements of the Group, which describes that in one of the subsidiaries, Vayu Urja Bharat Private Limited (the "Subsidiary"), Southern Power Distribution Company of Andhra Pradesh Limited ('APSPDCL') is paying the Subsidiary the full PPA tariff, subject to certain deductions, which include claims related to the Generation Based Incentive (GBI) payments and deductions related to breach of Capacity Utilisation Factor (CUF) limits. The Management of the Group has initiated recovery actions and based on the reasons stated in Note 41(c)((i)(ii), the Management of the Group believes that no loss allowance is necessary in respect of outstanding balance of trade receivables due from APSPDCL related to these deductions, as presented in the Consolidated Financial Statements for the financial year ended March 31, 2025.

We draw attention to Note 55 which describe that the management's assessment of recoverable value of the Group's assets in Ukraine is susceptible to the effect of geopolitical tensions and other uncertainties as stated therein."

Management Discussion and Analysis (contd.)

Quantitative and qualitative disclosures about market risk

Our activities expose us to market risk, credit risk and liquidity risk.

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.

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. We are exposed to credit risk from our operating activities (primarily trade receivables) and from our financing activities, including deposits with banks and financial institutions and other financial instruments. Further, we evaluate the concentration of risk with respect to trade receivables and contract assets as low, as our customers are government owned companies with high quality credit ratings.

Liquidity Risk

Liquidity risk is the risk that we may not be able to meet our present and future cash and collateral obligations without incurring unacceptable losses. Our objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. We closely monitor our liquidity position and deploy a robust cash management system. We maintain adequate sources of financing including loans from banks at an optimised cost. We also expect to generate positive cash flows from operations in order to meet our external financial liabilities as they fall due and also consistently monitor funding and refinancing options available in the debt market with a view to maintain financial flexibility.

Unusual or infrequent events or transactions

Except as mentioned/disclosed, to our knowledge, there have been no unusual or infrequent events or transactions that have in the past or may in the future affect our business operations or future financial performance.

Segment reporting

We are primarily in the business of sale of power and establishing, commissioning, setting up, operating and maintaining power generation using solar power plants within India. Our Chairman and Managing Director has been identified as being the chief operating decision maker, who evaluates our performance and allocates resources based on the analysis of the various performance indicator. Therefore, there is no reportable segment for our Company.

We are engaged in a single segment i.e., the business of “generation and sale of power” from where we earn our revenue and incur expense. The operating results are regularly reviewed and performance is assessed by our chief operating decision maker including Chief Executive Officer, Chief Financial Officer and the functional heads. All our resources are dedicated to this single segment and all the discrete financial information is available for this segment.

We operate within India and outside India, namely Ukraine, Vietnam, Singapore and United Kingdom. The geographical distribution of revenue from contracts with customers are set forth in the table below:

Revenue from contract with customers	FY25	
	(₹ million)	(in %)
India	14,158.98	96.26
Outside India	550.13	3.74
Total	**14,709.11**	**100.00**

Significant dependence on single or few customers

We derive our revenue from sale of electricity, providing operations and management services and engineering, procurement and construction services. Certain of our customers contributed more than 10% of our overall revenue from operations for FY 2024-25. The details are set forth in the table below:

Particulars	FY25	
	(₹ in million)	(% of revenue from operations)
Revenue generated from our largest off-taker	4,449.47	30.25
Revenue generated from our second largest off-taker	1,806.26	12.28
Revenue generated from our third largest off-taker	1,399.02	9.51
Total	**7,654.75**	**52.49**

Seasonality of business

Our revenue from renewable energy projects is closely linked to the electricity they produce, which is largely influenced by climatic and environmental conditions. Weather plays a critical role in our power generation, and the profitability of our operations is affected by both the observed weather conditions at our project sites and their consistency over time. Our investment decisions for each project rely on detailed on-site studies.

Nonetheless, operating outcomes for renewable energy projects can fluctuate due to natural seasonal and yearly changes. There may also be lasting alterations due to climate change or other factors beyond our control, such as human-induced conditions like smog from crop burning.

Furthermore, electricity production depends largely on the availability of sunlight or wind. For example, electricity generation may decrease due to certain environmental factors, including cloudy weather, sandstorms, heavy rainfall, solar eclipses, pollution or insufficient wind which may have an impact on our operations and results of operations.

Significant developments after March 31, 2025 that may affect our future results of operations

Except as mentioned/disclosed, to our knowledge no circumstances have arisen since March 31, 2025 that could materially and adversely affect or are likely to affect, the trading or profitability, or the value of our assets or our ability to pay our liabilities within the next 12 months.

Board's Report

To the Members of Hero Future Energies Private Limited

Your directors are pleased to present their Twelfth Annual Report on the business and operations of the Company and the Audited Financial Statement for the year ended March 31, 2025 together with the Auditors' Report.

Financial Performance

The highlights of the Company's financial performance is as under:

(Amt. in 'MINR')

Particulars	Standalone		Consolidated	
	2024-2025	2023-2024	2024-2025	2023-2024
Revenue from Operations	438.76	393.09	14,709.11	14,971.14
Other Income	343.64	1,124.19	1,922.18	1,244.98
Total Revenue	**782.4**	**1,517.28**	**16,631.29**	**16,216.12**
Earnings before Depreciation & Amortisation Expenses and Finance Cost	(149.35)	895.30	12,224.40	12,625.32
Expenses other than Depreciation other than fixed cost	931.75	621.98	4,406.89	3,590.80
Depreciation & Amortisation Expenses	67.56	73.30	4,304.37	3,442.24
Finance Cost	117.21	332.60	8,627.94	8,932.83
Total Expenses	**1,116.52**	**1,027.88**	**17,339.20**	**15,965.87**
Profit/(Loss) Before exceptional item and Tax	**(334.12)**	**489.40**	**(707.91)**	**250.25**
Exceptional item			318.5	57.74
Profit/(Loss) Before Tax	**(334.12)**	**489.40**	**(1,026.41)**	**192.51**
Income Tax	0	8.94	155.98	184.24
Tax for previous Years	0	(2.04)	(38.28)	(69.62)
Mat Tax for the Previous Years				
Deferred Tax Charge/(Credit)	(73.89)	28.95	460.33	358.64
Profit/(Loss) after Tax	(260.23)	453.55	(1,604.44)	(280.75)
Other Comprehensive Income/(Loss)	2.42	(1.03)	27.61	132.62
Total Comprehensive Income for the year/period	**(257.81)**	**452.52**	**(1,576.83)**	**(148.13)**
Basic & Diluted EPS in ₹	(0.25)	0.43	-1.50	(0.23)

Review of Operations-Company's Performance

Standalone

During the year under review on the basis of Financials prepared, Net loss after tax was MINR 260.23 as on March 31, 2025 against a Net profit after tax was MINR 453.55 as on March 31, 2024.

Consolidated

During the year under review on the basis of Financials prepared, net loss after tax was MINR 1604.44 as on March 31, 2025 against a net profit loss tax was MINR 280.75 as on March 31, 2024.

Dividend

Your directors have not recommended any dividend for the year under review.

Transfer to Reserves

For the financial year ended March 31, 2025, the Company has not transferred any sum to Reserves.

Change in Nature of Business

During financial year ended March 31, 2025, there was no change in the nature of Company's business.

Company's Affair

The Company has 10 MW solar power project in the state of Karnataka. It has Power Purchase Agreement executed with Hubli Electricity Supply Company Limited (Karnataka DISCOM) for supply of electricity. The project has been successfully in operation since August 14, 2015.

Details of Subsidiary Companies/Joint Ventures/Associate Companies

As on March 31, 2025 Company has 80 subsidiaries including step down subsidiaries. Further below mentioned Step down Subsidiaries were incorporated during the Financial year and after the closure of Financial Year namely,

Sl No.	Name of the Company	Date of Incorporation
1	Clean Renewable Energy GJ 1A Private Limited	June 19, 2024
2	Clean Renewable Energy GJ 1B Private Limited	June 06, 2024
3	Clean Renewable Energy GJ 1C Private Limited	June 06, 2024
4	Clean Renewable Energy ISTS 1 Private Limited	June 18, 2024
5	Clean Renewable Energy Hybrid Eight Private Limited	June 25, 2024
6	Clean Renewable Energy Hybrid Nine Private Limited	July 03, 2024
7	Clean Renewable Energy Hybrid Ten Private Limited	June 25, 2024
8	Clean Renewable Energy KK 1B Private Limited	July 25, 2024
9.	Clean Renewable Energy KK 1C Private Limited	August 05, 2024
10.	Clean Renewable Energy KK 1D Private Limited	July 25, 2024
11.	Clean Renewable Energy KK 1E Private Limited	July 26, 2024
12.	Clean Renewable Energy HR 1A Private Limited	July 26, 2024
13.	Clean Renewable Energy Hybrid Eleven Private Limited	December 13, 2024
14.	Clean Renewable Energy Hybrid Twelve Private Limited	November 29, 2024
15.	Clean Renewable Energy Hybrid Thirteen Private Limited	January 21, 2025
16.	Clean Renewable Energy Hybrid Fourteen Private Limited	January 21, 2025
17.	Clean Renewable Energy Hybrid Fifteen Private Limited	January 21, 2025
18.	Clean Renewable Energy MH 1B Private Limited	February 17, 2025
19.	Clean Renewable Energy MH 1C Private Limited	February 17, 2025
20.	Clean Renewable Energy MH 1D Private Limited	February 17, 2025
21.	Clean Renewable Energy HR 1B Private Limited	June 09, 2025
22.	Clean Renewable Energy HR 1C Private Limited	June 09, 2025
23.	Clean Renewable Energy HR 1D Private Limited	June 09, 2025
24.	Clean Renewable Energy HR 1E Private Limited	June 09, 2025

During the Financial Year as part of internal restructuring, the Company has acquired Hero Future Energies UK Limited from Hero Future Energies Global Limited for aggregating amount upto USD 52,52,390.

Brief Particulars of Four vertical holding subsidiaries are given below:

Hero Wind Energy Private Limited

Hero Wind Energy Private Limited ("HWEPL"), is a wholly owned subsidiary of your Company. HWEPL has commissioned 583.1 MWp Wind Power Projects through its SPVs till the end of the financial year 2024-25.

The Net Loss after tax is MINR 1349.53 as on March 31, 2025 as compared to Net Loss after tax is MINR 559.86 as on March 31, 2024.

Hero Solar Energy Private Limited

Hero Solar Energy Private Limited ("HSEPL"), is a wholly owned subsidiary of your Company. HSEPL commissioned 1,546.71 MWp (Grid + Rooftop) Solar Power Projects by its own and through its all SPV(s) till the end of the financial year 2024-25.

The Net Loss after tax is MINR 413.59 as on March 31, 2025 as compared to Net Loss after tax is MINR 1041.60 as on March 31, 2024.

Hero Rooftop Energy Private Limited

Hero Rooftop Energy Private Limited ("HREPL"), is a wholly owned subsidiary of your Company. HREPL has commissioned 64.7 MWp Power Projects by its own and through its all SPV(s) till the end of the financial year 2024-25.

The Net Loss after tax is MINR 0.872 as on March 31, 2025 as against Net Loss after tax is MINR 102.44 as on March 31, 2024.

Hero Future Energies Uk Limited

Hero Future Energies UK Limited ("HFE UK"), is a wholly owned subsidiary of your Company. HFE UK has commissioned 37.6 MWp Power Projects by its own and through its all SPV(s) till the end of the financial year 2024-25.

Board's Report (contd.)

The Net Loss after tax is GBP 18909 as on March 31, 2025 as against Net Loss after tax is GBP 288,995as on March 31, 2024.

Pursuant to provisions of Section 129(3) of the Companies Act, 2013, a statement containing salient features of the financial statements of the Company's subsidiaries in Form AOC-1 is form part of the financial statements of the Company.

Material Changes and Commitments

No material change or commitment has occurred after the close of the Financial Year 2024-2025 till date of this Report, which affects the financial position of the Company.

During the Financial Year as part of internal restructuring, the Company has acquired Hero Future Energies UK Limited from Hero Future Energies Global Limited for aggregating amount upto USD 52,52,390.

Change in Capital Structure

Authorised Share Capital

During the year, there has been no change in the authorised share capital of the Company. As on March 31, 2025, the Authorised Share Capital of the Company stood at ₹ 45,37,50,00,000/- (Rupees Four Thousand Five Hundred Thirty Seven Crores and Fifty Lakhs only) divided into 78,75,00,000 (Seventy-Eight Crore and Seventy-Five Lacs) Equity Shares of ₹ 10/- each and 37,50,00,000 (Thirty Seven Crores and Fifty Lakhs) Compulsorily Convertible Preference Shares of ₹ 100/- each.

Paid-Up Share Capital

During the year, there has been change in the subscribed and paid-up share capital of the Company.

During the period under review, the Company has increased its paid up share capital in the following manner:-

	No. of Equity Shares (Existing)	No. of Equity Shares (Revised)
Equity Shares @₹ 10/- each	1,29,20,644 (One Crore Twenty Nine Lakh Twenty Thousand Six Hundred and Forty Four)	2,53,21,384 (Two Crore Fifty Three Twenty One Thousand Three Hundred and Eighty Four)
Compulsorily Convertible Preference Share @ ₹ 100/-	24,94,96,685 (Twenty Four Crores Ninety Four Lakhs Ninety Six Thousand Six Hundred and Eighty Five)	No Change

Employees Stock Option Plan

In compliance of the Scheme of Arrangement approved vide NCLT's Order dated February 07, 2018, passed in CAA-333/ PB/ 2017 ("Scheme of Arrangement"), the Board of Directors of the Transferee Company has approved adoption of the Hero Future Energies Private Limited Employee Stock Option Plan, 2025 ("2025 ESOP Plan"), which has been formulated basis the Hero Future Energies Private Limited Employee Stock Option Plan, 2015, of the Transferor Company.

Directors

During the period under review the Composition of the Board is as per below:

Name, Designation and DIN of Director	Date of Appointment	Category of Directorship	No. of other Directorships held* (other than HFEPL)	Details of Committees (other than HFEPL)
Benjamin Paul Fraser	30.12.2022	Non-Executive Director	2	3
Sumit Kumar Roy #	30.12.2022	Non-Executive Director	2	2
Anuj Agarwal	12.01.2023	Non-Executive Director	4	4
Harish Pant	30.12.2022	Non-Executive Director	3	1

* The Directorships held by the Directors, as mentioned above excludes alternate directorships, directorships in foreign companies, companies under section 8 of the act and private limited companies, which are not the subsidiaries of public limited companies.

Mr. Sumit Kumar Roy resigned as Director and from its committees effective May 26, 2025 after the closing of business hours.

Key Managerial Personnel

During the year under review, there is no change in the Key Managerial Personnel of the Company. Key Managerial Personnel is as per below:

Sl. No	Name of the Key Managerial Personnel	Designation
1.	Mr. Srivatsan Srinivas Iyer	Chief Executive Officer
2.	Mr. Mayur Maheshwari	Head - Compliance officer & Company Secretary

Number Of Board Meetings And Its Committees (Disclosure U/S 134(3))

Total 12 (Twelve) Board Meetings were held during the Financial Year 2024-25, and the details of the Board Meetings are as follows:

Board Meetings

S. No.	Date of Meeting	Total No. of Directors on the Date of Meeting	No. of Directors attended the Meeting	% of Attendance
1.	12-04-2024	4	4	100
2.	11-06-2024	4	3	75
3.	27-06-2024	4	4	100
4.	25-07-2024	4	4	100
5.	30-09-2024	4	4	100
6.	18-10-2024	4	4	100
7.	20-12-2024	4	3	75
8.	07-02-2025	4	3	75
9.	07-02-2025	4	3	75
10.	07-02-2025	4	3	75
11.	18-02-2025	4	3	75
12.	28-02-2025	4	3	75

Attendance of Directors

S. No.	Name of Director	Board Meeting			Committee Meetings (Taking all the Committee Meetings together of which a Director is a member			Whether attended last AGM held on September 30, 2024 (Y/N)
		No. of Meetings Held	No. of Meetings attended	% of attendance	No of Meetings Held	No. of Meetings attended	% of attendance	
1.	Mr. Benjamin Paul Fraser	12	10	83.33	12	9	75	No
2.	Mr. Sumit Kumar Roy*	12	12	100	12	12	100	Yes
3.	Mr. Harish Pant	12	9	75	-	-	-	Yes
4.	Mr. Anuj Agarwal	12	10	83.33	12	12	100	Yes

*Mr. Sumit Kumar Resigned w.e.f. May 26, 2025

Audit Committee

During the year, Audit Committee was met five times on June 27, 2024, July 25, 2024, September 30, 2024, December 20, 2024 and March 17, 2025. The Committee comprises of Mr. Anuj Agarwal, Mr. Benjamin Paul Fraser and Mr. Sumit Kumar Roy.

Attendance details of the members are given in table below:

S. No.	Name of Committee Member	Meetings Held during the year	Meetings attended
1.	Mr. Anuj Agarwal	5	5
2.	Mr. Benjamin Paul Fraser	5	3
3.	Mr. Sumit Kumar Roy*	5	5

*Mr. Sumit Kumar Resigned w.e.f. May 26, 2025

Terms of Reference of Audit Committee were as follows:

- Recommendation for appointment, remuneration and terms of appointment of the auditors
- Review and monitor auditor's independence and performance and effectiveness of the audit process
- Examination of the financial statement and auditor's report
- Approval or modification of related party transactions
- Scrutiny of inter corporate loans and investments
- Valuation of undertakings or assets of the Company wherever it is necessary
- Evaluation of internal financial controls and risk management systems
- Monitoring of end use of funds of the private placement/ preferential offers

Board's Report (contd.)

- Vigil mechanism
- Discuss issues with internal and statutory auditors
- Audit Committee to call for comments of the auditors about internal control systems, scope of audit including the observations of the auditors and review of the financial statements before submission to the Board
- The auditors and the key management personnel will have a right to be present when the financial statements are considered by the Audit Committee but will not have a right to vote

Nomination & Remuneration Committee

During the year, Nomination & Remuneration Committee met Six times on June 27, 2024, September 27, 2024, December 20, 2024, February 07, 2025, February 07, 2025 and February 07, 2025. The Committee comprises of Mr. Anuj Agarwal, Mr. Benjamin Paul Fraser and Mr. Sumit Kumar Roy.

Attendance details of the members are given in table below:

S. No.	Name of Committee Member	Meetings Held during the year	Meetings attended
1.	Mr. Anuj Agarwal	6	6
2.	Mr. Benjamin Paul Fraser	6	5
3.	Mr. Sumit Kumar Roy*	6	6

*Mr. Sumit Kumar Resigned w.e.f. May 26, 2025

Terms of Reference of Nomination and Remuneration Committee are as follows:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board of Directors a policy, relating to, the remuneration of the Directors
2. Issue and allotment of shares against exercise of stock options

Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee comprises of Mr. Anuj Agarwal, Chairman, Mr. Benjamin Paul Fraser, Mr. Sumit Kumar Roy and Mr. Harish Pant, Members as on March 31, 2025. No Corporate Social Responsibility Committee held during the period under review.

The purpose of the Committee is to assist the Board in setting Company's CSR policy and program(s).

The responsibilities of the CSR Committee are as follows:

a. To formulate and recommend to the Board, a CSR policy which shall indicate the activities to be undertaken by the Company as per the Companies Act, 2013

b. To review and recommend the amount of expenditure to be incurred on the activities to be undertaken by the Company

c. To monitor the CSR policy of the Company from time to time

d. Any other matter as the CSR Committee may deem appropriate after approval of the Board of Directors or as may be directed by the Board of Directors from time to time

Banking & Finance Committee

The Banking & Finance Committee comprises of Mr. Benjamin Paul Fraser, Mr. Sumit Kumar Roy and Mr. Anuj Agarwal as on March 31, 2025. Banking & Finance Committee has held one meeting on November 25, 2024 during the period under review.

Attendance details of the members are given in table below:

S. No.	Name of Committee Member	Meetings Held during the year	Meetings attended
1.	Mr. Anuj Agarwal	1	1
2.	Mr. Benjamin Paul Fraser	1	1
3.	Mr. Sumit Kumar Roy*	1	1

*Mr. Sumit Kumar Resigned w.e.f. May 26, 2025

The Terms of Reference of the Committee are as follows:

a. Opening and Closing of Bank accounts

b. Change in Bank Signatories

c. Obtaining Internet Banking Facility to facilitate Online Tax Payment etc.

d. Day to day Investment in Fixed Deposits & Mutual Funds as per policy

e. Approval of Non-Fund Based facilities with the Banks/ Financial Institutions

f. Obtaining Sales Tax/Service Tax/GST Registration

g. As may be applicable to delegate Board Powers under Section 179 (3) of the Companies Act, 2013:

- to borrow monies;
- to invest the funds of the company; and
- to grant loans or give guarantee or provide security in respect of loans;

Statutory Auditors

M/s. M S K A & Associates, Chartered Accountants, Firm Registration Number:105047W were appointed at the Annual General Meeting held on 30th September 2023 as the Statutory Auditors of the Company until the conclusion of the Fifteenth Annual General Meeting of the Company for the period of 5 consecutive years.

The Auditors' Report together with the significant accounting policies and notes thereon are self-explanatory and do not call for any further comments.

The Auditors' Report for the Financial Year 2024-25 do not contain any qualification, reservation or any adverse remark.

Internal Auditors

As per Section 138 of the Companies Act, 2013, Company has appointed Mr. Shashidhar Srirambhatla as the Internal Auditor to conduct the Internal Audit of the Company for the Financial year 2024-2025.

Secretarial Auditors

Company is not required to appoint Secretarial Auditor for the Financial Year 2024-2025 as per the Section 204 of the Companies Act, 2013.

Cost Audit

Company is not required to maintain and Carry out Audit of Cost Records as specified by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013.

Extract of The Annual Return

The details forming part of the extract of the Annual Return in Form No. MGT - 9 in accordance with the provisions of Section 92 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, are set out herewith as **'Annexure - A'** to this Report and also be available on Company's website https://www.herofutureenergies.com/.

Details of Conservation of Energy, Technology Absorption, Foreign Exchange Earning and Outgoing

Information pursuant to Section 134(3)(m) of the Companies Act, 2013 read with rule 8 to the Companies (Accounts) Rules, 2014 related to conservation of energy, technology absorption, foreign exchange earnings and outgo, as required to be disclosed under the Companies Act, 2013 and has been provided in **'Annexure - B'** to this Report.

Particulars of Loans, Guarantees or Investments Under Section 186

The Company, being an infrastructure company, is exempt from the provisions as applicable to loans, guarantees and securities under Section 186 of the Companies Act, 2013. The details of investments are provided in the schedules to the financial statements.

Related Party Transactions

All related party transactions pursuant to Section 188(1) of the Companies Act, 2013 that were entered into during the Financial Year were on an arm's length basis and in the ordinary course of business. There were no materially significant related party transactions made by your Company with its Promoters, Directors or other designated persons which might have a potential conflict with the interest of the Company at large.

There were no matters requiring approval of the Board therefore no detail is required to be provided in AOC-2. Your Company has developed Standard Operating Procedures for the purposes of identification of Related Party Transactions and monitoring on a regular basis.

Enterprise Risk Management Policy

The Enterprise Risk Management (ERM) Policy provides for structured and intelligent approach to risk management with a view to create a "Risk Intelligent" organisation. It establishes a comprehensive set of components that provide the foundations and organisational arrangements for designing, implementing, monitoring, reviewing and continually improving enterprise risk management throughout the organisation. This Policy aligns strategy, processes, people, culture, technology and governance with the purpose of evaluating and managing the uncertainties faced by the organisation while creating value.

Directors' Responsibility Statement

Your Directors make the following statement in terms of Section 134 of the Act, which is to the best of their knowledge and belief and according to the information and explanations obtained by them as under:

(a) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanations relating to material departures;

(b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as on March 31, 2025 and of the profit and loss of the Company for the year ended March 31, 2025;

(c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(d) the Directors have prepared the annual accounts on a going concern basis;

(e) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

Further in terms of Para 9 of Secretarial Standard-1, issued by the Institute of Company Secretaries of India and approved by Ministry of Corporate Affairs, the Directors had devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards and that such systems are adequate and operating effectively.

Deposits

The Company has not accepted any Public Deposits and as such, no amount on account of principal or interest on public deposits were outstanding as on the date of the Balance Sheet.

Details of Significant and Material Orders Passed by the Regulators / Courts / Tribunals

No significant and material orders have been passed by the regulators/ courts/tribunals.

Human Resources

We are an equal opportunities employer and are committed to maintain a work environment that attracts and inspires excellence.

Internal Control Systems and their Adequacy

The Board has adopted policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, safeguarding of its assets, prevention and detection

Board's Report (contd.)

of fraud, error reporting mechanisms, accuracy and completeness of the accounting records, and timely preparation of reliable financial disclosures. There is an independent internal audit function, which works to provide assurance regarding the adequacy and operation of internal controls and processes. The Company's internal control system is commensurate with the size, nature and operations of the Company.

Compliance

Your Company has complied and continues to comply with all the applicable regulations, circulars and guidelines issued by the various Statutory Authorities, particularly Ministry of New and Renewable Energy, Ministry of Power and the Ministry of Corporate Affairs.

Your Company has duly complied with all the applicable provisions of the Companies Act, 2013 and its applicable rules, regulations & guidelines issued from time to time.

Downstream Investment Compliances

The Company has duly complied with the provisions of Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017 pertaining to Downstream Investments made by it at second level and so on.

Reporting of Frauds by Auditors

During the year under review, the Statutory Auditors have not reported any instances of fraud committed against the Company by its officers or employees to the Audit Committee or the Board under section 143(12) of the Act.

Compliance with Secretarial Standards

The Company is fully compliant with the applicable Secretarial Standards (SS) viz. SS-1 & SS-2 on Meetings of the Board of Directors and General Meeting respectively.

Corporate Social Responsibility

Hero Future Energies Private Limited (HFEPL) is committed to ensuring its contribution to the welfare of the communities in the society where it operates, through its Corporate Social Responsibility ("CSR") initiatives.

The report on CSR Activities/ Initiatives is enclosed as **'Annexure - C'**.

The objective of HFEPL, CSR Policy is to consistently pursue the concept of integrated development of the society in an economically, socially and environmentally sustainable manner and at the same time recognise the interests of all its stakeholders.

To attain its CSR objectives in a professional and integrated manner, HFEPL undertakes the CSR activities as specified under the Companies Act, 2013.

Remuneration of Directors, Key Managerial Personnel and Particulars of Employees

The information required to be disclosed in the Directors' Report pursuant to Section 197 of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel), Rules, 2014, is set out in as an **'Annexure - D'** to this Report.

Details of Designated Persons

As per the amendment in the Companies (Management and Administration) Rules, 2014 dated October 27, 2023. Every company shall designate a person who shall be responsible for furnishing, and extending co-operation for providing, information to the Registrar or any other authorised officer with respect to beneficial interest in shares of the company. Mr. Mayur Maheshwari, Company Secretary was appointed as the authorised officers/designated persons by the Board.

Corporate Governance

Corporate governance is about maximising shareholder value legally, ethically and sustainably. At HFEPL, the goal of corporate governance is to ensure fairness for every stakeholder. We believe sound corporate governance is critical to enhance and retain investor trust. We always seek to ensure that our performance is driven by integrity. Our Board exercises its fiduciary responsibilities in the widest sense of the term. Our disclosures seek to attain the best practices in international corporate governance. We also endeavour to enhance long-term shareholders value and respect minority rights in all our business decisions.

Whistle Blowing Policy (Vigil Mechanism Policy as per CA, 2013)

The Company is committed to the highest standards of ethical, moral and legal business conduct. Accordingly, the board of directors has formulated a Whistle Blowing Policy which provides a robust framework for dealing with suspected wrongdoings or danger at work. The reportable matters may be disclosed to the Designated Officer which operates under the supervision of the Board of Directors. During the year under review, no employee was denied access to the Board of Directors.

General Body Meetings

a) The details of the last three AGMs of the Company:

Year ended	Day, Date & Time	Venue	No. of Special Resolutions passed
March 31, 2024	Monday, 30th September 2024 5:30 pm	Board Room, 202, Third Floor, Okhla Industrial Estate, Phase-III, New Delhi - 110 020	0
March 31, 2023	Saturday, 30th September 2023 3:45 pm	Board Room, 202, Third Floor, Okhla Industrial Estate, Phase-III, New Delhi - 110 020	1
March 31, 2022	Thursday, 18th August 2022 11:30 am	Board Room, 202, Third Floor, Okhla Industrial Estate, Phase-III, New Delhi - 110 020	0

All the resolutions proposed in last three years are approved by shareholders with requisite majority

Extraordinary General Meeting:

Extraordinary General Meeting of the Members was held during FY 24-25:- 2 (Two) Extraordinary General Meeting was held during the FY 2024-25.

General shareholder information:

(a) Details of AGM- date, time and venue;

(b) Financial year: 1st April to March 31

(c) Dividend payment date:- Not Applicable

(d) Registrar to an issue and share transfer agents (RTA):
MUFG Intime India Private Limited
247 Park, ₹ 101 1st Floor, LBS Marg, Vikhroli (W),
Mumbai – 400083
Tel:022-49186000 and Fax: 022-49186060

(e) Depositories:
1. National Securities Depository Limited (NSDL)
Trade World, 4th Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai - 400 013.
2. Central Depository Services (India) Limited (CDSL)
Phiroze Jeejeebhoy Towers, 28th Floor, Dalal Street, Mumbai - 400 023.

Sexual Harassment Of Women At Workplace (Prevention, Prohibition And Redressal) Act, 2013

As per the requirement of The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 ('Act'), the Company has constituted Internal Complaints Committees (ICC) which are responsible for redressal of complaints related to sexual harassment. The objective of the Policy is to create and provide a work environment that is safer, civilised, free from any sort of hostility, supportive to the diversity & dignity of all Associates, where Associates feel secure, provide protection to the Associates at the workplace and established guidelines for prevention & redressal of complaints of sexual harassment and matters connected or incidental thereto at the workplace on the basis of natural justice and confidentiality.

The Company has also organised orientation programmes and sensitisation workshops for the members of ICC and other Associates as per the provisions of the Act. During the year ended 31st March 2024, the Company has not received any complaints in the matter.

The annual report submitted by the ICC is enclosed as **'Annexure - E'**.

Credit Ratings

As on February 17, 2025, CRISIL Ratings reaffirmed its ratings on bank facilities and commercial paper of Hero Future Energies Private Limited(HFEPL) at 'CRISIL A/Stable/CRISIL A1'.

Details of Application Made or any Proceeding Pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) During the Year Along with their Status as at the end of the Financial Year

Nil

Details of Difference Between Amount of the Valuation done at the Time of one Time Settlement and the Valuation done While Taking Loan from the Banks or Financial Institutions Along with the Reasons thereof

Not Applicable

Acknowledgements

Your directors appreciate the significant contribution made by the employees of the Company at all levels towards its overall success. The Directors also take this opportunity to place on record their appreciation to all the Stakeholders of the Company viz. Customers, Bankers, Auditors, Lenders, Investors, Regulators and Vendors for the support received from them during the financial year under review.

For and on behalf of the Board of Directors
Hero Future Energies Private Limited

Harish Pant	**Anuj Agarwal**
DIN-07668113	DIN-01866057
(Director)	(Director)

Date: 13-06-2025
Place: New Delhi

Annexure - A
"Extract of Annual Return"

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

As on financial year ended on March 31, 2025

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

I. Registration & Other Details:

1.	CIN	U40300DL2013PTC253648
2.	Registration Date	June 06, 2013
3.	Name of the Company	Hero Future Energies Private Limited
4.	Category/Sub-category of the Company	Private Company/Company Limited by shares
5.	Address of the Registered office & contact details	Plot No 202, Second Floor, Okhla Industrial Estate, Phase-III, New Delhi - 110 020 Email: secretarial@herofutureenergies.com www.herofutureenergies.com Landline: 011-49598000; Fax: 011-49598022
6.	Whether listed company	No
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	MUFG Intime India Private Limited 247 Park, C 101 1st Floor, LBS Marg, Vikhroli (W), Mumbai – 400 083 Tel: 022-49186000 and Fax: 022-49186060

II. Principal Business Activities of the Company

All the business activities contributing 10 % or more of the total turnover of the company:

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Revenue from electricity	35106	24.94
2	Income from Management and Development Services	99833243	75.06

III. Particulars of Holding, Subsidiary and Associate Companies

S. No.	Name and Address of the Company	CIN/GLN/Reg No.	Holding/ Subsidiary/ Associate	% of Shares held	Applicable Section
1.	Hero Future Energies Asia Pte. Ltd. Add:- 14 Robinson Road, #12-01 Far East Finance Building, Singapore 048 545	201623563M	Holding	100%	2(46)
2.	Hero Wind Energy Pvt. Ltd. Add:- Plot No. 201, Ground Floor, Okhla Industrial Estate, Phase-III, New Delhi - 110 020	U40300DL2013PTC251839	Subsidiary	100%	2(87)
3.	Hero Solar Energy Pvt. Ltd. Add:- Plot No. 201, Ground Floor, Okhla Industrial Estate, Phase-III, New Delhi - 110 020	U40106DL2013PTC250501	Subsidiary	100%	2(87)
4.	Hero Rooftop Energy Pvt. Ltd. Add:- Plot No. 201, Ground Floor, Okhla Industrial Estate, Phase-III, New Delhi - 110 020	U40300DL2017PTC322516	Subsidiary	100%	2(87)
5.	Clean Wind Power (Devgarh) Pvt. Ltd. Add:- Plot No. 201, Ground Floor , Okhla Industrial Estate, Phase-III, New Delhi - 110 020	U40106DL2012PTC245031	Step-down Subsidiary	100%	2(87)
6.	Clean Wind Power (Anantapur) Pvt. Ltd. Add:- Plot No. 201, Ground Floor, Okhla Industrial Estate, Phase-III, New Delhi - 110 020	U40300DL2013PTC255351	Step-down Subsidiary	100%	2(87)
7.	Clean Wind Power (Pratapgarh) Pvt. Ltd. Add:- Plot No. 201, Ground Floor, Okhla Industrial Estate, Phase-III, New Delhi - 110 020	U40300DL2013PTC255124	Step-down Subsidiary	72.10%	2(87)
8.	Clean Wind Power (Ratlam) Pvt. Ltd. Add:- Plot No. 201, Ground Floor, Okhla Industrial Estate, Phase-III, New Delhi - 110 020	U40300DL2013PTC255814	Step-down Subsidiary	100%	2(87)
9.	Clean Wind Power (Satara) Pvt. Ltd. Add:- Plot No. 201, Ground Floor, Okhla Industrial Estate, Phase-III, New Delhi - 110 020	U40300DL2013PTC255815	Step-down Subsidiary	100%	2(87)
10.	Clean Wind Power (Manvi) Pvt. Ltd. Add:- Plot No. 201, Ground Floor, Okhla Industrial Estate, Phase-III, New Delhi - 110020	U40300DL2014PTC268890	Step-down Subsidiary	72.70%	2(87)
11.	Clean Wind Power (Jaisalmer) Pvt. Ltd. Add:- Plot No. 201, Ground Floor, Okhla Industrial Estate, Phase-III, New Delhi - 110 020	U40106DL2014PTC268883	Step-down Subsidiary	100%	2(87)
12.	Vayu Urja Bharat Pvt. Ltd. Add:- Plot No. 201, Ground Floor, Okhla Industrial Estate, Phase-III, New Delhi - 110 020	U40108DL2009PTC425234	Step-down Subsidiary	100%	2(87)
13.	Clean Wind Power (Kurnool) Pvt. Ltd.* Add:- Plot No. 201, Ground Floor, Okhla Industrial Estate, Phase-III, New Delhi - 110 020	U40106DL2016PTC298662	Step-down Subsidiary	100%	2(87)
14.	Clean Wind Power (Bhavnagar) Pvt. Ltd. Add:- Plot No. 201, Ground Floor, Okhla Industrial Estate, Phase-III, New Delhi - 110 020	U40105DL2016PTC299208	Step-down Subsidiary	100%	2(87)
15.	Clean Wind Power (Piploda) Pvt. Ltd. Add:- Plot No. 201, Ground Floor, Okhla Industrial Estate, Phase-III, New Delhi - 110 020	U40200DL2016PTC299448	Step-down Subsidiary	100%	2(87)
16.	Clean Wind Power (Bableshwar) Pvt. Ltd. Add:- Plot No. 201, Ground Floor, Okhla Industrial Estate, Phase-III, New Delhi - 110 020	U40106DL2016PTC307619	Step-down Subsidiary	100%	2(87)
17.	Clean Wind Power (Tuticorin) Pvt. Ltd. Add:- Plot No. 201, Ground Floor, Okhla Industrial Estate, Phase-III, New Delhi - 110 020	U40106DL2016PTC308658	Step-down Subsidiary	100%	2(87)
18.	Clean Solar Power (Dhar) Pvt. Ltd. Add:- Plot No. 201, Ground Floor, Okhla Industrial Estate, Phase-III, New Delhi - 110 020	U40300DL2013PTC261133	Step-down Subsidiary	100%	2(87)
19.	Clean Solar Power (Chitradurga) Pvt. Ltd. Add:- Plot No. 201, Ground Floor, Okhla Industrial Estate, Phase-III, New Delhi - 110 020	U40106DL2013PTC255428	Step-down Subsidiary	100%	2(87)
20.	Rajkot (Gujarat) Solar Energy Pvt. Ltd. Add:- Plot No. 201, Ground Floor, Okhla Industrial Estate, Phase-III, New Delhi - 110 020	U40101DL2013PTC261607	Step-down Subsidiary	100%	2(87)
21.	Clean Solar Power (Tumkur) Pvt. Ltd. Add:- Plot No. 201, Ground Floor, Okhla Industrial Estate, Phase-III, New Delhi - 110 020	U40101DL2016PTC298461	Step-down Subsidiary	100%	2(87)
22.	Clean Solar Power (Bhadla) Pvt. Ltd. Add:- Plot No. 201, Ground Floor, Okhla Industrial Estate, Phase-III, New Delhi - 110 020	U40106DL2016PTC298528	Step-down Subsidiary	100%	2(87)
23.	Clean Solar Power (Jaipur) Pvt. Ltd. Add:- Plot No. 201, Ground Floor, Okhla Industrial Estate, Phase-III, New Delhi - 110 020	U40106DL2016PTC298661	Step-down Subsidiary	100%	2(87)
24.	Clean Solar Power (Gulbarga) Pvt. Ltd. Add:- Plot No. 201, Ground Floor, Okhla Industrial Estate, Phase-III, New Delhi - 110 020	U40100DL2016PTC303003	Step-down Subsidiary	100%	2(87)
25.	Clean Solar Power (Bellary) Pvt. Ltd. Add:- Plot No. 201, Ground Floor, Okhla Industrial Estate, Phase-III, New Delhi - 110 020	U40108DL2016PTC304768	Step-down Subsidiary	100%	2(87)
26.	Bhilwara Green Energy Limited Add:- Plot No. 201, Ground Floor, Okhla Industrial Estate, Phase-III, New Delhi - 110 020	U74899DL1995PLC066321	Step-down Subsidiary	100%	2(87)
27.	LNJ Power Ventures Limited Add:- Plot No. 201, Ground Floor, Okhla Industrial Estate, Phase-III, New Delhi - 110 020	U74899DL1995PLC065394	Step-down Subsidiary	74%	2(87)
28.	Clean Solar Power (Konch) Private Limited* Add:- Plot No. 201, Ground Floor, Okhla Industrial Estate, Phase-III, New Delhi - 110 020	U40106DL2018PTC337704	Step-down Subsidiary	100%	2(87)
29.	Clean Solar Power (Sirsa) Private Limited Add:- Plot No. 201, Ground Floor, Okhla Industrial Estate, Phase-III, New Delhi - 110 020	U40300DL2018PTC337846	Step-down Subsidiary	100%	2(87)

Annexure - A (contd.)

S. No.	Name and Address of the Company	CIN/GLN/Reg No.	Holding/ Subsidiary/ Associate	% of Shares held	Applicable Section
30.	Clean Solar Power (Kadapa) Private Limited* Add:- Plot No. 201, Ground Floor, Okhla Industrial Estate, Phase-III, New Delhi - 110 020	U40106DL2018PTC338457	Step-down Subsidiary	100%	2(87)
31.	Clean Solar Power (Jodhpur) Private Limited Add:- Plot No. 201, Ground Floor, Okhla Industrial Estate, Phase-III, New Delhi - 110 020	U40108DL2018PTC337663	Step-down Subsidiary	100%	2(87)
32.	Waaneep Solar Private Limited Add:- Plot No. 201, Ground Floor, Okhla Industrial Estate, Phase-III, New Delhi - 110 020	U40300DL2014PTC341389	Step-down Subsidiary	100%	2(87)
33.	Clean Solar Power (Baniyana) Private Limited Add:- Plot No. 201, Ground Floor, Okhla Industrial Estate, Phase-III, New Delhi - 110 020	U40106DL2019PTC350023	Step-down Subsidiary	100%	2(87)
34.	Clean Solar Power (Amarsar) Private Limited Add:- Plot No. 201, Ground Floor, Okhla Industrial Estate, Phase-III, New Delhi - 110 020	U40106DL2020PTC371697	Step-down Subsidiary	100%	2(87)
35.	Clean Solar Rooftop Private Limited Add:- Plot No. 201, Ground Floor, Okhla Industrial Estate, Phase-III, New Delhi - 110 020	U40105DL2020PTC364972	Step-down Subsidiary	100%	2(87)
36.	Clean Renewable Energy (Bikaner) Private Limited Add:- Plot No. 201, Ground Floor, Okhla Industrial Estate, Phase-III, New Delhi - 110 020	U40100DL2021PTC383175	Step-down Subsidiary	100%	2(87)
37.	Clean Renewable Energy (Barmer) Private Limited Add:- Plot No. 201, Ground Floor, Okhla Industrial Estate, Phase-III, New Delhi - 110 020	U40106DL2021PTC383523	Step-down Subsidiary	100%	2(87)
38.	Clean Renewable Energy KK One Private Limited Add:- Plot No. 201, Ground Floor, Okhla Industrial Estate, Phase-III, New Delhi - 110 020	U40106DL2023PTC410291	Step-down Subsidiary	100%	2(87)
39.	Clean Renewable Energy TN One Private Limited Add:- Plot No. 201, Ground Floor, Okhla Industrial Estate, Phase-III, New Delhi - 110 020, India	U35106DL2023PTC412904	Step-down Subsidiary	100%	2(87)
40.	Clean Renewable Energy MH One Private Limited Add:- Plot No. 201, Ground Floor, Okhla Industrial Estate, Phase-III, New Delhi - 110 020, India	U35106DL2023PTC413684	Step-down Subsidiary	100%	2(87)
41.	Clean Renewable Energy KK 2A Private Limited Add:- Plot No. 201, Ground Floor, Okhla Industrial Estate, Phase-III, New Delhi - 110 020, India	U35106DL2023PTC418410	Step-down Subsidiary	73.01%	2(87)
42.	Clean Renewable Energy KK 2B Private Limited Add:- Plot No. 201, Ground Floor, Okhla Industrial Estate, Phase-III, New Delhi - 110 020, India	U35106DL2023PTC418871	Step-down Subsidiary	73%	2(87)
43.	Clean Renewable Energy KK 2C Private Limited Add:- Plot No. 201, Ground Floor, Okhla Industrial Estate, Phase-III, New Delhi - 110 020, India	U35106DL2023PTC419064	Step-down Subsidiary	73.01%	2(87)
44.	Clean Renewable Energy KK 2D Private Limited Add:- Plot No. 201, Ground Floor, Okhla Industrial Estate, Phase-III, New Delhi - 110 020, India	U35106DL2023PTC419252	Step-down Subsidiary	73%	2(87)
45.	Clean Renewable Energy KK 1A Private Limited Add:- Plot No. 201, Ground Floor, Okhla Industrial Estate, Phase-III, New Delhi - 110 020, India	U35106DL2023PTC420402	Step-down Subsidiary	100%	2(87)
46.	Clean Renewable Energy MH 1A Private Limited Add:- Plot No. 201, Ground Floor, Okhla Industrial Estate, Phase-III, New Delhi - 110 020, India	U35106DL2023PTC418867	Step-down Subsidiary	100%	2(87)
47.	Clean Renewable Energy AP One Private Limited Add:- Plot No. 201, Ground Floor, Okhla Industrial Estate, Phase-III, New Delhi - 110 020, India	U35106DL2023PTC412695	Step-down Subsidiary	100%	2(87)
48.	Clean Renewable Energy Hybrid One Private Limited Add:- Plot No. 201, Ground Floor, Okhla Industrial Estate, Phase-III, New Delhi - 110 020, India	U35106DL2023PTC419402	Step-down Subsidiary	100%	2(87)
49.	Clean Renewable Energy Hybrid Two Private Limited Add:- Plot No. 201, Ground Floor, Okhla Industrial Estate, Phase-III, New Delhi - 110 020, India	U35106DL2023PTC420103	Step-down Subsidiary	100%	2(87)

S. No.	Name and Address of the Company	CIN/GLN/Reg No.	Holding/ Subsidiary/ Associate	% of Shares held	Applicable Section
50.	Clean Renewable Energy Hybrid Three Private Limited Add:- Plot No. 201, Ground Floor, Okhla Industrial Estate, Phase-III, New Delhi - 110 020, India	U35106DL2023PTC423156	Step-down Subsidiary	100%	2(87)
51.	Clean Renewable Energy Hybrid Four Private Limited Add:- Plot No. 201, Ground Floor, Okhla Industrial Estate, Phase-III, New Delhi - 110 020, India	U35106DL2023PTC423067	Step-down Subsidiary	100%	2(87)
52.	Clean Renewable Energy Hybrid Five Private Limited Add:- Plot No. 201, Ground Floor, Okhla Industrial Estate, Phase-III, New Delhi - 110 020, India	U35106DL2023PTC423066	Step-down Subsidiary	100%	2(87)
53.	Clean Renewable Energy Hybrid Six Private Limited Add:- Plot No. 201, Ground Floor, Okhla Industrial Estate, Phase-III, New Delhi - 110 020, India	U35106DL2024PTC424707	Step-down Subsidiary	100%	2(87)
54.	Clean Renewable Energy Hybrid Seven Private Limited Add:- Plot No. 201, Ground Floor, Okhla Industrial Estate, Phase-III, New Delhi - 110 020, India	U35106DL2024PTC424695	Step-down Subsidiary	100%	2(87)
55.	Vision Renergies and Projects Private Limited Add:- Plot No. 201, Ground Floor, Okhla Industrial Estate, Phase-III, New Delhi - 110 020, India	U40108TG2011PTC072446	Step-down Subsidiary	100%	2(87)
56.	Clean Renewable Energy GJ 1A Private Limited Add:- Plot No. 201, Ground Floor, Okhla Industrial Estate, Phase-III, New Delhi - 110 020, India	U35106DL2024PTC432926	Step-down Subsidiary	100%	2(87)
57.	Clean Renewable Energy GJ 1B Private Limited Add:- Plot No. 201, Ground Floor, Okhla Industrial Estate, Phase-III, New Delhi - 110 020, India	U35106DL2024PTC432422	Step-down Subsidiary	100%	2(87)
58.	Clean Renewable Energy GJ 1C Private Limited Add:- Plot No. 201, Ground Floor, Okhla Industrial Estate, Phase-III, New Delhi - 110 020, India	U35106DL2024PTC432425	Step-down Subsidiary	100%	2(87)
59.	Clean Renewable Energy ISTS 1 Private Limited Add:- Plot No. 201, Ground Floor, Okhla Industrial Estate, Phase-III, New Delhi - 110 020, India	U35106DL2024PTC432841	Step-down Subsidiary	100%	2(87)
60.	Clean Renewable Energy Hybrid Eight Private Limited Add:- Plot No. 201, Ground Floor, Okhla Industrial Estate, Phase-III, New Delhi - 110 020, India	U35106DL2024PTC433258	Step-down Subsidiary	100%	2(87)
61.	Clean Renewable Energy Hybrid Nine Private Limited Add:- Plot No. 201, Ground Floor, Okhla Industrial Estate, Phase-III, New Delhi - 110 020, India	U35106DL2024PTC433704	Step-down Subsidiary	100%	2(87)
62.	Clean Renewable Energy Hybrid Ten Private Limited Add:- Plot No. 201, Ground Floor, Okhla Industrial Estate, Phase-III, New Delhi - 110 020, India	U35106DL2024PTC433251	Step-down Subsidiary	100%	2(87)
63.	Clean Renewable Energy KK 1B Private Limited Add:- Plot No. 201, Ground Floor, Okhla Industrial Estate, Phase-III, New Delhi - 110 020, India	U35106DL2024PTC434620	Step-down Subsidiary	100%	2(87)
64.	Clean Renewable Energy KK 1C Private Limited Add:- Plot No. 201, Ground Floor, Okhla Industrial Estate, Phase-III, New Delhi - 110 020, India	U35106DL2024PTC435010	Step-down Subsidiary	100%	2(87)
65.	Clean Renewable Energy KK 1D Private Limited Add:- Plot No. 201, Ground Floor, Okhla Industrial Estate, Phase-III, New Delhi - 110 020, India	U35106DL2024PTC434621	Step-down Subsidiary	100%	2(87)
66.	Clean Renewable Energy KK 1E Private Limited Add:- Plot No. 201, Ground Floor, Okhla Industrial Estate, Phase-III, New Delhi - 110 020, India	U35106DL2024PTC434658	Step-down Subsidiary	100%	2(87)
67.	Clean Renewable Energy HR 1A Private Limited Add:- Plot No. 201, Ground Floor, Okhla Industrial Estate, Phase-III, New Delhi - 110 020, India	U35106DL2024PTC434663	Step-down Subsidiary	100%	2(87)
68.	Clean Renewable Energy Hybrid Eleven Private Limited Add:- Plot No. 201, Ground Floor, Okhla Industrial Estate, Phase-III, New Delhi - 110 020, India	U35106DL2024PTC439825	Step-down Subsidiary	100%	2(87)
69.	Clean Renewable Energy Hybrid Twelve Private Limited Add:- Plot No. 201, Ground Floor, Okhla Industrial Estate, Phase-III, New Delhi - 110 020, India	U35106DL2024PTC439440	Step-down Subsidiary	100%	2(87)

Annexure - A (contd.)

S. No.	Name and Address of the Company	CIN/GLN/Reg No.	Holding/ Subsidiary/ Associate	% of Shares held	Applicable Section
70	Clean Renewable Energy Hybrid Thirteen Private Limited Add:- Plot No. 201, Ground Floor, Okhla Industrial Estate, Phase-III, New Delhi - 110 020, India	U35100DL2025PTC441364	Step-down Subsidiary	100%	2(87)
71.	Clean Renewable Energy Hybrid Fourteen Private Limited Add:- Plot No. 201, Ground Floor, Okhla Industrial Estate, Phase-III, New Delhi - 110 020, India	U35100DL2025PTC441363	Step-down Subsidiary	100%	2(87)
72.	Clean Renewable Energy Hybrid Fifteen Private Limited Add:- Plot No. 201, Ground Floor, Okhla Industrial Estate, Phase-III, New Delhi - 110 020, India	U35100DL2025PTC441431	Step-down Subsidiary	100%	2(87)
73.	Clean Renewable Energy MH 1B Private Limited Add:- Plot No. 201, Ground Floor, Okhla Industrial Estate, Phase-III, New Delhi - 110 020, India	U35100DL2025PTC442761	Step-down Subsidiary	100%	2(87)
74	Clean Renewable Energy MH 1C Private Limited Add:- Plot No. 201, Ground Floor, Okhla Industrial Estate, Phase-III, New Delhi - 110 020, India	U35100DL2025PTC442764	Step-down Subsidiary	100%	2(87)
75.	Clean Renewable Energy MH 1D Private Limited Add:- Plot No. 201, Ground Floor, Okhla Industrial Estate, Phase-III, New Delhi - 110 020, India	U35100DL2025PTC442763	Step-down Subsidiary	100%	2(87)
76.	Hero Future Energies UK Limited Add:- Spaces - Ealing Aurora, 71-75 Uxbridge Road, London, United Kingdom, W5 5SL	13791358	Subsidiary	100%	2(87)
77.	Clean Battery Power UK 1 Limited Add:- Spaces - Ealing Aurora, 71-75 Uxbridge Road, London, United Kingdom, W5 5SL	14312700	Step-down Subsidiary	100%	2(87)
78	Clean Solar Power UK 1 Limited Add:- Spaces - Ealing Aurora, 71-75 Uxbridge Road, London, United Kingdom, W5 5SL	14347247	Step-down Subsidiary	100%	2(87)
79.	Clean Battery Power UK 2 Limited Add:- Spaces - Ealing Aurora, 71-75 Uxbridge Road, London, United Kingdom, W5 5SL	14479421	Step-down Subsidiary	100%	2(87)
80.	Clean Solar Power (Eastern Europe) Limited Add:- 1st Floor 239 Kensington High Street, London, United Kingdom, W8 6SN	11924259	Step-down Subsidiary	85%	2(87)
81.	LLC Gea Solar Group Add:- 104-A Soborna Str., 53700, Shyroke urban-type village, Shyrokivskyi district, Dnipropetrovsk region, Ukraine	40596750	Step-down Subsidiary	100%	2(87)
82	LLC Greenway Solar Add:- 104-A Soborna Str., 53700, Shyroke urban-type village, Shyrokivskyi district, Dnipropetrovsk region, Ukraine	40770102	Step-down Subsidiary	100%	2(87)
83.	Clean Renewable Energy Singapore Pte. Ltd. Add:- 14 ROBINSON ROAD, #12 01/02, Far East Finance Building, Singapore - 048 545	202007499N	Subsidiary	100%	2(87)
84.	Hero Future Energies Vietnam Limited Liability Company Add;- 5th Floor, Leadvisors Place, 41A Ly Thai To Street, Ly Thai To Ward, Hoan Kiem District, Hanoi, Vietnam	0109991630	Subsidiary	100%	2(87)

* During the Financial Year the following Companies were striked off:-

i) Clean Wind Power (Kurnool) Private Limited

ii) Clean Solar Power (Kadapa) Private Limited

iii) Clean Solar Power (Konch) Private Limited

IV. Share Holding Pattern

(Equity Share Capital Breakup as percentage of Total Equity)

A) Category-wise Share Holding

	Category of Shareholders	No. of Shares held at the beginning of the year [As on April 1, 2024]				No. of Shares held at the end of the year [As on March 31, 2025]				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A.	**Promoters**									
(1)	**Indian**									
	a) Individual/ HUF	-	-	-	-	-	-	-	-	-
	b) Central Govt.	-	-	-	-	-	-	-	-	-
	c) State Govt.(s)	-	-	-	-	-	-	-	-	-
	d) Bodies Corporates*	-	-	-	-	-	-	-	-	-
	e) Banks / FI	-	-	-	-	-	-	-	-	-
	f) Any other -	-	-	-	-	-	-	-	-	-
	Sub Total (A)(1)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
(2)	**Foreign**									
	a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
	b) Other - Individuals	-	-	-	-	-	-	-	-	-
	c) Bodies Corp	1,29,20,643	1*	1,29,20,644*	100	2,53,21,384	-	2,53,21,384*	100	0.00
	d) Banks / FI	-	-	-	-	-	-	-	-	-
	e) Any other	-	-	-	-	-	-	-	-	-
	Sub Total (A)(2)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	Total Shareholding of Promoter (A) = (A)(1)+(A)(2)	**1,29,20,643**	**1***	**1,29,20,644***	**100**	**2,53,21,384**	**-**	**2,53,21,384***	**100**	**0.00**
B.	**Public Shareholding**									
1.	**Institutions**	-	-	-	-	-	-	-	-	-
	a) Mutual Funds	-	-	-	-	-	-	-	-	-
	b) Banks / FI	-	-	-	-	-	-	-	-	-
	c) Central Govt.	-	-	-	-	-	-	-	-	-
	d) State Govt.(s)	-	-	-	-	-	-	-	-	-
	e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
	f) Insurance Companies	-	-	-	-	-	-	-	-	-
	g) FIIs	-	-	-	-	-	-	-	-	-
	h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
	i) Others (specify)	-	-	-	-	-	-	-	-	-
	Sub-total (B)(1):-	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
2.	**Non-Institutions**									
	a) Bodies Corp.									
	i) Indian	-	-	-	-	-	-	-	-	-
	ii) Overseas	-	-	-	-	-	-	-	-	-
	b) Individuals	-	-	-	-	-	-	-	-	-
	i) Individual shareholders holding nominal share capital up to ₹ 1 lakh	-	-	-	-	-	-	-	-	-
	ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	-	-	-	-	-	-	-	-	-

Annexure - A (contd.)

Category of Shareholders	No. of Shares held at the beginning of the year [As on April 1, 2024]				No. of Shares held at the end of the year [As on March 31, 2025]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
c) Others (specify)	-	-	-	-	-	-	-	-	-
Non Resident Indians	-	-	-	-	-	-	-	-	-
Overseas Corporate Bodies	-	-	-	-	-	-	-	-	-
Foreign Nationals	-	-	-	-	-	-	-	-	-
Clearing Members	-	-	-	-	-	-	-	-	-
Trusts	-	-	-	-	-	-	-	-	-
Foreign Bodies - D R	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):-	-	-	-	-	-	-	-	-	-
Total Public Shareholding (B)=(B)(1)+ (B)(2)	-	-	-	-	-	-	-	-	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	**1,29,20,643**	**1***	**1,29,20,644***	**100**	**2,53,21,384**	**-**	**2,53,21,384***	**100**	**0.00**

* includes share held by nominee in the representative capacity

B) Shareholding of Promoter-

S. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in Share Holding during the year
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	
1.	Hero Future Energies Asia Pte Ltd.**	12,920,644	100	-	2,53,21,384	100	-	-

** includes share held by nominee in the representative capacity

C) Change in Promoters' Shareholding

Particulars	Shareholding at the beginning of the year at the beginning (April 1, 2024)		Date of Allotment	Increase/ Decrease in Shareholding	Reason	Cumulative Shareholding during the year (April 1, 2024)/ end of the year (March 31, 2025)	
Hero Future Energies Asia Pte. Ltd.	No. of shares	% of total shares of the Company				No. of shares	% of total shares of the Company
	12,920,644 **	100	-	-	-	12,920,644 **	100
	-	-	14.06.2024	19,11,135	Allotment	19,11,135	100
			08.11.2024	74,44,238	Allotment	74,44,238	100
			24.02.2025	9,58,892	Allotment	9,58,892	100
			06.03.2025	20,86,475	Allotment	20,86,475	100
	-	**-**	**-**	**-**	**-**	**2,53,21,384 ****	**100**

** includes share held by nominee in the representative capacity.

D) Shareholding Pattern of top ten Shareholders:

(Other than Directors, Promoters and Holders of GDRs and ADRs):

S. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the Year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	-	-	-	-
	Increase / (Decrease) in Shareholding during the year:				
	At the end of the year	-	-	-	-

E) Shareholding of Directors and Key Managerial Personnel:

S. No.	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
		N.A.			

F) Indebtedness

Indebtedness of the Company including interest outstanding/accrued but not due for payment.

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	480,390,000.00	24,949,670,000.00	-	25,430,060,000.00
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	100,000.00	-	100,000.00
Total (i+ii+iii)	**480,390,000.00**	**24,949,770,000.00**	**-**	**25,430,160,000.00**
Change in Indebtedness during the financial year				
* Addition	1,14,62,36,793.00	-	-	1,14,62,36,793.00
* Reduction	(17,26,41,863)	-	-	(17,26,41,863.00)
Net Change	**97,35,94,930.00**	**-**	**-**	**97,35,94,930.00**
Indebtedness at the end of the financial year				
i) Principal Amount	1,45,39,84,930.00	24,949,670,000.00	-	26,40,36,54,930.00
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	13,90,971.00	-	13,90,971.00
Total (i+ii+iii)	**1,45,39,84,930.00**	**24,95,10,60,971.00**	**-**	**26,40,50,45,901.00**

V. Remuneration of Directors and Key Managerial Personnel-

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

(Amt in "000")

S. No.	Particulars of Remuneration	Managing Director, Whole-time Directors and/or Manager *	Total Amount (In Rs.)
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission - as % of profit - others, specify	-	-
5	Others, please specify	-	-
	Total (A)	**-**	**-**
	Ceiling as per the Act	As per the provisions of Companies Act, 2013	

Annexure - A (contd.)

B. Remuneration to other directors

(Amt in "000")

S. No.	Particulars of Remuneration	Name of Directors				Total Amount
		-----	----	----	---	
1	Independent Directors	-	-	-	-	-
	Fee for attending board committee meetings	-	-	-	-	-
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	Total (1)	**-**	**-**	**-**	**-**	**-**
2	Other Non-Executive Directors	-	-	-	-	-
	Fee for attending board committee meetings	-	-	-	-	-
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	Total (2)	**-**	**-**	**-**	**-**	**-**
	Total (B)=(1+2)	**-**	**-**	**-**	**-**	**-**
	Total Managerial Remuneration	**-**	**-**	**-**	**-**	**-**
	Overall Ceiling as per the Act	-	-	-	-	-

C. Remuneration to Key Managerial Personnel Other than MD/Manager/WTD

(Amt in "000")

S. No.	Particulars of Remuneration	Key Managerial Personnel*		
		Chief Executive Officer	Company Secretary	Total Amount (In Rs.)
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	- as % of profit	-	-	-
	others, specify...	-	-	-
5	Others, please specify	-	-	-
	Total			

*As per the financial statements

VI. Penalties / Punishment/ Compounding of Offences:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
B. DIRECTORS					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C. OTHER OFFICERS IN DEFAULT					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

Annexure - B

Section 134(3)(m) of the Companies Act, 2013 read with rule 8 to the Companies (Accounts) Rules, 2014 with respect to conservation of energy, technology absorption and research and development expenditure.

(A) Conservation of Energy-

The Company is using its self-Resources except Electricity from the BSES

(a) Energy Conservation measures taken : Nil

(b) Steps taken for utilising alternate source of energy : Nil

(c) Capital investment on energy conservation equipments : Nil

(B) Technology Absorption-

The Company is using its own Knowledge & Technology & there is no Technology absorption from outside.

(i) the efforts made towards technology absorption : Nil

(ii) the benefits derived like product improvement, cost reduction, product development or import substitution : Nil

(iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year) : Nil

- (a) the details of technology imported;
- (b) the year of import;
- (c) whether the technology been fully absorbed;
- (d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof;

(iv) the expenditure incurred on Research and Development : Nil

(C) Foreign Exchange Earning & Outgo

The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows:

(in "000")

Particulars	For the Year ended March 31, 2025	For the Year ended March 31, 2024
Foreign Exchange Earning	Nil	Nil
Foreign Exchange outgo	25,192.63	21,339.09
TOTAL	**25,192.63**	**21,339.09**

Annexure - C
"Corporate Social Responsibility (CSR)"

[Pursuant to clause (o) of sub-section (3) of section 134 of the Act and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014]

1. A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.

1.1 Our Company is dedicated to contribute in the Country's development by focusing on economic, social and environmental capital towards enhancing societal sustainability. Our endeavour is to provide inclusive growth at our project locations by working on improving/providing basic amenities to communities around our project sites and generate possibilities of employment.

1.2 To contribute to the Prime Minister' National Relief Fund or any other fund set up by the Central Government at the time of natural calamity or engage in Disaster Management system.

1.3 To contribute to any fund setup by the Central Government or State Government(s) including Chief Minister's Relief Fund, which may be recognised as CSR activity;

1.4 To promote sustainability in partnership with industry associations, like the Confederation of Indian Industry (CII), PHD, FICCI, NGO's, Govt schemes like Swachh Bharat etc.

1.5 Undertake CSR programs in collaboration or through Raman Kant Munjal Foundation.

1.6 This Policy is applicable to the Company for implementing CSR as per Clause 135 of the Companies Act, 2013;

1.7 Eligibility Criteria - The CSR provisions within the Act is applicable to Companies with an annual turnover of 1,000 crore INR and more, or a net worth of 500 crore INR and more, or a net profit of five crore INR and more. The Act encourages Companies to spend at least 2% of their average net profit in the previous three years on CSR activities.

2.0 OUR CSR STRATEGY

2.1 Our Company will implement projects which will have definite beginnings, ends, expected outputs and outcomes as well as budgets associated with it.

2.2 The projects that will be undertaken may be of a short duration (a few months) or multi-year.

2.3 We will implement projects either through in-house teams or in partnership with other agencies or a combination of both. In case of multi-year projects, same will be reviewed on an annual basis or as at such time as may be decided by the Committee.

2.4 Selected projects will be grouped as per their implementation period in a 1- year plan, 2 –year plan and a 3-year plan. These plans will be presented annually at the meeting of CSR committee of the Board.

3.0 CSR PROGRAMMES

3.1 Project to be implemented under CSR in a specific area will depend on the needs of local community. People of the local community will be involved in decision making regarding programmes to be undertaken. A detailed due diligence of the area/community would be done to identify the critical needs and the prioritisation, and a project will be shortlisted.

3.2 Once the Project is shortlisted then a Detailed Project Report will be prepared thereafter and presented to the Board level CSR Committee for Approval.

3.3 Following is a list of CSR Programmes that will be undertaken

3.3.1 Preserving natural resources e.g. Creating water pools, Rain water harvesting.

3.3.2 Basic amenities e.g. Providing access to water, electricity, education, toilets, health care etc.

3.3.3 Possibilities of employment.

3.3.4 Any other that can be added to the list as and when finalised after discussion.

2. The Composition of the CSR Committee.

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. Anuj Agarwal	Chairman/ Director	-	-
2.	Mr. Harish Pant	Member/Director	-	-
3.	Mr. Benjamin Paul Fraser	Member/Director	-	-
4.	Mr. Sumit Kumar Roy*	Member/Director	-	-

*Mr. Sumit Kumar Resigned w.e.f. May 26, 2025

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company:

CSR policy along with relevant details are available on Company's website: http://www.herofutureenergies.com/.

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report).

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be set-off for the financial year, if any (in ₹)
-	-	-	-
	Total		

6. Average net profit of the company for last three financial years – ₹ (1,39,20,93,333)

7. (a) Two percent of average net profit of the company as per section 135(5): **N.A.**

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years.: **N.A.**

(c) Amount required to be set off for the financial year, if any: **N.A.**

(d) Total CSR obligation for the financial year (7a+7b-7c).:

The Company falls under the limits prescribed under Section 135 (1) of the Companies Act, 2013 and Rules made thereunder ("Act"). However, the Company was not required to spent towards CSR during Financial Year 2024-2025 pursuant to the Section 135 (5) of the Act (Since, average net profit of the Company for last 3 financial years was negative).

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (in ₹)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
-	-	-	-	-	-

(b) Details of CSR amount spent against ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project.	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No).	Location of the project	Project duration	Amount allocated for the project (in ₹)	Amount spent in the current financial Year (in ₹)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District					Name	CSR Registration number
1.	-	-	-	-	-	-	-	-	-	-	-
	Total										

Annexure - C (contd.)

(c) Details of CSR amount spent against **other than ongoing projects** for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
S. No	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/ No)	Location of the project		Amount spent for the project (in ₹)	Mode of implementation - Direct (Yes/No)	Mode of implementation - Through implementing agency	
				State	District			Name.	CSR registration number
1.	-	-	-	-	-	-	-	-	-
	Total								

(d) Amount spent in Administrative Overheads

(e) Amount spent on Impact Assessment, if applicable

(f) Total amount spent for the Financial Year (8b+8c+8d+8e)

(g) Excess amount for set off, if any

Sl. No.	Particulars	Amount (in ₹)
(i)	Two percent of average net profit of the company as per section 135(5)	-
(ii)	Total amount spent for the Financial Year	-
(iii)	Excess amount spent for the financial year [(ii)-(i)]	-
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	-

9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in ₹)
				Name of the Fund	Amount (in ₹)	Date of transfer.	
1.	-	-	-	-	-	-	-

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
S. No	Project ID.	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in ₹)	Amount spent on the project in the reporting Financial Year (in ₹)	Cumulative amount spent at the end of reporting Financial Year. (in ₹)	Status of the project - Completed / Ongoing.
1.	-	-	-	-	-	-	-	-
	Total							

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details). **N.A.**

(a) Date of creation or acquisition of the capital asset(s).

(b) Amount of CSR spent for creation or acquisition of capital asset.

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5). **N.A.**

For Hero Future Energies Private Limited

(Harish Pant)
(Member CSR Committee/ Director)

(Anuj Agarwal)
(Chairman CSR Committee)

Annexure - D

Statement containing the particulars of employees in accordance with Section 197 of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and forming part of Directors' Report for the Financial Year ended March 31, 2024

S. No.	Name	Age (in years)	Designation	Remuneration (Amount in ₹)	Qualification	Date of Commencement of Employment	Total Experience (No. of Years)	Previous Employment	Designation
					N.A.				

Annexure - E

Annual Report for Calendar Year 2024 of the Internal Complaints Committee of Hero Future Energies Private Limited, New Delhi

Pursuant to Section 21 of the Sexual Harassment of Women at Workplace (Prevention Prohibition and Redressal) Act ("Act") read with Rule 14 of the rules under the Act, the Internal Complaints Committee of **Hero Future Energies Private Limited**, New Delhi is pleased to submit the following information pursuant to Rule 14 for the calendar year 2024:

a.	Number of complaints of sexual harassment received in 2024	-	NA
b.	Number of complaints under the Act disposed off during 2024	-	NA
c.	Number of cases pending for more than 90 days	-	NA
d.	Number of workshops or awareness programmes against sexual harassment carried out	-	One
e.	Nature of action taken by the Company	-	NA

For Hero Future Energies Private Limited
Bhawna Kirpal Mital
Presiding Officer

Date: 13.06.2025
Place: New Delhi

Independent Auditor's Report

To the Members of Hero Future Energies Private Limited

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

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Hero Future Energies Private Limited ("the Company"), which comprises the Balance Sheet as at March 31, 2025, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including material accounting policy information and other explanatory information (hereinafter referred to as the "standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, and loss (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises comprises the information included in the Management report, Chairman's statement, Director's report, Business Responsibility and Sustainability Reporting etc. but does not include the Standalone financial statements and our auditor's report thereon. The Management report, Chairman's statement, Director's report, Business Responsibility and Sustainability Reporting etc. has not been made available to us.

Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

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

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone 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 standalone financial statements.

We give in "Annexure A" a detailed description of Auditor's responsibilities for Audit of the Standalone Financial Statements.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143(3) of the Act, we report that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matters stated in paragraph 2(h)(vi) below on reporting under Rule 11(g).

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

   (c) The Balance Sheet, the Statement of Profit and Loss including other comprehensive income, the Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.

   (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act.

   (e) On the basis of the written representations received from the directors as on March 31, 2025 taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164 (2) of the Act.

   (f) The reservation relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph 2(b) above on reporting under Section 143(3)(b) and paragraph 2(h)(vi) below on reporting under Rule 11(g).

   (g) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure C".

   (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

      i. The Company does not have any pending litigations which would impact its financial position. Refer Note 54(i) to the standalone financial statements.

      ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses. Refer Note 54(ii) to the standalone financial statements.

      iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company. Refer Note 54(iii) to the standalone financial statements.

      iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

      (b) The Management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities (Funding Parties), with the understanding, whether recorded in writing or otherwise, as on the date of this audit report, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

      (c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, and according to the information and explanations provided to us by the Management in this regard nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) as provided under (1) and (2) above, contain any material mis-statement

      v. The Company has neither declared nor paid any dividend during the year.

      vi. Based on our examination, the Company has used an accounting software for maintaining its books of account during the year ended March 31, 2025, which has a feature of recording audit trail (edit log) facility, except that no audit trail feature was enabled at the database level from April 1, 2023 till April 15, 2024 in respect of the accounting software to log any direct data changes.

      Further, the audit trail feature has been operated throughout the year for all relevant transactions recorded in the accounting software, except for the software at the database level as stated above, in respect of which the audit trail feature has not been operated throughout the year for all relevant transactions recorded in this accounting software as it was enabled only with effect from April 16, 2024.

      Further, during the course of our examination, we did not come across any instance of audit trail feature being tampered with, post enablement of the audit trail facility.

3. In our opinion, according to information, explanations given to us, the provisions of Section 197 read with Schedule V of the Act and the rules thereunder are not applicable to the Company as it is a private Company.

For M S K A & Associates
Chartered Accountants

ICAI Firm Registration No. 105047W

Nipun Gupta
Partner
Membership No. 502896
UDIN: 25502896BMMLGI6564
Place: Gurugram
Date: May 26, 2025

Annexure - A

To the Independent Auditor's Report on even date on the Standalone Financial Statements of Hero Future Energies Private Limited

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

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

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

- Identify and assess the risks of material misstatement of the standalone 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. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management and Board of Directors.
- Conclude on the appropriateness of management and Board of Director'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 standalone 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.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned

scope and timing of the audit and significant audit findings, including any significant deficiencies in

internal control that we identify during our audit.

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

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No. 105047W

Nipun Gupta
Partner
Membership No. 502896
UDIN: 25502896BMMLGI6564
Place: Gurugram
Date: May 26, 2025

Annexure - B

To Independent Auditors' Report of even date on the Standalone Financial Statements of Hero Future Energies Private Limited for the year ended March 31, 2025

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

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report]

i. (a) A The Company has maintained proper records showing full particulars including quantitative details and situation of property, plant and equipment and relevant details of right-of-use assets.

B The Company has maintained proper records showing full particulars of intangible assets.

(b) Property, Plant and Equipment and right of use assets have been physically verified by the management at during the year and no material discrepancies were identified on such verification.

(c) According to the information and explanations given to us, the title deeds of immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) as disclosed in the standalone financial statements are held in the name of the Company. The title deeds of immovable properties aggregating to ₹ 24.35 millions as at March 31, 2025, are pledged with the banks and original copies are not available with the Company.

(d) According to the information and explanations given to us, the Company has not revalued its property, plant and Equipment (including Right of Use assets) and intangible assets during the year. Accordingly, the provisions stated under clause 3(i)(d) of the Order are not applicable to the Company.

(e) According to the information and explanations given to us, no proceeding has been initiated or pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988, as amended and rules made thereunder. Accordingly, the provisions stated under clause 3(i)(e) of the Order are not applicable to the Company.

ii. (a) The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification, coverage and procedure of such verification is reasonable and appropriate., having regard to the size of the Company and the nature of its operations. The discrepancies noticed on physical verification of inventory as compared to book records were not 10% or more in aggregate for each class of inventory.

(b) The Company has not been sanctioned any working capital limits during the year on the basis of security of current assets. Accordingly, the provisions stated under clause 3(ii) (b) of the Order is not applicable to the Company.

iii. (a) According to the information explanation provided to us, the Company has provided loans, advances in the nature of loans, stood guarantee, and/or provided securities to subsidiaries.

(A) The details of such loans, advances, guarantee or securities to subsidiaries are as follows(in millions):

	Guarantees	Security	Loans	Advances in the nature of loans
Aggregate amount granted/provided during the year				
- Subsidiaries	6,500.00	1,748.58	18,821.79	-
Balance Outstanding as at balance sheet date in respect of above cases				
- Subsidiaries	39,513.07	8,857.45	24,423.59	-

(b) According to the information and explanations given to us and based on the audit procedures performed by us, we are of the opinion that the terms and conditions in relation to grant of all loans and advances in the nature of loans, investments made, guarantees provided and securities given are not prejudicial to the interest of the Company.

(c) In case of the loans and advances in the nature of loan, schedule of repayment of principal and payment of interest have been stipulated and the borrowers have been regular in the repayment of the principal and payment of interest.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no amounts overdue for more than ninety days in respect of the loans and/ or advances in the nature of loans, granted to Company.

(e) According to the information explanation provided to us, there were no loans or advance in the nature of loan granted which was fallen due during the year, that have been renewed or extended or fresh loans granted to settle the overdues of existing loans or advances in the nature of loan given to the same parties.

Annexure - B (contd.)

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

(f) According to the information explanation provided to us, the Company has granted loans/advances in the nature of loans repayable on demand or without specifying any terms or period of repayment. The details of the same are as follows (in Million):

	All Parties	Promoters	Related Parties
Aggregate amount of loans/ advances in nature of loans			
- Repayable on demand (A)	-	-	-
- Agreement does not specify any terms or period of repayment (B)	24,423.59	-	24,423.59
Total (A+B)	**24,423.59**	**-**	**24,423.59**
Percentage of loans/ advances in nature of loans to the total loans	100%	-	100%

iv. According to the information and explanations given to us, the Company has complied with the provisions of Section 185 of the Companies Act, 2013 in respect of loans, investments, guarantees and security made. In our opinion and according to the information and explanation given to us, provision of Section 186 of Companies Act 2013 are not applicable to the Company.

v. According to the information and explanations given to us, the Company has neither accepted any deposits from the public nor any amounts which are deemed to be deposits, within the meaning of Sections 73, 74, 75 and 76 of the Companies Act, 2013 and the rules framed there under. Accordingly, the provisions stated under clause 3(iv) of the Order is not applicable to the Company. Also, there are no amounts outstanding as on March 31, 2025, which are in the nature of deposits.

vi. The provisions of sub-Section (1) of Section 148 of the Companies Act, 2013 are not applicable to the Company as the Company do not meet the thresholds prescribed therein read with related Rules. Accordingly, the provisions stated under clause 3(vi) of the Order are not applicable to the Company.

vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, undisputed statutory dues including goods and services tax, provident fund, income-tax, duty of customs, cess, and other statutory dues have been regularly deposited by the Company with appropriate authorities in all cases during the year.

There are no undisputed amounts payable in respect of Goods and Services tax, provident fund, income-tax, duty of customs, cess, and other statutory dues in arrears as at March 31, 2025, outstanding for a period of more than six months from the date they became payable.

vii. (b) According to the information and explanation given to us and examination of records of the Company, details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2025, on account of any dispute, are as follows:

Name of the statute	Nature of dues	Amount Demanded ₹ (in Million)	Amount Paid ₹ (in Million)	Period to which the amount relates	Forum where dispute is pending	Remark if any
CGST Act, 2017	Goods and Service Tax	14.04	-	2018-19, 2019-20, 2020-21	CGST Audit – II Additional Commissioner	
CGST Act, 2017	Goods and Service Tax	0.06	-	2019-20	The office of Deputy Commissioner, Division of Okhla, Goods & Service Tax Commissioner	
Income Tax Act, 1961	Income Tax	0.22	-	2015-16	CIT(A)	

viii. According to the information and explanations given to us, there are no transactions which are not accounted in the books of account which have been surrendered or disclosed as income during the year in Income-tax Assessment of the Company. Accordingly, the provision stated under clause 3(viii) of the Order is not applicable to the Company.

ix. (a) In our opinion and according to the information and explanations given to us and the records of the Company examined by us, the Company has not defaulted in repayment of loans or borrowings or in payment of interest thereon to any lender.

(b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) In our opinion and according to the information and explanations provided to us, money raised by way of term loans during the year have been applied for the purpose for which they were raised.

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

(d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the standalone financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) According to the information explanation given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from an any entity or person on account of or to meet the obligations of its subsidiaries.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries. Further, the Company do not have any associate or joint ventures. Accordingly, reporting under clause 3(ix)(f) of the order is not applicable to the Company.

x. (a) In our opinion and according to the information explanation given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the provisions stated under clause 3(x)(a) of the Order are not applicable to the Company.

(b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has made private placement of shares during the year and the requirements of Section 42 and Section 62 of the Companies Act, 2013 have been complied with. The amount raised has been used for the purposes for which they were raised.

xi. (a) Based on our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we report that no material fraud by the Company or on the Company has been noticed or reported during the year in the course of our audit.

(b) Based on our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the provisions stated under clause 3(xi)(b) of the Order is not applicable to the Company.

(c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing, and extent of audit procedures.

xii. The Company is not a Nidhi Company. Accordingly, the provisions stated under clause 3(xii)(a) to (c) of the Order are not applicable to the Company.

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 188 of the Companies Act, 2013, where applicable and details of such transactions have been disclosed in the standalone financial statements as required by applicable accounting standards. Further the Company is a private company and hence the provisions of Section 177 of the Companies Act, 2013 are not applicable to the Company. Accordingly, provisions started under clause 3(xiii) of the Order insofar as it relates to Section 177 of the Companies Act, 2013, is not applicable to the Company.

xiv. (a) In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the internal audit reports of the Company issued till the date of our audit report, for the period under audit.

xv. According to the information and explanations given to us, in our opinion, during the year, the Company has not entered into any non-cash transactions with directors or persons connected with its directors and accordingly, the reporting on compliance with the provisions of Section 192 of the Companies Act, 2013 in clause 3(xv) of the Order is not applicable to the Company.

xvi. (a) As indicated in Note 47 to the standalone financial statements, based on its Memorandum of Association, the Company is not set up to carry out financial activity as its principal business. The management of the Company, basis its internal assessment, is of the view that registration under Section 45-IA of the Reserve Bank of India Act, 1934 is not required. Accordingly, the provisions stated under clause 3(xvi)(a) of the Order are not applicable to the Company.

(b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities during the year and accordingly, the provisions stated under clause 3 (xvi)(b) of the Order are not applicable to the Company.

(c) The Company is not a Core investment Company (CIC) as defined in the regulations made by Reserve Bank of India. Accordingly, the provisions stated under clause 3 (xvi)(c) of the Order are not applicable to the Company.

(d) According to the information and explanations provided to us, the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) does not have any Core Investment Company (as part of its group. Accordingly, the provisions stated under clause 3(xvi)(d) of the order are not applicable to the Company.

xvii. Based on the overall review of financial statements, the Company has incurred cash losses in the current financial year but no cash

Annexure - B (contd.)

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

losses in immediately preceding financial year. The details of the same are as follows (In Millions):

Particulars	March 31, 2025 (Current year)	March 31, 2024 (Previous Year)
Cash Losses	(266.56)	-

xviii. There has been no resignation of the statutory auditors during the year. Accordingly, the provisions stated under clause 3(xviii) of the Order are not applicable to the Company.

xix. According to the information and explanations given to us and on the basis of the financial ratios (as disclosed in note 44 to the standalone financial statements), ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx. According to the information and explanations given to us and based on our verification, the provisions of Section 135 of the Companies Act, 2013 are applicable to the Company. However, the average net profit of the Company of three immediately preceding financial years is negative, therefore the Company is not required to spend any amount on CSR as per Section 135 (5) of Companies Act, 2013. Accordingly, reporting under clause 3(xx)(a) and 3(xx)(b) of the Order is not applicable to the Company.

xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements. Accordingly, no comment in respect of the said Clause has been included in the report.

For M S K A & Associates
Chartered Accountants

ICAI Firm Registration No. 105047W

Nipun Gupta
Partner
Membership No. 502896
UDIN: 25502896BMMLGI6564
Place: Gurugram
Date: May 26, 2025

Annexure C

To the Independent Auditor's Report of even date on the Standalone Financial Statements of Hero Future Energies Private Limited

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

[Referred to in paragraph 2(g) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the Members of **Hero Future Energies Private Limited** on the Financial Statements for the year ended March 31, 2025]

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to standalone financial statements of **Hero Future Energies Private Limited** ("the Company") as of March 31, 2025 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2025, based on the internal control with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI) (the "Guidance Note").

Managements' and Board of Director's Responsibility for Internal Financial Controls

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal control with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to standalone financial statements.

Meaning of Internal Financial Controls With reference to Standalone Financial Statements

A company's internal financial control with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the standalone financial statements.

Inherent Limitations of Internal Financial Controls With reference to Standalone financial statements

Because of the inherent limitations of internal financial controls with reference to standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to standalone financial statements to future periods are subject to the risk that the internal financial control with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For M S K A & Associates
Chartered Accountants

ICAI Firm Registration No. 105047W

Nipun Gupta
Partner
Membership No. 502896
UDIN: 25502896BMMLGI6564
Place: Gurugram
Date: May 26, 2025

Standalone Balance Sheet

as at March 31, 2025

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

Particulars	Notes	As at March 31, 2025	As at March 31, 2024
I. ASSETS			
Non-current assets			
(a) Property, plant and equipment	3	455.85	476.83
(b) Right-to-use assets	3	7.66	36.90
(c) Capital work-in-progress	4	175.95	-
(d) Intangible assets	5	35.72	36.25
(e) Financial assets			
(i) Investment	6	47,066.85	23,907.53
(ii) Trade receivables	7	-	0.60
(iii) Loans	8	-	3,174.47
(iv) Other financial assets	9	13.92	5.88
(f) Other non-current assets	13	43.58	15.60
(g) Non-current tax assets (net)	12	56.78	47.05
Total non-current assets		**47,856.31**	**27,701.11**
Current assets			
(a) Inventories	14	148.70	5.47
(b) Financial assets			
(i) Investment	6	26.99	-
(ii) Trade receivables	7	304.19	446.55
(iii) Cash and cash equivalents	10	2,430.32	275.32
(iv) Other bank balances	11	287.15	1,112.04
(v) Loans	8	-	7,079.18
(vi) Other financial assets	9	1,128.90	1,164.13
(c) Other current assets	13	356.18	92.81
Total current assets		**4,682.43**	**10,175.50**
Total assets		**52,538.74**	**37,876.61**
II. EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	15	253.21	129.21
(b) Other equity	16	23,791.89	10,765.63
(i) Retained earnings		(2,645.43)	(2,688.06)
(ii) Securities premium account		23,242.76	10,259.13
(iii) Debenture Redemption Reserve		-	-
(iv) Capital reserve		3,194.56	3,194.56
(v) Deemed capital contribution		-	-
(vi) Equity component of preference share capital		-	-
(vii) Equity component of compulsory convertible debentures			
Total equity		**24,045.10**	**10,894.84**
Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	17	26,218.06	25,256.85
(ii) Lease liabilities	18	-	37.20
(ii) Other financial liabilities	20	284.35	-
(b) Provisions	21	9.70	10.50
(c) Deferred tax liabilities (net)	32	480.36	553.43
Total non-current liabilities		**26,992.47**	**25,857.98**
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	17	176.55	173.21
(ii) Lease liabilities	18	13.14	17.84
(iii) Trade payables	19		
- total outstanding dues of micro enterprises and small enterprises		0.65	0.15
- total outstanding dues of creditors other than micro enterprises and small enterprises		701.66	578.77
(iv) Other financial liabilities	20	299.02	80.63
(b) Other current liabilities	22	19.29	12.49
(c) Provisions	21	290.86	260.70
Total current liabilities		**1,501.17**	**1,123.79**
Total liabilities		**28,493.64**	**26,981.77**
Total equity and liabilities		**52,538.74**	**37,876.61**
Basis of preparation, measurement and material accounting policies	2		

The accompanying notes form an integral part of these standalone financial statements.

As per our report of even date

For M S K A & Associates
Chartered Accountants
ICAI Firm's Registration Number: 105047W

Nipun Gupta
Partner
Membership Number: 502896

Place: Gurugram
Date: May 26, 2025

For and on behalf of the Board of Directors
Hero Future Energies Private Limited

Anuj Agarwal
Director
DIN: 01866057
Place: New Delhi
Date: May 26, 2025

Benjamin Paul Fraser
Director
DIN: 09759173
Place: New Delhi
Date: May 26, 2025

Srivatsan Srinivas Iyer
Chief Executive Officer
Place: New Delhi
Date: May 26, 2025

Mayur Maheshwari
Company Secretary
M. No. F7379
Place: New Delhi
Date: May 26, 2025

Standalone Statement of Profit and Loss

for the year ended March 31, 2025

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

	Particulars	Notes	Year ended March 31, 2025	Year ended March 31, 2024
I	Revenue from operations	23	438.76	393.09
II	Other income	24	343.64	1,124.19
III	**Total income (I+II)**		**782.40**	**1,517.28**
IV	**Expenses**			
	Employee benefits expense	25	304.96	174.50
	Finance costs	26	117.21	332.60
	Depreciation and amortisation expense	27	67.56	73.30
	Other expenses	28	626.79	447.48
	Total expenses		**1,116.52**	**1,027.88**
V	**(Loss)/Profit before tax (III-IV)**		**(334.12)**	**489.40**
VI	**Tax expense:**	29		
	a) Current tax		-	8.94
	b) Adjustment of tax relating to earlier years		-	(2.04)
	b) Deferred tax (credit)/ charge		(73.89)	28.95
	Total tax expense		**(73.89)**	**35.85**
VII	**(Loss)/Profit for the year (V-VI)**		**(260.23)**	**453.55**
VIII	**Other comprehensive income**	30		
	Other comprehensive income/(loss) not to be reclassified to statement of profit and loss in subsequent years:			
	Re-measurement (loss)/ gains on defined benefit plans		3.24	(1.38)
	Income tax effect		(0.82)	0.35
	Other comprehensive income/(loss) for the year, net of tax		**2.42**	**(1.03)**
IX	**Total comprehensive (loss)/income for the year, net of tax (VII+VIII)**		**(257.81)**	**452.52**
X	**Earnings/ (loss) per share: (Face Value ₹ 10 per share)**	31		
	Basic and diluted (Amount in ₹)		(0.25)	0.43
	Basis of preparation, measurement and material accounting policies	2		

The accompanying notes form an integral part of these standalone financial statements.

As per our report of even date

For M S K A & Associates
Chartered Accountants
ICAI Firm's Registration Number: 105047W

Nipun Gupta
Partner
Membership Number: 502896

Place: Gurugram
Date: May 26, 2025

For and on behalf of the Board of Directors
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Chief Executive Officer
Place: New Delhi
Date: May 26, 2025

Mayur Maheshwari
Company Secretary
M. No. F7379
Place: New Delhi
Date: May 26, 2025

Standalone Statement of Changes in Equity

for the year ended March 31, 2025

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

A. Equity Share Capital

Equity shares of ₹ 10 each issued, subscribed and fully paid	No. of shares	Amount
As at April 01, 2023	**10,165,119**	**101.65**
Issue of share capital*	2,755,525	27.56
As at March 31, 2024	**12,920,644**	**129.21**
Issue of share capital*	12,400,740	124.01
As at March 31, 2025	**25,321,384**	**253.21**

B. Other Equity

	Attributable to equity shareholders			
	Securities premium	Capital reserve	Retained earnings	Total
As at April 01, 2023	**7,641.38**	**3,194.56**	**(3,140.58)**	**7,695.36**
Add:- Profit for the year	-	-	453.55	453.55
Add:- Other comprehensive (loss) for the year	-	-	(1.03)	(1.03)
Add:- Issue of equity shares* (refer Note 16)	2,617.75	-	-	2,617.75
As at March 31, 2024	**10,259.13**	**3,194.56**	**(2,688.06)**	**10,765.63**
Impact of application of Ind AS 109 on account of corporate guarantee (refer Note 47)	-	-	300.44	300.44
Add:- (Loss) for the year	-	-	(260.23)	(260.23)
Add:- Other comprehensive income for the year	-	-	2.42	2.42
Add:- Issue of equity shares* (refer Note 16)	12,983.63	-	-	12,983.63
As at March 31, 2025	**23,242.76**	**3,194.56**	**(2,645.43)**	**23,791.89**

*During the year ended March 31, 2025, the Company received an equity investment of ₹ 13,107.64 million (March 31, 2024: ₹ 2,645.31 million)

Basis of preparation, measurement and material accounting policies — Refer note 2

The accompanying notes form an integral part of these standalone financial statements.

As per our report of even date

For M S K A & Associates
Chartered Accountants
ICAI Firm's Registration Number: 105047W

Nipun Gupta
Partner
Membership Number: 502896

Place: Gurugram
Date: May 26, 2025

For and on behalf of the Board of Directors
Hero Future Energies Private Limited

Anuj Agarwal
Director
DIN: 01866057
Place: New Delhi
Date: May 26, 2025

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Date: May 26, 2025

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Chief Executive Officer

Place: New Delhi
Date: May 26, 2025

Mayur Maheshwari
Company Secretary
M. No. F7379
Place: New Delhi
Date: May 26, 2025

Standalone Statement of Cash Flows

for the year ended March 31, 2025

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

Particulars		Notes	For the year ended March 31, 2025	For the year ended March 31, 2024
I.	**Cash flow from operating activities**			
	(Loss)/Profit before tax		(334.12)	489.40
	Adjustments to reconcile (loss)/ profit before tax to net cash flows:			
	Depreciation and amortisation expense		67.56	73.30
	Finance costs		117.21	332.60
	Finance income		(208.41)	(1,102.80)
	Unwinding of financial guarantee income		(120.40)	-
	Foreign exchange fluctuation		1.08	(10.90)
	Gain on lease modification		(12.21)	
	Provision written back		-	(4.95)
	Interest accretion on share holder loan and debentures		(0.46)	(1.98)
	Concession on lease rentals		-	(2.11)
	Interest income on income tax refund		(0.96)	(1.02)
	Fair value gain on financial instruments measured at fair value through profit and loss		(0.49)	-
	Sale of scrap		(0.11)	-
	Unwinding of discount on financial assets measured at amortised cost		(0.60)	(0.39)
			(157.79)	**(718.25)**
	Operating (loss) before working capital changes		(491.91)	(228.85)
	Change in working capital:			
	Decrease in trade and other receivables		142.97	47.92
	(Increase) in inventories		(143.23)	(0.85)
	Increase/(decrease) in trade and other payables		123.42	(93.66)
	Increase in provisions		29.36	0.40
	(Increase)/decrease in other financial assets		(13.98)	4.79
	(Increase)/decrease in other assets		(290.37)	61.48
	Increase/(decrease) in other financial liabilities		858.48	(19.32)
	Increase/(decrease) in other liabilities		6.80	(51.27)
	Change in working capital		**713.45**	**(50.50)**
	Cash generated from/ (used in) operating activities		**221.54**	**(279.35)**
	Less : Taxes paid/(net of refunds)		(9.73)	(16.28)
	Net cash generated from/ (used in) operating activities		**211.81**	**(295.63)**
II.	**Cash flow from investing activities:**			
	Purchase of property, plant and equipment (including Capital work in progress)		(145.64)	(28.84)
	Investment in subsidiaries		(12,932.66)	(13,604.72)
	Loan repaid by subsidiaries and fellow subsidiary		-	13,877.37
	Fixed deposits with banks (net)		918.84	(585.34)
	Interest received		158.84	1,025.04
	Net cash (used in)/generated from investing activities		**(12,000.62)**	**683.51**

Standalone Statement of Cash Flows

for the year ended March 31, 2025

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

Particulars	Notes	For the year ended March 31, 2025	For the year ended March 31, 2024
III. Net cash flow from financing activities*:			
Proceeds from equity share capital		13,107.63	2,645.31
Payment of principal portion of lease liabilities		(17.84)	(16.47)
Proceeds/ (repayment) of long-term borrowings* (net)		953.42	(2,770.76)
Interest paid		(102.74)	(347.23)
Net cash generated from/(used in) financing activities		**13,940.47**	**(489.15)**
Net change in cash and cash equivalents (I+II+III)		2,151.66	(101.27)
Cash and cash equivalents as at the beginning of the year (a)	10	132.42	233.69
Cash and cash equivalents as at the end of the year (b)	10	2,284.08	132.42
Net change in cash and cash equivalents (b-a)		**2,151.66**	**(101.27)**
Reconciliation for cash and cash equivalent as per cash flow statement for the year:			
Balances with banks:			
- In current account		36.34	262.97
- Deposits with original maturity of three months or less		2,393.98	12.35
- Bank overdraft		(146.24)	(142.90)
Cash and cash equivalents as at the end of the year		**2,284.08**	**132.42**
Basis of preparation, measurement and material accounting policies	2		

The accompanying notes form an integral part of these standalone financial statements.
The standalone statement of cash Flow statement has been prepared under the indirect method as set out in the Ind AS 7" Statement of Cash Flows".
Figures in bracket represents cash outflow.

*Refer Note 45 for change in financing activities disclosure pursuant to amendment to Ind AS 7.

As per our report of even date
For M S K A & Associates
Chartered Accountants
ICAI Firm's Registration Number: 105047W

Nipun Gupta
Partner
Membership Number: 502896

Place: Gurugram
Date: May 26, 2025

For and on behalf of the Board of Directors
Hero Future Energies Private Limited

Anuj Agarwal
Director
DIN: 01866057
Place: New Delhi
Date: May 26, 2025

Benjamin Paul Fraser
Director
DIN: 09759173
Place: New Delhi
Date: May 26, 2025

Srivatsan Srinivas Iyer
Chief Executive Officer

Place: New Delhi
Date: May 26, 2025

Mayur Maheshwari
Company Secretary
M. No. F7379
Place: New Delhi
Date: May 26, 2025

Notes to the Standalone Financial Statements

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

1 Corporate information

Hero Future Energies Private Limited ('the Company') domiciled in India and was incorporated under the provisions of the Companies Act 2013, applicable in India. The Company is primarily engaged in the implementation of power projects and generation of power through renewable sources of energy. The registered office of the Company is located at Plot No. 202, Second Floor, Okhla Industrial Estate, Phase - III New Delhi – 110020.

The Standalone financials statements were authorised for issue authorised for issue in accordance with a resolution of the directors May 26, 2025.

2 Basis of preparation, measurement and material accounting policies

2.1 Basis of preparation

The Standalone financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Companies Act, 2013 (the "Act"), read together with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time).
The Standalone financial statements have been prepared on accrual basis and under the historical cost convention thereunder and other accounting principles generally accepted in India. These Standalone financial statements have been prepared using presentation and disclosure requirements of Division II Schedule III of the Companies Act 2013. The Standalone financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value (refer accounting policy regarding financial instruments).

The accounting policies adopted in the preparation of the Standalone financial statements are consistent with those used in the annual Standalone financial statements for the year ended March 31, 2024 unless otherwise stated in Note 2.2 (t).

These financials are prepared on going concern basis. Refer note 48.
The Standalone financial statements are presented in ₹ millions and all values are rounded to the nearest millions up to two decimals thereof except otherwise stated.

2.2 Material accounting policies

a) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet 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

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 Company has identified twelve months as its operating cycle.

b) Revenue recognition

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 Company 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 on the supply of units generated from plants to the grid as per terms of Power Purchase Agreements ("PPA") entered into with the customers.

(ii) Interest Income:

For all debt instruments measured at amortised cost, 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 Company 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 Standalone statement of profit and loss.

Notes to the Standalone Financial Statements

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

Contract balances:

Trade receivables

A receivable represents the Company'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 (j) Financial instruments – initial recognition and subsequent measurement.

Trade receivables include unbilled revenue represents services rendered by the Company 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.

c) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Such cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct services, any other costs directly attributable to bringing the assets to its working condition for their intended use and cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met.

An item of property, plant and equipment and any significant part initially recognised is de-recognised upon disposal or when no future economic benefits are expected from its use. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss within other income.

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 Company 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 Standalone statement of profit and loss as and when incurred.

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 profit and loss 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.

d) Depreciation and amortisation on property, plant and equipment and intangible 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 Company and accordingly the management is providing Depreciation on Property, plant and equipment based on the principal and 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 and the management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Assets	Useful Life (in years)
Plant and Equipments* (including solar plants and transmission lines)	10-35
Building and Substation	35
Computers and Data Processing	03-Jun
Office equipment and Software	3-5

*

Based on internal technical assessment, the Management believes that the useful life plant and equpments of solar plants and transmission lines as given above, which best represents the year over which Management expects the use of assets. Hence the useful life of these assetsis 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.

Intangible assets with finite lives are amortised over the useful life i.e. 5 years and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation year and the amortisation method for an intangible asset with finite life are reviewed at least at the end of each reporting year.

e) Borrowing costs

Borrowing costs consists of interest and amortisation of ancillary costs that an entity incurs in connection with the borrowing of funds.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period 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 period 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.

f) Functional and presentational currency

The Company's Standalone financial statements are presented in Indian Rupees (₹) which is also the Company's functional currency. Functional currency is the currency of the primary economic environment in which a Company operates and is normally the currency in which

Notes to the Standalone Financial Statements

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

the Company primarily generates and expends cash. All the financial information presented in ₹ except where otherwise stated.

g) Leases

At inception of a contract, the Company 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 Company 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 Company has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- the Company has the right to direct the use of the asset. The Company 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 Company has the right to direct the use of the asset if either:
- the Company has the right to operate the asset; or
- the Company designed the asset in a way that predetermines how and for what purpose it will be used.

Right of use assets

The Company 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. Unless the Company is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term. Right-of-use assets are subject to impairment.

The present value of the expected cost for dismantling and removing the underlying asset and restoring the site after its use is included in the cost if the recognition criteria for a provision are met.

Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including insubstance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating a lease, if the lease term reflects the Company exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognised as expense in the period on which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

Short-term leases and leases of low value

The Company 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 (i.e., below INR 500,000 per annum). Lease payments on short-term leases and leases of low-value assets are recognised as expense as they are incurred.

h) Retirement and other employee's benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The company has no obligation, other than the contribution payable to the provident fund. The company recognises 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 recognised 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 recognised as an asset to the extent that the pre-payment will lead to a reduction in future payment or a cash refund.

Defined contribution plan

The Company 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 company 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

Notes to the Standalone Financial Statements

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 Company's policy, eligible leaves can be accumulated by the employees and carried forward to future periods 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 Company records an obligation for such compensated absences in the period 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.

i) Provisions

General

Provisions are recognised when the Company 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 Company expects some or all of a provision to be reimbursed, 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 Standalone 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. The unwinding of discount is recognised in the statement of profit and loss as a finance cost.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources would be required to settle the obligation, the provision is reversed.

Decommissioning costs

Liability for decommissioning costs is provided for those lease arrangements where the Company has a binding obligation at the end of the lease period 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 profit and loss 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.

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

j) 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 Company 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 Company'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

Notes to the Standalone Financial Statements

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

is recorded as an income or expense in Standalone statement of profit and loss. The losses arising from impairment are recognised in the Standalone statement of profit and loss.

De-recognition

A financial asset (or, where applicable, a part of a financial asset) is primarily derecognised (i.e. removed from the Company's Standalone Balance Sheet) when:

(i) The contractual rights to receive cash flows from the asset has expired, or

(ii) The Company has transferred its contractual rights to receive cash flows from the financial asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

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 Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts.

Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

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 recognised in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Company 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 Company 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 Company 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 the statement of 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.

Financial guarantee contracts

After initial recognition, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 - 'Financial Instruments' and the amount recognised less cumulative amortisation."

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."

k) Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

Financial assets that are debt instruments, and are measured at amortised cost e.g. deposits, trade receivables and bank balances.

Financial asset that are debt instruments and are measured as at FVTOCI.

Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115.

Notes to the Standalone Financial Statements

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

The Company follows 'simplified approach' for recognition of impairment loss allowance for trade receivables.

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

While applying the simplified approach, the Company classifies the receivables into different categories such as

(i) Non-litigated receivables

(ii) Litigated receivables

(iii) Receivables under LPS scheme

(iv) Receivables under GBI scheme and

(v) Others.

For Non-Litigated receivables, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. The credit risk of the receivables is insignificant since the Group's receivables are primarily with the Central Government or with State Owned DISCOMs.

For litigated receivables, the Company determines the impairment loss basis the legal assessment of recoverability and applies appropriate loss rates basis the assessment.

On receipt of favourable orders, the outstanding receivable balances are reclassified as non-litigated. The ageing of such balances commences from the date of such reclassification for the purpose of computation of ECL.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines 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 the subsequent period, 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 a 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 on a financial instrument that is possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider.

All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument

Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

As a practical expedient, At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

ECL impairment loss allowance (or reversal) is recognised during the period as expense/ income in the Standalone statement of profit and loss. This amount is reflected under the head 'other expenses' in the Standalone statement of profit and loss. The balance sheet presentation for financial instruments is described below:

For financial assets measured at amortised cost: ECL is presented as an allowance i.e. as an integral part of the measurement of those assets in the Standalone balance sheet. The allowance reduces the net carrying amount. Until the asset meets write off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

l) Impairment of non-financial assets

The Company assess, 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 Company estimate the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating units (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 Company 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, or other available fair value indicators.

The Company bases its impairment indicator assessment on detailed budgets and forecast calculations (if required), which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover the term of the Power Purchase Agreement.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the Standalone statement of profit and loss. 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 Company estimates the asset's

Notes to the Standalone Financial Statements

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

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 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 Standalone statement of Profit or Loss."

m) 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:

(a) In the principal market for the asset or liability, or

(b) 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 Company. 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.

A 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.

The Company 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 or disclosed 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 assets and liabilities that are recognised in the Standalone financial statements on a recurring basis, the Company 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.

At each reporting date, the management of the Company 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 Company.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company 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 period.

- Quantitative disclosures of fair value measurement hierarchy (Refer Note 36)
- Financial instruments (including those carried at amortised cost) (Refer Note 35)
- Disclosure for significant estimates and assumptions (Refer Note 2.3).

n) 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.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income (OCI) or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly 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 settle all of 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 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. 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.

Notes to the Standalone Financial Statements

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

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. 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 the Company 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 it operate, no deferred tax (asset or liability) is recognised in respect of temporary differences which reverse during the tax holiday period, to the extent the concerned entity's gross total income is subject to the deduction during the tax holiday period. Deferred tax in respect of temporary differences which reverse after the tax holiday period is recognised in the year in which the temporary differences originate. However, the Company 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 realised. 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 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.

o) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand 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 Standalone statement of cash flows, cash and cash equivalents consist of cash balance on hand, cash balance at banks and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

p) Earnings per share (EPS)

Basic earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares outstanding during the year. Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the year, unless issue data later date. Dilutive potential equity shares are determined independently for each year presented.

The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all years presented for any share splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

q) 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 Company does not adjust the amounts recognised in its financial statements to reflect non-adjusting events after the reporting year. The Company makes disclosures in the financial statement in cases of significant events."

r) Contingent liabilities and contingent assets

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions, but are disclosed unless the possibility of outflow of resources is remote. Contingent assets are neither recognised nor disclosed in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

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

s) Changes in accounting policies and disclosures

New and amended standards

(i) Amendments to Ind AS 116 Leases – Lease Liability in a Sale and Leaseback

The MCA notified the Companies (Indian Accounting Standards) Second Amendment Rules, 2024, which amend Ind AS 116, Leases, with respect to Lease Liability in a Sale and Leaseback.

The amendment specifies the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains.

The amendment is effective for annual reporting periods beginning on or after 1 April 2024 and must be applied retrospectively to sale and leaseback transactions entered into after the date of initial application of Ind AS 116.

The amendments do not have a material impact on the Company's financial statements.

(ii) Amendments to Ind AS 117 – Insurance contracts

The Ministry of Corporate Affairs ('MCA') recently notified Ind AS 117, Insurance Contracts, via a notification dated August 12, 2024, and Ind AS 104, Insurance Contracts, stands revoked with effect from April 1, 2024.

With the discontinuation of Ind AS 104 and the applicability of Ind AS 117, the Group has an irrevocable choice to either apply Ind AS 117 or Ind AS 109, Financial Instruments, for existing financial guarantees issued by Group on behalf of Group companies. The Group has elected to apply Ind AS 109 for financial guarantees as per the transitional provisions mentioned in the notification and corresponding adjustments has been made to these Standalone financial statements.

t) Standards issued but not yet effective

Amendment to Ind AS 21 – The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability

The Ministry of Corporate Affairs (MCA), vide notification dated May 7, 2025, has amended Ind AS 21, The Effects of Changes in Foreign Exchange Rates, to provide guidance on how to account for a currency when it is not exchangeable into another currency. The amendment introduces:

- A definition of when a currency is considered not exchangeable,
- Guidance on estimating the spot exchange rate when exchangeability is lacking,
- Clarification on the selection of exchange rates when multiple rates exist, and
- Enhanced disclosure requirements regarding the nature and financial impact of such situations.

These amendments are applicable for annual reporting periods beginning on or after April 1, 2025, with early application permitted. The Company is currently evaluating the impact of this amendment on its Standalone financial statements."

2.3 Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying 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) Assessment of useful life and residual value of property, plant and equipment and intangible assets

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 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 judgement 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 35 for further disclosures.

iii) Recognition and estimation of tax expense including deferred tax

The Company 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

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

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 32.

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 37.

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 Company 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 43.

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 Company is 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.

vii) Provision for expected credit losses of trade receivables and contract assets

The Company follows 'simplified approach' for recognition of impairment loss allowance for trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original effective interest rate. As concluded by the management that there is no risk of default from the DISCOMs/State Government bodies being a state government entities. Accordingly, no provision for default risk is required for receivables from DISCOM. As per the requirements of Ind AS 109, on subsequent measurement, the management while making ECL assessment considered the past experience with the Government of honouring its commitments and the strong capacity and ability of the Government to meet its contractual cash flow obligations. See note 38 for further disclosures.

(viii) Application of interpretation for Service Concession Arrangements (SCA):

Management has assessed applicability of Appendix C of Indian Accounting Standards 115: Service Concession Arrangements ("SCA") for the power purchase agreement which the Company has 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.

(ix) Going concern - Refer Note 48

Notes to the Standalone Financial Statements

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

3. Property, plant and equipment

	Freehold Land*	Building and Substation	Plant and Equipment	Right of use asset (Office premises)#	Computers and data processing machines	Total
Gross Carrying Amount (At cost)						
As at April 01 2023	30.35	41.40	640.21	78.60	71.08	861.64
Additions made during the year	-	2.76	18.55	-	13.65	34.96
Disposals / adjustments during the year	-	-	(16.38)	(12.55)	(0.13)	(29.05)
At March 31, 2024	**30.35**	**44.16**	**642.38**	**66.06**	**84.61**	**867.55**
Additions made during the year	-	-	3.73	-	15.04	18.77
Disposals / adjustments during the year#	-	-	-	(16.69)	(0.08)	(16.77)
As at March 31, 2025	**30.35**	**44.16**	**646.11**	**49.37**	**99.57**	**869.55**
Depreciation						
As at April 01, 2023	**-**	**15.25**	**233.82**	**15.34**	**54.37**	**318.78**
Depreciation charge for the year	-	3.86	23.61	23.10	9.36	59.94
On disposals / adjustments during the year	-	-	(15.49)	(9.28)	(0.12)	(24.89)
As at March 31, 2024	**-**	**19.11**	**241.94**	**29.16**	**63.61**	**353.82**
Depreciation charge for the year	-	3.61	25.19	12.55	10.88	52.23
On disposals / adjustments during the year	-	-	-	-	(0.01)	(0.01)
As at March 31, 2025	**-**	**22.72**	**267.13**	**41.71**	**74.48**	**406.04**
Net Carrying Amount						
As at March 31, 2024	**30.35**	**25.05**	**400.44**	**36.90**	**21.00**	**513.73**
As at March 31, 2025	**30.35**	**21.44**	**378.98**	**7.66**	**25.09**	**463.51**

Property, Plant and Equipment are subject to charge to secure the Company's secured long-term borrowings as disclosed in note 17.

The Company had entered into lease agreements for office premises with an original lease term of nine years. During the year, the lease was modified in accordance with Ind AS 116 – Leases, resulting in a revised lease term ending in December 2025. Refer to Note 42 for details.

* The Company has solar power plant in the state of Karnataka in which the Company owns 52.16 acres freehold land.Out of 52.16 acres of freehold land, 41.85 acres land is mortgage against loan to ICICI Bank Limited.

4. Capital work-in-progress

	Amount
As at April 1, 2023	-
Addition during the year	-
Capitalised during the year	-
As at March 31, 2024	**-**
Addition during the year	175.95
Capitalised during the year	-
As at March 31, 2025	**175.95**

Breakup of Capital work-in-progress is as follows:

Particulars	As at March 31, 2025	As at March 31, 2024
Consultancy & Other Professional Charges	175.95	-
Total	**175.95**	**-**

Capital work-in-progress (CWIP) ageing schedule as at 31 March 2025:

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Project in progress	175.95	-	-	-	175.95
Total	**175.95**	**-**	**-**	**-**	**175.95**

Capital work-in-progress (CWIP) ageing schedule as at 31 March 2024:

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Project in progress	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**

There is no capital work in progress which has been temporarily suspended or whose completion is overdue or has exceeded its cost compared to its original plan during the financial year 2024-25.

Notes to the Standalone Financial Statements

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

5. Intangible asset

	Softwares (CMS)	Other intangible assets	Total
Gross Carrying Amount			
(At cost)			
As at April 01 2023	63.80	0.33	64.13
Additions made during the year	3.58	-	3.58
As at March 31, 2024	**67.38**	**0.33**	**67.71**
Additions made during the year	14.80	-	14.80
As at March 31, 2025	**82.18**	**0.33**	**82.51**
Amortisation			
As at April 01, 2023	17.80	0.29	18.09
Amortisation for the year	13.34	0.03	13.37
As at March 31, 2024	**31.14**	**0.32**	**31.46**
Amortisation for the year	15.32	0.01	15.33
As at March 31, 2025	**46.46**	**0.33**	**46.79**
Net Carrying Amount			
As at March 31, 2024	**36.24**	**0.01**	**36.25**
As at March 31, 2025	**35.72**	**-**	**35.72**

6. Non-current financial assets

	As at March 31, 2025	As at March 31, 2024
Investment		
Non- current		
Investment in equity shares#	20,374.55	14,153.21
Investment in compulsorily convertible debentures	645.64	638.36
Deemed investment in subsidiaries*	26,046.66	9,115.96
	47,066.85	**23,907.53**
Current		
Investment in mutual funds	**26.99**	**-**
	26.99	-
Total (non-current and current)	**47,093.84**	**23,907.53**
Breakup of investments is as follows:		
a) Investment measured at cost- unquoted equity shares in wholly owned subsidiaries		
57,51,66,261(March 31, 2024: 504,751,179) Equity Shares of Hero Solar Energy Private Limited of ₹ 10 each fully paid up	6,740.31	5,047.51
363,519,000 (March 31, 2024 : 363,519,000) Equity Shares of Hero Wind Energy Private Limited of ₹ 10 each fully paid up	9,105.60	9,105.60
26,010,000 (March 31, 2024 : 10,000) Equity Shares of Hero Rooftop Energy Private Limited of ₹ 10 each fully paid up	260.10	0.10
14,848,344 (March 31, 2024 : Nil) Ordinary Shares of Hero Future Energies UK of No.of Ordinary Shares of FV GBP 1 each**	4,268.50	-
	20,374.51	**14,153.21**
**The Company acquired 100% of the equity shares of Hero Future Energies UK Limited ("HFE UK"), along with its subsidiaries, from Hero Future Energies Global Limited for a total consideration of ₹ 449.71 million on December 31, 2024. Subsequently, the Company has also invested ₹ 3,818.79 million during the financial year 2024-25.		
b) Investment measured at fair value through profit and loss- unquoted equity shares		
9 (March 31, 2024 : 9) Equity Shares of Clean Solar Power (Eastern Europe) Limited	72.97	72.97
Less: Provision for impairment of investment in equity share of subsidiaries/fellow subsidiaries	(72.97)	(72.97)
	-	**-**

Notes to the Standalone Financial Statements

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

	As at March 31, 2025	As at March 31, 2024
c) Investment measured at amortised cost- unquoted compulsorily convertible debentures	645.64	638.36
	645.64	**638.36**
* Deemed investment in subsidiaries includes equity component of compulsorily convertible debentures, ESOP issued to employees, corporate guarantee and interest free loan given to subsidiaries.		
# Out of total number of equity shares of 57,51,66,261.00 issued by Hero Solar Energy Private Limited. ("HSE"), the Company has pledged shares for Medium term loan facilities taken by HSE from Bank/Financial institutions as per below. 131,235,307 number of shares from Indusind Bank. 131,235,306 number of shares from Aditya Birla Finance. 111,045,252 number of shares from Federal Bank. 149,210,117 number of shares from Tata capital. Out of total number of equity shares of 363,519,000 issued by Hero Wind Energy Private Limited. ("HWE"), the Company has pledged 109,055,699 number equity shares for loan facilities taken by HWE from Federal Bank as on March 31, 2025.		
All the above mentioned investees are incorporated in India except Clean Solar Power (Eastern Europe) Limited, Hero Future Energies Global Ltd & Hero Future Energies UK Ltd, which is incorporated in United Kingdom. Refer Note 31 (a).		
d) Investments at fair value through profit or loss - in unquoted mutual funds		
Aditya Birla Sun Life Liquid Fund Growth regular Plan 65216.11 Units (March 31, 2024: Nil)***	26.99	-
Aggregate value of unquoted investments	47,139.82	23,980.50
Aggregate amount of impairment in value of investments	(72.97)	(72.97)
Aggregate value of unquoted investments (net of impairment)	**47,093.84**	**23,907.53**
***** Investments in mutual funds is marked under lien towards ISRA to terms loan lender.**		

*Below mentioned Deemed investment details in subsidiaries.

Deemed investment in subsidiaries	As at March 31, 2025	As at March 31, 2024
Hero Wind Energy Priavate Limited	7,698.99	3,700.00
Hero Solar Energy Private Limited	14,745.43	5,396.20
Hero Rooftop Energy Private Limited	2,752.04	-
Clean Wind Power (Satara) Private Limited#	2.48	2.48
Vayu Urja Bharat Private Limited#	0.29	0.29
Hero Wind Energy Priavate Limited#	9.80	9.80
Hero Solar Energy Private Limited#	7.18	7.18
Clean Wind Power (Bableshwar) Private Limited**	46.87	-
Bhilwara Green Energy Limited**	29.65	-
Clean Solar Power (Dhar) Private Limited**	19.85	-
Clean Solar Power (Gulbarga) Private Limited**	211.31	-
Hero Rooftop Energy Private Limited**	80.37	-
Hero Solar Energy Private Limited**	63.57	-
Hero Wind Energy Priavate Limited**	38.56	-
Clean Wind Power (Piploda) Private Limited**	38.13	-
Rajkot (Gujarat) Solar Energy Private Limited**	46.04	-
Clean Wind Power (Ratlam) Private Limited**	114.58	-
Clean Wind Power (Satara) Private Limited**	36.45	-
Waaneep Solar Private Limited**	105.07	-
Total	**26,046.66**	**9,115.96**

* With effect from April 01, 2024 , the Company has revised terms and conditions attached to the shareholder loan agreement .Post revision, these loans carry 0% interest rate and are repayable at the discretion of the Company. Accordingly, has been classified as 'Deemed capital contribution'. (refer note no. 33)

** Related to corporate guarantee given by company to group companies

Related to ESOP issued on behalf of subsidiaries

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

7. Trade receivables

	As at March 31, 2025	As at March 31, 2024
Non- current		
- Considered good - unsecured	-	0.60
	-	**0.60**
Current		
Trade receivables*		
- Considered good - unsecured*	304.19	446.55
- Receivables - credit impaired	79.09	-
	383.28	**446.55**
- Receivables - credit impaired	(79.09)	-
Total trade receivables (Non-current and Current)	**304.19**	**447.15**
* Trade receivable include the amount of unbilled revenue. Please refer accounting policy on trade receivable.	237.94	191.63
* Trade receivable include the amount receivable from related parties.(Refer Note 33)	8.59	83.87

a) No trade or other receivable are due from directors or other officers of the Company 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 33.

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

Particulars	(i) Undisputed Trade receivables - considered good	(ii) Undisputed Trade Receivables - which have significant increase in credit risk	iii) Undisputed Trade Receivables - credit impaired	(iv) Disputed Trade Receivables - considered good	(v) Disputed Trade Receivables - which have significant increase in credit risk	(vi) Disputed Trade Receivables - credit impaired	Total
As at March 31, 2025							
Unbilled	237.94	-	-	-	-	-	237.94
Not Due	11.35	-	-	-	-	-	11.35
Less than 6 months	5.37	-	-	-	-	-	5.37
6 months- 1 year	-	-	-	-	-	-	-
1-2 years	0.15	-	-	-	-	-	0.15
2-3 years	0.03	-	-	-	-	-	0.03
More than 3 years	3.31	-	-	46.04	-	79.09	128.44
Total	**258.15**	**-**	**-**	**46.04**	**-**	**79.09**	**383.28**
As at March 31, 2024							
Unbilled	191.63	-	-	-	-	-	191.63
Not Due	18.81	-	-	-	-	-	18.81
Less than 6 months	13.93	-	-	-	-	-	13.93
6 months- 1 year	79.23	-	-	-	-	-	79.23
1-2 years	0.05	-	-	-	-	-	0.05
2-3 years	0.08	-	-	-	-	-	0.08
More than 3 years	-	-	-	143.42	-	-	143.42
Total	**303.73**	**-**	**-**	**143.42**	**-**	**-**	**447.15**

Ministry of power has notified Electricity (Late Payment Surcharge (LPS) and Related Matters) Rules, 2022 vide notification dated June 3, 2022. The rules prescribe the manner (including timelines options) in which the distribution licensees shall clear outstanding dues pertaining to generating companies. In line with the notification, the Company has commenced receiving payments as per plan opted by the customer.

Consequent to aforesaid notification, the total outstanding of ₹ 20.70 millions is discounted using discount rate of 9.25%. The resultant discounting effect of ₹ 2.55 millions has been recorded as finance cost in the financial statements for the previous year (FY 2022-2023). The resultant discounting effect of INR 0.46 millions net of LPS recognised has been recorded as "Interest income on unwinding of discounted trade receivables (LPS scheme)" in other income in the financial statements for the current year (March 31, 2024: ₹ 1.98 millions).

Notes to the Standalone Financial Statements

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

8. Loans

	As at March 31, 2025	As at March 31, 2024
Non- current		
Loan to related parties (refer Note 33)	-	3,174.47
	-	**3,174.47**
Current		
Loan to related parties (refer Note 33)	-	7,079.18
	-	**7,079.18**
Total Loans	**-**	**10,253.65**

9. Other financial assets

	As at March 31, 2025	As at March 31, 2024
Non- current		
Security deposits**	13.92	5.88
	13.92	**5.88**
Current		
Accrued Interest on fixed deposits	2.74	2.69
Deposits with remaining maturity of less than 12 months#	53.11	147.05
Accrued interest on loan to related parties (refer Note 33)	1,054.99	1,005.13
Security deposits - current	6.54	-
Other receivables***	11.52	9.26
	1,128.90	**1,164.13**
Total (Non-current and current)	**1,142.82**	**1,170.01**
Particulars of loans, as required by Sec 186(4) of the Companies Act 2013 are as follows:		
# Lien marked for the purpose of Debt Service Reserve Account (DSRA) and Bank Guarantee	6.90	70.13
** Deposits have been given for the purpose of office premises taken on lease.		
*** includes receivable from related parties (refer Note 33)	11.52	8.63

10. Cash and cash equivalents

	As at March 31, 2025	As at March 31, 2024
Balances with banks		
- Current account	36.34	262.97
- Deposits with original maturity of three months or less*	2,393.98	12.35
	2,430.32	**275.32**
*Includes deposits held as margin money	-	3.27

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

	As at March 31, 2025	As at March 31, 2024
Balances with banks:		
- In current account	36.34	262.97
- Deposits with original maturity of three months or less	2,393.98	12.35
Bank overdraft (Refer Note 17)	(146.24)	(142.90)
	2,284.08	**132.42**

There are no restrictions with regard to cash and cash equivalents as at the end of the reporting year and prior years.

Notes to the Standalone Financial Statements

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

11. Other bank balance

	As at March 31, 2025	As at March 31, 2024
Deposits with original maturity for more than 3 months but less than or equal to12 months*	287.15	1,112.04
	287.15	**1,112.04**
*Includes deposits held as margin money	287.15	237.70

Break up of financial assets carried at amortised cost:

	As at March 31, 2025	As at March 31, 2024
Trade receivables (Refer Note 7)	304.19	447.15
Cash and cash equivalents (Refer Note 10)	2,430.32	275.32
Other financial assets (Refer Note 9)	1,142.82	1,170.01
Loans(Refer Note 8)	-	10,253.65
Investment in compulsory convertible debentures (Refer Note 6)	645.64	638.36
Other Bank Balance (Refer note 11)	287.15	1,112.04
	4,810.12	**13,896.53**
Break up of financial assets carried at fair value through profit or loss:		
Investment in mutual funds (Refer Note 6)	26.99	-
	26.99	**-**
	4,837.11	**13,896.53**

12. Non-current tax asset (net)

	As at March 31, 2025	As at March 31, 2024
Advance Income Tax*	56.78	47.05
	56.78	**47.05**
* net of provision for tax	-	8.94

13. Other assets

(Unsecured, considered good, unless otherwise stated)

	As at March 31, 2025	As at March 31, 2024
Non- current		
Prepaid expenses - non-current	0.24	1.47
Deferred asset - non-current	26.71	-
Prepaid gratuity (funded)-net of provision for gratuity (Refer Note 37)	16.63	14.13
	43.58	**15.60**
Current		
Other advance (including employees)	2.53	1.82
Advance to vendors	210.75	29.04
Less: Provision for doubtful advance	(2.64)	-
Balance with Government authorities	108.49	28.91
Prepaid expenses - current	32.68	30.78
Prepaid gratuity (funded)-net of provision for gratuity (Refer Note 37)	2.52	2.26
Deferred asset - current	1.85	-
	356.18	**92.81**

Notes to the Standalone Financial Statements

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

14. Inventories*

	As at March 31, 2025	As at March 31, 2024
Raw Materials	143.89	-
Stores and spares	4.81	5.47
	148.70	**5.47**

*Inventories are valued at the lower of cost and net realisable value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on Weighted average basis.Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

15. Equity share capital

	As at March 31, 2025	As at March 31, 2024
Authorised share capital		
787.50 million (March 31, 2024: 787.50 million) equity shares of ₹ 10 each	7,875.00	7,875.00
Issued, subscribed and paid up		
Equity Share capital		
25.32 million (March 31, 2024: 12.92 million) equity shares of ₹ 10 each	253.21	129.21
	253.21	**129.21**

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

		No. of shares	(₹ in million)
i.	**Reconciliation of authorised share capital as at year end:**		
	Balance as at April 01, 2023	**787,500,000.00**	**7,875.00**
	Increase/(Decrease) during the year	-	-
	Balance as at March 31, 2024	**787,500,000.00**	**7,875.00**
	Increase/(Decrease) during the year	-	-
	Balance as at March 31, 2025	**787,500,000.00**	**7,875.00**

		No. of shares	(₹ in million)
ii.	**Reconciliation of issued and subscribed share capital as at year end:**		
	Balance as at April 01, 2023	**10,165,119.00**	**101.65**
	Increase/(Decrease) during the year	2,755,525.00	27.56
	Balance as at March 31, 2024	**12,920,644.00**	**129.21**
	Increase/(Decrease) during the year	12,400,740.00	124.01
	Balance as at March 31, 2025	**25,321,384.00**	**253.21**

b) Terms/ rights attached to equity shares:

The company has only one class of equity shares having par value of ₹ 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 Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c) Details of shareholders holding more than 5% shares in the Company:

	No. of shares	Holding %
Hero Future Energies Asia Pte. Ltd. (holding company) along with its nominee*		
At March 31, 2025	25,321,384.00	100.00%
At March 31, 2024	12,920,644.00	100.00%

d) The Company has not issued any shares pursuant to any contract without payment being received in cash or as fully paid up by way of bonus shares. The Company has not bought back any shares.

Notes to the Standalone Financial Statements

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

e) Shareholding of promoter is as under:

Particulars	Name of the promoters	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of total shares at the year end	% Change during the year
Equity shares of ₹ 10 each fully paid up						
For the year ended March 31, 2025	Hero Future Energies Asia Pte. Ltd.*	12,920,644.00	12,400,740.00	25,321,384.00	100%	95.98%
For the year ended March 31, 2024	Hero Future Energies Asia Pte. Ltd.*	10,165,119.00	2,755,525.00	12,920,644.00	100%	27.11%

*1 equity share held by other shareholder as nominee on behalf of Hero Future Energies Asia Pte. Limited.

16. Other equity

	Retained earnings	Capital reserve	Securities premium	Amount
Balance as at March 31, 2023	**(3,140.58)**	**3,194.56**	**7,641.38**	**7,695.36**
Add: Profit for the year	453.55	-	-	453.55
Add: Other comprehensive (loss) for the year	(1.03)	-	-	(1.03)
Add:- Addition during the year.	-	-	2,617.75	2,617.75
Balance as at March 31, 2024	**(2,688.06)**	**3,194.56**	**10,259.13**	**10,765.63**
Add: (Loss) for the year	(260.23)	-	-	(260.23)
Add:Impact of application of Ind AS 109 on account of corporate guarantee (Refer note 49)	300.44	-	-	300.44
Add:- Other comprehensive income for the year	2.42	-	-	2.42
Add:- Issue of equity shares	-	-	12,983.63	12,983.63
Balance as at March 31, 2025	**(2,645.43)**	**3,194.56**	**23,242.76**	**23,791.89**

Nature and Purpose of reserve:

Securities premium

Securities premium reserve is created to record the premium on issue of shares of Hero Future Energies Asia Pte. Ltd, Singapore ("Holding Company") 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.

Capital reserve

Capital reserve include reserve created on merger and equity component of preference shares.

Retained earnings

Retained earnings are the profit/(losses) that the Company has earned/incurred till date, net of appropriations. It is a free reserve available to the Company and eligible for distribution to its shareholders, in case where it is having positive balance representing net earning till date.

17. Borrowings

	As at March 31, 2025	As at March 31, 2024
Non- current		
Secured		
Term loan from bank	276.89	307.18
Term loans from Financial Institution (Refer Note (c) and (d) below)	991.50	-
Unsecured		
Cumulative compulsorily convertible preference share	24,949.67	24,949.67
	26,218.06	**25,256.85**
Current		
Secured		
Current maturities of long-term borrowings from bank	30.31	30.31
Unsecured		-
Bank Overdraft (Refer Note (e) below)	146.24	142.90
	176.55	**173.21**
Total	**26,394.61**	**25,430.06**

Notes to the Standalone Financial Statements

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

a) Term attached to loan from ICICI bank

The Term Loan is repayable in 56 structured quarterly instalments starting from August 18, 2016 till May 18, 2030

Terms of security

The Term Loan along with interest and other monies are secured by way of equitable mortgage over the entire immovable properties pertaining to 10 MW Solar Power Plant, hypothecation over all the movable fixed assets including plant & machinery, machinery spares, tools and documents executed for the acquisition of land, assignment over all of the rights under the project documents including insurance policies, rights, titles, permits, clearances, exclusive charge by way of hypothecation on all current assets pertaining to the 10 MW Solar Power Plant (present & future) including book debts, operating cash flows, receivables, commissions and revenues of all nature, exclusive charge on all the bank accounts including Trust and Retention account and DSRA pertaining to the 10 MW Solar Power Plant.

b) Terms attached to Aditya Birla Finance Ltd.

The Term Loan is repayable in door to door tenure of 3 years in 4 equal half yearly installments after a morotorium of 12 months starting from June 30, 2026 till Demeber 31, 2027.

Terms of security

The Facility (together with all interests, Liquidated damages, fees, costs, Charges, expenses and other monies and all other amount) secured by-

a) First Pari Passu Charge On all cash flows of the Borrower, including Management Fee, O&M Fee, Dividend, Development Fee, Interest, etc. (excluding cash flows from projects already charged to their respective Project Lenders).

b) Pledge of Shares 26% shareholding of Hero Solar Energy Private Limited (HSEPL) to be shared on a pari passu basis with ABFL Facility in HSEPL and Hero Wind Energy Private Limited (HWEPL).

c) Assignment/Charge/Pledge of Promoter Debt/ Subordinated debt by HFEPL in HSEPL/HWEPL/Hero Renewable Energy Private Limited (HREPL) or by HSEPL/HWEPL to project SPV to provide a minimum-security cover of 1.20x on book value.

d) ISRA Equivalent to one quarter of interest servicing.

e) Unconditional & Irrevocable Debt Shortfall Undertaking

c) Terms attached to compulsorily convertible Preference Shares ('CCPS V2'):

During the year ended March 31, 2018 vide NCLT order dated Feb 7, 2018, the Company has issued 33,329,801 compulsorily convertible Preference shares (CCPS V2) to holders of CCPS V1 (issued by erstwhile Hero Future Energies Private Limited -amalgamated entity) and 123,345,766 CCPS V2 to the equity shareholders of Hero Future Energies Private Limited (amalgamated company) of ₹ 100 each fully paid at par as purchase consideration on March 30, 2018. These CCPS V2 are convertible into equity shares at higher of fair market value of equity share of the Company (i) at the time of conversion or (ii) at the time of issuance of CCPS V2.

The CCPS V2 carry cumulative dividend @ 0.001% p.a., the Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

Terms attached to compulsorily convertible Preference Shares ('CCPS V3'):

During the year ended March 31, 2019, the Company has issued 16,829,290 compulsory convertible Preference shares (CCPS V3) to Hero Future Energies Asia Pte Ltd. and 26,573,621 to Hero Futures Energies Global Limited of ₹ 100 each fully paid at par. These CCPS V3 are convertible into equity shares at higher of fair market value of equity share of the Company (i) at the time of conversion or (ii) at the time of issuance of CCPS V3.

The CCPS V3 carry cumulative dividend @ 0.001% p.a., the Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

Further, during the year ended March 31, 2020, the Company has issued 2,628,606 Cumulative Compulsorily Convertible Preference Shares ('CCPS V3') at a consideration of ₹ 262.86 million to Hero Future Energies Global Ltd. These CCPS have a face value of ₹ 100 each and are fully paid.

During the year ended March 31, 2023, the CCPS V3 issued by the Company to Hero Futures Energies Global Limited has been transferred to International Financial Corporation (IFC) and IFC GIF Holding II Cooperatief U.A.

Terms attached to compulsorily convertible Preference Shares ('CCPS V5'):

During the year ended March 31, 2020, the Company has issued 38,893,348 Cumulative Compulsorily Convertible Preference Shares ('CCPS V5') at a consideration of INR 3,889.33 million to Abu Dhabi Future Energy Company PJSC-Masdar ('Masdar'). These CCPS have a face value of INR (In Rupees) 100 each and are fully paid.

Notes to the Standalone Financial Statements

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

These CCPS V5 are convertible into equity shares at higher of fair market value of equity share of the Company (i) at the time of conversion or (ii) at the time of issuance of CCPS V5. The CCPS V5 carry cumulative dividend @ 0.001% p.a., The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

During the year ended March 31, 2021, the Company has issued 7,896,253 Cumulative Compulsorily Convertible Preference Shares ('CCPS V5') at a consideration of ₹ 789.63 million to Abu Dhabi Future Energy Company PJSC-Masdar ('Masdar'). These CCPS have a face value of ₹ 100 each and are fully paid.

These CCPS V5 are convertible into equity shares at higher of fair market value of equity share of the Company (i) at the time of conversion or (ii) at the time of issuance of CCPS V5. The CCPS V5 carry cumulative dividend @ 0.001% p.a., The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

During the financials year 2022-23, 39,164,629 numbers of Cumulative Compulsorily Convertible Preference Shares ('CCPS V5') were purchased by HFE Global and remaining 7,624,972 CCPS V5were purchased by BM Munjal Energies Private Limited from Masdar.

d) Terms attached to Bank Overdraft

Vide Sanction letter dated May 31, 2019, the Company has been sanctioned bank overdraft of ₹ 20.00 million from ICICI Bank for its 10 MW Solar Power Project in Karnataka. The outstanding balance as on March 31, 2025 Nil (March 31, 2024 is ₹ Nil).

Vide Sanction letter dated December 11, 2020 (vide amendment to sanction letter dated December 16, 2024), the Company has been sanctioned overdraft facility of ₹ 150.00 million from Axis Bank. The outstanding balance as on March 31, 2025 is ₹ 146.24 million (March 31, 2024 is ₹ 142.90 million).

The sanctioned working capital is unsecured and hence there is no requirement to file quarterly statements with Banks

18. Lease liabilities

	As at March 31, 2025	As at March 31, 2024
Non- current		
Lease liabilities (Refer Note 42)	-	37.20
	-	**37.20**
Current		
Lease liabilities (Refer Note 42)	13.14	17.84
	13.14	**17.84**
Total	**13.14**	**55.04**

19. Trade payables

	As at March 31, 2025	As at March 31, 2024
Trade payables		
- Outstanding dues to micro and small enterprises*	0.65	0.15
- Outstanding dues to creditors other than micro and small enterprises#	701.66	578.77
	702.31	**578.92**
* These have been identified by the Company from the available information.		
# Includes payable to related parties (Refer note 33)	9.97	5.66

Details of dues to micro and small enterprises as defined under the MSMED Act, 2006:

		As at March 31, 2025	As at March 31, 2024
a)	The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier at the end of each accounting year	0.65	0.15
b)	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	-	-
c)	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.	-	-
d)	The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
e)	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	-	-

Notes to the Standalone Financial Statements

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

Below is the ageing of the trade payables outstanding as at reporting dates:

Particulars	(a) Undisputed total outstanding dues of micro and small enterprises	(b) Undisputed total outstanding dues of creditors other than micro and small enterprises	(c) Disputed dues of micro and small enterprises	(d) Disputed total outstanding dues of creditors other than micro and small enterprises	Total
As at March 31, 2025					
Unbilled	-	660.42	-	-	660.42
Not due	-	0.91	-	-	0.91
Less than 1 Year	0.59	27.55	-	-	28.14
1-2 Years	0.06	0.37	-	-	0.43
2-3 Years	-	0.17	-	-	0.17
More than 3 Years	-	12.24	-	-	12.24
Total	**0.65**	**701.66**	**-**	**-**	**702.31**
As at March 31, 2024					
Unbilled	-	523.63	-	-	523.63
Not due	0.03	1.52	-	-	1.55
Less than 1 Year	0.12	5.07	-	-	5.19
1-2 Years	-	0.31	-	-	0.31
2-3 Years	-	0.71	-	-	0.71
More than 3 Years	-	7.53	-	40.00	47.53
Total	**0.15**	**538.77**	**-**	**40.00**	**578.92**

20. Other financial liabilities

	As at March 31, 2025	As at March 31, 2024
Other financial liabilities at amortised cost:		
Non- current		
Corporate guarantee obligation (Refer note 49)	284.35	-
	284.35	**-**
Current		
Interest accrued on borrowings	1.39	0.10
Payables for property, plant and equipment	69.36	5.56
Corporate guarantee obligation (Refer note 49)	125.26	-
Other payables including employees	103.01	74.97
	299.02	**80.63**
Total	**583.37**	**80.63**

Breakup of financial liabilities at amortised cost:

	As at March 31, 2025	As at March 31, 2024
Borrowings (Refer Note 17)	26,394.61	25,430.06
Other current financial liabilities (Refer Note 20)	583.37	80.63
Trade payables (Refer Note 19)	702.31	578.92
	27,680.29	**26,089.61**

21. Provisions

	As at March 31, 2025	As at March 31, 2024
Non- current		
Provision for employee benefits:		
- Provision for compensated absence	9.70	10.50
	9.70	**10.50**

Notes to the Standalone Financial Statements

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

	As at March 31, 2025	As at March 31, 2024
Current		
Provision for employee benefits:		
- Provision for compensated absence	2.08	1.81
- Provision for employee stock option plan (Refer Note 41)	288.78	258.89
	290.86	**260.70**

22. Other liabilities

	As at March 31, 2025	As at March 31, 2024
Current		
Statutory dues	19.29	12.49
	19.29	**12.49**

23. Revenue from operations

	For the year ended March 31, 2025	For the year ended March 31, 2024
Type of goods or service		
Sale of electricity	**109.43**	**111.41**
Sale of services		
Income from Management and Development Services (refer Note 33)	**329.33**	**281.68**
	438.76	**393.09**

Performance obligation

Sale of electricity

The Company 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 Company has therefore determined that the sale of power meets the revenue recognition criteria to be recognised over time.

Income from Management and Development Services

The performance obligation of the Company is to provide Management and Development Services to its group companies and accordingly recognise revenue over the period of the contract based on service rendered.

Disaggregation of revenue

The Company derives its revenue from a multiple streams of revenue as mentioned above.

Contract balances

Particulars	As at March 31, 2025	As at March 31, 2024
Trade receivables (Refer Note 7)	304.19	447.15

Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Revenue as per contracted price	438.76	393.09
Adjustments for:		
Rebate and discounts	-	-
Revenue from contract with customers	**438.76**	**393.09**

Notes to the Standalone Financial Statements

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

24. Other income

	For the year ended March 31, 2025	For the year ended March 31, 2024
Interest income on debt instrument measured at amortised cost:		
- loan to related parties (Refer Note 33)	-	979.75
- debentures (Refer Note 33)	57.38	56.99
Interest income on fixed deposits	151.03	66.06
Fair value gain on financial instruments measured at fair value through profit and loss	0.49	-
Gain on lease modification	12.21	-
Unwinding of corporate gaurantee obligation (Refer note 49)	120.40	-
Unwinding of discount on deposits	0.60	0.39
Interest income on income tax refund	0.96	1.02
Interest income on unwinding of discounted trade receivables (LPS scheme)	0.46	1.98
Provision written back	-	4.95
Exchange fluctuation expense (net)	-	10.90
Sale of scrap	0.11	0.04
Concession on lease rentals	-	2.11
	343.64	**1,124.19**

25. Employee benefit expenses

	For the year ended March 31, 2025	For the year ended March 31, 2024
Salaries, wages and bonus	225.59	158.32
Contribution to provident and other funds(Refer Note 37)	10.38	8.49
Employee stock option scheme (Refer Note 41)	32.28	-
Gratuity expense (Refer Note 37)	2.49	1.81
Staff welfare expenses	34.22	5.88
	304.96	**174.50**

26. Finance cost

	For the year ended March 31, 2025	For the year ended March 31, 2024
Interest expense on financial liabilities measured at amortised cost:		
Interest on borrowings from bank and financial institution	65.82	237.95
Interest accretion on lease liabilities (Refer Note 42)	4.84	6.03
Other finance costs	46.55	88.62
	117.21	**332.60**

27. Depreciation and amortisation expense

	For the year ended March 31, 2025	For the year ended March 31, 2024
Depreciation of property, plant and equipment and Right-of-use assets (Refer note 3)	52.23	59.93
Amortisation of intangible assets (Refer note 4)	15.33	13.37
	67.56	**73.30**

Notes to the Standalone Financial Statements

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

28. Other expenses

	For the year ended March 31, 2025	For the year ended March 31, 2024
Legal and professional fees	209.45	178.13
Travelling and conveyance	96.37	42.24
Sales promotion expenses	41.29	30.43
Rent, rates and taxes	6.84	30.49
Provision for doubtful debts	81.73	-
Bad debts (doubtful)	18.29	-
Operation and Maintenance expenses	5.33	4.51
Insurance	29.86	20.26
Repair and maintenance - Plant & Machinery	20.86	15.01
IT and Software subscription fees	92.44	58.59
Auditor's remuneration (Refer Note (a))	9.82	1.35
Power and fuel	3.41	2.17
Director sitting fees	0.03	-
Exchange fluctuation expense (net)	1.08	-
Sundry balances written off	-	50.30
Miscellaneous expenses	9.99	14.00
	626.79	**447.48**

a) Details of payment made to auditors is as follows:

	For the year ended March 31, 2025	For the year ended March 31, 2024
As auditor:		
- Statutory audit fees	9.23	1.25
- Out of pocket expense	0.59	0.10
	9.82	**1.35**

29. Tax expense

	For the year ended March 31, 2025	For the year ended March 31, 2024
Current tax	-	8.94
Adjustment of tax relating to earlier years	-	(2.04)
Deferred tax	(73.89)	28.95
	(73.89)	**35.85**

30. Other comprehensive income

	For the year ended March 31, 2025	For the year ended March 31, 2024
Re-measurement gains/ (losses) on defined benefit plans(Refer Note 37)	3.24	(1.38)
Income tax effect	(0.82)	0.35
	2.42	**(1.03)**

31. Earnings per share (EPS)

	For the year ended March 31, 2025	For the year ended March 31, 2024
(Loss)/ profit attributable to the equity holders of the Company	(260.23)	453.55
Adjusted (Loss)/ profit	**(260.23)**	**453.55**
Weighted average number of equity shares for basic and diluted EPS	1,054,353,598.23	1,048,238,085.24
Basic and diluted (loss)/ earnings per share (Face value ₹ 10 per share)	(0.25)	0.43

Inclusive of Compulsorily Convertible Preference Share as those shares are issuable solely after the passage of time and are not contingently issuable shares, because the passage of time is a certainty.

For the purpose of EPS computation, management has assumed that Compulsorily Convertible Preference Share (CCPS) shall be converted at fair market value of shares at the time of issuance, as the number of shares that will be issued are based on the fair market value at the time of conversion or at the time of issuance of CCPS, whichever is higher.

Notes to the Standalone Financial Statements

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

32. Deferred Tax

a) Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2025 and March 31, 2024:

	For the year ended March 31, 2025	For the year ended March 31, 2024
Accounting profit before tax	(334.12)	489.40
Statutory Income Tax rate		
At India's statutory income tax rate of 25.17% (March 31, 2024: 25.17%)	(84.10)	123.18
Effect of expenses that are not deductible in determining taxable profit	(0.02)	(31.58)
Effect on tax due to tax holiday exemption under 801A	-	19.06
Others	26.05	(81.25)
Rate Difference on deferred tax created on equity shares with long-term capital gain tax rate(25.17%-23.3%)	(15.82)	6.43
Income tax expense recognised in the statement of profit or loss	**(73.89)**	**35.85**

On periodical basis, the Company reassess 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, the Company has reassessed its deferred tax and its impact thereon.

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

Significant components of deferred tax assets/(liabilities)	Balance as at April 01, 2024	(Charged)/ credited to statement of profit or Loss	(Charged) / credited to Other comprehensive income	Balance as at March 31, 2025
Higher depreciation and amortisation for tax purposes	(99.23)	6.79	-	(92.44)
Right of use and lease liability	4.57	1.01	-	5.58
Provision for employee benefits	13.88	(8.97)	(0.82)	4.09
Carry forward losses	74.26	106.02	-	180.28
35DD Merger expenses	118.30	-	-	118.30
Provision for ESOP	65.16	7.52	-	72.68
Compulsorily convertible debentures	(7.94)	(1.84)	-	(9.78)
Fair valuation of investment in equity shares	(751.02)	(20.81)	-	(771.83)
Effective interest rate adjustments for borrowings	3.46	(5.74)	-	(2.28)
Others	25.13	(10.09)	-	15.04
Net deferred tax assets / liabilities	**(553.43)**	**73.89**	**(0.82)**	**(480.36)**

Significant components of deferred tax assets/(liabilities)	Balance as at April 1, 2023	(Charged)/ credited to statement of profit or Loss	(Charged) / credited to Other comprehensive income	Balance as at March 31, 2024
Higher depreciation and amortisation for tax purposes	(89.84)	(9.39)	-	(99.23)
Right of use and lease liability	1.13	3.44	-	4.57
Provision for employee benefits	5.89	8.34	(0.35)	13.88
Carry forward losses	204.87	(130.61)	-	74.26
35DD Merger expenses	122.21	(3.91)	-	118.30
Provision for ESOP	67.56	(2.40)	-	65.16
Deemed investment in subsidries	-	-		-
Compulsorily convertible debentures	(6.45)	(1.49)	-	(7.94)
Fair valuation of investment in equity shares	(830.11)	79.09	-	(751.02)
Effective interest rate adjustments for borrowings	0.35	3.11	-	3.46
Others	0.26	24.87	-	25.13
Net deferred tax assets / liabilities	**(524.13)**	**(28.95)**	**(0.35)**	**(553.43)**

The Company offsets deferred tax assets and deferred tax liabilities; if and only if, it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the same taxation authority.

Notes to the Standalone Financial Statements

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

33. Related party transactions

a) List of related parties

Name of Related Parties	Nature of relationship
Brijmohan Lal Om Parkash, Partnership Firm	Ultimate holding entity
Bahadur Chand Investments Private Limited	Enterprise having control
BM Munjal Energies Private Limited	Ultimate Holding company
Hero Future Energies Global Limited, UK	Intermediate Holding company
Hero Future Energies Asia Pte. Limited, Singapore	Holding Company
Clean Solar Power (Eastern Europe) Limited	Step Down Subsidiary Company
Clean Renewable Power (Mauritius) Pte Ltd	Fellow subsidiary Company
Hero Solar Energy Private Limited	Subsidiary Company
Hero Wind Energy Private Limited	Subsidiary Company
Hero Rooftop Energy Private Limited	Subsidiary Company
Hero Future Engergies UK Ltd	Subsidiary Company
Clean Solar Power (Eastern Europe) Limited	Step Down Subsidiary Company
Clean Wind Power (Anantapur) Private Limited	Step Down Subsidiary Company
Clean Wind Power (Pratapgarh) Private Limited	Step Down Subsidiary Company
Clean Wind Power (Ratlam) Private Limited	Step Down Subsidiary Company
Clean Wind Power (Satara) Private Limited	Step Down Subsidiary Company
Clean Wind Power (Devgarh) Private Limited	Step Down Subsidiary Company
Clean Wind Power (Manvi) Private Limited	Step Down Subsidiary Company
Clean Wind Power (Jaisalmer) Private Limited	Step Down Subsidiary Company
Clean Wind Power (Bhavnagar) Private Limited	Step Down Subsidiary Company
Clean Wind Power (Piploda) Private Limited	Step Down Subsidiary Company
Clean Wind Power (Bableshwar) Private Limited	Step Down Subsidiary Company
Clean Solar Power (Chitradurga) Private Limited	Step Down Subsidiary Company
Clean Solar Power (Dhar) Private Limited	Step Down Subsidiary Company
Clean Solar Power (Tumkur) Private Limited	Step Down Subsidiary Company
Clean Solar Power (Bhadla) Private Limited	Step Down Subsidiary Company
Clean Solar Power (Jaipur) Private Limited	Step Down Subsidiary Company
Clean Wind Power (Tuticorin) Private Limited	Step Down Subsidiary Company
Clean Solar Power (Gulbarga) Private Limited	Step Down Subsidiary Company
Clean Solar Power (Bellary) Private Limited	Step Down Subsidiary Company
Clean Solar Power (Jodhpur) Private Limited	Step Down Subsidiary Company
Rajkot (Gujarat) Solar Energy Private Limited	Step Down Subsidiary Company
Vayu Urja Bharat Private Limited	Step Down Subsidiary Company
Clean Solar Power (Sirsa) Private Limited	Step Down Subsidiary Company
Clean Solar Power (Amarsar) Private Limited	Step Down Subsidiary Company
Waaneep Solar Private Limited	Step Down Subsidiary Company
Clean Solar power (Rooftop) Pvt Ltd	Step Down Subsidiary Company
LNJ Power Ventures Limited	Step Down Subsidiary Company
Bhilwara Green Energy Limited	Step Down Subsidiary Company
Vision Renergies and Projects Private Limited	Step Down Subsidiary Company
Clean Solar Power (Baniyana) Pvt Ltd	Step Down Subsidiary Company
Clean Renewable Energy (Bikaner) Pvt. Ltd.	Step Down Subsidiary Company
Clean Renewable Energy (Barmer) Pvt. Ltd.	Step Down Subsidiary Company
Clean Renewable Energy KK One Private Limited	Step Down Subsidiary Company
Clean Renewable Energy AP One Private Limited	Step Down Subsidiary Company
Clean Renewable Energy TN One Private Limited	Step Down Subsidiary Company
Clean Renewable Energy MH One Private Limited	Step Down Subsidiary Company
Clean Renewable Energy KK 2A Private Limited	Step Down Subsidiary Company
Clean Renewable Energy KK 2B Private Limited	Step Down Subsidiary Company
Clean Renewable Energy MH 1A Private Limited	Step Down Subsidiary Company
Clean Renewable Energy KK 2C Private Limited	Step Down Subsidiary Company

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

Name of Related Parties	Nature of relationship
Clean Renewable Energy KK 2D Private Limited	Step Down Subsidiary Company
Clean Renewable Energy Hybrid One Private Limited	Step Down Subsidiary Company
Clean Renewable Energy Hybrid Two Private Limited	Step Down Subsidiary Company
Clean Renewable Energy KK 1A Private Limited	Step Down Subsidiary Company
Clean Renewable Energy Hybrid Four Private Limited	Step Down Subsidiary Company
Clean Renewable Energy Hybrid Five Private Limited	Step Down Subsidiary Company
Clean Renewable Energy Hybrid Three Private Limited	Step Down Subsidiary Company
Clean Renewable Energy Hybrid Six Private Limited	Step Down Subsidiary Company
Clean Renewable Energy Hybrid Seven Private Limited	Step Down Subsidiary Company
Clean Renewable Energy GJ 1B Private Limited	Step Down Subsidiary Company
Clean Renewable Energy GJ 1C Private Limited	Step Down Subsidiary Company
Clean Renewable Energy ISTS 1 Private Limited	Step Down Subsidiary Company
Clean Renewable Energy GJ 1A Private Limited	Step Down Subsidiary Company
Clean Renewable Energy Hybrid Eight Private Limited	Step Down Subsidiary Company
Clean Renewable Energy Hybrid Twelve Private Limited	Step Down Subsidiary Company
Clean Renewable Energy Hybrid Eleven Private Limited	Step Down Subsidiary Company
Clean Renewable Energy Hybrid Ten Private Limited	Step Down Subsidiary Company
Clean Renewable Energy Hybrid Thirteen Private Limited	Step Down Subsidiary Company
Clean Renewable Energy Hybrid Fourteen Private Limited	Step Down Subsidiary Company
Clean Renewable Energy Hybrid Fifteen Private Limited	Step Down Subsidiary Company
Clean Renewable Energy Hybrid Nine Private Limited	Step Down Subsidiary Company
Clean Renewable Energy KK 1B Private Limited	Step Down Subsidiary Company
Clean Renewable Energy KK 1D Private Limited	Step Down Subsidiary Company
Clean Renewable Energy KK 1E Private Limited	Step Down Subsidiary Company
Clean Renewable Energy HR 1A Private Limited	Step Down Subsidiary Company
Clean Renewable Energy KK 1C Private Limited	Step Down Subsidiary Company
Clean Renewable Energy MH 1B Private Limited	Step Down Subsidiary Company
Clean Renewable Energy MH 1C Private Limited	Step Down Subsidiary Company
Clean Renewable Energy MH 1D Private Limited	Step Down Subsidiary Company
Clean Battery Power UK 1 Limited	Step Down Subsidiary Company
Clean Solar Power UK 1 Limited	Step Down Subsidiary Company
Clean Battery Power UK 2 Limited	Step Down Subsidiary Company
Clean Renewable Energy Singapore Pte. Ltd.	Step Down Subsidiary Company
Hero Future Energies Vietnam Limited Liability Company	Step Down Subsidiary Company
LLC Gea Solar Group	Step Down Subsidiary Company
LLC Greenway Solar	Step Down Subsidiary Company
Clean Solar Power (Bangladesh) Limited	Fellow subsidiary Company
Hero Future Energies Limited Employees Group Gratuity Trust	Enterprises, Key managerial personnel of which is able to exercise significant influence over the Company
International Finance Corporation	Enterprise having significant influence over the Company
IFC GIF Holding II Cooperative U.A	
Srivatsan Srinivas Iyer - Chief Executive Officer	Key Managerial Personnel
Sumit Kumar Roy - Director	
Harish Pant - Director	
Benjamin Paul Fraser - Director	
Anuj Agarwal - Director	
Mayur Maheshwari - Company Secretary	

Notes to the Standalone Financial Statements

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

b) Transactions with related parties

Name of Related Parties	Relationship	Nature of Transaction	For the year ended March 31, 2025	For the year ended March 31, 2024
BM Munjal Energies Private Limited	Ultimate Holding company	Expenses incurred by us on their behalf	0.07	-
Hero Future Energies Asia Pte. Ltd	Holding Company	Issue of equity share capital	124.01	27.56
		Security Premium	12,983.63	2,617.75
Hero Future Energies Global Limited, UK	Intermediate Holding company	Investment in Equity Shares	4,268.50	-
Hero Solar Energy Private Limited	Subsidiary Company	Revenue from Management and Development services	156.88	127.15
		Investment in Equity Shares	1,692.80	-
		Deemed investment (Loans given)**	10,640.17	6,867.38
		Deemed investment (Loans repaid by subsidiary)**	4,522.68	9,598.51
		Interest income on Loan	-	283.65
		Interest income on Debentures	50.10	50.24
		Expenses incurred by them on our behalf	18.84	5.17
Hero Wind Energy Private Limited	Subsidiary Company	Revenue from Management and Development services	79.58	66.08
		Deemed investment (Loans given)**	6,574.33	6,485.27
		Deemed investment (Loans repaid by subsidiary)**	8,312.45	4,131.10
		Expenses incurred by them on our behalf	0.24	-
		Interest income on Loan	-	451.88
Hero Rooftop Energy Private Limited	Subsidiary Company	Interest income on Loan	-	115.39
		Investment in Equity Shares	260.00	-
		Deemed investment (Loans given)**	1,607.29	252.06
		Deemed investment (Loans repaid by subsidiary)**	140.06	147.75
		Expenses incurred by us on their behalf	2.71	0.01
		Expenses incurred by us on their behalf	0.02	-
	Step Down Subsidiary Company	Expenses incurred by them on our behalf	0.01	-
		Revenue from Management and Development services	42.11	40.10
Clean Solar Power (Tumkur) Private Limited	Step Down Subsidiary Company	Expenses incurred by us on their behalf	0.42	-
Clean Wind Power (Manvi) Private Limited	Step Down Subsidiary Company	Expenses incurred by us on their behalf	0.02	0.05
Clean Wind Power (Devgarh) Private Limited	Step down Subsidiary Company	Expenses incurred by us on their behalf	0.01	-
		Revenue from Management and Development services	8.55	8.14
Clean Wind Power (Satara) Private Limited	Step down Subsidiary Company	Other receivables	0.00	-
		Expenses incurred by us on their behalf	0.01	
		Expenses incurred on behalf	0.01	-
Clean Wind Power (Pratapgarh) Private Limited	Step Down Subsidiary Company	Expenses incurred by them on our behalf	-	0.48
		Expenses incurred by us on their behalf	0.02	-
Vayu Urja Bharat Private Limited	Step Down Subsidiary Company	Expenses incurred by us on their behalf	0.96	-
		Revenue from Management and Development services	42.21	40.20
Clean Solar Power (Gulbarga) Private Limited	Step Down Subsidiary Company	Expenses incurred by us on their behalf	0.04	0.02
Clean Solar Power (Chitradurga) Private Limited	Step Down Subsidiary Company	Expenses incurred by us on their behalf	0.01	-

Notes to the Standalone Financial Statements

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

Name of Related Parties	Relationship	Nature of Transaction	For the year ended March 31, 2025	For the year ended March 31, 2024
Clean Wind Power (Piploda) Private Limited	Step Down Subsidiary Company	Expenses incurred on behalf	0.02	-
LNJ Power Ventures Limited	Step Down Subsidiary Company	Expenses incurred on behalf	0.03	-
Waaneep Solar Private Limited	Step Down Subsidiary Company	Expenses incurred by us on their behalf	0.03	
Clean Renewables Energy Hybrid Five Private Limited	Step Down Subsidiary Company	Expenses incurred by us on their behalf	0.01	-
Clean Renewable Energy Hybrid Three Private Limited	Step Down Subsidiary Company	Expenses incurred by us on their behalf	0.03	
Clean Renewables Energy Hybrid Four Private Limited	Step Down Subsidiary Company	Expenses incurred by us on their behalf	0.01	-
Clean Renewables Energy Hybrid Six Private Limited	Step Down Subsidiary Company	Expenses incurred by us on their behalf	0.00	-
Clean Renewables Energy Hybrid Seven Private Limited	Step Down Subsidiary Company	Expenses incurred by us on their behalf	0.01	-
Clean Renewables Energy Hybrid Eight Private Limited	Step Down Subsidiary Company	Expenses incurred by us on their behalf	0.01	-
Clean Renewables Energy Hybrid Nine Private Limited	Step Down Subsidiary Company	Expenses incurred by us on their behalf	0.01	-
Clean Renewables Energy Hybrid Ten Private Limited	Step Down Subsidiary Company	Expenses incurred by us on their behalf	0.01	-
Clean Renewable Energy AP One Private Limited	Step Down Subsidiary Company	Expenses incurred by us on their behalf	0.02	-
Clean Renewable Energy Hybrid One Private Limited	Step Down Subsidiary Company	Expenses incurred by us on their behalf	0.02	-
Clean Renewable Energy KK 1A Private Limited	Step Down Subsidiary Company	Expenses incurred by us on their behalf	0.01	
Clean Renewable Energy KK 2A Private Limited	Step Down Subsidiary Company	Expenses incurred by us on their behalf	0.03	-
Clean Renewable Energy KK 2B Private Limited	Step Down Subsidiary Company	Expenses incurred by us on their behalf	0.02	-
Clean Renewable Energy KK 2C Private Limited	Step Down Subsidiary Company	Expenses incurred by us on their behalf	0.02	-
Clean Renewable Energy KK 2D Private Limited	Step Down Subsidiary Company	Expenses incurred by us on their behalf	0.01	-
Clean Renewable Energy HR 1A Private Limited	Step Down Subsidiary Company	Expenses incurred by us on their behalf	0.01	
Clean solar power (Rooftop) Pvt Ltd	Step Down Subsidiary Company	Expenses incurred by us on their behalf	0.01	-
Clean Wind Power (Bhavnagar) Private Limited	Step Down Subsidiary Company	Expenses incurred by us on their behalf	0.01	-
Clean Renewable Energy (Barmer) Pvt. Ltd.	Step Down Subsidiary Company	Expenses incurred by us on their behalf	0.01	-
Clean Renewable Energy Hybrid Two Private Limited	Step Down Subsidiary Company	Expenses incurred by us on their behalf	0.01	
Clean Renewable Energy MH 1A Private Limited	Step Down Subsidiary Company	Expenses incurred by us on their behalf	0.01	
Clean Wind Power (Bableshwar) Private Limited	Step Down Subsidiary Company	Expenses incurred by us on their behalf	0.03	-
Clean Solar Power (Jodhpur) Private Limited	Step Down Subsidiary Company	Expenses incurred by us on their behalf	0.02	-
Bhilwara Green Energy Ltd.	Step Down Subsidiary Company	Expenses incurred by us on their behalf	0.05	0.05
Clean Solar Power (Eastern Europe) Limited	Step Down Subsidiary Company	Accrued Interest Received*	-	305.94
Key Management Personnel	Key Management Personnel	Remuneration	120.57	103.20

**Refer note no 6

Notes to the Standalone Financial Statements

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

c) Closing balances of related parties

Name of Related Parties	Relationship	Nature of transaction	For the year ended March 31, 2025	For the year ended March 31, 2024
BM Munjal Energies Private Limited	Ultimate Holding Company	Cumulative Compulsorily Convertible Preference Share	762.50	762.50
		Other Receivable	0.07	-
Hero Future Energies Global Ltd.	Intermediate Holding Company	Cumulative Compulsorily Convertible Preference Share	3,916.46	3,916.46
International Finance Corporation	Enterprise having significant influence over the Company	Cumulative Compulsorily Convertible Preference Share	3,125.54	3,125.54
IFC GIF Holding II Cooperative U.A	Enterprise having significant influence over the Company	Cumulative Compulsorily Convertible Preference Share	3,127.67	3,127.67
Hero Future Energies Limited Employees Group Gratuity Trust	Enterprises over which key management personnel and their relatives able to control	Contribution to Gratuity Fund Trust	37.14	34.62
Hero Future Energies Global Limited, UK	Intermediate Holding company	Investment in Equity Shares	4,268.50	-
Hero Future Energies Asia Pte. Ltd	Holding Company	Cumulative Compulsorily Convertible Preference Share	1,682.93	1,682.93
		Trade Receivable	0.12	0.12
		Equity share capital	23,495.97	10,388.33
Bahadur Chand Investment Private Limited	Enterprise having control	Cumulative Compulsorily Convertible Preference Share	5,569.57	5,569.57
Hero Solar Energy Private Limited	Subsidiary Company	Receivable on account of Loan Given**	-	7,855.06
		Deemed Investment**	13,972.56	-
		Receivable on account of interest on loan	86.90	86.90
		Receivable on account of interest on Debentures	175.07	125.21
		Investment in Equity Shares	6,740.31	5,047.51
		Investment in Debentures	835.00	835.00
		Trade Payable	3.39	-
		Other Payable	34.92	16.08
		Trade Receivable (including unbilled revenue receivable)	150.50	50.02
Hero Wind Energy Private Limited	Subsidiary Company	Receivable on account of Loan Given**	-	9,437.11
		Deemed Investment**	7,698.99	-
		Receivable on account of interest on loan	459.25	459.25
		Investment in Equity Shares	3,635.19	3,635.19
		Trade Receivable (including unbilled revenue receivable)	76.27	24.96
		Other Payable	0.35	0.08
		Other receivable	0.14	-
Hero Rooftop Energy Private Limited	Subsidiary Company	Investment in Equity Shares	260.10	0.10
		Receivable on account of Loan Given**	-	1,284.81
		Deemed Investment**	2,752.04	-
		Receivable on account of interest on loan	239.20	239.20
		Other Receivable	2.71	-

Notes to the Standalone Financial Statements

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

Name of Related Parties	Relationship	Nature of transaction	For the year ended March 31, 2025	For the year ended March 31, 2024
Clean Wind Power (Ratlam) Private Limited	Step Down Subsidiary Company	Other Receivable	7.03	7.60
		Trade Payable	0.92	-
		Trade Receivable	-	0.74
Clean Wind Power (Devgarh) Private Limited	Step Down Subsidiary Company	Trade Receivable	-	0.79
		Other Receivable	0.06	0.05
		Other Payable	0.01	0.02
Clean Wind Power (Manvi) Private Limited	Step Down Subsidiary Company	Other Receivable	0.13	0.11
Clean Wind Power (Satara) Private Limited	Step Down Subsidiary Company	Other Receivable	0.08	0.07
		Other Payable	0.41	0.43
		Other Receivable	0.02	-
Clean Wind Power (Tuticorin) Private Limited	Step Down Subsidiary Company	Receivable on account of interest on loan	94.57	94.57
		Other Receivable	0.00	-
		Other Receivable	0.01	0.01
Vayu Urja Bharat Private Limited	Step Down Subsidiary Company	Trade Receivable	5.12	3.92
		Other Payable	0.95	0.00
Clean Solar Power (Dhar) Private Limited	Step Down Subsidiary Company	Trade Payable	0.51	0.51
		Other Receivable	0.01	-
		Other receivable	0.08	0.08
Clean Solar Power (Gulbarga) Private Limited	Step Down Subsidiary Company	Other payable	2.52	2.56
Clean Solar Power (Bhadla) Private Limited	Step Down Subsidiary Company	Other Payable	4.37	4.38
		Trade Payable	5.15	5.15
		Other Receivable	0.55	0.13
Clean Solar Power (Bellary) Private Limited	Step Down Subsidiary Company	Other Receivable	0.04	0.02
Clean Solar Power (Chitradurga) Private Limited	Step Down Subsidiary Company	Trade Receivable	3.31	3.31
		Other Receivable	0.04	0.04
Clean Wind Power (Piploda) Private Limited	Step Down Subsidiary Company	Other Receivable	0.04	0.02
LNJ Power Ventures Limited	Step Down Subsidiary Company	Other Receivable	0.08	0.05
Clean solar power (Rooftop) Pvt Ltd	Step Down Subsidiary Company	Other Receivable	0.03	0.02
Bhilwara Green Energy Ltd.	Step Down Subsidiary Company	Other Receivable	0.09	0.04
Clean Solar Power (Eastern Europe) Limited	Fellow Subsidiary Company	Investment in Equity Shares	72.97	72.97
Clean Renewables Energy Hybrid Five Private Limited	Step Down Subsidiary Company	Other Receivable	0.01	-
Clean Renewables Energy Hybrid Four Private Limited	Step Down Subsidiary Company	Other Receivable	0.01	-
Clean Renewables Energy Hybrid Six Private Limited	Step Down Subsidiary Company	Other Receivable	0.00	-
Clean Renewables Energy Hybrid Seven Private Limited	Step Down Subsidiary Company	Other Receivable	0.01	-

Notes to the Standalone Financial Statements

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

Name of Related Parties	Relationship	Nature of transaction	For the year ended March 31, 2025	For the year ended March 31, 2024
Clean Renewables Energy Hybrid Eight Private Limited	Step Down Subsidiary Company	Other Receivable	0.01	-
Clean Renewables Energy Hybrid Nine Private Limited	Step Down Subsidiary Company	Other Receivable	0.01	-
Clean Renewables Energy Hybrid Ten Private Limited	Step Down Subsidiary Company	Other Receivable	0.01	-
Clean Renewable Energy AP One Private Limited	Step Down Subsidiary Company	Other Receivable	0.02	-
Clean Renewable Energy Hybrid One Private Limited	Step Down Subsidiary Company	Other Receivable	0.02	-
Clean Renewable Energy KK 2A Private Limited	Step Down Subsidiary Company	Other Receivable	0.03	-
Clean Renewable Energy KK 2B Private Limited	Step Down Subsidiary Company	Other Receivable	0.02	-
Clean Renewable Energy KK 2C Private Limited	Step Down Subsidiary Company	Other Receivable	0.02	-
Clean Renewable Energy KK 2D Private Limited	Step Down Subsidiary Company	Other Receivable	0.01	-
Clean Renewable Energy Hybrid Three Private Limited	Step Down Subsidiary Company	Other Receivable	0.03	-
Clean Wind Power (Bhavnagar) Private Limited	Step Down Subsidiary Company	Other Receivable	0.01	-
Clean Renewables Energy Hybrid Two Private Limited	Step Down Subsidiary Company	Other Receivable	0.01	-
Clean Renewable Energy KK 1A Private Limited	Step Down Subsidiary Company	Other Receivable	0.01	-
Clean Renewable Energy MH 1A Private Limited	Step Down Subsidiary Company	Other Receivable	0.01	-
Clean Renewable Energy HR 1A Private Limited	Step Down Subsidiary Company	Other Receivable	0.01	-
Waaneep Solar Private Limited	Step Down Subsidiary Company	Other Receivable	0.14	0.11
Clean Wind Power (Bableshwar) Private Limited	Step Down Subsidiary Company	Other Receivable	0.03	-
Key Management Personnel	Key Management Personnel	Remuneration and other payable	47.96	38.54

**Refer note no. 6

Refer Note 6 for detail of pledge of shares of Hero Solar Energy Private Limited ("HSE") and Hero Wind Energy Private Limited ("HWE") by the Company.

d) Other transactions

The Company has provided corporate guarantee on behalf of other related parties in following manner for the purpose of borrowing by related parties:-

The principal	Guarantor	Purpose of guarantee	As At March 31, 2025	As At March 31, 2024
Hero Solar Energy Private Limited	Hero Wind Energy Private Limited. Hero Future Energies Private Limited	Borrowings taken by Hero Solar Energy Private Limited	1,571.60	2,357.10
Hero Wind Energy Private Limited	Hero Future Energies Private Limited	Borrowings taken by Hero Wind Energy Private Limited	3,250.00	559.70
Hero Solar Energy Private Limited	Hero Future Energies Private Limited	Borrowings taken by Hero Solar Energy Private Limited	2,225.60	1,352.10
Waaneep Solar Private Limited	Hero Future Energies Private Limited	Borrowings taken by Waaneep Solar Private Limited	3,914.53	4,111.40
Multiple step down subsidiary companies*	Hero Future Energies Private Limited	Borrowings taken by the step down subsidiary companies	21,895.79	23,663.77
Hero Solar Energy Private Limited	Hero Future Energies Private Limited & HFE Asia Pte Ltd	Borrowings taken by Hero Solar Energy Private Limited	1,772.22	2,900.00
Hero Solar Energy Private Limited	Hero Future Energies Private Limited/Hero Wind Energy Private Limited/ Hero Future Energies Asia Pte Ltd	Borrowings taken by Hero Solar Energy Private Limited	375.00	750.00
Hero Wind Energy Private Limited	Hero Future Energies Private Limited & Hero Future Energies Asia Pte Ltd	Borrowings taken by Hero Wind Energy Private Limited	1,633.33	2,100.00
Hero Wind Energy Private Limited	Hero Future Energies Private Limited/Hero Solar Energy Private Limited/Hero Future Energies Asia Pte Ltd	Borrowings taken by Hero Wind Energy Private Limited	375.00	750.00
Hero Rooftop Private Limited	Hero Future Energies Private Limited	Borrowings taken by Hero Rooftop Energy Private Limited	2,500.00	-

Notes to the Standalone Financial Statements

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

* 'Step down subsidiary companies include the following 8 entities:

Clean Solar Power (Dhar) Private Limited
Clean Solar Power (Gulbarga) Private Limited
Rajkot (Gujarat) Solar Energy Private Limited
Clean Wind Power (Ratlam) Private Limited
Clean Wind Power (Satara) Private Limited
Clean Wind Power (Piploda) Private Limited
Clean Wind Power (Bableshwar) Private Limited
Bhilwara Green Energy Limited

e) Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions.

34. Capital Management

For the purpose of company's capital management, capital includes issued equity capital and other equity of the parent. The primary objective of the Company's capital management is to maximise the shareholder value.

The company 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 Company may return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The net debt of the Company includes interest bearing borrowings less cash and cash equivalents.

	As at March 31, 2025	As at March 31, 2024
Borrowings including current maturity (Refer to note 16)	26,394.61	25,430.06
Less: Cash and cash equivalents (Refer to note 9)	(2,430.32)	(275.32)
Net debt (A)	**23,964.29**	**25,154.74**
Equity share capital (Refer to note 14)	253.21	129.21
Other equity (Refer to note 15)	23,791.89	10,765.63
Total Capital (B)	**24,045.10**	**10,894.84**
Capital and net debt (C)= (A) + (B)	**48,009.39**	**36,049.58**
Gearing ratio (A/ C)	**49.92%**	**69.78%**

No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2025 and March 31, 2024.

In order to achieve this overall objective, the Company'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 covenant breach during the year ended March 31, 2025 and March 31, 2024.

Notes to the Standalone Financial Statements

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

35. Financial Instruments and Fair values

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments:

a) Fair value of financial assets:

	Carrying values		Fair values	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
Financial assets measured at amortised cost*				
Investment in compulsorily convertible debentures (Refer note 6)	645.64	638.36	645.64	638.36
Investment in shares (Refer note 6)	20,374.55	14,153.21	20,374.55	14,153.21
Investment in mutual fund (Refer note 6)	26.99	-	26.99	-
Deemed investment in subsidiaries (Refer note 6)	26,046.66	9,115.96	26,046.66	9,115.96
Trade receivables (Refer note 7)	304.19	447.15	304.19	447.15
Cash and cash equivalents (Refer note 10)	2,430.32	275.32	2,430.32	275.32
Other bank balances (Refer note 11)	287.15	1,112.04	287.15	1,112.04
Other financial assets (Refer note 9)	1,142.82	1,170.01	1,142.82	1,170.01
Total A	**51,258.32**	**26,912.05**	**51,258.32**	**26,912.05**

b) Fair value of financial liabilities:

	Carrying values		Fair values	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
Financial liabilities measured at amortised cost*				
Compulsorily convertible preference shares (Refer Note 17)	24,949.67	24,949.67	24,949.67	24,949.67
Term loan from Bank & Financial institution (Refer Note 17)	1,444.94	480.39	1,444.94	480.39
Other financial liabilities (Refer note 20)	583.37	80.63	583.37	80.63
Trade payables (Refer note 19)	702.31	578.92	702.31	578.92
Lease liabilities (Refer note 17)	13.14	55.04	13.14	55.04
	27,693.43	**26,144.65**	**27,693.43**	**26,144.65**

*Management has assessed that fair value of these are not materially different than there carrying amount.

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

Further, the Company 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. Therefore, the discounting rate for calculating the fair value of floating interest rate borrowings has been taken in line with the current cost of debt.

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 Company and in case of financial asset is the average market rate of similar credit rated instrument. The group maintains policies and procedures to value financial assets or financial liabilities using the best and most relevant data available.

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

a) Fair values of the Company'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, 2025 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.

Notes to the Standalone Financial Statements

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

36. 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 fair value of trade receivables, trade payables and other financial assets and liabilities is considered to be equal to the carrying amounts of these items due to their short-term nature. Where such items are non-current in nature, the same has been classified as Level 3 and fair value determined using discounted cash flow basis. There has been no change in the valuation methodology during the period. The sensitivity of change in the unobservable inputs used in fair valuation of financial assets and liabilities does not have a significant impact on their value.

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities:

Quantitative disclosures fair value measurement hierarchy for assets:

Particulars	Level Classification	As at March 31, 2025	As at March 31, 2024
Financial assets measured at fair value through profit and loss			
Investment in mutual fund (Refer note 6)	Level 1	26.99	-
Total A		**26.99**	**-**
Financial assets measured at amortised cost			
Security deposits (Refer note 9)	Level 2	20.46	5.88
Total A		**20.46**	**5.88**
Financial assets measured at amortised cost			
Investment in compulsorily convertible debentures (Refer Note 6)	Level 3	645.64	638.36
Investment in shares (Refer Note 6)	Level 3	20,374.55	14,153.21
Deemed investment in subsidiaries (Refer Note 6)	Level 3	26,046.66	9,115.96
Total B		**47,066.85**	**23,907.53**

Quantitative disclosures fair value measurement hierarchy for liabilities:

Particulars	Level Classification	As at March 31, 2025	As at March 31, 2024
Financial liabilities measured at amortised cost			
Compulsorily convertible preference shares (Refer Note 17)	Level 3	24949.67	24,949.67
Term loan from Bank & Financial instutution (Refer Note 17)	Level 3	1,444.94	480.39
Corporate guarantee obligation (Refer Note 20)	Level 3	409.61	-
Total		**26,804.22**	**25,430.06**

There have been no transfers between Level 1, Level 2 and Level 3 during the year ended March 31, 2025.

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.

Notes to the Standalone Financial Statements

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

37. Gratuity and other post-employment benefit plans

a) Defined contribution plans

The company makes contribution towards provident fund/ pension fund. Under the scheme, the Company is required to contribute a specified percentage of payroll cost, as specified in the rules of the schemes, to the defined contribution scheme. The Company has recognised ₹ 10.38 million (March 31, 2024: ₹ 8.49 million) during the year as expense towards contribution to the plan.

	For the year ended March 31, 2025	For the year ended March 31, 2024
Provident fund	10.15	8.09
National pension scheme	0.23	0.40
Total	**10.38**	**8.49**

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 Company is able to determine the present value of obligations. "Projected Unit Credit Method" recognises 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 summarise 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 (viz. gratuity and compensated absences).

		As at March 31, 2025	As at March 31, 2024
		Gratuity (Funded)	Gratuity (Funded)
Change in benefit obligation			
1	Present value of obligation as at the beginning of the year	18.23	19.43
2	Add: Current service cost	3.66	2.68
3	Add: Interest cost	1.30	1.42
4	Add: Actuarial (gain) / loss	(2.74)	2.33
5	Less: Benefits paid	(2.02)	(7.63)
	Present value of obligation as at the end of the year	**18.43**	**18.23**

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:

		As at March 31, 2025	As at March 31, 2024
		Gratuity (Funded)	Gratuity (Funded)
Cost for the year included under employee benefit			
Add:	Current service cost	3.66	2.68
Add:	Interest cost	1.30	1.42
Less:	Investment Income	(2.47)	(2.30)
	Net cost	**2.49**	**1.82**

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

	As at March 31, 2025	As at March 31, 2024
	Gratuity (Funded)	Gratuity (Funded)
Fair value of plan assets at the beginning	34.63	31.38
Add: Investment income	2.47	2.30
Add: Expected return on plan assets	0.50	0.95
Fair value of plan assets at the end	**37.60**	**34.63**

The Plan assets has been invested in Insurance policies with Bajaj Allianz Life Insurance Co. Ltd and Life Insurance Corporation of India.

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

The major categories of plan assets are as follows:

Particulars	As at March 31, 2025	As at March 31, 2024
Insurer managed funds	0.46	8.08
Equity	6.97	5.07
Corporate bond	14.01	5.23
Sovereign	14.96	13.60
Money Market, deposits & other	1.20	2.64
	37.60	**34.63**

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

		As at March 31, 2025	As at March 31, 2024
		Gratuity (Funded)	Gratuity (Funded)
1	Actuarial gain / (loss) for the year – obligation	2.74	(2.33)
2	Actuarial gain / (loss) for the year - plan assets	0.50	0.95
3	**Total gain / (loss) for the year**	**3.24**	**(1.38)**
4	Actuarial gain / (loss) recognised in the year	3.24	(1.38)

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

		As at March 31, 2025	As at March 31, 2024
		Gratuity (Funded)	(Funded)
Economic assumptions			
1	Discount rate	6.70%	7.15%
2	Rate of increase in compensation levels	10.00%	12.00%
Demographic assumptions			
1	Expected average remaining working lives of employees (years)	16.95	15.45
2	Retirement Age (years)	60.00	60.00
3	Mortality Rate	**100% Indian Assured Lives Mortality 2012-14**	**100% Indian Assured Lives Mortality 2012-14**
Withdrawal Rate			
1	Ages up to 30 Years	1.90%	4.63%
2	Ages from 31-44	16.50%	15.44%
3	Above 44 years	2.32%	2.32%

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

Risk Exposure

Through its defined benefit plans, the Company is exposed to a number of risks, the most significant of which are detailed below:

Discount rate- Reduction in discount rate in subsequent valuations can increase the liability.

Salary escalation rate - Actual salary increases will increase the defined benefit liability. Increase in salary increase rate assumption in future valuations which in turn also increase the liability.

Withdrawal rate- Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawals rates at subsequent valuations can impact defined benefit liability.

Notes to the Standalone Financial Statements

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

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

Particulars	As at March 31, 2025	As at March 31, 2024
	Gratuity (Funded)	Gratuity (Funded)
Present value of obligation	18.43	18.23
Less: Fair value of plan assets	(37.60)	(34.63)
Net (assets) / liability	**(19.17)**	**(16.40)**

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

		As at March 31, 2025	As at March 31, 2024
		Gratuity (Funded)	Gratuity (Funded)
A.	**Discount rate**		
	Effect on DBO due to 1% increase in Discount Rate	(1.14)	(1.44)
	Effect on DBO due to 1% decrease in Discount Rate	1.27	1.64
B.	**Salary escalation rate**		
	Effect on DBO due to 1% increase in Salary Escalation Rate	1.22	1.55
	Effect on DBO due to 1% decrease in Salary Escalation Rate	(1.11)	(1.39)
C.	**Withdrawal Rate**		
	Effect on DBO due to 50% increase in Withdrawal Rate	(0.29)	0.75
	Effect on DBO due to 50% decrease in Withdrawal Rate	0.35	1.08
D.	**Mortality Rate**		
	Effect on DBO due to 10% increase in Mortality Rate	-	(0.02)
	Effect on DBO due to 10% decrease in Mortality Rate	-	0.02

The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

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

	As at March 31, 2025	As at March 31, 2024
	Gratuity (Funded)	Gratuity (Funded)
1 year	2.52	2.26
2 to 5 years	9.31	8.44
6 to 10 years	2.53	1.96
More than 10 years	16.32	24.78

k) The company expects to contribute Nil (March 31, 2024 : ₹ Nil) to the plan during the next financial year.

38. Financial risk management objectives and policies

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

The Company principal financial assets includes Investment in mutual funds, security deposits, trade receivables, cash and bank and others.

The Company is exposed to credit risk, liquidity risk and market risk. The Company 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 Company, the Company 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 Company practices 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.

Notes to the Standalone Financial Statements

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

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, 2025 and March 31, 2024.

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 Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.

The Company's main interest rate risk arises from long-term borrowings with variable rates, which expose the Company to interest rate risk.

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 Company'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, 2025	+50	(6.57)
	-50	6.57
March 31, 2024	+50	(6.31)
	-50	6.31

ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency). The hedged foreign currency exposure of creditors as at March 31, 2025 is ₹ Nil million (March 31, 2024 ₹ Nil million).

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 company 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.

A. Information about revenue from major customers who contributed 10% or more relating to revenue from sale of power:

Particulars	For the year ended March 31, 2025
Hero Solar Energy Private Limited	156.88
Hubli Electricity Supply Company Limited	109.43
Hero Wind Energy Private Limited	79.58
Clean Wind Power (Ratlam) Private Limited	42.11
Vayu Urja Bharat Private Limited	42.21

The Company evaluates the concentration of risk with respect to trade receivables and contract assets as low. The amounts are billed periodically and are paid within contractually agreed credit period.

i) Trade receivables

Customer credit risk is managed by each business unit subject to the Company 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 Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment and impairment analysis is performed at each reporting date to measure expected credit losses. The calculation reflects the probability weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

Notes to the Standalone Financial Statements

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Movement in expected credit loss on trade receivables during the year (refer note 2.1(k)):

	As at March 31, 2025	As at March 31, 2024
Opening Balance	-	-
Changes in allowance for expected credit loss:		
Additional provision during the year	79.09	-
Adjustment during the year	-	-
Closing Balance	**79.09**	**-**

The ageing analysis of trade receivables as of the reporting date is given in note 7.

ii) Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company treasury department in accordance with the Company 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 Company Board of Directors on an annual basis, and may be updated throughout the year subject to approval of the Company 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 Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses.

The company objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The company 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 Company expects to generate positive cash flows from operations in order to meet its external financial liabilities as they fall due and also consistently monitors refinancing options available in the debt market with a view to maintain financial flexibility.

The table below summarises the maturity profile of the Company financial liabilities based on contractual undiscounted payments.

As at March 31, 2025	On demand	Less than 1 year	1 to 5 years	> 5 years	Total
Borrowings* (Refer Note 17)	146.24	164.29	1,326.22	141.13	1,777.87
Trade payables (Refer Note 19)	-	702.31	-	-	702.31
Lease liabilities (Refer Note 18)	-	13.14	-	-	13.14
Other financial liabilities (Refer Note 20)	-	583.37	-	-	583.37
Total	**146.24**	**1,463.11**	**1,326.22**	**141.13**	**3,076.69**

As at March 31, 2024	On demand	Less than 1 year	1 to 5 years	> 5 years	Total
Borrowings* (Refer Note 17)	142.90	65.38	236.04	196.41	640.73
Trade payables (Refer Note 19)	-	578.92	-	-	578.92
Lease liabilities (Refer Note 18)	-	17.84	37.20	-	55.04
Other financial liabilities (Refer Note 20)	-	80.63	-	-	80.63
Total	**142.90**	**742.77**	**273.24**	**196.41**	**1,355.32**

* The table has been drawn up based on the undiscounted contractual maturities of the financial liabilities that will be paid on those liabilities up to the maturity of the instruments. This excludes principle/interest of Compulsorily Convertible Preference Shares.

39. The Company has exposure of ₹ 21,960.34 million as at March 31, 2025 (March 31, 2024: ₹ 13,999.70 million) in Hero Solar Energy Private Limited ('HSE') in form of investment in equity share capital, compulsorily convertible debentures, loans and advances, Interest receivable, trade and other receivables.

(a) Clean Solar Power (Tumkur) Private Limited entered into nine PPAs in 2016 for a 180 MW solar plant. Due to delays in commissioning 140 MW, liquidated damages and tariff reductions were applied to seven PPAs. For all PPAs, DISCOMS resumed paying tariff in full from November 4, 2023.

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On January 4, 2023, the Group secured favourable orders from KERC for the refund of liquidated damages and tariff differences, and reinstatement of the original tariff for all seven PPAs across three DISCOMs. One DISCOM settled both liquidated damages and tariff difference in full for one PPA while the remaining six PPAs remain under appeal before APTEL. In August 2024, APTEL directed DISCOMs to pay the entire liquidated damages and including two thirds of the tariff difference for the period up to November 4, 2023. The DISCOMs have made full payment in accordance with the APTEL Order.

During the year ended March 31, 2025, the Group has received ₹ 747.62 million from DISCOMs. Accordingly, the group has reversed provision relating to two thirds of the tariff differential.

Management is confident that the remaining one-third of the tariff differential will be received and therefore the remaining provision of INR 150.09 million has been reversed.

(b) Waaneep Solar Private Limited entered into a PPA with Southern Power Distribution Company of Andhra Pradesh Limited (APSPDCL). A dispute arose when APSPDCL sought to revise the PPA tariff, leading to legal proceedings. On January 2, 2023, the Hon'ble Supreme Court dismissed APSPDCL's appeal against a tariff order issued by the Hon'ble High Court of Andhra Pradesh, resolving the dispute in favour of the generators, including Waaneep Solar Private Limited. Following the court ruling, APSPDCL has been making regular monthly payments in accordance with the terms of the PPA.

(c) Clean Solar Power (Jodhpur) Private Limited

During the year ended March 31, 2023, Clean Solar Power (Jodhpur) Private Limited achieved its commercial operation date (COD) on April 21, 2022. According to the Share Purchase Agreement (SPA) with CLP India Private Limited (Apraava), the investor gained exposure to variable returns from the project from the COD. Based on IND AS 110, management had lost control over the subsidiary on April 21, 2022.

In December 2024, the Company, through its subsidiary Hero Solar Energy Private Limited (HSPL), re-acquired control over Clean Solar Power (Jodhpur) Private Limited (CSP Jodhpur) since Apraava was unable to obtain requisite regulatory approvals to ensure completion of disposal. Consequently, the SPA was terminated, and the Group regained control over CSP Jodhpur effective December 2024.

40. The Company has exposure of ₹ 11,869.84 million as at March 31, 2025 (March 31, 2024: ₹ 13,556.59 million) in Hero Wind Energy Private Limited ('HWE') in form of investment in equity share capital, loans and advances, Interest receivable, trade and other receivables.

(a) HWE has exposure of ₹ 2,756.81 million (March 31, 2024: ₹ 2,681.87 million) in Clean Wind Power (Anantapur) Private Limited (the subsidiary) of which ₹ 279.80 million (March 31, 2024: 279.80 million) is in form of investment in equity share capital, ₹ 300.00 million in the form of investment in optional convertible debenture (March 31, 2023: ₹ 300.00 million), ₹ 1,364.61 million (March 31, 2024: ₹ 1,416.80 million) as loans and deemed investment, ₹ 773.57 million in the form of interest receivable (March 31, 2024: ₹ 625.40 million) and ₹ 38.83 million in the form of trade and other receivable (March 31, 2024: ₹ 37.93 million).

In 2018, Clean Wind Power (Anantapur) Private Limited was granted a tariff of ₹ 3.61 per kWh by Telangana State Electricity Regulatory Commission (TSERC), but Telangana State Southern Power Distribution Company Limited (TSSPDCL) refused to sign the PPA at this rate, offering ₹ 2.79 per kWh instead. The Company filed a case before the Telangana High Court for restoration of tariff of ₹ 3.61 per kWh. The High Court subsequently directed TSSPDCL to sign an interim PPA at ₹ 2.79 per kWh, which was signed on February 24, 2021.The issue regarding restoration of final tariff of ₹ 3.61 per kWh is listed before the Telangana High Court.

Management, supported by legal opinion, expects to secure the full tariff of ₹ 3.61 per kWh. However, both revenue recognition and impairment assessment have been based on the interim tariff, with no impairment charges being recognised.

(b) HWE has investment of ₹ 102.04 million (March 31, 2024: ₹ 101.98 million) and ₹ 1,869.54 million (March 31, 2024: ₹ 1,866.59 million) in Clean Wind Power (Pratapgarh) Private Limited and Clean Wind Power (Manvi) Private Limited respectively for 70% (approx.) equity shareholding and has entered into Shareholders Agreement with remaining 30% shareholders, whereas the Company has the sole discretion to purchase any or all of the equity shares held by other shareholders at par value i.e. ₹ 10 per share. Further all the directors of subsidiaries are appointed by the Company and the other shareholders do not have any right to appoint any director. Based on internal technical assessment the management believes that the provision of Section 89 and 90 of the Companies Act, 2013 read along with Companies (Significant Beneficial owners) Rules, 2018 are not applicable to the arrangement mentioned above and, accordingly, no regulatory filings are required.

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Further, vide notification dated May 22, 2018, Ministry of Power has issued draft Electricity (Amendment) Rules, 2018 which will come into effect for existing power plants from the date of publication in Official Gazette. Per the terms of revised rules, for the purpose of assessing status as "Captive Generating Plant" at least 26% of the equity base of 30% of Capital employed (considering normative funding of 70% by Banks) (in the form of equity share capital with voting rights) needs to be invested by Captive user. As of now, the subsidiaries are thinly capitalised and capital employed is through borrowings given by the Company. The management believes that as these are draft regulations and hence do not have any impact on the concerned subsidiary and management will take appropriate action, as deemed necessary, if the abovementioned draft Rules gets notified to maintain the status of "Captive Generating Plant" and continue to generate future economic benefits from these entities and thus, no adjustments are deemed necessary at this stage.

(c) HWE has exposure of ₹ 4,060.33 million (March 31, 2024: ₹ 4,125.38 million) in Vayu Urja Bharat Private Limited ("the subsidiary" or "Vayu Urja") of which ₹ 762.81 million (March 31, 2024: 762.81 million) is in form of investment in equity share capital, ₹ 186.94 million (March 31, 2024: ₹ 186.94 million) is in form of investment in Debenture, ₹ 2,210.66 million (March 31, 2024: ₹ 2,370.66 million) as loans and deemed investment, ₹ 768.15 million (March 31, 2024: ₹ 670.65 million) as interest receivable and ₹ 134.32 million (March 31, 2024: ₹ 131.77 million) as trade and other receivable.

The said subsidiary had entered into a Power Purchase Agreement ('PPA') with Southern Power Distribution Company of Andhra Pradesh Limited ('APSPDCL'). Subsequently, APSPDCL's attempt to reduce the PPA tariff was denied by the Hon'ble High Court of Andhra Pradesh vide order dated March 15, 2022, which reaffirmed the PPA tariff in favour of the Subsidiary. Thereafter, the Hon'ble Supreme Court vide order dated January 2, 2023 dismissed an appeal filed by APSPDCL against the aforementioned tariff order passed by the Hon'ble High Court of Andhra Pradesh. This resolved the longstanding dispute over the PPA tariff in favour of the subsidiary.

Consequently, APSPDCL is paying at the full PPA tariff, subject to certain deductions, which include claims related to the Generation Based Incentive (GBI) payments received by the subsidiary from the Indian Renewable Energy Development Agency Limited ('IREDA') and deductions related to breach of Capacity Utilisation Factor (CUF) limits. The management of the Group considers these deductions to be invalid and has initiated recovery actions. As of March 31, 2025, the outstanding GBI related deductions amounts to ₹ 1,061 million, of which the Group has already obtained favourable orders from Hon'ble High Court of Andhra Pradesh for the recovery of ₹ 405 million. The remaining amount is under litigation as this matter continues to be an industry-wide issue in the State of Andhra Pradesh. Further, as of March 31, 2025, the outstanding CUF deductions amounts to ₹ 585 million, which continues to be under litigation. In this GBI industry wide issue in which the Subsidiary is a party, Appellate Tribunal for Electricity vide its order dated December 19, 2024 has directed for the refund of all GBI deducted within the next four months along with interest. APSPDCL has challenged this APTEL order and the matter is presently pending for hearing before the Supreme Court.

Based on the progress achieved made so far and legal opinions obtained, the management of the Group is confident that the GBI and CUF deductions are fully recoverable and, therefore no loss allowance is required to be made for these amounts in the consolidated financial statements for the year ended March 31, 2025.

(d) The Telangana State Electricity Regulatory Commission ("TSERC") notified and brought into effect, from April 2023, the Telangana State Electricity Regulatory Commission (Forecasting, Scheduling, Deviation Settlement and Related Matters for Solar and Wind Generation Sources) Regulations, 2018 ("Impugned Regulations"). Under these Regulations, any deviation between the actual and scheduled generation by a generating station results in liability for deviation charges.

Regulation 8.2 imposes deviation charges at the substation level. Regulation 15 imposes additional charges at the state level, leading to double penalties for the same deviation.

The impugned DSM regulations are contrary to the Electricity Act, 2003, manifestly arbitrary & violative of Article 14 Indian Constitution as they are irrational, excessive, and disproportionate.

In response, Clean Wind Power (Anantapur) Pvt. Ltd. and Clean Solar Power (Chitradurga) Pvt. Ltd., (subsidiary of Hero Solar Energy Private Limited) along with the National Solar Energy Federation of India (NSEFI) and its members, filed W.P. No. 21949 of 2024 before the Hon'ble High Court of Telangana, challenging the imposition of dual deviation settlement mechanism (DSM) penalties. The Hon'ble High Court directed that no coercive action be taken against the Petitioners, subject to their payment of 50% of the state periphery deviation charges.

Subsequently, a Special Leave Petition (SLP) was filed before the Hon'ble Supreme Court. By its order dated January 31, 2025, the Hon'ble Supreme Court modified the High Court's earlier order dated September 2, 2024, reducing the required deposit to 25% of the state periphery deviation charges.

Based on the legal opinions obtained, the management is confident that the deviation charges are not payable. Accordingly, no provision has been recognised in the consolidated financial statements for the year ended March 31, 2025.

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(e) Clean Wind Power (Manvi) Private Limited ("CWP Manvi") had filed Petition No. OP 120/18 before the Karnataka Electricity Regulatory Commission (KERC), seeking a declaration of its captive status for FY 2017-18 and quashing the demand notices issued by the DISCOMs while wrongful imposition of cross-subsidy surcharge on group captive consumers. The Hon'ble KERC allowed the petition, declared CWP (Manvi) as a captive generating plant for FY 2017-18, and set aside the impugned demand notices.

Recently, in April 2025, Chamundeshwari Electricity Supply Corporation Limited (CESCOM) and Mangalore Electricity Supply Company Limited (MESCOM) jointly filed a review petition no. RP 02 of 2025 before the KERC against the aforesaid order after an inordinate delay of 567 days. A notice has been issued in the matter, and the hearing is scheduled for June 10, 2025 to consider the DISCOM's application seeking condonation of the 567-days delay.

41. Employee stock option plans of erstwhile Hero Future Energies Private Limited (now amalgamated):

During the year no awards were made to any employees (2024: no awards) and no further awards are planned. In compliance with the Scheme of Arrangement approved vide NCLT's Order dated February 07, 2018, Company has adopted the Employee Stock Option Plan, 2025 ("2025 ESOP Plan"), which has been formulated basis the earlier Employee Stock Option Plan, 2015. The Company needs to discharge its obligations towards beneficiaries.

In order to expedite the grant of Employee Stock Options (ESOPs) benefits the Company has suo moto communicated with all beneficiaries for settlement. The mode of settlement of ESOPs has been approved by the Board of the Company.

Management has assessed, based on current facts, circumstances and legal assessment, it is appropriate to recognise a provision of ₹ 288.78 million as at March 31, 2025 (March 31, 2024: ₹ 258.24 million).

Details of ESOP policy is as under:

Particulars	Category A Options	Category B Options	Category C Options
Exercise price	₹ 10 (Rupees Ten)	₹ 17 (Rupees Seventeen)	₹ 24 (Rupees Twenty Four)
Number of options granted as at March 31, 2024	10,900,000	6,125,966	1,875,000
Grant Date	Different dates from October 1, 2015 to October 1, 2018	Different dates from October 1, 2015 to October 1, 2018	Granted on November 12, 2019
Vesting period and condition	- 1,700,000 options vested on March 31, 2017; and - 9,200,000 options vested on March 31, 2018.	- 882,353 options vested as on March 31, 2017; - 1,764,706 options vested as on March 31, 2018; - 200,000 options vested as on March 31, 2020; - 100,000 options to be vested on March 31, 2021; - 2,590,672 options vesting in four annual tranches of 20%, 25%, 25% and 30% from grant date; - 588,235 options fofeited for not satisfying service condition.	All Options vested on Grant date i.e. November 12, 2019.
Exercise period	Exercise period of the Plan is 4 years from the vesting date or date of IPO, whichever is later		
Method of settlement	Cash settled (In Special cases, may be settled by issue of option securities)		

Particulars	Category A	Category B	Category C
Opening balance	10,900,000	6,125,966	1,875,000
Granted during the year	-	-	-
Forfeited/Lapsed during the year	-	-	-
Exercised during the year	-	-	-
Closing balance	**10,900,000**	**6,125,966**	**1,875,000**
Vested and exercisable	10,900,000	6,125,966	1,875,000

Notes to the Standalone Financial Statements

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

42. Leases

The Company has lease contracts for office premises for lease term of 9 years, which will ended by December 2025.

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, 2023	**67.60**
Accretion of interest	6.03
Payments made during the year	(16.48)
Concessional income	(2.11)
As at March 31, 2024	**55.04**
Accretion of interest	4.84
Lease modification	(28.90)
Payments made during the year	(17.84)
As at March 31, 2025	**13.14**

	As at March 31, 2025	As at March 31, 2024
Current	13.14	17.84
Non-current	-	37.20

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

The effective interest rate for lease liabilities is 10.01%, with maturity between 2027-2028.

The following are the amounts recognised in Standalone statement of profit or loss:

	For the year ended	
	March 31, 2025	March 31, 2024
Depreciation expense of right-of-use assets	12.55	23.10
Interest expense on lease liabilities	4.84	6.03
Gain on lease modification	12.21	-
	29.60	**29.13**

The Company had total cash outflows for leases of ₹ 17.84 million during the year ended March 31, 2025 (March 31, 2024 : ₹ 16.47 million).

43. Capital commitments and contingent liabilities

(a) Capital commitments

(i) As at March 31, 2025, the Company has capital commitments (net of advances) amounting to ₹ 274.05 million.

(ii) The Company has entered into a Power Purchase Agreement for 25 years from date of commissioning for 10 MW power plant with Hubli Electricity Supply Company Limited ("Discom"), wherein the Company has committed to sell and aforementioned Discom has committed to purchase entire generation.

(b) Contingent liabilities

		As at March 31, 2025	As at March 31, 2024
(i)	Corporate Guarantees given to banks & financial institutions on behalf of group companies* [refer note 32 (d)]	39,513.08	38,544.07
		39,513.08	**38,544.07**

* Out of total amount of ₹ 38,344.56 million, corporate guarantee of ₹ 2,328.69 million has been given jointly with Hero Wind Energy Private Ltd and Hero Solar Energy Private Ltd (subsidiaries of Hero Future Energies Private Limited) as at March 31, 2025.

* Out of total amount of ₹ 38,544.07 million, corporate guarantee of ₹ 3,857.10 million has been given jointly with Hero Wind Energy Private Ltd and Hero Solar Energy Private Ltd (subsidiaries of Hero Future Energies Private Limited) as at March 31, 2024.

Notes to the Standalone Financial Statements

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

(ii) Tax related

Particulars	As at March 31, 2025	As at March 31, 2024
Indirect tax matters	14.04	14.04
Total	**14.04**	**14.04**

(c) Other Legal Proceedings

(i) Project related

The Company signed a Power Purchase Agreement ('PPA') with Hubli Electricity Supply Company Ltd ('HESCOM') on February 19, 2014. HESCOM granted HFE an additional 180 days to complete the 10 MW Solar Power project, which was commissioned on August 18, 2015. However, in 2017, the Karnataka Electricity Regulatory Commission ('KERC') retrospectively revoked this extension, leading to HESCOM deducting ₹ 120 million in liquidated damages from the PPA payments in 2020. HFE appealed against this decision to the Hon'ble Appellate Tribunal for Electricity ('APTEL'). APTEL's order addressed the delays as follows: 78 days allowed, 29 days disallowed, and 69 days remanded for further review. Liquidated Damages (LDs) are charged based on the delay days, with specific percentages of the Performance Bank Guarantee (PBG) and additional charges beyond 91 days, all subject to GST. Based on the order, the Group has considered the following financial impact as of March 31, 2025: receivable written off in the profit and loss account ₹ 18.3 million, and provision against receivable of ₹ 77.9 million, amount of ₹ 46 million has been cosidered as receivable.

(ii) Land related

There is a land case filed by landowners against the Company. The Company is contesting the case, based on advice from legal counsel, management believes that they have a good case on merits. The Company 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 the carrying value of these parcels of land is not individually or collectively material, the potential impact on the future success or viability of the relevant projects could be material to the Company. Given the uncertainty surrounding the various claims against the Company, it is also not practicable to quantify the potential future effect on earnings, operations, cash flow, or financial condition of the Company.

44. Ratios

Particulars	Numerator	Denominator	For the year ended March 31, 2025	March 31, 2024	% Change	Reason for Change
Current Ratio (in times)	Current assets	Current liabilities	3.12	9.05	-65.55%	Refer note (i) below
Debt Equity Ratio (in times)	Total Borrowings	Total Shareholder's equity	1.10	2.33	-52.97%	Refer note (ii) below
Debt Service Coverage ratio (in times)	Profit after tax + Depreciation & Amortisation + Finance cost+ Deferred tax + non cash expense - Non cash income	Interest expense + Principal repayment+ Rent payment	0.16	0.31	-48.31%	Refer note (iii) below
Return on equity ratio (in %)	(Net profit after tax - preference dividend)	Average equity	-1%	5%	-130.69%	Refer note (iii) below
Trade receivables turnover ratio (in times)	Revenue from operations	Average trade receivables	1.75	1.27	38.17%	Refer note (iv) below
Net capital turnover ratio (in times)	Revenue from operations	(Current Assets - Current liabilities)	0.14	0.04	217.56%	Refer note (v) below
Net profit ratio (in %)	Profit after tax	Revenue from operations	-59%	115%	-151.41%	Refer note (iii) below
Return on capital employed (in %)	Profit before interest and tax	Total equity+Borrowings+Deferred tax liabilities-Intangible assets (Goodwill)	0%	2%	-119.11%	Refer note (ii) and (iii) below
Return on investments (in %)	Interest income	Time weighted average Investments	14%	10%	45.99%	Refer note (i) below

Notes to the Standalone Financial Statements

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

(i) Ratio is changed due to conversion of shareholder loans to deemed investment given to related party during the current financial year.

(ii) Ratio is changed due to issue of equity shares leading to increase in shareholder equity as at March 31, 2025 as compare to March 31, 2024.

(iii) Ratio is changed due to Loss during the current financial year.

(iv) Ratio is changed due to increase in revenue from operation and decrease in average trade receivables.

(v) Ratio is changed due to increase in revenue from operation and decrease in working capital.

(vi) Below ratios are not given as the same are not applicable to the Company.

Inventory turnover ratio

Trade payables turnover ratio

45. Reconciliation of movements of liabilities to cash flows arising from financing activities.

Particulars	Balance April 01, 2024	Cash flows	Non-cash transactions			Balance March 31, 2025
			Initial cost	Interest accretion	Lease modification/ Concessional Income*	
Term loan from bank	337.49	(30.29)	-	-	-	307.20
Term loan from financial institutions	-	1,000.00	(9.44)	0.94	-	991.50
Cumulative Compulsorily Convertible Preference Share	24,949.67	-	-		-	24,949.67
Lease liabilities	55.04	(17.84)	-	4.84	(28.90)	13.14
Total liabilities from financing activities	**25,342.20**	**951.87**	**(9.44)**	**5.78**	**(28.90)**	**26,261.51**

Particulars	Balance April 01, 2023	Cash flows	Non-cash transactions			Balance March 31, 2024
			Initial cost	Interest accretion	Concessional Income *	
Term loan from bank	367.69	(30.33)	-	0.13	-	337.49
Term loan from financial institutions	1,617.00	(1,625.00)	(22.42)	30.42	-	-
Commercial Papers	1,115.43	(1,115.43)	-	-	-	-
Cumulative Compulsorily Convertible Preference Share	24,949.67	-	-		-	24,949.67
Lease liabilities	67.61	(16.47)		6.01	(2.11)	55.04
Total liabilities from financing activities	**28,117.40**	**(2,787.23)**	**(22.42)**	**36.56**	**(2.11)**	**25,342.20**

* Relates to lease rent concession received during the year resulting in decrease of lease liabilities.

46. Operating segment

The Company is engaged in a single segment i.e., the business of "generation and sale of power" (on its own and through its direct or indirect subsidiaries) from where it is earning its revenue and incurring expense. The operating results are regularly reviewed and performance is assessed by its CEO, CFO and Board of directors, who is the Chief Operating Decision Maker (CODM). All the Company's resources are dedicated to this single segment and all the discrete financial information is available for this segment.

The Company operates within India and does not have operations in economic environments with different risks and returns.

Notes to the Standalone Financial Statements

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

47. Basis the financial information of the current year, the Company has not met the qualifying criteria of an NBFC.

Further, based on the financial information of the previous financial year the Company had met the qualifying criteria of an NBFC as prescribed under Section 45-IA of the Reserve Bank of India Act, 1934 and RBI Press Release no. 1998-99/1269 dated April 8, 1999. The Company is primarily engaged in the business of generation and sale of electricity through its wholly owned subsidiaries and the provision of certain services to those subsidiaries and is not engaged in financing activities. Generation of Electricity falls under the definition of Industrial Activity under sub-clauses (i) to (xviii) of clause (c) of Section 2 of the Industrial Development Bank of India Act, 1964. Further, Section 45-IC of the Reserve Bank of India Act, 1934 specifically exempts an institution, which carries on the principal business of 'Industrial Activity' and 'Provision of services' from the definition of 'Financial Institution'.

Accordingly, the management is of the view that the Company is neither a financial institution nor required to seek registration as an NBFC. Hence, no material financial implications would devolve on the Company.

48. Going Concern

The Board of Directors has reviewed a detailed cash flow forecast for the period until September 30, 2026, prepared by management after considering various factors and concluded that there is no material uncertainty regarding the going concern.

The cash flow forecast shows an improvement in net cash flow generation, reflecting both the improved pattern of payment receipts from DISCOMs and the impact of the equity raise. The improvement in cash flows generated from payment receipts is partly due to the Electricity (Late Payment Surcharge (LPS) and Related Matters) Rules, 2022, introduced by the Indian Ministry of Power during the year ended March 31, 2023. These rules prescribe the manner (including timeline options) in which the DISCOMs shall clear outstanding dues in Equated Monthly Instalments (EMIs) between 12 – 48 months, pertaining to generating companies. The introduction of EMIs has positively impacted cash flow generation as certain receivables are now being received at an accelerated rate.

Although the going concern assessment and conclusion are not reliant on any of these factors, additional measures are available to management over and above the committed sources of finance included in the base case and stress test scenarios to support the liquidity of the Company if required. These measures include, for example, the use of undrawn equity intended for growth projects (subject to shareholder approval) and asset disposals. The stress test scenario assumes 5% lower power generation/customer collections from budgeted levels across all assets during the going concern period and a 1% increase in debt interest costs.

The Company also has a dedicated project financing team that continuously interacts with third-party lenders to secure new or roll-over existing facilities. This practice is consistent with the Company's refinancing activities from previous years and is within the normal course of business for the Company. Although management considers it would only be a remote scenario in which any of these sources of finance would be unavailable, none of them are completely within the Company's control.

49. The Company has elected to apply Ind AS 109 for financial guarantees in accordance with the transitional provisions specified in the notification.

The effect of applying this new standard as of March 31, 2025, is as follows:

Hero Future Energies Asia Pte. Ltd ("HFE Asia") has provided financial guarantees on behalf of Hero Solar Energy Private Limited and Hero Wind Energy Private Limited. These guarantees cover the outstanding loans from Aditya Birla Finance Limited and Federal Bank.

Particulars	Financial guarantee obligation	Deemed investment
Fair value of financial guarantee obligation	830.45	830.45
Unwinding of financial guarantee till March 31, 2024	(300.44)	-
Unwinding of financial guarantee during year ended March 31, 2025	(120.40)	-
Closing as at March 31, 2025	**409.61**	**830.45**

Break up of financial guarantee obligation as at March 31, 2025 (amount in millions)

Non-current	284.35
Current	125.26
Total	**409.61**

The financial guarantee obligation as above forms part of other financial liablities.

Notes to the Standalone Financial Statements

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

50. Other Statutory information

(i) The Company has not held any benami property and no proceedings have been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

(ii) The Company has not had any transactions with struck off companies under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956.

(iii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(iv) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

(v) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(vi) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate beneficiaries), or;

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(vii) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

(viii) The Company has complied with the number of layers prescribed under clause (87) of Section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

ix) The Company is not declared wilful defaulter by any bank or financial institution or lender during the year.

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

52. The Company uses SAP ECC as its accounting software for maintaining the books of accounts for the year ended March 31, 2025. The feature for recording the audit trail (edit log) facility has been enabled at transaction level throughout the financial year. However, starting from April 16, 2024, management implemented the audit trail feature at the database level.

53. Events occuring after balance sheet date

No material events have occurred subsequent to the reporting period that would require disclosure or adjustment in these Standalone financial statements.

54. (i) The Company does not have any pending litigations which would impact its financial position.

(ii) The Company does not have any long-term commitments/contracts including derivative contracts for which there were any material foreseeable losses.

(iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

55. Whistleblower complaints

During the year ended March 31, 2025, the Group received three whistleblower complaints alleging misconduct by employees of certain entities of the Group. The Ethics Committee conducted investigations in accordance with the Group's whistleblower policy. The investigations concluded that no fraud has been committed, with no evidence of any inappropriate financial payment or material misstatement having been identified.

Notes to the Standalone Financial Statements

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

56. Transfer Pricing

The Company is in the process of conducting a transfer pricing study as required by the transfer pricing regulations under the Income Tax Act ('regulations') to determine whether the transactions entered during the year ended March 31, 2025, with the associated enterprises in the normal course of business and were undertaken at "arm's length price". The management confirms that all the transactions with associate enterprises are undertaken at negotiated prices on usual commercial terms and is confident that the aforesaid regulations will not have any impact on the financial statements, particularly on the amount of tax expense and that of provision for taxation.

57. Certain reclassifications have been made to the comparative period's financial statements to enhance comparability with the current year's financial statements. As a result, certain line items have been reclassified in the balance sheet and statement of profit and loss, the details of which are as under:

Items of Standalone Balance Sheet before and after reclassification as at March 31, 2024

Particulars	Note	Amount before Reclassification	Reclassification	Amount after Reclassification
Trade payables	19	630.94	(52.02)	578.92
Other financial liabilities-(current)	20	28.61	52.02	80.63

Items of Standalone statement of Profit and Loss before and after reclassification as at March 31, 2024

Revenue from operations	23	393.13	(0.04)	393.09
Other Income	24	1,124.15	0.04	1,124.19

For M S K A & Associates
Chartered Accountants
ICAI Firm's Registration Number: 105047W

Nipun Gupta
Partner
Membership Number: 502896

Place: Gurugram
Date: May 26, 2025

For and on behalf of the Board of Directors
Hero Future Energies Private Limited

Anuj Agarwal
Director
DIN: 01866057
Place: New Delhi
Date: May 26, 2025

Benjamin Paul Fraser
Director
DIN: 09759173
Place: London
Date: May 26, 2025

Srivatsan Srinivas Iyer
Chief Executive Officer

Place: New Delhi
Date: May 26, 2025

Mayur Maheshwari
Company Secretary
M. No. F7379
Place: New Delhi
Date: May 26, 2025

Independent Auditor's Report

To the Members of Hero Future Energies Private Limited

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

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Hero Future Energies Private Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), which comprises the Consolidated Balance Sheet as at March 31, 2025, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the Consolidated Financial Statements, including material accounting policy information and other explanatory information (hereinafter referred to as the "consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on consideration of reports of other auditors on separate financial statements and on the other financial information of subsidiaries, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of their consolidated state of affairs of the Group as at March 31, 2025, of consolidated profit and other comprehensive income, consolidated changes in equity and its consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in terms of the Code of Ethics issued by Institute of Chartered Accountant of India ("ICAI"), and the relevant provisions of the Act and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained and on consideration of audit reports of other auditors referred to in paragraph (a) of the "Other Matters" section below, is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

1. We draw attention to Note 41(c)((i)(ii) to the Consolidated Financial Statements of the Group, which describes that in one of the subsidiaries, Vayu Urja Bharat Private Limited (the "Subsidiary"), Southern Power Distribution Company of Andhra Pradesh Limited ('APSPDCL') is paying the Subsidiary the full PPA tariff, subject to certain deductions, which include claims related to the Generation Based Incentive (GBI) payments and deductions related to breach of Capacity Utilisation Factor (CUF) limits. The Management of the Group has initiated recovery actions and based on the reasons stated in Note 41(c)((i)(ii), the Management of the Group believes that no loss allowance is necessary in respect of outstanding balance of trade receivables due from APSPDCL related to these deductions, as presented in the Consolidated Financial Statements for the financial year ended March 31, 2025.
2. We draw attention to Note 55 which describe that the management's assessment of recoverable value of the Group's assets in Ukraine is susceptible to the effect of geopolitical tensions and other uncertainties as stated therein.

   Our opinion is not modified in respect of the matters.

Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management report, Chairman's statement, Director's report, Business Responsibility and Sustainability Reporting etc. but does not include the consolidated financial statements and our auditor's report thereon. The Management report, Chairman's statement, Director's report, Business Responsibility and Sustainability Reporting etc. has not been made available to us.

Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

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

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective Management and Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Management and Board of Directors of the Holding Company, as aforesaid.

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

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

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of each company.

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

Our objectives are to obtain reasonable assurance about whether the consolidated 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 Standards on Auditing ("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 consolidated financial statements.

We give in "Annexure A" a detailed description of Auditor's responsibilities for Audit of the Consolidated Financial Statements.

Other Matters

1) We did not audit the financial statements of 9 subsidiaries, whose financial statements reflect total assets of Rs.12,686.28 million as at March 31, 2025, total revenues of Rs. 871.70 million and net cash flows amounting to Rs. 1,340.74 million for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.

   These subsidiaries are located outside India whose financial statements have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial statements of such subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

2) The financial statements of the acquired entity (business acquired of Clean Solar Power (Jodhpur) Private Limited) for the period beginning April 1, 2024 to November 30, 2024 were audited by another auditor whose report dated May 20, 2025 expressed an unmodified opinion on those statements. However, we have audited the adjustment (Refer Note 58) related to acquisition of business of Clean Solar Power (Jodhpur) Private Limited as at December 1, 2024 included in the financial statements for the year ended March 31, 2025.

3) As explained in Note 59 of the Consolidated Financial Information, during the year ended March 31, 2025, the Company acquired certain foreign entities in a common control transaction. Accordingly, pursuant to the requirements of Appendix C to Ind AS 103 – Business Combinations, prior periods comprising of opening balance sheet as at April 1, 2023 and financial statements for the year ended March 31, 2024 have been restated in the Consolidated financial information, based on audited financial information audited by the other auditors.

Report on Other Legal and Regulatory Requirements

1) As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on the Separate Financial Statements of the subsidiaries, referred to in the Other Matters section above we report, to the extent applicable, that:

   a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

   b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books except for the matter stated in the paragraph 1(h)(vi) below on reporting under Rule 11 (g).

   c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including other comprehensive income, the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

   d. In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act.

   e. On the basis of the written representations received from the directors of the Holding Company as on March 31, 2025 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India are disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164 (2) of the Act.

Independent Auditor's Report (contd.)

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

f. With respect to the adequacy of internal financial controls with reference to consolidated financial statements of the Group and the operating effectiveness of such controls, refer to our separate report in "Annexure B".

g. The reservation relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph 1(b) above on reporting under Section 143(3)(b) and paragraph 1(h)(vi) below on reporting under Rule 11(g).

h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group – Refer Note 41 to the consolidated financial statements.

ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies incorporated in India.

iv. (a) The respective Managements of the Holding Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us that, to the best of their knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiaries to or in any other persons or entities, including foreign entities with the understanding, whether recorded in writing or otherwise, as on the date of this audit report, that such parties shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The respective Managements of the Holding Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us that, to the best of their knowledge and belief, no funds have been received by the Holding Company or any of such subsidiaries from any persons or entities, including foreign entities with the understanding, whether recorded in writing or otherwise, as on the date of this audit report, that the Holding Company or any of such subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us for the holding company and the subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, and according to the information and explanations provided to us by the Management of the Holding company in this regard nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) as provided under (1) and (2) above, contain any material mis-statement.

v. The Company has neither declared nor paid any dividend during the year.

vi. Based on our examination, the holding company and its subsidiaries incorporated in India whose financial statements have been audited under the Act, have used an accounting software for maintaining their respective books of account for the year ended March 31, 2025, which have a feature of recording audit trail (edit log) facility, except that no audit trail feature was enabled at the database level from April 1, 2023 till April 15, 2024 in respect of the accounting software to log any direct data changes.

Further, the audit trail feature has been operated throughout the year for all relevant transactions recorded in the accounting software, except for the software at the database level as stated above, in respect of which the audit trail feature has not been operated throughout the year for all relevant transactions recorded in this accounting software as it was enabled only with effect from April 16, 2024.

Further, during the course of our examination, we did not come across any instance of audit trail feature being tampered with, post enablement of the audit trail facility.

2) In our opinion, according to information, explanations given to us, the provisions of Section 197 of the Act and the rules thereunder are not applicable to the Group as it is a private Company.

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

3) According to the information and explanations given to us, the details of Qualifications/adverse remarks made by the respective auditors of the subsidiaries in the Companies (Auditor's Report) Order 2020 (CARO) Reports issued till the date of our audit report for the companies included in the consolidated financial statements are as follows:

Sr. No.	Name of the Company	Company Identification Number	Nature of Relationship (Holding / Subsidiary)	Clause number of the CARO Report which is qualified or Adverse
1	Hero Future Energies Private Limited	U40300DL2013PTC253648	Holding Company	(iii) (a), (iii) (f), (vii) (b), (xi) (c) and xvi (a)
2	Hero Solar Energy Private Limited	U40106DL2013PTC250501	Subsidiary Company	(iii) (a), (iii) (f), (vii) (b), (xvi) (a) and (xvii)
3	Hero Wind Energy Private Limited	U40300DL2013PTC251839	Subsidiary Company	(iii) (a), (iii) (f), (vii) (b), (xvi) (a) and (xvii)
4	Clean Wind Power (Manvi) Private Limited	U40300DL2014PTC268890	Step down Subsidiary Company	(iii) (a) and (vii) (b)
5	Clean Solar Power (Tumkur) Private Limited	U40101DL2016PTC298461	Step down Subsidiary Company	(i) (c) and (vii) (b)
6	Clean Wind Power (Anantapur) Private Limited	U40300DL2013PTC255351	Step down Subsidiary Company	(i) (c), (iii) (a), (vii) (b) and (xvii)
7	Clean Wind Power (Satara) Private Limited	U40300DL2013PTC255815	Step down Subsidiary Company	(i) (c), (iii) (a), (iii) (e) and (iii) (f)
8	Clean Solar Power (Gulbarga) Private Limited	U40100DL2016PTC303003	Step down Subsidiary Company	(i) (c) and (iii) (a)
9	Clean Solar Power (Dhar) Private Limited	U40300DL2013PTC261133	Step down Subsidiary Company	(iii) (a)
10	Rajkot (Gujarat) Solar Energy Private Limited	U40101DL2013PTC261607	Step down Subsidiary Company	(iii) (a)
11	Bhilwara Green Energy Limited	U74899DL1995PLC066321	Step down Subsidiary Company	(iii) (a)
12	Clean Wind Power (Bableshwar) Private Limited	U40106DL2016PTC307619	Step down Subsidiary Company	(iii) (a)
13	Clean Wind Power (Piploda) Private Limited	U40200DL2016PTC299448	Step down Subsidiary Company	(vii) (b)
14	Clean Wind Power (Ratlam) Private Limited	U40300DL2013PTC255814	Step down Subsidiary Company	(iii) (a)
15	Clean Solar Power (Chitradurga) Private limited	U40106DL2013PTC255428	Step down Subsidiary Company	(xvii)
16	Clean Wind Power (Pratapgarh) Private Limited	U40300DL2013PTC255124	Step down Subsidiary Company	(iii) (a)
17	Clean Wind Power (Devgarh) Private Limited	U40106DL2012PTC245031	Step down Subsidiary Company	(iii) (a)
18	LNJ Power Ventures Limited	U74899DL1995PLC065394	Step down Subsidiary Company	(iii) (a), (xvii)
19	Waaneep Solar Private Limited	U40300DL2014PTC341389	Step down Subsidiary Company	(iii) (a) and (vii) (b)
20	Clean Solar Power (Jodhpur) Private Limited	U40108DL2018PTC337663	Step down Subsidiary Company	(vii) (b), (xviii)
21	Clean Renewable Energy KK 2A Private Limited	U35106DL2023PTC418410	Step down Subsidiary Company	(ix) (c), (xvii)
22	Clean Renewable Energy KK 2B Private Limited	U35106DL2023PTC418871	Step down Subsidiary Company	(ix) (c), (xvii)
23	Clean Renewable Energy KK 2C Private Limited	U35106DL2023PTC419064	Step down Subsidiary Company	(ix) (c), (xvii)
24	Clean Renewable Energy KK 2D Private Limited	U35106DL2023PTC419252	Step down Subsidiary Company	(ix) (c), (xvii)

Independent Auditor's Report (contd.)

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

Sr. No.	Name of the Company	Company Identification Number	Nature of Relationship (Holding / Subsidiary)	Clause number of the CARO Report which is qualified or Adverse
25	Hero Rooftop Energy Private Limited	U40300DL2017PTC322516	Subsidiary Company	(i)(c), (iii)(a),(ix)(c) and (xvii)
26	Clean Renewable Energy (Barmer) Private Limited	U40106DL2021PTC383523	Step down Subsidiary Company	(ix)(c) and (xvii)
27	Clean Solar Power (Baniyana) Private Limited	U40106DL2019PTC350023	Step down Subsidiary Company	(i)(c) and (xvii)
28	Clean Renewable Energy AP One Private Limited	U35106DL2023PTC412695	Step down Subsidiary Company	(i)(c) and (xvii)
29	Clean Renewable Energy Hybrid Three Private Limited	U35106DL2023PTC423156	Step down Subsidiary Company	(ix)(c) and (xvii)

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No. 105047W

Nipun Gupta
Partner
Membership No. 502896
UDIN: 25502896BMMLGJ6031

Place: Gurugram
Date: May 26, 2025

Annexure A

To the Independent Auditor's Report on even date on the Consolidated Financial Statements of Hero Future Energies Private Limited

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

Auditor's Responsibilities for the Audit of the Consolidated 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 consolidated 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. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management and Board of Directors.
- Conclude on the appropriateness of the management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group 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 consolidated 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 Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

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

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No. 105047W

Nipun Gupta
Partner
Membership No. 502896
UDIN: 25502896BMMLGJ6031
Place: Gurugram
Date: May 26, 2025

Annexure B

To the Independent Auditor's Report on even date on the Consolidated Financial Statements of Hero Future Energies Private Limited

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

[Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the Members of Hero Future Energies Private Limited on the consolidated Financial Statements for the year ended March 31, 2025]

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

Opinion

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2025, we have audited the internal financial controls reference to consolidated financial statements of Hero Future Energies Private Limited (hereinafter referred to as "the Holding Company") which includes the internal financial controls over financial reporting of the Holding Company's and its subsidiary companies (the Holding Company and its subsidiaries together referred to as "the Group"), which are companies incorporated in India, as of that date.

Reporting under clause (i) of sub section 3 of Section 143 of the Act in respect of the adequacy of the internal financial controls with reference to financial statements is not applicable to 42 subsidiaries incorporated in India refer Annexure 1, pursuant to MCA notification GSR 583(E) dated 13 June 2017.

In our opinion, and to the best of our information and according to the explanations given to us, the Holding Company, its subsidiary companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2025, based on the internal financial controls with reference to consolidated financial statements criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("the ICAI").

Management and Board of Director's Responsibility for Internal Financial Controls

The respective Management and the Board of Directors of the Holding Company, its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control with reference to consolidated financial statements criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements of the Holding Company, its subsidiary companies, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements of the Holding Company, its subsidiary companies, which are companies incorporated in India.

Meaning of Internal Financial Controls With Reference to Consolidated Financial Statements

A company's internal financial control with reference to consolidated financial statements is a process designed to provide reasonable

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

assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the consolidated financial statements.

Inherent Limitations of Internal Financial Controls With Reference to Consolidated Financial Statements

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated financial statements to future periods are subject to the risk that the internal financial control with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For M S K A & Associates
Chartered Accountants

ICAI Firm Registration No. 105047W

Nipun Gupta
Partner
Membership No. 502896
UDIN: 25502896BMMLGI6564
Place: Gurugram
Date: May 26, 2025

Consolidated Balance Sheet

as at March 31, 2025

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

Particulars	Notes	As at March 31, 2025	As at March 31, 2024
I. ASSETS			
Non-current assets			
(a) Property, plant and equipment	3	87,586.29	78,411.37
(b) Right of use asset	4	1,049.48	841.19
(c) Capital work-in-progress	5	7,031.48	1,220.65
(d) Goodwill	6	304.81	350.81
(e) Other intangible assets	6	2,800.32	1,515.16
(f) Financial assets			
(i) Trade receivables	8	56.04	422.81
(ii) Other financial assets	12	689.49	726.01
(g) Deferred tax assets (net)	36	1,248.06	893.28
(h) Other non-current assets	13	5,158.42	979.70
(i) Non-current tax assets (net)	14	364.10	398.26
Total non-current assets		**1,06,288.49**	**85,759.24**
Current assets			
(a) Inventories	15	265.21	162.34
(b) Financial assets			
(i) Investments	7	2,641.21	390.57
(ii) Trade receivables	8	5,380.56	5,457.37
(iii) Cash and cash equivalents	9	9,108.46	5,384.94
(iv) Other bank balances	10	2,129.39	3,551.73
(v) Loans	11	23.09	30.56
(vi) Other financial assets	12	1,960.19	3,503.20
(c) Other current assets	13	1,843.92	1,124.79
		23,352.03	**19,605.50**
Assets classified as held for sale	16	-	21.21
Total current assets		**23,352.03**	**19,626.71**
Total assets		**1,29,640.52**	**1,05,385.95**
II. EQUITY AND LIABILITIES			
EQUITY			
(a) Equity share capital	17	253.21	129.21
(b) Other equity	18	1,164.89	(12,850.46)
Equity attributable to owners of the parent		**1,418.10**	**(12,721.25)**
Non-controlling interests	19	(225.98)	(300.03)
Total equity		**1,192.12**	**(13,021.28)**
LIABILITIES			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	25	1,00,175.38	94,590.18
(ii) Lease liabilities	40	657.36	591.37
(iii) Other financial liabilities	21	3.38	3.28
(b) Provisions	23	194.46	186.24
(c) Deferred tax liabilities (net)	36	2,590.91	1,700.23
(d) Other non-current liabilities	22	2,904.99	3,048.53
Total non-current liabilities		1,06,526.48	1,00,119.83
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	25	16,372.61	13,109.54
(ii) Lease liabilities	40	50.53	51.48
(iii) Trade payables	20		
- total outstanding dues of micro enterprises and small enterprises		101.53	40.41
- total outstanding dues of creditors other than micro enterprises and small enterprises		1,694.30	1,433.02
(iv) Other financial liabilities	21	2,679.83	2,743.41
(b) Other current liabilities	22	690.10	615.54
(c) Provisions	23	297.56	265.82
(d) Current tax liabilities (net)	24	35.46	28.19
Total current liabilities		**21,921.92**	**18,287.41**
Total liabilities		**1,28,448.40**	**1,18,407.23**
Total equity and liabilities		**1,29,640.52**	**1,05,385.95**
Basis of preparation, measurement and material accounting policies	2		

The accompanying notes form an integral part of these consolidated financial statements.

As per our report of even date

For M S K A & Associates
Chartered Accountants
ICAI Firm's Registration Number: 105047W

Nipun Gupta
Partner
Membership Number: 502896

Place: Gurugram
Date: May 26, 2025

For and on behalf of the Board of Directors
Hero Future Energies Private Limited

Anuj Agarwal
Director
DIN: 01866057
Place: New Delhi
Date: May 26, 2025

Benjamin Paul Fraser
Director
DIN: 09759173
Place: New Delhi
Date: May 26, 2025

Srivatsan Srinivas Iyer
Chief Executive Officer

Place: New Delhi
Date: May 26, 2025

Mayur Maheshwari
Company Secretary
M. No. F7379
Place: New Delhi
Date: May 26, 2025

Consolidated Statement of Profit and Loss

for the year ended March 31, 2025

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

	Particulars	Notes	Year ended March 31, 2025	Year ended March 31, 2024
I	Revenue from operations	26	14,709.11	14,971.14
II	Other income	27	1,922.18	1,244.98
III	**Total income (I +II)**		**16,631.29**	**16,216.12**
IV	**Expenses**			
	Cost of materials consumed	28	43.18	15.38
	Employee benefits expense	29	914.87	745.23
	Finance costs	30	8,627.94	8,932.83
	Depreciation and amortization expense	31	3,635.39	3,442.24
	Impairment of non-current assets	32	668.98	-
	Other expenses	33	3,448.84	2,830.19
	Total expenses		**17,339.20**	**15,965.87**
V	**(Loss)/Profit before exceptional items and tax (III-IV)**		**(707.91)**	**250.25**
VI	**Exceptional items**	57	318.50	57.74
VII	**(Loss)/ Profit before tax (V-VI)**		**(1,026.41)**	**192.51**
VIII	**Tax expense:**	34		
	a) Current tax		155.98	184.24
	b) Adjustment of tax relating to earlier years		(38.28)	(69.62)
	b) Deferred tax charge		460.33	358.64
	Total tax expense		**578.03**	**473.26**
IX	**(Loss) for the year (VII-VIII)**		**(1,604.44)**	**(280.75)**
X	**Other comprehensive income**			
	Other comprehensive income that will be reclassified subsequently to statement of profit and loss			
	Exchange Difference on translation of foreign operations	35	14.29	142.38
	Income tax effect		-	-
	Net comprehensive (loss)/income not to be reclassified to statement of profit or loss in subsequent year		14.29	142.38
	Other comprehensive income/ (loss) not to be reclassified to statement of profit and loss in subsequent years:			
	Re-measurement (loss)/ gains on defined benefit plans	35	14.61	(11.75)
	Income tax effect	35	(1.29)	1.99
	Net other comprehensive income/ (loss) not to be reclassified to statement of profit and loss in subsequent years		13.32	(9.76)
	Other comprehensive income for the year, net of tax		27.61	132.62
XI	**Total comprehensive income/(loss) of the year, net of tax (IX+X)**		**(1,576.83)**	**(148.13)**
	Loss for the year		(1,604.44)	(280.75)
	Attributable to:			
	Equity holders of the parent		(1,581.59)	(243.87)
	Non-controlling interests	19	(22.85)	(36.88)
	Other comprehensive expense for the year		**27.61**	**132.62**
	Attributable to:			
	Equity holders of the Hero Future Energies Limited		14.26	108.98
	Non-controlling interests		13.35	23.65
	Total comprehensive expense for the year		(1,576.83)	(148.13)
	Equity holders of the parent		(1,567.33)	(134.90)
	Non-controlling interests	19	(9.50)	(13.23)
XII	**Earning per share: (Face Value Rs. 10 per share)**			
	Basic and Diluted (Amount in Rs.)	37	(1.50)	(0.23)
	Basis of preparation, measurement and material accounting policies	2		

The accompanying notes form an integral part of these consolidated financial statements.

As per our report of even date

For M S K A & Associates
Chartered Accountants
ICAI Firm's Registration Number: 105047W

Nipun Gupta
Partner
Membership Number: 502896

Place: Gurugram
Date: May 26, 2025

For and on behalf of the Board of Directors
Hero Future Energies Private Limited

Anuj Agarwal
Director
DIN: 01866057
Place: New Delhi
Date: May 26, 2025

Benjamin Paul Fraser
Director
DIN: 09759173
Place: New Delhi
Date: May 26, 2025

Srivatsan Srinivas Iyer
Chief Executive Officer

Place: New Delhi
Date: May 26, 2025

Mayur Maheshwari
Company Secretary
M. No. F7379
Place: New Delhi
Date: May 26, 2025

Consolidated Statement of Changes in Equity

for the year ended March 31, 2025

(All amounts are in Indian Rupees (in Mn), 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, 2023	**10,165,119**	**101.65**
Issue of share capital	2,755,525	27.56
As at March 31, 2024	**12,920,644**	**129.21**
Issue of share capital*	12,400,740	124.01
As at March 31, 2025	**25,321,384**	**253.21**

B. Other Equity

Particulars	Attributable to equity holders of the parent						Non-controlling interests**	Total other equity
	Securities premium	Deemed capital contribution	Capital reserve on common control business combination ('CCBC')	Capital Reserve	Foreign currency translation reserve	Retained Earnings/ (Losses)		
Balance as at April 1, 2023	7,641.37	-	(735.16)	4,597.68	376.14	(27,607.23)	(286.80)	(16,014.00)
Add: Profit for the year	-	-	-	-	-	(243.87)	(36.88)	(280.75)
Add: Capital reserve arising on common control business combination (refer note 59)	-	-	397.57	-	-	-	-	397.57
Add:- Other comprehensive income/(loss) for the year	-	-	-	-	118.74	(9.76)	23.65	132.63
Less: Share issue expenses	-	-	-	-	-	(3.69)	-	(3.69)
Add:- Issue of equity shares	2,617.75	-	-	-	-	-	-	2,617.75
Balance as at March 31, 2024	**10,259.12**	**-**	**(337.59)**	**4,597.68**	**494.88**	**(27,864.55)**	**(300.03)**	**(13,150.49)**
Balance as at April 1, 2024	**10,259.12**	**-**	**(337.59)**	**4,597.68**	**494.88**	**(27,864.55)**	**(300.03)**	**(13,150.49)**
Impact of application of Ind AS 109 on account of corporate guarantee (refer note 64)	-	22.87	-	-	-	(5.45)	-	17.42
Add: Acquisition of Subsidiary (refer note 58)	-	-	-	1,078.21	-	-	-	1,078.21
Add: Capital reserve arising on common control business combination (refer note 59)	-	-	1,618.90	-	-	-	-	1,618.90

Consolidated Statement of Changes in Equity

for the year ended March 31, 2025

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

Particulars	Attributable to equity holders of the parent						Non-controlling interests**	Total other equity
	Securities premium	Deemed capital contribution	Capital reserve on common control business combination ('CCBC')	Capital Reserve	Foreign currency translation reserve	Retained Earnings/ (Losses)		
Addition during the year	-	-	-	(73.95)	-	-	83.55	9.60
Add: (Loss) for the year	-	-	-	-	-	(1,581.59)	(22.85)	(1,604.44)
Add:- Issue of equity shares *	13,011.79	-	-	-	-	-	-	13,011.79
Less: Share issue expenses	-	-	-	-	-	(69.69)	-	(69.69)
Add:- Other comprehensive income for the year	-	-	-	-	0.94	13.32	13.35	27.61
Balance as at March 31, 2025	**23,270.91**	**22.87**	**1,281.31**	**5,601.94**	**495.82**	**(29,507.96)**	**(225.98)**	**938.91**

*During the year ended March 31, 2025, the Company received an equity investment of Rs 13,135.80 million (March 31, 2024: Rs 2,645.31 million)
**Refer note 19

Basis of preparation, measurement and material accounting policies

The accompanying notes form an integral part of these consolidated financial statements.

As per our report of even date
For M S K A & Associates
Chartered Accountants
ICAI Firm's Registration Number: 105047W

Nipun Gupta
Partner
Membership Number: 502896

Place: Gurugram
Date: May 26, 2025

For and on behalf of the Board of Directors
Hero Future Energies Private Limited

Anuj Agarwal
Director
DIN: 01866057
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Date: May 26, 2025

Mayur Maheshwari
Company Secretary
M. No. F7379
Place: New Delhi
Date: May 26, 2025

Consolidated Statement of Cash Flows

for the year ended March 31, 2025

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

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
I. Cash flow from operating activities		
(Loss)/Profit before tax	(1,026.41)	192.51
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation and amortization expense	3,635.39	3,442.24
Impairment of property, plant & equipment	622.98	-
Impairment of goodwill	46.00	-
Exceptional items	318.50	57.74
Amortisation of government grant	(158.13)	(144.12)
Provision no longer required written back	(441.37)	(250.02)
Finance costs	8,627.94	8,932.83
Finance income	(718.17)	(542.29)
Provision for doubtful receivables and advances	204.00	73.22
Exchange fluctuation expense (net)	(62.11)	61.86
Insurance claims	(104.05)	(121.62)
Profit on disposal of property, plant and equipment	(45.59)	-
Write down of Inventory	-	98.76
Gain on sale / mark to market gain on mutual funds	(49.23)	(5.84)
Unwinding of discount	(76.04)	(126.06)
Translation difference of foreign operations	0.94	142.38
	11,801.06	**11,619.08**
Operating profit before working capital changes	**10,774.65**	**11,811.59**
Changes in working capital:		
Decrease in trade and other receivables	1,004.00	1,114.10
(Increase)/decrease in inventories	(63.36)	116.99
Increase/ (decrease) in trade and other payables	299.75	(111.25)
(Increase) in other financial assets	277.70	(349.04)
(Increase)/ decrease in other assets	(1,027.93)	251.73
Net liabilities in relation to asset held for sale	-	(161.48)
Increase in other financial liabilities	6.87	170.57
Increase/ (decrease) in other liabilities and provisions	81.91	(58.09)
Change in working capital	**578.94**	**973.53**
Cash generated from operating activities	**11,353.59**	**12,785.12**
Less : Taxes paid/ (net of refunds)	6.60	79.15
Net cash generated from operating activities	**11,360.19**	**12,864.27**
II. Cash flow from investing activities:		
Proceeds from sale of mutual funds	-	100.00
Investment in mutual funds	(2,201.41)	(390.48)
Capital expenditure on payment towards Property, Plant and Equipment, including capital advances and capital work in progress	(9,095.80)	(1,185.69)
Proceeds from Insurance claims	104.05	121.62
Proceeds from sale of assets classified as held for sale	21.21	894.06
Fixed deposits with banks (net)	1,709.41	(2,425.28)
Proceeds from loan repayment from related parties	-	50.00
Short term Loans given	7.47	(8.15)
Acquisition of subsidiaries	(2,305.73)	(95.12)
Proceeds from Government grants	20.43	384.14
Interest received	793.54	852.19
Net cash used in investing activities:	**(10,946.83)**	**(1,702.71)**

Consolidated Statement of Cash Flows

for the year ended March 31, 2025

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

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
III. Net cash flow from financing activities:		
Proceeds from equity share capital (net of share issue expenses)	13,080.39	3,039.18
Proceeds from non-controlling interest	83.55	-
Payment of principal portion of lease liabilities	(111.94)	(64.53)
Net repayment of borrowings	(1,902.24)	(4,418.84)
Interest paid	(8,238.39)	(8,485.36)
Net cash used in financing activities	**2,911.37**	**(9,929.55)**
Net change in cash and cash equivalents (I+II+III)	**3,324.73**	**1,232.01**
Cash and cash equivalents as at the beginning of the year (a)	5,151.98	3,919.97
Cash and cash equivalents as at the end of the year (b)	8,476.72	5,151.98
Net change in cash and cash equivalents (b-a)	**3,324.74**	**1,232.01**

Reconciliation for cash and cash equivalent as per cash flow statement for the year:

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Balances with banks:		
- In current account	3,549.40	3,818.97
- Deposits with original maturity of three months or less	5,559.06	1,563.46
Bank overdraft (refer note 25)	(631.74)	(232.96)
Cash and cash equivalents as at the end of the year	**8,476.72**	**5,149.46**

Note:

The Cash Flow statement has been prepared under the indirect method as set out in the Ind AS 7 "Statement of Cash Flows"

Figures in bracket represents cash outflow.

* Refer note 49 for change in financing activities disclosure pursuant to amendment to Ind AS 7

The accompanying notes form an integral part of these consolidated financial statements.

As per our report of even date

For M S K A & Associates
Chartered Accountants
ICAI Firm's Registration Number: 105047W

Nipun Gupta
Partner
Membership Number: 502896

Place: Gurugram
Date: May 26, 2025

For and on behalf of the Board of Directors
Hero Future Energies Private Limited

Anuj Agarwal
Director
DIN: 01866057
Place: New Delhi
Date: May 26, 2025

Benjamin Paul Fraser
Director
DIN: 09759173
Place: New Delhi
Date: May 26, 2025

Srivatsan Srinivas Iyer
Chief Executive Officer

Place: New Delhi
Date: May 26, 2025

Mayur Maheshwari
Company Secretary
M. No. F7379
Place: New Delhi
Date: May 26, 2025

Notes to the Consolidated Financial Statements

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

1. Corporate Information

The Consolidated Financial Statements comprise financial statements of Hero Future Energies Private Limited ("the Company" or "Parent") and its subsidiaries (collectively, the Group) for the year ended March 31, 2025. The Company is a private company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India.

The registered office of the Company is located at Plot No. 202, Second Floor, Okhla Industrial Estate, Phase - III New Delhi – 110020.

The Group is primarily engaged in the implementation of power projects and generation of power through renewable sources of energy and to provide professional consultancy services in relation thereto.

The Group, as at March 31, 2025 has 4 wholly owned direct subsidiaries namely Hero Solar Energy Private Limited, Hero Wind Energy Private Limited, Hero Rooftop Energy Private Limited, and Hero Future Energies UK Ltd and 76 step down subsidiaries (collectively known as the Group). Through its subsidiaries, the Group is primarily engaged in the implementation of power projects and the generation of power through renewable sources of energy.

The Consolidated Financial Statements were authorised for issue in accordance with a resolution of the directors on May 26, 2025.

2. Basis of Preparation, Measurement and Material Accounting Policies

2.1 Basis of Preparation:

The consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time).

The Consolidated Financial Statements have been prepared using presentation and disclosure requirements of the Division II of Schedule III of the Companies Act 2013, (IND AS Compliant Schedule III) as applicable to Consolidated financial statements.

The Consolidated financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value:

- Derivative financial instruments
- Business combination
- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments),

These financials are prepared on going concern basis. Refer note 52.

The accounting policies adopted in the preparation of Consolidated Financial Statements are consistent with those used in the annual financial statements for the year ended March 31, 2024.

The financial statements are presented in Rupees Millions and all values are rounded to the nearest millions upto two decimals thereof except otherwise stated.

2.2 Principles of consolidation:

The Consolidated Financial Statements comprise the financial statements of the Company and its subsidiaries as at March 31, 2025. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights
- The size of the Group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the Consolidated Financial Statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated Financial Statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If an entity of the Group uses accounting policies other than those adopted in the Consolidated Financial Statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the Consolidated Financial Statements to ensure conformity with the Group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to the same reporting date as that of

Notes to the Consolidated Financial Statements

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

the parent, i.e., year ended March 31, 2025. When the end of the reporting year of the parent is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the parent to enable the parent to consolidate the financial information of the subsidiary, unless it is impracticable to do so.

Consolidation procedure:

(a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the Consolidated Financial Statements at the acquisition date.

(b) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. The business combinations and goodwill policy explains how to account for any related goodwill.

(c) Eliminate in full 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 recognised in assets, such as inventory and property, plant & equipment, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the Consolidated Financial Statements. IndAS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-Group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill), liabilities of the subsidiary, carrying amount of any non-controlling interests and cumulative translation differences recorded in equity
- Recognises the fair value of the consideration received, fair value of any investment retained, any surplus or deficit in profit or loss
- Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities

The following subsidiary companies and step down subsidiary companies have been considered in the preparation of the Consolidated Financial Statements:

S. No.	Name of the Group	Holding Company	Country of Incorporation	% of voting power held as at March 31, 2025	% of voting power held as at March 31, 2024
1	Hero Solar Energy Private Limited	Hero Future Energies Private Limited	India	100.00%	100.00%
2	Hero Wind Energy Private Limited	Hero Future Energies Private Limited	India	100.00%	100.00%
3	Hero Rooftop Energy Private Limited	Hero Future Energies Private Limited	India	100.00%	100.00%
4	Clean Wind Power (Manvi) Private Limited (refer note a)	Hero Wind Energy Private Limited	India	72.70%	69.81%
5	Clean Wind Power (Pratapgarh) Private Limited (refer note a)	Hero Wind Energy Private Limited	India	72.10%	69.16%
6	LNJ Power Ventures Limited (refer note a)	Hero Wind Energy Private Limited	India	74.00%	74.00%
7	Clean Solar Power (Jodhpur) Private Limited (refer note b)	Hero Solar Energy Private Limited	India	100.00%	0.00%
8	Clean Wind Power (Kurnool) Private Limited (refer note c)	Hero Wind Energy Private Limited	India	0.00%	100.00%
9	Clean Solar Power (Konch) Private Limited (refer note c)	Hero Solar Energy Private Limited	India	0.00%	100.00%
10	Clean Solar Power (Kadapa) Private Limited (refer note c)	Hero Solar Energy Private Limited	India	0.00%	100.00%
11	Vision Renergies and Projects Private Limited (refer note d)	Hero Solar Energy Private Limited	India	100.00%	100.00%
12	Hero Future Energies UK Limited. (refer note e)	Hero Future Energies Private Limited	UK	100.00%	NA
13	Clean Solar Power (Eastern Europe) Ltd. (refer note e)	Hero Future Energies UK Ltd.	UK	85% (including 4.5% held directly by Hero Future Energies Private Limited)	4.50%

Notes to the Consolidated Financial Statements

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

S. No.	Name of the Group	Holding Company	Country of Incorporation	% of voting power held as at March 31, 2025	% of voting power held as at March 31, 2024
14	Clean Renewable Energy Singapore Pte. Ltd. (refer note e)	Hero Future Energies UK Ltd.	Singapore	100.00%	NA
15	Clean Battery Power UK 1 Ltd. (refer note e)	Hero Future Energies UK Ltd.	UK	100.00%	100.00%
16	Clean Solar Power UK 1 Ltd. (refer note e)	Hero Future Energies UK Ltd.	UK	100.00%	100.00%
17	Clean Wind Power (Anantapur) Private Limited	Hero Wind Energy Private Limited	India	100.00%	100.00%
18	Clean Wind Power (Ratlam) Private Limited	Hero Wind Energy Private Limited	India	100.00%	100.00%
19	Clean Wind Power (Satara) Private Limited	Hero Wind Energy Private Limited	India	100.00%	100.00%
20	Clean Wind Power (Devgarh) Private Limited	Hero Wind Energy Private Limited	India	100.00%	100.00%
21	Clean Wind Power (Jaisalmer) Private Limited	Hero Wind Energy Private Limited	India	100.00%	100.00%
22	Clean Wind Power (Bhavnagar) Private Limited	Hero Wind Energy Private Limited	India	100.00%	100.00%
23	Clean Wind Power (Piploda) Private Limited	Hero Wind Energy Private Limited	India	100.00%	100.00%
24	Clean Wind Power (Bableshwar) Private Limited	Hero Wind Energy Private Limited	India	100.00%	100.00%
25	Clean Solar Power (Chitradurga) Private Limited	Hero Solar Energy Private Limited	India	100.00%	100.00%
26	Clean Solar Power (Dhar) Private Limited	Hero Solar Energy Private Limited	India	100.00%	100.00%
27	Clean Solar Power (Tumkur) Private Limited	Hero Solar Energy Private Limited	India	100.00%	100.00%
28	Clean Solar Power (Bhadla) Private Limited	Hero Solar Energy Private Limited	India	100.00%	100.00%
29	Clean Solar Power (Jaipur) Private Limited	Hero Solar Energy Private Limited	India	100.00%	100.00%
30	Clean Solar Power (Gulbarga) Private Limited	Hero Solar Energy Private Limited	India	100.00%	100.00%
31	Clean Solar Power (Bellary) Private Limited	Hero Solar Energy Private Limited	India	100.00%	100.00%
32	Rajkot (Gujarat) Solar Energy Private Limited	Hero Solar Energy Private Limited	India	100.00%	100.00%
33	Bhilwara Green Energy Limited	Hero Wind Energy Private Limited	India	100.00%	100.00%
34	Vayu Urja Bharat Private Limited	Hero Wind Energy Private Limited	India	100.00%	100.00%
35	Clean Wind Power (Tuticorin) Private Limited	Hero Wind Energy Private Limited	India	100.00%	100.00%
36	Clean Solar Power (Sirsa) Private Limited	Hero Solar Energy Private Limited	India	100.00%	100.00%
37	Waaneep Solar Private Limited	Hero Solar Energy Private Limited	India	100.00%	100.00%
38	Clean Solar Power (Baniyana) Private Limited	Hero Solar Energy Private Limited	India	100.00%	100.00%
39	Clean Solar Rooftop Private Limited	Hero Rooftop Energy Private Limited	India	100.00%	100.00%
40	Clean Solar Power (Amarsar) Private Limited	Hero Solar Energy Private Limited	India	100.00%	100.00%
41	Clean Renewable Energy (Bikaner) Private Limited	Hero Rooftop Energy Private Limited	India	100.00%	100.00%
42	Clean Renewable Energy (Barmer) Private Limited	Hero Solar Energy Private Limited	India	100.00%	100.00%
43	Clean Renewable Energy KK One Private Limited	Hero Rooftop Energy Private Limited	India	100.00%	100.00%
44	Clean Renewable Energy TN One Private Limited.	Hero Rooftop Energy Private Limited	India	100.00%	100.00%
45	Clean Renewable Energy MH One Private Limited.	Hero Rooftop Energy Private Limited	India	100.00%	100.00%
46	Clean Renewable Energy KK 1A Private Limited	Hero Rooftop Energy Private Limited	India	100.00%	100.00%
47	Clean Renewable Energy KK 2A Private Limited	Hero Rooftop Energy Private Limited	India	73.01%	100.00%
48	Clean Renewable Energy KK 2B Private Limited	Hero Rooftop Energy Private Limited	India	73.00%	100.00%
49	Clean Renewable Energy KK 2C Private Limited	Hero Rooftop Energy Private Limited	India	73.01%	100.00%
50	Clean Renewable Energy KK 2D Private Limited	Hero Rooftop Energy Private Limited	India	73.00%	100.00%
51	Clean Renewable Energy MH 1A Private Limited.	Hero Rooftop Energy Private Limited	India	100.00%	100.00%
52	Clean Renewable Energy Hybrid One Private Limited	Hero Solar Energy Private Limited	India	100.00%	100.00%
53	Clean Renewable Energy Hybrid Two Private Limited	Hero Solar Energy Private Limited	India	100.00%	100.00%
54	Clean Renewable Energy Hybrid Five Private Limited	Hero Solar Energy Private Limited	India	100.00%	100.00%
55	Clean Renewable Energy Hybrid Five Private Limited	Hero Solar Energy Private Limited	India	100.00%	100.00%
56	Clean Renewable Energy Hybrid Four Private Limited	Hero Solar Energy Private Limited	India	100.00%	100.00%
57	Clean Renewable Energy Hybrid Six Private Limited	Hero Solar Energy Private Limited	India	100.00%	100.00%
58	Clean Renewable Energy Hybrid Seven Private Limited	Hero Solar Energy Private Limited	India	100.00%	100.00%
59	Clean Renewable Energy AP One Private Limited	Hero Solar Energy Private Limited	India	100.00%	100.00%
60	LLC GEA Solar Group (refer note e)	Clean Solar Power (Eastern Europe) Ltd.	Ukraine	100.00%	100.00%

Notes to the Consolidated Financial Statements

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

S. No.	Name of the Group	Holding Company	Country of Incorporation	% of voting power held as at March 31, 2025	% of voting power held as at March 31, 2024
61	LLC Greenway Solar (refer note e)	Clean Solar Power (Eastern Europe) Ltd.	Ukraine	100.00%	100.00%
62	Clean Battery Power UK 2 Ltd. (refer note e)	Hero Future Energies UK Ltd.	UK	100.00%	100.00%
63	Hero Future Energies Vietnam Limited Liability Company (refer note e)	Clean Renewable Energy Singapore Pte. Ltd.	Vietnam	100.00%	100.00%
64	Clean Renewable Energy GJ 1A Private Limited	Hero Rooftop Energy Private Limited	India	100.00%	0.00%
65	Clean Renewable Energy GJ 1B Private Limited	Hero Rooftop Energy Private Limited	India	100.00%	0.00%
66	Clean Renewable Energy GJ 1C Private Limited	Hero Rooftop Energy Private Limited	India	100.00%	0.00%
67	Clean Renewable Energy ISTS 1 Private Limited	Hero Rooftop Energy Private Limited	India	100.00%	0.00%
68	Clean Renewable Energy KK 1B Private Limited	Hero Rooftop Energy Private Limited	India	100.00%	0.00%
69	Clean Renewable Energy KK 1D Private Limited	Hero Rooftop Energy Private Limited	India	100.00%	0.00%
70	Clean Renewable Energy KK 1E Private Limited	Hero Rooftop Energy Private Limited	India	100.00%	0.00%
71	Clean Renewable Energy KK 1C Private Limited	Hero Rooftop Energy Private Limited	India	100.00%	0.00%
72	Clean Renewable Energy MH 1B Private Limited	Hero Rooftop Energy Private Limited	India	100.00%	0.00%
73	Clean Renewable Energy MH 1C Private Limited	Hero Rooftop Energy Private Limited	India	100.00%	0.00%
74	Clean Renewable Energy MH 1D Private Limited	Hero Rooftop Energy Private Limited	India	100.00%	0.00%
75	Clean Renewable Energy HR 1A Private Limited	Hero Rooftop Energy Private Limited	India	100.00%	0.00%
76	Clean Renewable Energy Hybrid Eight Private Limited	Hero Solar Energy Private Limited	India	100.00%	0.00%
77	Clean Renewable Energy Hybrid Nine Private Limited	Hero Solar Energy Private Limited	India	100.00%	0.00%
78	Clean Renewable Energy Hybrid Ten Private Limited	Hero Solar Energy Private Limited	India	100.00%	0.00%
79	Clean Renewable Energy Hybrid Eleven Private Limited	Hero Solar Energy Private Limited	India	100.00%	0.00%
80	Clean Renewable Energy Hybrid Twelve Private Limited	Hero Solar Energy Private Limited	India	100.00%	0.00%
81	Clean Renewable Energy Hybrid Thirteen Private Limited	Hero Solar Energy Private Limited	India	100.00%	0.00%
82	Clean Renewable Energy Hybrid Fourteen Private Limited	Hero Solar Energy Private Limited	India	100.00%	0.00%
83	Clean Renewable Energy Hybrid Fifteen Private Limited	Hero Solar Energy Private Limited	India	100.00%	0.00%

Notes:

(a) The projects are captive generating plants, requiring a minimum of 26% equity contribution and at least 51% of the power generation consumption by the customer, as per the notified rules. No non-controlling interest has been disclosed for these projects, as the minority holders do not have economic variable returns in these entities.

(b) On December 01, 2024, the Group through its subsidiary Hero Solar Energy Private Limited ("HSPL") re-acquired control over Clean Solar Power (Jodhpur) Private Limited ("CSP Jodhpur"), an entity engaged in renewable energy generation. CSP Jodhpur was previously a subsidiary of the Group; however, control had previously been lost pursuant to a Share Purchase Agreement (SPA) entered into with an investor.

During the year ended March 31, 2025, the SPA was terminated, and the Group regained control over CSP Jodhpur with effect from December 01, 2024. This transaction has been accounted for as a business combination in accordance with Ind AS 103 – Business Combinations. Pursuant to the termination of the SPA, the acquisition resulted in the consolidation of CSP Jodhpur in the Group's financial statements from the acquisition date, i.e., December 01, 2024. (refer note 58)

(c) During financial year 2023-24, the management of the said Companies applied for the name of the Company to be stuck off from the register of Registrar of Companies vide application dated May 13, 2024. Subsequently the name of the said companies have been struck off from register of Registrar of Companies.

(d) During the previous year, the Group has acquired the entity. Refer note 58.

(e) The Group acquired 100% of the equity shares of Hero Future Energies UK Limited ("HFE UK"), along with its subsidiaries, from Hero Future Energies Global Limited on December 31, 2024, except in Clean Solar Power (Eastern Europe) Ltd in which post acquisition the group holds 85% of equity.

Prior to this acquisition:

- On December 18, 2024, Hero Future Energies UK Limited acquired 80.50% of the equity shares of Clean Solar Power (Eastern Europe) Limited, together with its subsidiaries, from Hero Future Energies Global Limited.
- On December 23, 2024, Hero Future Energies UK Limited acquired 100% of the equity shares of Clean Renewable Energy Singapore Pte. Ltd. ("CRE Singapore"), along with its subsidiary, from Hero Future Energies Asia Pte. Ltd.

Notes to the Consolidated Financial Statements

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

2.3. Summary of material accounting policies

a) Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

The Group determines that it has acquired a business when the acquired set of activities and assets include an input and a substantive process that together significantly contribute to the ability to create outputs. The acquired process is considered substantive if it is critical to the ability to continue producing outputs, and the inputs acquired include an organised workforce with the necessary skills, knowledge, or experience to perform that process or it significantly contributes to the ability to continue producing outputs and is considered unique or scarce or cannot be replaced without significant cost, effort, or delay in the ability to continue producing outputs.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. However, the following assets and liabilities acquired in a business combination are measured at the basis indicated below:

- Deferred tax assets or liabilities and the assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 Income Tax and Ind AS 19 Employee Benefits respectively.
- Potential tax effects of temporary differences and carry forwards of an acquiree that exist at the acquisition date or arise as a result of the acquisition are accounted in accordance with Ind AS 12.
- Liabilities or equity instruments related to share based payment arrangements of the acquiree or share – based payments arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with Ind AS 102 Share-based Payments at the acquisition date.
- Assets (or disposal Groups) that are classified as held for sale in accordance with Ind AS 105 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that standard.
- Reacquired rights are measured at a value determined on the basis of the remaining contractual term of the related contract. Such valuation does not consider potential renewal of the reacquired right.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, any previously held equity interest is re-measured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss or OCI, as appropriate.

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of Ind AS 109 Financial Instruments, is measured at fair value with changes in fair value recognised in profit or loss. If the contingent consideration is not within the scope of Ind AS 109, it is measured in accordance with the appropriate Ind AS. Contingent consideration that is classified as equity is not re-measured at subsequent reporting dates and subsequent its settlement is accounted for within equity.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the Group recognises the gain directly in equity as capital reserve, without routing the same through OCI.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent years.

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Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

If the initial accounting for a business combination is incomplete by the end of the reporting year in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted through goodwill during the measurement year, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognized at that date. These adjustments are called as measurement year adjustments. The measurement year does not exceed one year from the acquisition date.

A business combination involving entities or businesses under common control is a business combination in which all of the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination and the control is not transitory. The transactions between entities under common control are specifically covered by Ind AS 103. Such transactions are accounted for using the pooling-of-interest method.

The assets and liabilities of the acquired entity are recognised at their carrying amounts of the parent entity's Consolidated Financial Statements. No adjustments are made to reflect fair values, or recognise any new assets or liabilities. The only adjustments that are made are to harmonies accounting policies. The financial information in the financial statements in respect of prior periods is restated as if business combination had occured from the beginning period in the financial statements, irrespective of the actual date of combination.

The components of equity of the acquired companies are added to the same components within the Group's equity and the identity of the reserves is preserved. The difference, if any, between the amounts recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to capital reserve and is presented separately from other capital reserves.

The Group's shares issued in consideration for the acquired companies are recognized from the moment the acquired companies are included in these financial statements and the financial statements of the commonly controlled entities would be combined, retrospectively, as if the transaction had occurred at the beginning of the earliest reporting year presented.

b) 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 Group has identified twelve months as its operating cycle.

c) 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 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.

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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.

The 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 consolidated 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 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 44).

The 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 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 Group.

For assets and liabilities that are recognised in the Consolidated Financial Statements on a recurring basis, the 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 summaries 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 44)
- Financial instruments (including those carried at amortised cost) (Refer Note 43)
- Disclosure for significant estimates and assumptions (Refer Note 2.4)

d) Revenue Recognition

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 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 on the supply of units generated from plants to the grid as per terms of Power Purchase Agreements (“”PPA””) entered into with the customers.”

(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. 10 million per MW. GBI is recognized on the basis of supply of units generated by the Group to the state electricity board from the eligible project in accordance with the scheme of the “”Generation Based Incentive (GBI)”

(iii) Sale of Engineering, Procurement and Construction services:

The Group provides operating and maintenance services and sells solar rooftop panels. The Group has determined that these services and provision of goods represent individual performance obligation which are satisfied over time. Revenue is recognised on the percentage of completion method. The percentage of completion is determined as a proportion of cost incurred to date to the total estimated contract cost. Profit on contracts is recognised on the percentage of completion method and losses are accounted as soon as these are anticipated. However, profit is not recognised unless there is reasonable progress on the contract.

The transaction price is based on an agreed contract price which is generally fixed. Extra claims on construction contracts are accounted for as variable consideration. The revenue on account of extra claims on construction contracts is accounted for at the time of acceptance in principle by the customers due to uncertainties attached.

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

(iv) Interest Income:

For all debt instruments measured at amortised cost, 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 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 consolidated profit and loss account

Contract balances:

Trade receivables

A receivable represents the 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 (s) Financial instruments – initial recognition and subsequent measurement.

Trade receivables include unbilled revenue represents services rendered by the Company 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.

e) Foreign currencies

Functional and presentational currency

The Group's Consolidated Financial Statements are presented in Indian Rupees (Rs.) which is also the functional currency of all entities in the Group. Functional currency is the currency of the primary economic environment in which a Group operates and is normally the currency in which the Group primarily generates and expends cash. All the financial information presented in Rs million except where otherwise stated.

Transactions and balances

Transactions in foreign currencies are initially recorded by the 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 profit and loss account 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.

f) 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 and does not give rise to equal taxable and deductable temporary differences.
- 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

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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 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. 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 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.

g) 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 profit and loss account

h) Property, Plant and Equipment

Property, plant and equipment and capital work in progress are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Such cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct services, any other costs directly attributable to bringing the assets to its working condition for their intended use and cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria 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 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.

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.

i) 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.

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j) Depreciation/amortization of Property Plant & Equipment and Intangibles

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 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 & Equipment's (including Wind Turbine Generator, Solar plants and transmission lines*)	10 to 35
Building & Substation	5 to 35
Computers and Data processing Machines	1-6

* Based on internal technical assessment, the Management believes that the useful life of Wind Turbine Generator, solar plants and transmission lines 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.

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	13-25
Computer Software	3-5

k) 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.

l) Leases

At inception of a contract, the 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 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 Group has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- the Group has the right to direct the use of the asset. The 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

Group has the right to direct the use of the asset if either:

- the Group has the right to operate the asset; or
- the Group designed the asset in a way that predetermines how and for what purpose it will be used;

Right of use assets

The 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. Unless the Group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right of use assets are depreciated on a straight line basis over the shorter of its estimated useful life and the lease term. Right of use assets are subject to impairment. Generally right of use asset is depreciated over 2-30 years.

The present value of the expected cost for dismantling and removing the underlying asset and restoring the site after its use is included in the cost if the recognition criteria for a provision are met.

Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed

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payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating a lease, if the lease term reflects the Group exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognised as expense in the period on which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

Short-term leases and leases of low value

The 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.”

m) Impairment of non-financial assets

The Group assess, 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 Group estimate the asset’s recoverable amount. An asset’s recoverable amount is the higher of an asset’s or cash-generating units (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 Group 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, or other available fair value indicators.

The Group bases its impairment indicator assessment on detailed budgets and forecast calculations (if required), which are prepared separately for each of the Group’s CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover the term of the Power Purchase Agreement.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit and loss 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 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 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.

n) Share based payment

Employees (including senior executives) of the Group receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions or cash-settled transactions). Until the time holding company gets listed on any recognised stock exchange in India, the holding company evaluate its Employees Stock Option Plan (herein after called as ‘Plan’) as Cash Settled Stock Option Plan in accordance Ind AS 102 by using fair value model.

The cost of cash-settled transactions is measured initially at fair value at the grant date using a Black Scholes model, further details of which are given in Note 51. This fair value is expensed over the year until the vesting date with recognition of a corresponding liability.

o) Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The Group has no obligation, other than the contribution payable to the provident fund. The 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 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

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amount based on the respective employee’s salary and the tenure of employment. Vesting occurs upon completion of five years of service. The 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 profit and loss account 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 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, an resignation of an employee and upon the death of an employee. The scale of benefits is determined based on the seniority and the respective employee’s salary. The 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.

p) Provisions

General

Provisions are recognised when the 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 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 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.

q) Inventory

Inventories are valued at the lower of cost and net realisable value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on a weighted average basis.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

r) Sale of Carbon credits

Carbon credits which are received on projects registered under the United Nations Framework on Climate Change, are recorded as inventory and initially measured at fair value when there is reasonable assurance that such Credits will be received, with credit being recognised as Income from sale of carbon credit under other operating revenue in the statement of profit or loss. Such credits are subsequently measured at cost or net realisable value, whichever is lower. The Group derecognises the credits when the certificate is sold, which occurs when units are transferred to the customer and the income from sale of carbon credit is recognised in the profit and loss.

s) 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.

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)

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- 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 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 the profit and loss account. The losses arising from impairment are recognised in the profit and loss account.

Equity instruments

All equity investments in the scope of Ind AS 109 are measured at fair value. For all other equity instruments, the Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group makes such election on an instrument by- instrument basis. The classification is made on initial recognition and is irrevocable. If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to statement of profit and loss, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity. Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss account

De-recognition

A financial asset (or, where applicable, a part of a financial asset) is primarily derecognised (i.e. removed from the Group's Balance Sheet) when:

(i) The contractual rights to receive cash flows from the asset has expired, or

(ii) The Group has transferred its contractual rights to receive cash flows from the financial asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either

(a) the Group has transferred substantially all the risks and rewards of the asset, or

(b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

t) Impairment of financial assets

In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure: Financial assets that are debt instruments, and are measured at amortised cost e.g. deposits, trade receivables and bank balances. Financial asset that are debt instruments and are measured as at FVTOCI.

Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115.

While applying the ECL model, the Group classifies the receivables into following categories:

(i) non-litigated receivables

(ii) litigated receivables

(iii) receivables under LPS scheme

(iv) receivables under GBI scheme and

(v) others

The Group follows a simplified approach for recognition of impairment loss allowances on non-litigated trade receivables, contract assets and receivables under GBI scheme.

The simplified approach does not require the Group to track changes in credit risk. Instead, it recognises impairment loss allowances based on lifetime ECLs at each reporting date from initial recognition. Under this approach, the Group determine impairment losses based on the provision matrices that are based on historical trend in different ageing buckets adjusted with forward-looking macroeconomic factors. The credit risk of the receivables is insignificant since the Group's receivables are primarily with the central government or with state owned DISCOMs.

For litigated receivables, the Group determines the impairment loss based on the legal assessment of recoverability and applies appropriate loss.

On receipt of favourable orders, the outstanding receivable balances are reclassified as non-litigated. The ageing of such balances commences from the date of such reclassification for the purpose of computation of ECL.

For the recognition of impairment losses on other financial assets including receivables under the LPS scheme and risk exposure, the Group determines whether there has been a significant increase in credit risk since initial recognition. If the credit risk has not increased significantly, a 12 month ECL is used to provide for impairment loss. However, lifetime ECL is used if the credit risk has increased significantly. If, in a subsequent year, the credit quality of the customer/counterparty 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 a 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 on a financial instrument that is possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument.

Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

As a practical expedient, at every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed. ECL impairment loss allowance (or reversal) is recognized during the period as expense/ income in the profit and loss account This amount is reflected under the head 'other expenses' in the profit and loss account The balance sheet presentation for financial instruments is described below:

For financial assets measured at amortised cost: ECL is presented as an allowance i.e. as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

u) Financial Liabilities

Initial recognition and measurement

On the date of issuance financial instruments with conversion features 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 it is accounted for as per guidance.

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

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 Group include trade and other payables, derivative financial instruments, loans and borrowings including bank overdraft and derivative financial instruments.

Subsequent measurement

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

Trade Payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of the 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 profit and loss account 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 profit and loss account

The 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

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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.

Reclassification of financial assets and liabilities

The 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.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated balance sheet 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.

v) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand 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 of bank overdrafts as they are considered an integral part of the Group's cash management.

w) Earnings per share (EPS)

Basic earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares outstanding during the year. Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the year, unless issued at a later date. Dilutive potential equity shares are determined independently for each year presented.

The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all years presented for any share splits and bonus share issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

x) 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 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.

y) 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 Group does not adjust the amounts recognised in its financial statements to reflect non-adjusting events after the reporting year. The Group makes disclosures in the financial statement in cases of significant events.

z) Changes in accounting policies and disclosures

New and amended standards

(i) Amendments to Ind AS 117 – Insurance contracts

The Ministry of Corporate Affairs ('MCA') recently notified Ind AS 117, Insurance Contracts, via a notification dated August 12, 2024, and Ind AS 104, Insurance Contracts, stands revoked with effect from April 1, 2024.
With the discontinuation of Ind AS 104 and the applicability of Ind AS 117, the Group has an irrevocable choice to either apply Ind AS 117 or Ind AS 109, Financial Instruments, for existing financial guarantees issued by Group on behalf of Group companies. The Group has elected to apply Ind AS 109 for financial guarantees as per the transitional provisions mentioned in the notification and corresponding adjustments has been made to these financial statements."

(ii) Amendments to Ind AS 116 Leases – Lease Liability in a Sale and Leaseback

The MCA notified the Companies (Indian Accounting Standards) Second Amendment Rules, 2024, dated September 9, 2024, which amend Ind AS 116, Leases, with respect to Lease Liability in a Sale and Leaseback.
The amendment specifies the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains.

The amendment is effective for annual reporting periods beginning on or after 1 April 2024 and must be applied retrospectively to sale and leaseback transactions entered into after the date of initial application of Ind AS 116.
The amendments do not have any impact on the Groups's financial statements.

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aa) Standards issued but not yet effective

Amendment to Ind AS 21 – The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability

The Ministry of Corporate Affairs (MCA), vide notification dated May 7, 2025, has amended Ind AS 21, The Effects of Changes in Foreign Exchange Rates, to provide guidance on how to account for a currency when it is not exchangeable into another currency. The amendment introduces:

- A definition of when a currency is considered not exchangeable,
- Guidance on estimating the spot exchange rate when exchangeability is lacking,
- Clarification on the selection of exchange rates when multiple rates exist, and
- Enhanced disclosure requirements regarding the nature and financial impact of such situations.

These amendments are applicable for annual reporting periods beginning on or after April 1, 2025, with early application permitted. The Company is currently evaluating the impact of this amendment on its financial statements.

2.4 Significant accounting judgements, estimates and assumptions

The preparation of the 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 accompanying 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) Assessment of useful life and residual value of property, plant and equipment and intangible asset

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 3,4,5 and 6).

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 discounted cash flow 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 43 for further disclosures.

iii) Recognition and estimation of tax expense including deferred tax

The 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, 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 36.

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

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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 39.

v) Recognition and measurement of contingency: key assumptions 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 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 41.

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 Company is 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 55.

vii) Provision for expected credit losses of trade receivables and contract assets

The Group follows 'simplified approach' for recognition of impairment loss allowance for trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. ECL is the difference between all contractual cash flows that are due to the company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original effective interest rate. As concluded by the management that there is no risk of default from the DISCOMs/State Government bodies being a state government entities. Accordingly, no provision for default risk is required for receivables from DISCOM. As per the requirements of Ind AS 109, on subsequent measurement, the management while making ECL assessment considered the past experience with the Government of honoring its commitments and the strong capacity and ability of the Government to meet its contractual cash flow obligations. Refer note 45.

(viii) Application of interpretation for Service Concession Arrangements (SCA):

Management has assessed applicability of Appendix C of Indian Accounting Standards 115: Service Concession Arrangements ("SCA") for the power purchase agreement which the company has 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.

(ix) Going concern - Note 52

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3. Property, plant and equipment

	Freehold land (refer note (a) below)	Plant and equipments	Building and Substation	Computers and Data processing machines	Total
Gross Carrying Amount					
(At cost)					
As at April 01 2023	**3,495.22**	**98,130.17**	**5,256.83**	**236.43**	**107,118.65**
Additions made during the year	28.37	279.87	12.45	23.40	344.09
Disposals / adjustments during the year	(16.84)	(98.81)	-	(2.67)	(118.32)
Translation exchange difference	-	(75.84)	-	(0.18)	(76.02)
As at March 31, 2024	**3,506.75**	**98,235.39**	**5,269.28**	**256.98**	**107,268.40**
Additions made during the year	50.91	1,172.74	11.25	52.57	1,287.47
Addition on account of acquisition of subsidiary (refer Note 58)	702.00	11,077.39	230.94	8.67	12,019.00
Disposals / adjustments during the year	(17.94)	(0.94)	-	(0.53)	(19.41)
Translation exchange difference	-	(62.84)	-	-	(62.84)
As at March 31, 2025	**4,241.72**	**110,421.74**	**5,511.47**	**317.69**	**120,492.62**
Depreciation and impairment					
As at April 01 2023	**-**	**24,374.25**	**1,049.18**	**220.56**	**25,643.99**
Depreciation charge for the year	-	3,130.90	103.91	23.12	3,257.93
Impairment charge	-	19.76	-	-	19.76
On disposals / adjustments during the year	-	(29.74)	-	(2.46)	(32.20)
Translation exchange difference	-	(32.42)	-	(0.03)	(32.45)
As at March 31, 2024	**-**	**27,462.75**	**1,153.09**	**241.19**	**28,857.03**
Depreciation charge for the year	-	3,312.10	106.48	24.13	3,442.71
Impairment charge (refer note 55)	-	622.98	-	-	622.98
On disposals / adjustments during the year	-	(0.06)	-	(0.32)	(0.38)
Translation exchange difference	-	(16.01)	-	-	(16.01)
As at March 31, 2025	**-**	**31,381.76**	**1,259.57**	**265.00**	**32,906.33**
Net Carrying Amount					
As at March 31, 2024	**3,506.75**	**70,772.64**	**4,116.19**	**15.79**	**78,411.37**
As at March 31, 2025	**4,241.72**	**79,039.98**	**4,251.90**	**52.69**	**87,586.29**

Note:

a) Five subsidiaries of the Group are having freehold land in different states, which are not yet registered in the name of the said subsidiaries due to pending approval of conversion of agricultural land to non-agricultural land ('NA'), for which General Power of Attorney ('GPA') and Agreement to Sell ('ATS') are available with the said subsidiaries. The management believes that delay in registration of land in the name of the subsidiaries is only a procedural delay and the Group will get the NA conversion approval and registration of land in near future. The details of aforesaid freehold land is follows.

Particulars	As at 31st March 2025		As at 31st March 2024	
	Acre	Amount	Acre	Amount
Freehold land	165.43	139.64	232.1	189.21

During the year ended March 31, 2024, Siemens Gamesa Renewable Power Private Limited ('Gamesa') has transferred clear and marketable title of the parcel of land in one subsidiary namely, Clean Wind Power (Manvi) Private Limited measuring 131.35 acre of freehold land amounting to Rs. 132.45 million which was pending due to certain procedural formalities and approval process for conversion of agriculture land to non-agriculture land (NA).

(b) Two subsidiaries of the Group namely, Clean Wind Power Anantapur Private Limited and Clean Wind Power Satara Private Limited having total land of 60.66 acres and 48.51 acres respectively out of which original sales deed of 3.50 acres and 2.00 acres respectively are not available however scan copies are available.

(c) There is no borrowing costs capitalised during the year (March 31, 2024: Nil million).

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(d) Depreciation on Right of use asset for under construction project is capitalised as per the table annexed below.

Particulars	For the year ended 31st March 2025	For the year ended 31st March 2024
Capitalisation of depreciation on right to use asset	6.72	1.73

(e) Refer note 25 for charge against the above mentioned assets.

(f) During the year, the Group acquired businesses under common control and accounted as per in accordance with Appendix C of Ind AS 103, Business Combinations. The net identifiable assets and liabilities acquired at carrying amounts include balances of property, plant and equipment of Rs. 1,068.88 million as at April 1, 2023. (refer to note 59)

The major projects acquired through business combinations under common control include three solar energy projects in Ukraine: Gea 1 (13 MWp), Gea 2 (23 MWp), and Greenway (26 MWp). Gea 1 commenced generation in March 2023, Gea 2 in June 2023, and Greenway began commercial operations for its 20 MW capacity in April 2025.

4. Right of use asset

	Right of use asset (Land)	Right of use asset (Building)	Total
Gross Carrying Amount			
(At cost)			
As at April 01 2023	**831.57**	**108.70**	**940.27**
Additions made during the year	132.80	-	132.80
Disposals / adjustments during the year	(18.50)	(12.55)	(31.05)
Translation exchange difference	2.00	-	2.00
As at March 31, 2024	**947.87**	**96.15**	**1,044.02**
Additions made during the year	298.01	-	298.01
Adjustments due to lease modification	(17.67)	(20.49)	(38.16)
Translation exchange difference	5.22	-	5.22
As at March 31, 2025	**1,233.43**	**75.66**	**1,309.09**
Depreciation			
As at April 01, 2023	122.05	28.23	150.28
Depreciation charge for the year	35.96	26.34	62.30
On disposals / adjustments during the year	-	(9.28)	(9.28)
Translation exchange difference	(0.47)	-	(0.47)
As at March 31, 2024	**157.54**	**45.29**	**202.83**
Depreciation charge for the year	40.33	16.40	56.73
On disposals / adjustments during the year	0.05	-	0.05
As at March 31, 2025	**197.92**	**61.69**	**259.61**
Net Carrying Amount			
As at March 31, 2024	**790.33**	**50.86**	**841.19**
As at March 31, 2025	**1,035.51**	**13.97**	**1,049.48**

5. Capital work-in-progress (CWIP)

	Total
As at April 1, 2023	**541.31**
Addition during the year	1,075.95
Capitalised during the year	(390.90)
Impairment during the year	(8.06)
Translation exchange difference	2.35
As at March 31, 2024	**1,220.65**
Addition during the year	7,270.84
Written-off during the year (refer note 57)	(318.50)
Capitalised during the year	(1,141.51)
As at March 31, 2025	**7,031.48**

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Capital work-in-progress as at March 31, 2025

Particulars	Amount in CWIP for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 years	
Projects in progress	6,230.90	622.81	177.77	-	7,031.48
Projects temporarily suspended	-	-	-	-	-
Total	**6,230.90**	**622.81**	**177.77**	**-**	**7,031.48**

Capital work-in-progress as at March 31, 2024

Particulars	Amount in CWIP for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 years	
Projects in progress	735.13	178.72	176.76	100.54	1,191.15
Projects temporarily suspended	-	-	25.86	3.64	29.50
Total	**735.13**	**178.72**	**202.62**	**104.18**	**1,220.65**

a) During the year, interest accretion on lease liability amounting Rs.13.40 million (March 31,2024: Rs 3.62 million) is transferred to Capital work-in-progress.

b) There are no project whose completion is overdue or has exceeded its cost compared to its original plan during the financial year 2024-25.

c) Projects temporarily suspended primarily consists of C&I Maharashtra project amounting to Rs. 25.86 million, this has been written off during the year. (refer note 57)

d) During the year Salary cost of Rs. 147.02 million has been transferred to capital work-in-progress.

e) During the year borrowing cost (net) of Rs. 86.31 million (March 31, 2024: Rs. 15.05 million) has been transferred to capital work-in-progress.

f) Includes CWIP for projects in which construction has started, details are as follows:

Project Name	Entity name	Amount
Doni project	Various group entities	4,624.03
SJVN project	Clean Renewable Energy Hybrid Three Private Limited	608.85
SECI - VI project	Clean Renewable Energy (Barmer) Private Limited	321.67
SJVN GS project	Clean Solar Power (Baniyana) Private Limited	327.28
NHPC project	Clean Renewable Energy AP One Private Limited	254.81
Vietnam C&I rooftop	Hero Future Energies Vietnam Limited Liability Company	150.75
Ukraine (Greenway Solar)	LLC Greenway Solar	85.18
SECI (2h) project	Clean Renewable Energy Hybrid Eight Private Limited	132.82
Others	Various group entities	526.09
Total		**7,031.48**

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6. Intangible assets

	Customer contracts acquired under business combination	Other intangible assets*	Sub total	Goodwill	Total
Gross Carrying Amount					
(At cost)					
As at April 01, 2023	**2,072.70**	**116.51**	**2,189.21**	**736.36**	**2,925.57**
Additions made during the year	-	3.66	3.66	46.05	49.71
As at March 31, 2024	**2,072.70**	**120.17**	**2,192.87**	**782.41**	**2,975.28**
Additions made during the year	1,413.00	14.83	1,427.83	-	1,427.83
As at March 31, 2025	**3,485.70**	**135.00**	**3,620.70**	**782.41**	**4,403.11**
Amortisation and impairment					
As at April 01, 2023	484.70	71.00	555.70	431.60	987.30
Amortisation for the year	108.64	13.37	122.01	-	122.01
As at March 31, 2024	**593.34**	**84.37**	**677.71**	**431.60**	**1,109.31**
Amortisation for the year	127.67	15.00	142.67	-	142.67
Impairment during the year	-	-	-	46.00	46.00
As at March 31, 2025	**721.01**	**99.37**	**820.38**	**477.60**	**1,297.98**
Net Carrying Amount					
As at March 31, 2024	**1,479.36**	**35.80**	**1,515.16**	**350.81**	**1,865.97**
As at March 31, 2025	**2,764.69**	**35.63**	**2,800.32**	**304.81**	**3,105.13**

* Other Intangible assets primarily consistutes of CMS software.

As of March 31, 2025, the value of goodwill allocated to each Cash Generating Unit (CGU) is Rs. 304.81 million, comprising Rs. 22.58 million for LNJ Power Ventures Limited, Rs. 46.88 million for Vision Renergies and Projects Private Limited, and Rs. 235.34 million for Waaneep Solar Private Limited.

The Group is required to test annually whether goodwill has suffered any impairment. An impairment loss is recognized when the recoverable amount of a CGU falls below its net book value at the date of testing. Based on the results of the goodwill impairment test, an impairment charge of Rs. 46.00 million (March 31, 2024: Nil) has been recognized during the year for goodwill in Bhilwara Green Energy Limited.

The impairment assessment was performed using cash flow projects based on an assumed reduction in tariff as the current PPA is set to expire in the financial year ending March 31, 2026, a remaining project life of 17 years and a post tax discount rate of 9.26%.

The following table sets out the key assumptions for those CGUs that have significant goodwill allocated to them:

Particulars	CGU - Waaneep Solar Private Limited	Approach used to determine values	Sensitivity
Plant Load Factor (PLF)	19.38%	Based on historical trend, this has been computed basis weighted average of PLF of three sites (Nagari, Gurukunda and Ichawar)	If PLF used in value in use calculation had been 30% lower, an impairment of goodwill by Rs. 199.00 million would be indicated.
O&M escalation rate	5.00%	Escalation in operation and maintenance fees determined as signed contracts with O&M vendor	Increase in 80% in escalation rate would result impairment of Rs. 46.00 million being indicated
Salary and other expenses escalation rate	5.00%	Assumed to be consistent with O&M escalation rate	
Discounting rate	9.48%	Represents weighed average cost of capital	Additional increase by WACC by 3.5% would result in impairment of Rs. 43.00 million being indicated

Notes to the Consolidated Financial Statements

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

7. Financial assets

	As at March 31, 2025	As at March 31, 2024
Investment		
Current		
Investment in mutual funds 1	2,641.21	390.57
	2,641.21	**390.57**
Total	**2,641.21**	**390.57**
1 Includes mutual funds under lien held as margin money	838.50	390.57
Breakup of investments is as follows:		
Investments at fair value through profit or loss - in unquoted mutual funds		
ABSL Liquid Fund -Growth Plan, 186,781 units (March 31, 2024: 121,564.46 units)	77.31	46.88
ICICI Prudential short term - Growth 1,867,233.09 units (March 31, 2024: 1,867,233.09 units)	109.84	101.65
HDFC Short term debt- Growth 6,544,090 units (March 31, 2024: 8,379,293.75 units)	204.89	242.04
HDFC Short term Debt Fund Regular Plan Growth 13,112,448 units (March 31, 2024: NIL units)	410.54	-
SBI Short term debt Fund- Regular Plan Growth 1,143,979 units (March 31, 2024:NIL units)	35.92	
SBI liquid Fund- Growth Plan 448,914 units (March 31, 2024: NIL units)	1,802.71	-
	2,641.21	**390.57**
Aggregate value of unquoted investments	2,641.21	390.57
Aggregate amount of impairment in value of investments	-	-
Aggregate value of unquoted investments (net of impairment)	**2,641.21**	**390.57**

8. Trade receivables

	As at March 31, 2025	As at March 31, 2024
Non- current		
Trade receivables		
- Receivables considered good - Unsecured; (note 56)	56.04	422.81
	56.04	**422.81**
Current		
Trade receivables[1]		
- Receivables considered good - Unsecured;	5,380.56	5,457.37
- Receivables - credit impaired	308.62	632.51
	5,689.18	**6,089.88**
Impairment allowance (allowance for bad and doubtful debts)		
- Receivables - credit impaired	(308.62)	(632.51)
	5,380.56	**5,457.37**
Total trade receivables - non-current and current	**5,436.60**	**5,880.18**
1 Trade receivable include the amount of unbilled revenue. Please refer accounting policy on trade receivable.	1,313.50	1,186.85
1 Trade receivable include the amount receivable from related parties (refer note 38)	4.35	2.66

a) For terms and conditions relating to related party receivables, refer note 38.

b) Trade receivables are non-interest bearing and generally on terms of 45 to 60 days except receivables agreed under LPS Rules 2022 (refer note 56).

Notes to the Consolidated Financial Statements

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

As at March 31, 2025

Particulars[1]	Outstanding for following periods from due date of payment							Total
	Unbilled	Not Due	Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed trade receivables - considered good	1,313.50	981.88	633.12	87.37	137.05	161.44	15.40	3,329.76
(ii) Undisputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed trade receivables - credit impaired	-	6.17	9.65	3.83	7.10	68.44	20.48	115.67
(iv) Disputed trade receivables - considered good	-	0.06	69.77	204.72	473.86	692.91	665.52	2,106.84
(v) Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-		-
(vi) Disputed trade receivables - credit impaired	-	-	1.16	-	7.18	31.71	152.90	192.95
Total	**1,313.50**	**988.11**	**713.70**	**295.92**	**625.19**	**954.50**	**854.30**	**5,745.22**

As at March 31, 2024

Particulars[1]	Outstanding for following periods from due date of payment							Total
	Unbilled	Not Due	Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed trade receivables - considered good	1,142.01	1,482.30	614.52	99.94	120.20	22.09	30.65	3,511.71
(ii) Undisputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed trade receivables - credit impaired	-	0.58	2.99	3.40	29.53	7.20	13.56	57.26
(iv) Disputed trade receivables - considered good	44.84	84.03	296.74	237.06	808.16	314.61	583.03	2,368.47
(v) Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed trade receivables - credit impaired	-	-	69.76	42.22	110.09	77.82	275.36	575.25
Total	**1,186.85**	**1,566.91**	**984.01**	**382.62**	**1,067.98**	**421.72**	**902.60**	**6,512.69**

[1] Trade receivable ageing include current and Non current receivables.

9. Cash and cash equivalents

	As at March 31, 2025	As at March 31, 2024
Balances with banks		
- In current account	3,549.40	3,818.97
- Deposits with original maturity of three months or less1	5,559.06	1,565.97
	9,108.46	**5,384.94**
1 includes deposits held as margin money against term loan.	410.50	302.48

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

	As at March 31, 2025	As at March 31, 2024
Balances with banks:		
- In current account	3,549.40	3,818.97
- Deposits with original maturity of three months or less	5,559.06	1,565.97
Bank overdraft (refer note 25)	(631.74)	(232.96)
	8,476.72	**5,151.98**

10. Other bank balances

	As at March 31, 2025	As at March 31, 2024
Deposits with original maturity for more than 3 months but less than or equal to 12 months*	2,129.39	3,551.73
	2,129.39	**3,551.73**
* includes deposits held as margin money against bank guarantees and term loans.	1,698.29	2,111.04

Notes to the Consolidated Financial Statements

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

11. Loans

	As at March 31, 2025	As at March 31, 2024
Current		
Loan to others[1]	23.09	30.56
	23.09	**30.56**

[1] Includes loan given to MGE Ltd, Cyprus

12. Other financial assets

	As at March 31, 2025	As at March 31, 2024
Non- current		
Deposits with remaining maturity of more than 12 months[1]	563.43	616.45
Security deposits	126.82	86.44
Less: provision for doubtful advance	(0.76)	(0.76)
Other receivables	-	23.88
	689.49	**726.01**
Current		
Deposits with remaining maturity of less than 12 months1	1,845.31	1,561.93
Accrued Interest on fixed deposits	14.94	9.85
Security deposits	21.28	16.59
Less: provision for doubtful advance	(7.00)	-
Receivable for loss of control in subsidiary (Refer Note 58)	-	1,537.29
Other receivables	212.33	492.79
Less: provision for doubtful advance	(126.67)	(115.25)
	1,960.19	**3,503.20**
Total	**2,649.68**	**4,229.21**
1 Includes fixed deposit with interest under lien held as margin money	1,100.89	662.80

a) Break up of financial assets carried at amortised cost:

	As at March 31, 2025	As at March 31, 2024
Security Deposits (Refer note 12)	140.34	102.27
Trade receivables (Refer note 8)	5,436.60	5,880.18
Cash and cash equivalents (Refer note 9)	9,108.46	5,384.94
Other bank balances (Refer note 10)	2,129.39	3,551.73
Loans (Refer note 11)	23.09	30.56
Other financial assets (Refer note 12)	2,509.34	4,126.94
Total	**19,347.22**	**19,076.62**

b) Break up of financial assets carried at fair value through profit or loss:

	As at March 31, 2025	As at March 31, 2024
Investment (Refer note 7)	2,641.21	390.57
Total	**2,641.21**	**390.57**

Notes to the Consolidated Financial Statements

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

13. Other assets

(Unsecured, considered good, unless otherwise stated)

	As at March 31, 2025	As at March 31, 2024
Non- current		
Capital advances	4,370.02	354.90
Less: Provision for doubtful capital advances	(112.43)	(182.19)
Prepaid expenses	40.89	22.21
Prepaid gratuity (funded, net of provision for gratuity)	33.59	23.41
Deferred asset[1]	159.20	134.26
Contract Assets[2]	426.26	379.84
Other receivable	240.89	247.27
	5,158.42	**979.70**
Current		
Balance with government authorities	1,016.24	499.06
Advance to Vendors	295.40	342.53
Less: provision for doubtful advance	(5.23)	(8.04)
Prepaid expenses	408.53	207.22
Other advances (including employees)	21.39	5.55
Prepaid gratuity (funded, net of provision for gratuity)	2.52	3.37
Deferred asset[1]	9.46	7.58
Other receivables	95.61	67.52
	1,843.92	**1,124.79**

[1] Represents fair value difference of security deposits discounted

[2] Contract Assets is accounted due to step up pricing in the PPA with Southern Power Distribution Company of Andhra Pradesh Limited (APSPDCL)

14. Non-current tax assets (net)

	As at March 31, 2025	As at March 31, 2024
Advance Income Tax (net)	364.10	398.26
	364.10	**398.26**

15. Inventories[1]

	As at March 31, 2025	As at March 31, 2024
Stores and spares	265.21	162.34
	265.21	**162.34**

[1] Inventories are valued at the lower of cost and net realisable value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on Weighted average basis.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

16. Assets classified as held for sale

	As at March 31, 2025	As at March 31, 2024
Plant and equipments[1]	-	21.21
	-	**21.21**

[1] During the financial year 2024-25, the Group completed the sale of assets related to the Clean Wind Power (Bhavnagar) Private Limited project.

Notes to the Consolidated Financial Statements

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

17. Equity share capital

	As at March 31, 2025	As at March 31, 2024
Authorised share capital		
Equity Share capital		
787,500,000 (March 31, 2024: 787,500,000) equity shares of Rs. 10 each	7,875.00	7,875.00
Issued, subscribed and paid up		
Equity Share capital		
25,321,384 (March 31, 2024: 12,920,644) equity shares of Rs. 10 each	253.21	129.21
	253.21	**129.21**

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

		No. of shares	(Rs. in million)
i.	**Reconciliation of authorised share capital as at year end :**		
	Balance as at April 1, 2023	787,500,000	7,875.00
	Increase/(decrease) during the year	-	-
	Balance as at March 31, 2024	**787,500,000**	**7,875.00**
	Increase/(decrease) during the year		-
	Balance as at March 31, 2025	**787,500,000**	**7,875.00**

		No. of shares	(Rs. in million)
ii.	**Reconciliation of issued and subscribed share capital as at year end :**		
	Balance as at April 1, 2023	10,165,119	101.65
	Issued during the year	2,755,525	27.56
	Balance as at March 31, 2024	**12,920,644**	**129.21**
	Issued during the year	12,400,740	124.01
	Balance as at March 31, 2025	**25,321,384**	**253.22**

b) Terms/ rights attached to equity shares:

The Company 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 Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by them.

c) Details of shareholders holding more than 5% shares in the company

As at March 31, 2025

	No. of shares	Holding %
Hero Future Energies Asia Pte. Limited (holding company) along with its nominees*	25,321,384	100%

As at March 31, 2024

	No. of shares	Holding %
Hero Future Energies Asia Pte. Limited (holding company) along with its nominees*	12,920,644	100%

* 1 equity share held by other shareholder as nominee on behalf of Hero Future Energies Asia Pte. Limited

d) The Company has not issued any shares pursuant to any contract without payment being received in cash or as fully paid up by way of bonus shares during the period of five years immediately preceding the balance sheet date. The Company has not bought back any shares.

Notes to the Consolidated Financial Statements

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

e) Shareholding of promoters as under:

Particulars	Name of the promoters	No of shares at the beginning of the year	Change during the year	No of shares at the end of the year	% of total shares at the year end	% Change during the year
Equity shares of Rs 10 each fully paid up						
For the year ended March 31, 2025	Hero Future Energies Asia Pte. Ltd.	12,920,644	12,400,740	25,321,384	100%	95.98%
For the year ended March 31, 2024	Hero Future Energies Asia Pte. Ltd.	10,165,119	2,755,525	12,920,644	100%	27.11%

18. Other equity

	Amount
Retained earnings[1]	
Opening balance (April 1, 2023)	(27,607.23)
Add:- (Loss) for the year	(243.87)
Add:- Other comprehensive income	(9.76)
Less: Share issue expenses	(3.69)
Closing balance (March 31, 2024)	**(27,864.55)**
Add: Profit for the year	(1,581.59)
Impact of application of Ind AS 109 on account of corporate guarantee (refer note 64)	(5.45)
Add:- Other comprehensive income	13.32
Less: Share issue expenses	(69.69)
Closing balance (March 31, 2025)	**(29,507.96)**

[1] Retained earnings are the profit/(losses) that the Group has earned/incurred till date, net of appropriations. It is a free reserve available to the Group and eligible for distribution to its shareholders.

	Amount
Other reserves	
Securities premium	
Opening balance (April 1, 2023)	**7,641.37**
Add:- Addition during the year	2,617.75
Closing balance (March 31, 2024)	**10,259.12**
Add:- Addition during the year	13,011.79
Closing balance (March 31, 2025)	**23,270.91**
Capital reserve	
Opening balance (April 1, 2023)	4,597.68
Change during the year	-
Closing balance (March 31, 2024)	**4,597.68**
Add: Acquisition of Subsidiary (refer note 58)	1,078.21
Change during the year	(73.95)
Closing balance (March 31, 2025)	**5,601.94**
Capital reserve on common control business combination ('CCBC')	
Opening balance (April 1, 2023) (refer note 59)	(735.16)
Add: Capital reserve arising on common control business combination (refer note 59)	397.57
Closing balance (March 31, 2024)	**(337.59)**
Add: Capital reserve arising on common control business combination (refer note 59)	1,618.90
Closing balance (March 31, 2025)	**1,281.31**
Deemed capital contribution	
Opening balance (April 1, 2023)	-
Add:- Addition during the year	-
Less:- Utilised during the year	-
Closing balance (March 31, 2024)	**-**

Notes to the Consolidated Financial Statements

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

	Amount
Add: Corporate Guarantee (Impact of application of Ind AS 109) (refer note 64)	22.87
Closing balance (March 31, 2025)	**22.87**
Foreign currency translation reserve (refer note 59)	
Opening balance (April 1, 2023)	376.14
Add:- Addition during the year	118.74
Closing balance (March 31, 2024)	**494.88**
Add:- Addition during the year	0.94
Closing balance (March 31, 2025)	**495.82**

Debenture redemption reserve

Debenture redemption reserve is created to protect debenture holders against the risk of the default of the issuing compan. the companies which issues debentures requires to create a reserve out of their divisible profits at least equal to 25% of the nominal value of debentures issued, before the start of redemption.

The Group is required to create debenture redemption reserve in terms of Section 71(4) of the Companies Act, 2013 read with Rule 18(7) of Companies (Share Capital & Debenture Rules, 2014), however in view of losses the same has not been created.

Securities premium

Securities premium reserve is created to record the premium on issue of shares of Hero Future Energies Asia Pte. Limited, Singapore ("Holding Company") 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.

Capital reserve

The Group recognizes profit or loss on purchase, sale, issue or cancellation of the Group's own equity instruments to capital reserve. Capital reserve includes the following:

a) Equity component of preference shares

b) Capital reserve arising from acquisition of Clean solar Power (Jodhpur) Pvt. Ltd. (refer note 58)

c) Capital reserve arising from business combination (refer note 59)

Foreign Currency Translation Reserves

Exchange differences arising on translation of the foreign operations are recognised in other comprehensive income as described in accounting policy and accumulated in a separate reserve within equity. The cumulative amount will be reclassified to statement of profit or loss whenever the net investment will be disposed-off.

Deemed capital contribution

Deemed capital contribution is arising from impact of accounting of Financial Guarantee obligation as per Ind AS 109

19. Non-controlling interests

	Amount
Opening balance (April 1, 2023)	(286.80)
- Non-controlling interests share in profit and loss	(36.88)
Add:- Other comprehensive (loss) for the year	23.65
Closing balance (March 31, 2024)	**(300.03)**
Add:- Non-controlling Interest added during the year[1]	83.55
Add: (Loss) for the year	(22.85)
Add:- Other comprehensive income for the year	13.35
Closing balance (March 31, 2025)	**(225.98)**

Non-controling interest (NCI)

[1] NCI is created on equity in a subsidiary not attributable, directly or indirectly, being equity held by other share holders in below entities:

Notes to the Consolidated Financial Statements

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

i) Clean Solar Power (Eastern Europe) Ltd.

MGE Ltd, Cyprus, owns 15% of Clean Solar Power (Eastern Europe) Ltd, a subsidiary. The Group has recognized the non-controlling interest (NCI) based on the share of net assets transferred at the transaction date. Profits or losses related to the NCI have been adjusted accordingly. (Refer Note 65)

ii) Clean Renewable Energy KK 2A Pvt Ltd

During the year, Aurigene Oncology Limited acquired a 26.99% equity stake in Clean Renewable Energy KK 2A Pvt Ltd, a subsidiary. The Group has recognized the non-controlling interest (NCI) based on the share of net assets transferred at the transaction date. Profits or losses related to the NCI have been adjusted accordingly.

iii) Clean Renewable Energy KK 2B Pvt Ltd

During the year, Synthetic Packers Pvt. Ltd and VRKP Sponge & Power Plant LLP acquired a 27% equity stake in Clean Renewable Energy KK 2B Pvt Ltd, a step-down subsidiary. Consequently, the Group has recognized a non-controlling interest (NCI) based on the proportionate share of net assets transferred to Synthetic Packers Pvt. Ltd and VRKP Sponge & Power Plant LLP at the transaction date. Subsequent profits or losses attributable to the NCI have been adjusted accordingly.

iv) Clean Renewable Energy KK 2C Pvt Ltd

During the year, BASF India Limited acquired a 26.99% equity stake in Clean Renewable Energy KK 2C Pvt Ltd, a step-down subsidiary. Consequently, the Group has recognized a non-controlling interest (NCI) based on the proportionate share of net assets transferred to BASF India Limited at the transaction date. Subsequent profits or losses attributable to the NCI have been adjusted accordingly.

v) Clean Renewable Energy KK 2D Pvt Ltd

During the year, Kems Forgings Limited acquired a 27% equity stake in Clean Renewable Energy KK 2D Pvt Ltd, a step-down subsidiary. Consequently, the Group has recognized a non-controlling interest (NCI) based on the proportionate share of net assets transferred to Kems Forgings Limited at the transaction date. Subsequent profits or losses attributable to the NCI have been adjusted accordingly.

20. Trade payables

	As at March 31, 2025	As at March 31, 2024
Trade payables		
- total outstanding dues to micro and small enterprises	101.53	40.41
- total outstanding dues of creditors other than micro enterprises and small enterprises	1,694.30	1,433.02
	1,795.83	**1,473.43**

For explanations on the Company's credit risk management processes, refer to note 45.

Trade payables ageing schedule as at March 31, 2025

Particulars	Outstanding for following periods from due date of payment						Total
	Unbilled	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(a) Undisputed total outstanding dues of micro and small enterprises	-	-	82.72	12.48	0.02	2.56	97.78
(b) Undisputed total outstanding dues of creditors other than micro and small enterprises	1,214.99	8.69	119.30	13.67	6.84	7.45	1,370.94
(c) Disputed dues of micro and small enterprises	-	-	3.74				3.74
(d) Disputed total outstanding dues of creditors other than micro and small enterprises	172.96	-	144.76	2.37	1.91	1.37	323.37
Total	**1,387.95**	**8.69**	**350.52**	**28.52**	**8.77**	**11.38**	**1,795.83**

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

Trade payables ageing schedule as at March 31, 2024

Particulars	Outstanding for following periods from due date of payment						Total
	Unbilled	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(a) Undisputed total outstanding dues of micro and small enterprises	-	10.30	22.14	0.78	0.45	1.10	34.77
(b) Undisputed total outstanding dues of creditors other than micro and small enterprises	897.50	38.07	149.23	10.82	3.54	7.93	1,107.09
(c) Disputed dues of micro and small enterprises	3.49	-	2.15	-	-	-	5.64
(d) Disputed total outstanding dues of creditors other than micro and small enterprises	213.71	13.50	91.02	3.78	1.51	2.41	325.93
Total	**1,114.70**	**61.87**	**264.54**	**15.38**	**5.50**	**11.44**	**1,473.43**

21. Other Financial Liabilities

	As at March 31, 2025	As at March 31, 2024
Non- current		
Security deposit	2.61	2.58
Interest accrued on security deposits	0.77	0.70
	3.38	**3.28**
Current		
Derivatives not designated as hedges:		
-Forward currency contract	0.42	-
Interest accrued on borrowings	414.35	409.60
Purchase consideration payable (refer note 58)	-	770.43
Interest accrued on loan from related parties (refer note 38)	268.85	444.71
Payables for property, plant and equipment and intangible asset	1,766.98	896.28
Other payables	229.23	222.39
	2,679.83	**2,743.41**
Total	**2,683.21**	**2,746.69**

Breakup of financial liabilities at amortised cost:

	As at March 31, 2025	As at March 31, 2024
Borrowings (Refer note 25)	116,547.99	107,699.72
Trade payables (Refer note 20)	1,795.83	1,473.43
Other financial liabilities (Refer note 21)	2,683.21	2,746.69
	121,027.03	**111,919.84**

Notes to the Consolidated Financial Statements

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

22. Other liabilities

	As at March 31, 2025	As at March 31, 2024
Non- current		
Contract liabilities:		
Deferred revenue (Refer note 54)	673.22	554.69
Others:		
Deferred liability	0.81	0.85
Deferred government grant (Refer note 48)	2,067.38	2,206.09
Operation and maintenance equalisation reserve	163.58	286.90
	2,904.99	**3,048.53**
Current		
Contract liabilities:		
Advance from customers	43.37	2.06
Deferred revenue (Refer note 54)	161.82	142.14
Others:		
Deferred government grant (Refer note 48)	159.15	158.14
Deferred liability	0.04	0.04
Statutory dues	166.40	127.32
Operation and maintenance expense equalisation reserve	122.94	152.13
Other payables	36.38	33.71
	690.10	**615.54**
Total	**3,595.09**	**3,664.07**

23. Provisions

	As at March 31, 2025	As at March 31, 2024
Non- current		
Provision for employee benefits:		
- Provision for gratuity (Refer note 39)	9.38	9.50
- Provision for compensated absences	46.56	48.81
Others		
Provision for decommissioning cost (refer table below)	138.52	127.93
	194.46	**186.24**
Current		
Provision for employee benefits:		
- Provision for gratuity (Refer note 39)	1.97	2.12
- Provision for compensated absences	6.81	5.46
Provision for employee stock option plan (Refer note 51)	288.78	258.24
	297.56	**265.82**
Movement of provision for decommissiong cost		
Opening balance	127.93	116.98
Accretion during the year	10.59	11.55
Additions during the year	-	10.26
Change in estimate	-	(10.86)
Closing balance	**138.52**	**127.93**

Notes to the Consolidated Financial Statements

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

24. Current tax liabilities (net)

	As at March 31, 2025	As at March 31, 2024
Liabilities for current tax[1]	35.46	28.19
	35.46	**28.19**
[1] Net of advance tax	108.05	141.29

25. Borrowings

	As at March 31, 2025	As at March 31, 2024
Non- current		
Secured		
Term loan from banks	21,435.18	16,162.54
Term loans from financial institutions	32,878.99	31,035.69
Non-convertible debentures	974.10	740.83
Onshore ECB bonds (Refer Note 38)	19,854.24	21,618.25
Unsecured		
Cumulative compulsorily convertible preference shares	24,949.67	24,949.67
Compulsorily convertible debentures	83.20	83.20
	100,175.38	**94,590.18**
Current		
Secured		
Current maturities of long term borrowings from banks	5,094.28	3,483.83
Current maturities of long term borrowings from financial institutions	3,688.95	2,669.30
Current maturities of onshore ECB bonds	1,763.95	1,627.92
Short term loans from financial institutions- current	4,373.60	-
Long Term borrowings- current	70.06	76.94
Current maturities of non-convertible debentures	745.93	406.71
Unsecured		
Term loan from others	4.10	4.10
Term loan from related parties	-	3,420.78
Non-convertible debentures	-	1,187.00
Bank overdraft	631.74	232.96
	16,372.61	**13,109.54**
Total	**116,547.99**	**107,699.72**

For security terms refer note below

a) Quarterly returns or statements of current assets filed by the Group with financial institution are in agreement with the books of accounts.

b) The discount on issuance of ECBs and the issuance expenses in case of ECBs, term loans and non-convertible debentures have been recorded using the effective interest rate method and the unamortized balance of such amount as of March 31, 2025 is Rs.819.24 million (March 31, 2024 is Rs 933.36 million).

c) Long term loans from banks and financial institutions attract interest rate ranging from 8.25%p.a.- 12.00% p.a.

d) Non convertible debentures carry interest in the range of 9.05% p.a.- 12.00% p.a.

e) Short term loans from banks and related parties, working capital facility and bank overdraft from banks carries interest ranging from 7.25% p.a.- 12% p.a.

f) Cumulative compulsory convertible preference shares carry cumulative dividend @ 0.001% p.a., dividends are to be paid in Indian rupees. The dividend, if any proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

g) ECB bonds carries interest ranging from @ 8.85% p.a.- 8.92% p.a.

Notes to the Consolidated Financial Statements

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

Security and repayment terms for borrowings

Entity name	Nature of lender	Amount (in millions) March 31, 2025	Amount (in millions) March 31, 2024	Repayment terms	Security and other details
(i) Term loans					
Hero Future Energies Private Limited (HFEPL)	ICICI Bank Ltd	307.20	337.49	Repayable in 56 structured quarterly instalments starting from August 18, 2016 till May 18, 2030.	Refer Note 1(a)
	Aditya Birla Finance Limited	991.50	-	Repayable in 3 years with 4 equal half yearly installments after a moratorium of 12 month starting from June 30, 2026 till December 31,2027.	Refer Note 1(b)
Clean Solar Power (Tumkur) Private Limited	India Infradebt Limited	5,664.03	3,639.47	The existing Rupee term loan facility from TCCL and ABFL have been refinanced from India Infradebt Limited in December 2024 for a term loan facility amounting to Rs 2250.00 millions. The facility is repayable in 70 structured quarterly installments starting from September 30, 2021 till December 31, 2038.	Refer Note (2)
	Aditya Birla Finance Limited	-	898.16		
	Tata Capital Ltd (earlier known as Tata Cleantech Capital Ltd)	1,948.15	3,248.10		
Clean Solar Power (Chitradurga) Private Limited	Power Finance Corporation Limited	1,609.49	1,724.14	The term Loan facility is repayable in 213 equal monthly instalments, starting from July 2021 till March 31, 2039.	Refer Note (3)
Clean Wind Power (Devgarh) Private Limited	India Infradebt Limited	4,726.00	5,074.86	(i) New facility of INR 2855.80 million is repayable in 54 structured quarterly installments starting from December 31,2023 till March 31, 2037. (ii) the initial facility is repayable in 66 structured quarterly instalments starting from March 31, 2018 till June 30,2024.	Refer Note (4)
	Indian Renewable Energy Development Agency	6,300.94	6,719.10	(i) The initial facility from IREDA is repayable in 68 structured quarterly instalments till June 30, 2035. (ii) New facility is repayable in 44 structured quarterly instalments, starting from March 31, 2024 till December 30, 2034.	
	PTC India Financial Services Limited	-	2,143.12	The loan is repaid during the year	
LNJ Power Ventures Limited	India Infradebt Limited	466.89	520.79	The term Loan facility is repayable in 38 structured quarterly installments starting from December 31,2023 till March 31, 2033.	Refer Note (6)
Clean Wind Power (Manvi) Private Limited	India Infradebt Limited	1,683.66	1,868.93	Repayable in 68 structured quarterly instalments starting from December 31, 2019 till September 30, 2036.	Refer Note 7(a)
	Aditya Birla Finance Limited	745.12	797.19	The Term Loan is repayable in 64 structured quarterly instalments starting from June 30,2019 including the moratorium period of 6 months till March 31, 2035.	Refer Note 7 (b)
Clean Wind Power (Pratapgarh) Private Limited	ICICI Bank Ltd	325.74	367.37	The Term Loan is repayable in 38 structured quarterly instalments, starting from December 31, 2022 till March 31, 2032.	Refer Note (8)
Clean Solar Power (Bhadla) Private Limited	Axis Bank Ltd	1,805.13	1,881.64	92.5% of the Term Loan is repayable in 67 consecutive structured quarterly instalments commencing from June 30, 2022 and 7.5% of the facility to be repaid in bullet instalment along with last instalment payment on December 31, 2038.	Refer Note (9)

Notes to the Consolidated Financial Statements

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

Entity name	Nature of lender	Amount (in millions) March 31, 2025	Amount (in millions) March 31, 2024	Repayment terms	Security and other details
	State Bank of India	8,239.91	8,618.63	(i) 92.5% of the Term Loan is repayable in 74 consecutive structured quarterly instalments commencing from February 28, 2021 and 7.5% of the facility to be repaid in bullet instalment along with last instalment payment on December 31, 2038. (ii) additional facility of Rs.1,200.00 million is repayable 138 monthly installments commencing from October 31, 2021 to till March 31, 2033	
Clean Solar Power (Bellary) Private Limited	Federal Bank Limited	689.95	749.17	The Term Loan facility is repayable in 60 structured quarterly instalments, starting from September 2021 till June 30, 2036.	Refer Note (10)
Clean Wind Power (Anantapur) Private Limited	India Infradebt Limited	762.50	799.22	The Loan is repayable in 66 structured quarterly instalments, starting from December 31, 2023 till March 31, 2040.	Refer Note (11)
Clean Solar Power (Jodhpur) Private Limited	ICICI Bank Ltd	2,336.06	-	The loan is repayable in 18 structured quarterly instalments, starting from June 2023 till September 30 , 2027	Refer Note (12)
	Standard Chartered Bank	4,905.18	-	The existing Rupee term loan facility from HDFC have been refinanced from Standard Chartered Bank in November 2024 for a term loan facility amounting to Rs 2650.00 millions. Further, the lender i.e. SCB has downsold its exposure of Rs 2.622.56 millions to Indusind Bank vide Transfer Deed dated March 21, 2025. The loan is repayable in 19 structured instalments, starting from April 2023 till September 30, 2027.	
	IndusInd Bank Limited	2,588.02	-		
Hero Solar Energy Private Limited (HSEPL)	IndusInd Bank Limited	1,509.48	2,742.39	1) Medium Term Loan facility (MTL-2) is repayable in 13 quarterly structured instalments starting from December 31, 2021 till December 31, 2024. This facility is repaid during the year. 2) The loan is repayable in 14 quarterly structured installments till March 31, 2027 after mortarium of 6 months.	Refer Note (13)
	Tata Capital Ltd (earlier known as Tata Cleantech Capital Ltd)	719.31	700.40	The term Loan facility is repayable in 71 structured quarterly instalments, starting from September, 2022 till March 31, 2040.	Refer Note (13a)
	Aditya Birla Finance Limited	373.65	745.60	The Loan is repayable in 4 half yearly equal payments starting from September 30, 2024 till March 31, 2026, after mortarium of 12 months.	Refer Note (13b)
	Federal Bank Limited	1,758.98	2,847.93	The facility is repayable in 18 equal monthly instalments, starting from September, 2024 till February 28, 2026, after mortarium of 12 months.	Refer Note (13c)
	SBM Bank (India) Limited	444.64	-	The loan has a tenure of 30 months and is repayable in 9 structured quarterly installments, starting from December 31, 2024 till December 31, 2026.	Refer Note (13d)
	Oxyzo Financial Services Limited	542.19	-	The loan has tenure of 30 equal monthly principal installments ,starting from April 25,2025 till September 25,2027.	Refer Note (13e)
Waaneep Solar Private Limited	Tata Capital Ltd (earlier known as Tata Cleantech Capital Ltd)	2,716.37	2,851.55	The term Loan facility is repayable in 59 structured quarterly instalments, starting from March 31, 2024 till September 30, 2038.	Refer Note (14)
	Kotak Infrastructure Debt Fund Limited	1,169.93	1,228.76		

Notes to the Consolidated Financial Statements

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

Entity name	Nature of lender	Amount (in millions) March 31, 2025	Amount (in millions) March 31, 2024	Repayment terms	Security and other details
Hero Wind Energy Private Limited (HWEPL)	SBM Bank (India) Limited	-	41.44	The loan is repaid during the year	
	Aditya Birla Finance Limited	372.85	745.65	The said Loan is repayable in 4 half yearly equal installments starting from September 30, 2024 after mortarium of 12 months, till March 31, 2026.	Refer Note (15a)
	Federal Bank Limited	1,621.26	2,060.32	The facility is repayable in 18 equal monthly instalments, starting from December 22, 2024 till May 22, 2026.	Refer Note (15b)
	Tata Capital Ltd (earlier known as Tata Cleantech Capital Ltd)	2,974.96	-	The loan has a tenure of 36 months and is repayable in 8 structure quarterly installments of Rs 375 milion starting from September 30, 2025 till June 30, 2027.	Refer Note (15c)
Hero Rooftop Energy Pvt L	Aseem Infrastructure Finance	2,485.66	-	The loan has a tenure of 21.25 years (comprising of construction period of 10 months and morotarium period,with repayment period being 20 years,) and is repayable in 80 structures quarterly installments , starting from March 31, 2026 till December 31, 2045.	Refer Note (16)
Clean Solar Power Rooftop Private Limited	ICICI Bank Ltd	70.06	76.88	The term Loan facility is repayable in 47 structured equal quarterly instalments, starting from September 30, 2022 till June 30, 2033.	Refer Note (17)
Clean Renewable Energy (Barmer) Pvt. Ltd .	Tata Capital Ltd (earlier known as Tata Cleantech Capital Ltd)	1,500.00	-	The term loan facility is repayable as bullet repayment at the end of 12 month from date of first disbursement.	Refer note (18)
Clean Renewable Energy Hybrid Three Pvt Ltd	Tata Capital Ltd (earlier known as Tata Cleantech Capital Ltd)	2,500.00	-	The term loan facility is repayable as bullet repayment at the end of 12 month from date of first disbursement.	Refer note (19)
Clean Renewable Energy KK 2A Pvt Ltd	Aseem Infrastructure Finance	170.69	-	The loan has a tenure of ~21 years (comprising of construction period and morotarium period with a repayment of 20 years) and is repayable in 80 structures quarterly installments , starting from March 31, 2025 till March 31, 2045.	Refer note (16)
Clean Renewable Energy KK 2B Pvt Ltd	Aseem Infrastructure Finance	299.16	-	The loan has a tenure of ~21 years (comprising of construction period and morotarium period with a repayment of 20 years) and is repayable in 80 structures quarterly installments , starting from March 31, 2025 till March 31, 2045.	
Clean Renewable Energy KK 2C Pvt Ltd	Aseem Infrastructure Finance	104.75	-	The loan has a tenure of ~21 years (comprising of construction period and morotarium period with a repayment of 20 years) and is repayable in 80 structures quarterly installments , starting from March 31, 2025 till March 31, 2045.	
Clean Renewable Energy KK 2D Pvt Ltd	Aseem Infrastructure Finance	111.83	-	The loan has a tenure of ~21 years (comprising of construction period and morotarium period with a repayment of 20 years) and is repayable in 80 structures quarterly installments , starting from March 31, 2025 till March 31, 2045.	
Total (A)		67,541.23	53,428.30		
(ii) Non-Convertible Debentures					
Hero Solar Energy Private Limited	Non-Convertible Debentures (NCD)	497.20	1,820.62	The repayment terms are as follows: a) 11.65% Non convertible debentures is scheduled to be repaid in bullet payment in December 3, 2025.	Refer Note (20)
				b) 11.50% Non convertible debentures is scheduled to be repaid in 7 equal quarterly installments starting from November 2022 to May 2024. this facility repaid during the year	

Notes to the Consolidated Financial Statements

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

Entity name	Nature of lender	Amount (in millions) March 31, 2025	Amount (in millions) March 31, 2024	Repayment terms	Security and other details
				c) 11.10% Non convertible debentures issued is scheduled to be repaid in 10 equal quarterly instalments starting from December 2022 to March 2025. This facility has been repaid during the year	
				d) Issued 1,187 unsecured, unlisted and redeemable Non- convertible debentures ('NCD') of face value of Rs 1.00 million each. The NCD are repayable in bullet payment in September 2024. This facility has been repaid during the year	
Hero Wind Energy Private Limited	Non-Convertible Debentures (NCD)	1,222.78	513.92	The repayment terms are as follows: a) 11.65% Non convertible debentures is scheduled to matured 40 months from the allotment date (bullet repayment on December 03, 2025. b) 9.6% Non covertible debentures issued during the year is schedule to maturity of 36 months which shall be repaid in 7 quartely installment starting from April 4, 2026 till October 4, 2027. c) 11.10% Non convertible debentures issued is scheduled to be repaid in 10 equal instalments starting from December 2022 to March 2025 is reapid during the prevous year d) 9.05% Non convertible debentures is repaid during the year	Refer Note (21)
Total (B)		**1,719.98**	**2,334.54**		
(iii) Onshore external commercial borrowings (ECB) bonds					
Clean Solar Power (Dhar) Private Limited	Clean Renewable Power (Mauritius) Pte Ltd	790.96	850.52	Repayable in half yearly structured installments starting from March 25, 2022 till March 25, 2027	Hero Future Energies Private Limited has given the guarantee in the favour of Axis Trustee Services Limited on the behalf of Clean Renewable Power (Mauritius) Pte Limited. The Loan amount is secured through (i) First ranking charge by way of mortgage over movable property and hypothecation over project documents of the Company, mortgage/ charge on certain immovable properties (other than Clean Wind Power (Ratlam) Private Limited, Clean Solar Power (Dhar) Private Limited and Rajkot (Gujarat) Solar Energy Private Limited)

Notes to the Consolidated Financial Statements

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

Entity name	Nature of lender	Amount (in millions) March 31, 2025	Amount (in millions) March 31, 2024	Repayment terms	Security and other details
					(ii) Second ranking charge by way of hypothecation over all current assets of the Company (iii) Pledge of 51% of the equity shares of the Company by Hero Solar Energy Private Limited.
Clean Solar Power (Gulbarga) Private Limited		8,405.22	9,038.22		
Clean Wind Power (Ratlam) Private Limited		4,571.44	4,915.63		
Clean Wind Power (Piploda) Private Limited		1,521.15	1,635.68		
Clean Wind Power (Satara) Private Limited		1,451.71	1,561.02		
Bhilwara Green Energy Limited		1,179.49	1,268.31		
Clean Wind Power (Bableshwar) Private Limited		1,864.52	2,004.93		
Rajkot (Gujarat) Solar Energy Private Limited		1,833.57	1,971.86		
Total (C)		**21,618.06**	**23,246.17**		
(iv) Cumulative compulsorily convertible preference share					
Hero Future Energies Private Limited	Compulsorily convertible preference shares issued to equity shareholder and preference shareholder of Hero Future Energies Private Limited (amalgamated co,) of Rs. 100/- each fully paid at par.	24,949.67	24,949.67	Refer Note 1(c) to 1(e)	Refer Note 1(c) to 1(e)
Total (D)		**24,949.67**	**24,949.67**		
(v) Compulsory convertible debentures					
LNJ Power Ventures Limited	RSWM Limited	83.20	83.20	The group has issued 832 Compulsorily Convertible Debentures (CCDs) to its related company RSWM Limited, having a face value of Rs. 0.10 million each to finance the project.CCDs shall have a maturity period of 20 years from the date of issuance to original holder i.e. March 21, 2013. CCDs shall be converted into equity shares, based on the fair market value determined by the valuer appointed by the Company at the end of 20th year. These CCDs shall carry coupon of 14% annualised yield (i.e Internal rate of return) on the face value.	CCD is unsecured and shall carry coupon of 14% annualised yield (i.e Internal rate of return) on the face value.
Total of (E)		**83.20**	**83.20**		

Notes to the Consolidated Financial Statements

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

Entity name	Nature of lender	Amount (in millions) March 31, 2025	Amount (in millions) March 31, 2024	Repayment terms	Security and other details
(vi) Loan from related party					
C S P(Eastern Europe) Ltd	Hero Future Energies Global Ltd	-	3,420.78	The loan is repaid during the year ended March 31, 2025	
Total of (F)		-	3,420.78		
(vii) Bank Overdraft					
Hero Future Energies Private Limited	Axis Bank Ltd	146.24	142.90	Repayable on demand	Unsecured
Hero Wind Energy Private Limited	Axis Bank Ltd	99.64	30.51	Repayable on demand	Unsecured
Hero Solar Energy Private Limited	Axis Bank Ltd	-	32.01	Repayable on demand	Unsecured
Hero Solar Energy Private Limited	Axis Bank Ltd	149.88	-	Repayable on demand	Unsecured
Clean Wind Power (Pratapgarh) Private Limited	Axis Bank Ltd	16.76	27.54	Repayable on demand	Unsecured
Vayu Urja Bharat Private Limited	Axis Bank Ltd	219.22	-	Repayable on demand	Secured by way of first pari passu charge on entire movable fixed assets and current assets of the company both present and future.
Total (G)		**631.74**	**232.96**		
(viii) Term Loan from others					
Waaneep Solar Private Limited	Others	4.10	4.10	Repayable on demand	Unsecured
Total (H)		**4.10**	**4.10**		
Grand Total (A+B+C+D+E+F+G+H)		**116,547.99**	**107,699.72**		

Notes on security terms:

[1](a) The term loan, along with interest and other monies, is secured by an equitable mortgage over the entire immovable properties related to the 10 MW Solar Power Plant. Additionally, there is hypothecation over all movable fixed assets, including plant and machinery, machinery spares, tools, and documents executed for land acquisition. The security also includes an assignment of all rights under the project documents, such as insurance policies, rights, titles, permits, and clearances. There is an exclusive charge by way of hypothecation on all current assets related to the 10 MW Solar Power Plant, including book debts, operating cash flows, receivables, commissions, and revenues of all nature. Furthermore, there is an exclusive charge on all bank accounts, including the Trust and Retention account and DSRA, related to the 10 MW Solar Power Plant.

[1](b) The facility is secured by first pari passu charge: On all cash flows of the borrower, including management fees, O&M fees, dividends, development fees, interest, etc., excluding cash flows from projects already charged to their respective project lenders. Pledge of Shares: 26% shareholding of Hero Solar Energy Private Limited (HSEPL) to be shared on a pari passu basis with ABFL Facility in HSEPL and Hero Wind Energy Private Limited (HWEPL).Assignment/Charge/Pledge of Promoter Debt/Subordinated Debt: By HFEPL in HSEPL/HWEPL/Hero Renewable Energy Private Limited (HREPL) or by HSEPL/HWEPL to project SPV, providing a minimum-security cover of 1.20x on book value. ISRA: Equivalent to one quarter of interest servicing & Unconditional & Irrevocable Debt Shortfall Undertaking.

(C) Terms attached to cumulative compulsorily convertible preference share - Series A ('CCPS V2'):

During the year ended March 31, 2018 vide NCLT order dated February 07, 2018, the Company has issued 33,329,801 Cumulative Compulsory Convertible Preference Shares (CCPS V2) to holders of CCPS V1 and 123,345,767 CCPS V2 to the equity shareholders of Hero Future Energies Private Limited (amalgamated company) of Rs. 100 each fully paid at par as purchase consideration on March 30, 2018. These CCPS V2 are convertible into equity shares at higher of fair market value of equity share of the Company (i) at the time of conversion or (ii) at the time of issuance of CCPS V2.

Notes to the Consolidated Financial Statements

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

The CCPS V2 carry cumulative dividend @ 0.001% p.a., the Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.
Refer note 43 for further details.

(D) Terms attached to cumulative compulsory convertible preference shares- Series A1 ('CCPS V3'):

During the year ended March 31, 2019, the Company has issued 16,829,290 cumulative compulsory convertible Preference shares (CCPS V3) to Hero Future Energies Asia Pte Ltd. and 26,573,621 to Hero Futures Energies Global Limited of Rs. 100 each fully paid at par. These CCPS V3 are convertible into equity shares at higher of fair market value of equity share of the Company (i) at the time of conversion or (ii) at the time of issuance of CCPS V3.

The CCPS V3 carry cumulative dividend @ 0.001% p.a., the Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.
Further, during the year ended March 31, 2020, the Company has issued 2,628,606 Cumulative Compulsorily Convertible Preference Shares ('CCPS V3') at a consideration of Rs 262.86 million to Hero Future Energies Global Ltd. These CCPS V3 have a face value of Rs. 100 each and are fully paid.

During the year ended March 31, 2023, the CCPS V3 issued by the company to Hero Futures Energies Global Limited has been transferred to International Finance Corporation (IFC) and IFC GIF Holding II Cooperatief U.A.

(e) Terms attached to cumulative compulsory convertible preference shares- Series A2 ('CCPS V5'):

During the year ended March 31, 2020, the Company has issued 38,893,348 Cumulative Compulsorily Convertible Preference Shares ('CCPS V5') at a consideration of INR 3,889.33 million to Abu Dhabi Future Energy Company PJSC-Masdar ('Masdar'). These CCPS V5 have a face value of INR (In Rupees) 100 each and are fully paid.

These CCPS V5 are convertible into equity shares at higher of fair market value of equity share of the Company (i) at the time of conversion or (ii) at the time of issuance of CCPS V5. The CCPS V5 carry cumulative dividend @ 0.001% p.a., The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.
During the year ended March 31, 2021, the Company has issued 7,896,253 Cumulative Compulsorily Convertible Preference Shares ('CCPS V5') at a consideration of Rs 789.63 million to Abu Dhabi Future Energy Company PJSC-Masdar ('Masdar'). These CCPS V5 have a face value of Rs. 100 each and are fully paid.

These CCPS V5 are convertible into equity shares at higher of fair market value of equity share of the Company (i) at the time of conversion or (ii) at the time of issuance of CCPS V5. The CCPS V5 carry cumulative dividend @ 0.001% p.a., The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

During the year ended March 31, 2023, 39,164,629 numbers of Cumulative Compulsorily Convertible Preference Shares ('CCPS V5') were purchased by Hero Future Energies Global Limited and remaining 7,624,972 CCPS V5 were purchased by BM Munjal Energies Private Limited from Masdar.

(2). The facility is secured with first charge by way of emortgage over the entire immovable properties of the Company, over all the movable fixed assets including plant and machinery, machinery spares, tools, spares and accessories of the Project by way of hypothecation, charge on all rights under Project Documents including power purchase agreements insurance policies, rights, titles, permits, approvals, clearances and all benefits incidental thereto of the project, hypothecation on all current assets of the Project (present and future) including book debts, operating cash-flows, receivables, commissions, revenues, first charge on all Project accounts including Trust and Retention account; a pledge of 51% of equity shares pledged as securities and first charge on 100% of the shareholder loan infused as promoter contribution.

(3) The Loan amount is secured by way of first charge of hypothecation and mortgage of all movable and immovable assets of the project (present & future) including intangibles, goodwill, uncalled capital (present and future) of the subsidiary specific to the project. It includes charge over project documents, Letter of credit, Guarantees and insurance policies in favour of the company as well as on all current assets (present and future) including book debts, operating cash flows, receivables , commissions and revenue of all nature.

It includes pledge of 51% of the equity share capital and 51% of the compulsorily convertible debentures of the subsidiary and DSRA of amount of equivalent to Principal and interest repayment due in 2 quarters is to be maintained.

(4) The facility together with all obligations is secured by way of first ranking security interest , mortgage on all the rights, title, interest in immovable properties including freehold land/ leasehold land together with all structures and appurtenances, on all the tangible movable assets in relation to the project including movable plant & machinery, machinery spares, tools and accessories, furniture, fixtures and all other movable assets (both present and future), charge over all accounts in relation to the projects including all bank accounts, Trust and Retention account, sub accounts, Debt service Reserve Account, charge over the current assets of the subsidiary both present and

Notes to the Consolidated Financial Statements

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

future, charge on all revenues and scheduled or unscheduled receivables of the Borrower, book debts, operating cash flows and other commissions and revenues and cash of the subsidiary and all insurance proceeds, both present and future, charge on all intangible assets of the subsidiary including goodwill, intellectual rights, uncalled capital and undertakings in relation to the project, charge and assignment by way of security in all the rights, titles, interest in the project documents including PPAs entered into with state Utilities, guarantees in favour of the subsidiary, clearances, letter of credits, insurance contracts. It also includes security interest by way of pledge of 51% of total equity shares, preference shares, NCDs, OCDs together with all accretions, assignment by way of security interest of 51% of the subordinate loans, unsecured shareholder loan, financial assistance, funds infused by the promoters. The lenders agree that the security may be extended on a pari-passu basis to the extent of an amount not exceeding 550 million of the working capital facilities.

(5) The Loan amount is secured by way of first charge of hypothecation and mortgage of all movable and immovable properties pertaining to the 120 MW of Wind project of the said subsidiary 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 said subsidiary. It also includes pledge of 51% shares and Optionally Convertible Cumulative Debentures (OCCD) of the said subsidiary held by Hero Wind Energy Private Limited.

(6) The Loan is secured by way of first charge of hypothecation and mortgage of all movable and immovable properties pertaning to the projects as well as on all current assets (present and future) including book debts, operating cash flows, receivables, commissions and revenue of all nature. first change over all accounts including TRA account and all the sub accounts. first change over on all intangible assets. It also includes pledge of 51% of the fully paid up share capital, NCD/CCD/CCPS of the borrower, in demat form (free from all restrictive convenants, lien or other encumbrance under any contract, arrangement or arrangement including but not limited to any shareholder agreement), together with all the accertions thereon and first charge on 51% of the funds infused by the promoter's contribution.

(7) (a) The Loan is secured by way of first right on immovable properties pertaining project of the company, hypothecation of all the tangible movable project assets, both present and future, first charge over the book debts, operating cash flows and all current assets, first charge over all the accounts of borrower, first charge on all the intangible assets of the borrower, first charge cum assignment of all rights, titles, benefits under the project documents, letter of credit, Pledge of 51% of the fully paid up share capital, NCD/ CCD/ CCPS/ Preference shares of the borrower, in dematerialized form together with all accretions thereon and hypothecation of 51% shareholder's loan and unsecured loan of the promoter's in the Company.

(7) (b) The loan is secured by way of first right on immovable properties pertaining to the Company, hypothecation of all the tangible movable project assets, both present and future, first charge over the book debts, operating cash flows and all current assets, first charge over all the accounts of borrower, first charge on all the intangible assets of the borrower, all right, title and interest of the borrower under the PPA, pledge of 51% of fully paid up share capital, NCD/CCD/CCPS/preference shares/share holder's loan and unsecured loan of the Company and hypothecation of 51% of shareholder's loan and unsecured loans of the promoter in the Company.

(8) i) First charge by way of mortagage on all the immovable properties & first charge by way of mortagage over movable fixed assets but not limited to Land, plant & machinery, spares, Tools.

ii) First charge by way of assignment of deed of hypothecation on rights under the project documents.

iii) First pari passu charge by way of hypothecation on all ,borrower's current assets, book debts, commissions, operting cash flows.

iv) First charge by way of hypothecation on all the bank accounts of the borrowers including trust and retention account.

v) Pledge of promoter shares (in the dematerialised form) representing a minimum of 30%.

(9) The Loan amount is secured by way of first charge of hypothecation on all bank accounts (including DSRA) and mortgage of all movable and immovable assets of the project (present & future) including intangibles, goodwill, uncalled capital (present and future) of the said subsidiary specific to the project. It includes charge over project documents, Letter of credit, Guarantees and insurance policies in favour of the subsidiary as well as on all current assets (present and future) including book debts, operating cash flows, receivables, commissions and revenue of all nature.

It includes pledge of 51% of the equity share capital of the subsidiary.

(10) The Loan amount is secured by way of first charge of hypothecation and mortgage of all movable and immovable properties of the subsidiary including intangible assets and project documents as well as on all current assets (present and future) including book debts, current account (including TRA), operating cash flows, receivables , commissions and revenue of all nature. It also includes pledge of 30% shares of the subsidiary held by Hero Solar Energy Private Limited and DSRA of amount of equivalent to Principal and interest repayment due in 3 months is to be maintained.

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

(11) The Loan is secured by way of first charge of hypothecation and mortgage of all movable and immovable properties pertaning to the projects as well as on all current assets (present and future) including book debts, operating cash flows, receivables, commissions and revenue of all nature. first change over all accounts including TRA account and all the sub accounts. first change over on all intangible assets. It also includes pledge of 51% of the fully paid up share capital, NCD/CCD/CCPS of the borrower, in demat form (free from all restrictive convenants, lien or other encumbrance under any contract, arrangement or arrangement including but not limited to any shareholder agreement), together with all the accertions thereon and first charge on 51% of the funds infused by the promoter's contribution.

(12) The facility shall be secured by:-

(a) (i) Non Disposal Undertaking (NDU) & Negative lien on Private and revenue Land (ii) deposit of title deeds (iii) Mortgage on immovable properties

(b) Pledge of 100% of equity share and quasi-equity instruments of the borrower and assigment/charge of any shareholder loans to the Borrower

(c) First Pari passu Security on the following

(i) all the tangible and movable plant and machinery

(ii) all intangible assets including but not limited to its Goodwill

(iii) all Insurance Policies

(iv) all the borrower rights, title, interest, benefit, claims and demand

(v) all current assets and receivable of the borrower

(13) The Loan amount shall be secured by:-

(a) Pledge of 26% investment in form of shares/convertible equity instrument and hupothecation Shareholder's loan, Promoter contribution of HSEPL held by HFEPL.

(b) Pledge of equity shares/convertible instrucments of identified SPV's of HSEPL and/or HWEPL and hypothecation over loans and advances given by HSEPL and/or HWEPL to identified SPV's.

(c) Charge over accounts of HSEPL and/or HWEPL designated to receive minimum Rs. 1,250 million annual cash flow from underlying identified SPV's.

(13a) The Loan is secured by way of first charge of hypothecation of all movable properties pertaining to the projects as well as on all current assets (present and future) including book debts, Bank accounts (including DSRA amount), operating cash flows, receivables, commissions and revenue of all nature pertaining to projects and intangible assets and rights, titles, interest, benefits and demands of the borrowers in the project documents. It also includes corporate guarantee from promoter Hero Future Energies Private Limited.

(13b) The Facility (together with all interests,liquidated damages, fees, costs, charges,expenses and other monies and all other amounts stipulated and payable by the Borrowers to the ABFL) (whether expended by the ABFL itself or not) shall be secured by –

a) First pari passu charge on all cash flows of the Borrower including but not limited to Management Fee, O&M Fee, Dividend, Development Fee, Interest etc(excluding cashflows from rooftop projects housed under HSEPL which are already charged to their respective Project Lenders);

b) Pledge of 26% shareholding (on a fully diluted basis) of HSEPL at all times (to be shared on a pari passu basis with ABFL Facility in HWEPL)

c) Assignment / Pledge of promoter debt / subordinated debt in Identified Project SPVs of the HSEPL/HWEPL to provide a minimum-security cover of 1.20x on book value.

d) ISRA equivalent to 1 quarter interest servicing

e) Unconditional & Irrevocable Corporate Guarantee of the Guarantors

f) DPN

g) Interim Security: Co shall hypothecate unsecured loans from HFEPL to HSEPL/HWEPL to provide a minimum security coverage of 1.20x times

(13c) The Loan is secured by way of a) hypothecation of loans and advances given by HFEPL to HSEPL and/or HWEPL to the extent of 1.1x. b) Pledge of 22% shares of HSEPL held by HFEPL.

Notes to the Consolidated Financial Statements

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

(13d) (a) Hypothecation of loan & Advance given to Clean Solar Power (Tumkur) Private Limited To the extent of 1.1x cover of loan amount

(b) CG of HFEPL for an amount equivalent to debt servicing reserve amount"

(13e) The facility is secured by:-

(1) First ranking charge by way of hypothecation on shareholder loan given to Clean Solar Power (Chitradurga) Pvt. Ltd equivalent to atleast 1.10x of the facility amount

(2) first ranking execlusive charge over all the present and future money received /to be received by borrower in lieu of dedicated cash flow from Clean Solar Power (Chitradurga) Pvt. Ltd. both present & Future till the currency of the facility to the extent of outstanding equivalent to atleast 1.10x of the facility amount

(3) Unconditional & Irrevocable Gurantee of HFEPL

(4) Cash Collateral equivalent to 2 Quarter ISRA

(5) A demand promissory note and a letter of continuity"

(14) The Loan is secured with first charge by way of mortgage over the entire immovable properties of the subsidiary, over all the movable fixed assets including plant and machinery, machinery spares, tools, spares and accessories of the Project by way of hypothecation, charge on all rights under Project Documents including power purchase agreements insurance policies, rights, titles, permits, approvals, clearances and all benefits incidental thereto of the project, first charge on all current assets including book debts, operating cash-flows, receivables, commissions, revenues, first charge on all other bank accounts including Trust and Retention account; and Pledge over Equity Shares representing 51% percent of the Equity Shares of the subsidiary in favour of the Lenders/Security Trustee and corporate guarantee from the Hero Future Energies Private Limited. DSRA equivalent to 1 quarter of interest and principal servicing for Project-1 and 2 quarters for Project-2 and Project-3.

(15a) The Facility together with all Obligations in relation thereto shall be secured by the following (collectively referred to as the "Security"):

(a) first charge on all cash flows of the Borrower (including but not limited to management fee, O&M fee, dividend, development fee, interest etc. but excluding cash flows from rooftop projects under the Borrower. which are already charged to its project lenders), until the Final Settlement Date;

(b) an assignment / hypothecation of HFEPL Loans by HFEPL, until the Interim Security End Date;

(c) an assignment / hypothecation of the Identified Project SPV Loans by the Borrower, until the Final Settlement Date;

(d) a pledge of the Pledged Securities by the Pledgor pari passu with the lenders of the Other Borrower Facility, until the Final Settlement Date;

(e) an unconditional and irrevocable corporate guarantee to guarantee the Facility and the Obligations to be provided by each of the Guarantors (the "Corporate Guarantee") until the Final Settlement Date;

(f) an exclusive charge on the Interest Service Reserve Amount.

(15b) The loan is secured by way of:-

(1) Hypothecation of loans & advances given by HFEPL to HSEPL and/or HWEPL to extent of 1.1x

(2) 30% pledge of shares of HWEPL held by HFEPL

(15c) The facility secured by:-

(1) 26% Pledge of equity share of Hero Solar Energy Pvt. Ltd

(2) Debt shortfall undertaking from HFEPL & HSEPL

(3) Corporate Gurantee to the maximum extent of INR 50 Cr from HFEPL

(4) Hypothecation/charges on loan and advance/Investment made by HFEPL/HSEPL/HWEPL in Project SPVs/subsidiaries such that at least cover of 1.1 x of the outstanding amount is maintained

(16) The facility shall be secured by:-

(1) First pari-passu charge on all immovable properties and assets (including any leasehold rights) of the Project, both present and future,

Notes to the Consolidated Financial Statements

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

(2) First pari-passu charge on all the movable properties in relation to the Project, including plant and machinery, machine spares, tools and accessories, furniture, fixtures vehicle, and other movable assets, both present and future,

(3) First pari-passu charge on entire cash flows, current assets, receivables, book debts and revenues in relation to the Project

(4) First pari-passu charge on all intangible assets in relation to the Project

(5) Assignment / charge through deed of hypothecation (a) all the rights, titles, interests, benefits, claims and demands (b) all the rights, titles, interests, licenses, benefits, claims and demands (c) all Insurance Contracts and Insurance Proceeds (d) assignment of guarantees from EPC contractor / or any other counterparty to Project Documents (e) An assignment in favour of the Lender, over all the Borrower's intangibles, goodwill, etc., both present and future

(6) First pari-passu charge on all accounts under the Escrow Account agreement and any other bank accounts

(7) First pari-passu charge by way of Pledge (issued & paid-up equity capital, on fully diluted basis) in favour of Lender(s) / their Security Trustee. The pledge shall not be less than 74% of total shares (issued & paid-up equity capital, on fully diluted basis) at any time. Pledge requirement shall reduce to 51% (issued & paid-up equity capital, on fully diluted basis) on Project Stabilization

(8) First pari-passu charge by way of pledge of 74% of debentures / securities (Compulsory Convertible Debentures (CCDs) / Non-Convertible Debentures (NCDs) / Optionally Convertible Debentures (OCDs) / preference shares/other instruments)

(9) First pari passu charge by way of Charge / Assignment by way of hypothecation of the unsecured loans and other debt instruments.

(10) Irrevocable and unconditional corporate guarantee

(17) The Loan is secured by way of first charge of hypothecation and mortgage of all movable and immovable properties pertaining to the projects as well as on all current assets (present and future) including book debts, operating cash flows, receivables, commissions and revenue of all nature. It also includes pledge of 30% shares of the subsidiary held by its Holding company Hero Rooftop Energy Private Limited.

(18) The facility shall be secured by:-

(1) First charge over the movable fixed assets, current assets, all the movable assets pertaining to the Project, entire cash flows, receivables, book debts, bank accounts and revenues pertaining to the Project,

(2) Pledge of 51% of the fully paid-up share capital/quasi-equity instruments,

(3) Hypothecation of all the rights, title, interest, benefits, claims and demands whatsoever in the Project Documents pertaining to the Project,

(4) First charge by way of hypothecation on all the unsecured loans/subordinate debt and any other amounts infused including debt to be infused from the proceeds of the Facility and all unsecured loans/subordinate debt due and payable to the Sponsor,

(5) Debt servicing undertaking from HFEPL.

(19) The facility shall be secured by:-

(1) First charge over the movable fixed assets, current assets, all the movable assets pertaining to the Project, entire cash flows, receivables, book debts, bank accounts and revenues pertaining to the Project,

(2) Pledge of 51% of the fully paid-up share capital/quasi-equity instruments,

(3) Hypothecation of all the rights, title, interest, benefits, claims and demands whatsoever in the Project Documents pertaining to the Project,

(4) First charge by way of hypothecation on all the unsecured loans/subordinate debt and any other amounts infused including debt to be infused from the proceeds of the Facility and all unsecured loans/subordinate debt due and payable to the Sponsor,

(5) Debt servicing undertaking from HFEPL.

(20) (a) The NCD are secured by exclusive charge by:

- Security of 1.1x of principal plus final redemption amount (P+I) to be be provided upfront. (hypothecation of loans from HFEPL to HSEPL)
- Corporate Guarantee by the HFEPL
- DSRA, at the end of 37 months

Notes to the Consolidated Financial Statements

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

(21) (a) The 11.65% non-convertible debentures (unlisted) are secured by way

1. Security of 1.1x of principal plus final redemption amount (P+I) to be be provided upfront. (hypothecation of loans from HFEPL to HWEPL)
2. Corporate guarantee of HFEPL.
3. DSRA, at the end of 37 months.

(b) The 9.60% non-convertible debentures (unlisted) are secured by way

1. Hypothecation of loans and advance of inter-co loans offered by HFEPL to Hero Solar Energy Provate Limited that provides 1.1x cover on the facility
2. Shortfall undertaking as mutually agreed from Hero Future Energies Pvt. Ltd
3. 1 quarter interest reserve in form of a fixed deposit.

(22) The Subsidiary namely Clean Solar Rooftop Private Limited breaches financial covenant therefore the total non current amount of loan of Rs. 63.11 million (March 31, 2024: Rs 70.02 million) is being reclassified from non-current to current. Hence the total outstanding loan is classified as current amounting to Rs. 70.06 (March 31,2024 Rs 76.94 million)

26. Revenue from operations

	March 31, 2025	March 31, 2024
Type of goods or service		
Sale of electricity[1]	14,282.77	14,326.07
Sale of rooftop solar plant	41.41	7.97
Incentive under generation based incentive scheme	261.70	352.85
Sale of traded goods	0.30	0.15
Sale of services		
Operation and maintenance fees	15.97	11.78
Other operating revenue		
Sale of carbon credit	5.47	187.20
Income from amortisation of deferred revenue	101.49	85.12
Total revenue from operations	**14,709.11**	**14,971.14**

[1] During the year, one of the subsidiary Clean Solar Power (Tumkur) Private Limited received a favourable order for the restoration of the original tariff amounting to Rs. 345.66 million. The same has been recognised as Rs. 74.46 million under head 'Revenue from the sale of electricity' and balance amount of Rs. 271.20 million has been recognised as 'Balances and provision written back' in Other Income. Additionally, the subsidiary received a refund of liquidated damages amounting to Rs. 297.74 million, which has been recognized under 'Liquidated Damages' in Other income. For further details, refer to Note 41(c)(i)(iii) on Contingent Liabilities.

Performance obligations

Sale of electricity

The 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 Group has therefore determined that the sale of power meets the revenue recognition criteria to be recognised over time.

Operation and maintenance fees

The performance obligation of the Group is to provide operation and maintenance services to its customers and accordingly recognize revenue over the period of the contract based on service rendered.

Sale of carbon credit

Revenue from the sale of carbon credit emissions are recognized at the time of transfer of carbon credits to the customers, at consideration agreed under the sale agreements.

Disaggregation of revenue

The Group generates its revenue primarily from a single stream— the transfer of electricity over time for each unit sold in India, as well as through its international operations in Vietnam and Ukraine.

Notes to the Consolidated Financial Statements

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

Contract balances

	As at March 31, 2025	As at March 31, 2024
Trade receivables (Refer Note 8)	5,436.60	5,880.18
Contract assets (Refer Note 13)	426.26	379.84
Contract liabilty:		
Deferred revenue (Refer Note 22)	835.04	696.83
Advance from customers (Refer Note 22)	43.37	2.06

Reconciling the amount of revenue recognised in the statement of profit and loss at the contracted price

	Year ended March 31, 2025	Year ended March 31, 2024
Revenue as per contracted price	14,888.67	15,116.76
Adjustments for:		
Rebate and discounts	(69.84)	(71.01)
Deviation settlement charges	(94.50)	(74.61)
Under generation charge	(15.22)	-
Revenue from operations	**14,709.11**	**14,971.14**

27. Other income

	Year ended March 31, 2025	Year ended March 31, 2024
Late payment surcharges	3.15	36.83
Balances and provision written back (Refer Note 29(a) below)	441.37	250.02
Interest income on fixed deposits3	649.22	469.39
Mark to market gain on mutual funds	49.23	6.78
Unwinding of discount on deposits and under LPS scheme	76.04	126.06
Insurance claim received1	104.05	121.62
Amortisation of deferred government grant (Refer note 48)	158.13	144.12
Income from SGD and GST refund (Refer note 54)	55.92	49.29
Interest income on income tax refund	13.03	23.62
Gain on sale of mutual funds	-	0.94
Liquidated damages2	297.74	-
Profit on disposal/ sale of property, plant & equipment (net)	45.59	-
Miscellaneous income	14.49	16.31
Gain on lease modification	14.22	-
	1,922.18	**1,244.98**

1 The Company recognises income from insurance claims from third parties when the same becomes receivable.

2 During the year, the subsidiary Clean Solar Power Tumkur Private Limited has reimbursed liquidated damages earlier deducted by DISCOMs of Rs 297.74 million.(refer note 41(c)(i)(iii)).

3 During the year interest income of Rs. 6.80 million has been transferred to capital work-in-progress.

28. Cost of material consumed

	Year ended March 31, 2025	Year ended March 31, 2024
Balance at the beginning of the year	162.34	205.28
Add : purchases made during the year	146.05	75.67
Less : adjustment during the year	-	(78.23)
Less : transfer to Capital work in progress	-	(25.00)
	308.39	**177.72**
Less: balance at the end of the year	265.21	162.34
Cost of materials consumed	**43.18**	**15.38**
	43.18	**15.38**

Notes to the Consolidated Financial Statements

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

29. Employee benefit expenses

	Year ended March 31, 2025	Year ended March 31, 2024
Salaries, wages and bonus	784.99	690.67
Contribution to provident and other funds (Refer note 39)	36.48	31.12
Employee stock option plan expenses (Refer note 51)	32.28	-
Gratuity expense (Refer note 39)	15.07	9.58
Staff welfare expenses	46.05	13.86
	914.87	**745.23**

30. Finance cost

	Year ended March 31, 2025	Year ended March 31, 2024
Interest expense on financial liabilities measured at amortised cost:		
Interest on debts and borrowings banks and financial institutions3	5,637.97	5,605.57
Interest on onshore ECB bonds (Refer note 38)	2,208.67	2,355.79
Interest on loan from related parties (Refer note 38)	2.20	233.56
Interest on compulsory convertible debenture	41.28	37.14
Loss on cancellation of non convertible debenture1	195.63	-
Interest on non convertible debenture	166.41	318.17
Interest accretion on lease liability2	53.46	54.51
Other finance cost	322.32	328.09
	8,627.94	**8,932.83**
	8,627.94	**8,932.83**

1 This represents a modification in the interest rate on the debt from 10% simple interest to 14% compounded interest, effective from April 1, 2024. This change is payable to Apraava due to the cancellation of the initially agreed SPA. Refer note 58

2 During the year, interest accretion on lease liability amounting Rs.13.40 million (March 31,2024: Rs 3.62 million) is transferred to Capital work-in-progress.

3 During the year borrowing cost (net) of Rs. 93.12 million has been transferred to capital work-in-progress.

31. Depreciation and amortization expense

	Year ended March 31, 2025	Year ended March 31, 2024
Depreciation on property, plant and equipment (refer note 3)	3,442.71	3,257.93
Amortization on intangible assets (refer note 6)	142.67	122.01
Depreciation on right of use asset (refer note 4)	50.01	62.30
	3,635.39	**3,442.24**

32. Impairment of non-current assets

	Year ended March 31, 2025	Year ended March 31, 2024
Impairment of property, plant & equipment (refer note 3)	622.98	-
Impairment of goodwill (refer note 6)	46.00	-
	668.98	**-**

Notes to the Consolidated Financial Statements

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

33. Other expenses

	Year ended March 31, 2025	Year ended March 31, 2024
Operation and maintenance expenses[1]	1,177.28	1,067.65
Legal and professional expense	535.80	465.62
Exchange fluctuation expense (net)	62.11	61.86
Provision for doubtful debts and advances	204.00	73.22
Insurance	215.37	194.27
Repair and maintenance	390.81	165.18
Application, processing & registration fees	103.83	75.17
Rent, rates and taxes	116.75	140.44
Travelling and conveyance	170.12	103.29
Management fees	72.76	68.35
Power and fuel	54.51	51.63
Inventory written off	-	98.76
Auditor's remuneration	30.01	12.96
Advertisement and sales promotion	41.91	31.52
Brokerage and commission	36.25	22.00
Erection and commissioning expenses	1.54	0.85
Corporate social responsibility expenditure	32.72	18.23
IT and Software subscription fees	105.49	61.33
Miscellaneous expenses	97.58	117.86
	3,448.84	**2,830.19**

[1] Includes operation and maintenance equalisation reserve recognised over life of the operation & maintenance contract

34. Tax expense

	Year ended March 31, 2025	Year ended March 31, 2024
Current tax	155.98	184.24
Adjustment of tax relating to earlier periods	(38.28)	(69.62)
Deferred tax	460.33	358.64
	578.03	**473.26**

35. Other comprehensive income

	Year ended March 31, 2025	Year ended March 31, 2024
Other comprehensive income that will be reclassified subsequently to statement of profit and loss		
Exchange Difference on translation of foreign operations	14.29	142.38
Income tax effect	-	-
Other comprehensive income/ (loss) not to be reclassified to statement of profit and loss in subsequent years:		
Re-measurement gains on defined benefit plans	14.61	(11.75)
Income Tax Effect	(1.29)	1.99
	13.32	**(9.76)**

Notes to the Consolidated Financial Statements

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

36. Deferred tax

a) Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for the year ended March 31, 2025 and March 31, 2024 as follows:

	Year ended March 31, 2025	Year ended March 31, 2024
Accounting loss before tax	(1,026.41)	192.51
Applicable tax rate1	25.17%	25.17%
Computed Tax Expense	**(258.33)**	**48.45**
Difference in tax Rates	16.53	15.50
Non-deductible expenses2 for tax purposes	582.21	687.33
Effect on tax due to new tax regime opted	(5.66)	187.88
Effect on tax due to reassessment of temporary differences reversing under tax holiday period	(40.37)	(105.59)
Deferred tax not recognised including carry forward losses	366.98	60.36
Adjustment of tax relating to earlier years	(38.16)	(215.13)
Impact of Goodwill Impairment	(11.58)	-
Others	(33.59)	(205.54)
Income tax charged to Consolidated Statement of Profit & Loss	**578.03**	**473.26**

[1] The corporation tax rate of 25.17% (2024: 25.17%) is used to reflect operations predominantly in India

[2] Primarily includes Section 94B and 36(i) disallowance.

In case of subsidiary, Vayu Urja Bharat Private Limited, As per clause 2.4 of the Power purchase agreement (PPA) , the Income Tax/MAT is a pass through and to be paid by the Distribution Licensee (Discom) to the Developer (the subsidiary) upon receipts of claim from the subsidiary. Since, the subsidiary has right to recover such tax expense from DISCOM, hence deferred tax liability of Rs 46.26 million (March 31, 2024 deferred tax liability of Rs 18.12 million) is not recognised in the consolidated financial statements.

On September 20, 2019 , vide Taxation Laws (Amendment) Ordinance. 2019 ('the Ordinance'), the Government of India inserted Section 115BAA in the Income Tax Act , 1961 which provides domestic companies a non-reversible option to pay corporate tax at reduced rates effective April 01, 2019 ,subject to certain conditions. The group has decided to opt for the reduced corporate tax rates for its subsidiaries in March 31, 2024 and the full impact of this change has been recognised in tax expense during the year ended March 31, 2024. Accordingly, the group has recognised Provision for Income Tax and re-measured its deferred taxes as per the provisions of the Ordinance. This has resulted in re-assessment of deferred tax asset by Rs 187.88 million as at March 31, 2024 . In cases where the timing differences were reversing within the tax holiday period under the provisions of section 80-IA of the Income Tax Act, deferred tax were not recognised on those permanent differences till previous years, however same has been recognised during the year ended March 31, 2024 as the group has opted for new tax regime.

On periodical basis, the entities in the group reassess 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, the entities have reassessed its deferred tax and and its impact thereon.

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, 2025	As at March 31, 2024
Deferred tax assets	1,248.06	893.28
Deferred tax liabilities	(2,590.91)	(1,700.23)

Notes to the Consolidated Financial Statements

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

b) Component of deferred tax assets/liabilities (net):

As on March 31, 2025

Significant components of deferred tax asset/(liabilities)	Opening balance as on April 01, 2024	(Charged) / credited to statement of profit and loss	Charged / (credited) to OCI	(Charged) / credited directly in Equity	Closing balance as on March 31, 2025
Carry forward tax loss and unabsorbed depreciation	9,891.30	183.34	-	-	10,074.64
Accelerated depreciation for tax purposes	(10,586.69)	(1,355.10)	-	-	(11,941.79)
Operation and maintenance equalisation reserve	159.58	2.99	-	-	162.57
Equity component of compound financial instruments	85.20	9.65	-	-	94.85
Deferred government grant	926.24	2.16	-	-	928.40
Minimum alternative tax credit entitlement [refer note (a) below]	225.98	39.45	-	-	265.43
Others	733.47	360.95	(1.29)	(73.95)	1,019.18
Total	**1,435.09**	**(756.56)**	**(1.29)**	**(73.95)**	**603.28**
Not recognised	(2,011.45)	296.23	-	-	(1,715.22)
Reversal on account of recoverable of future tax liability from customer as per terms of PPA	(230.58)	-	-	-	(230.58)
Deferred tax assets/(liability) net	(806.94)	(460.33)	(1.29)	(73.95)	(1,342.52)

As on March 31, 2024

Significant components of deferred tax asset/(liabilities)	Opening Balance as on April 01, 2023	(Charged) / credited to Statement of profit and loss	Charged / credited to OCI	(Charged) / credited directly in Equity	Closing Balance as on March 31, 2024
Carry forward tax loss and unabsorbed depreciation	8,609.32	1,281.98	-	-	9,891.30
Higher depreciation and amortization for tax purposes	(9,201.89)	(1,384.80)	-	-	(10,586.69)
Operation and maintenance equalisation reserve	157.79	1.79	-	-	159.58
Optionally cumulative convertible debentures			-	-	-
Equity component of compound financial instruments	132.78	(47.58)	-	-	85.20
Deferred government grant	653.07	273.17	-	-	926.24
Minimum alternative tax credit entitlement [refer note (a) below]	885.98	(660.00)	-	-	225.98
Others	475.32	256.16	1.99	-	733.47
Total	**1,712.37**	**(279.28)**	**1.99**	**-**	**1,435.08**
Not recognised	(1,910.69)	(100.76)	-	-	(2,011.45)
Reversal on account of recoverable of future tax liability from customer as per terms of PPA	(248.70)	18.12	-		(230.58)
Deferred tax assets/(liability) net	(447.01)	(361.92)	1.99	-	(806.95)

a) The Group had recognized "MAT credit entitlement" as an asset which is shown in the below table.

Particulars	As at March 31, 2025	As at March 31, 2024
MAT credit entitlement	265.43	225.98

It represents that portion of MAT liability which can be set off in subsequent years based on provisions of Income Tax Act 1961. In the previous year the Group has opted for new tax regime in six step down subsidiary companies which has lead to reversal of MAT during the previous year. 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 remaining companies to utilize MAT credit assets which are still under old tax regime.

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.

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

c) During the year, certain subsidiaries of the Group have not recognised deferred tax assets on losses and unabsorbed depreciation in absence of reasonable certainty that future profits will be available. Below table depicts the amount that the Group has not recognised deferred tax asset primarily due to the carry forward losses and unabsorbed depreciation.

Particulars	As at March 31, 2025	As at March 31, 2024
Deferred tax assets/(liability)	366.98	60.36

d) Under Income Tax Act, Business Losses are allowed to be carried forwarded for a period of 8 years, while unabsorbed depreciation can be carried forwarded indefinitely. Below is the summary of expiry of losses/unabsorbed depreciation on account of which no deferred tax asset has been recognised by the Group.

Financial year of expiry	As at March 31, 2025	As at March 31, 2024
FY 2024-25	-	0.26
FY 2025-26	234.75	243.66
FY 2026-27	466.37	465.23
FY 2027-28	561.78	553.04
FY 2028-29	297.21	298.93
FY 2029-30	201.42	167.10
FY 2030-31	152.52	153.42
FY 2031-32	338.43	297.59
FY 2032-33	129.65	-
Indefinite - unabsorbed depreciation	14,161.49	1,951.63
	16,543.62	**4,130.86**

Certain subsidiaries of the Group have undistributed retained earnings, which if distributed out as dividend would result in tax liability of Group. Keeping in view that, no profit is proposed to be distributed in the immediate future by way of dividend out of such undistributed retained earnings, no deferred tax liabilities has been recognised.

37. Earnings per share (EPS)

	As at March 31, 2025	As at March 31, 2024
Loss attributable to the equity holders of the parent	(1,581.59)	(243.87)
Add: Interest accretion on cumulative compulsorily convertible preference share	-	-
	(1,581.59)	**(243.87)**
Weighted average number of equity shares for basic and diluted EPS1	1,054,353,598.23	1,048,238,085.24
Basic and diluted earnings per share (face value RS. 10 per share)	**(1.50)**	**(0.23)**

[1] Inclusive of compulsorily convertible preference share as those shares are issuable solely after the passage of time and are not contingently issuable shares, because the passage of time is a certainty.

For the purpose of EPS computation, management has assumed that compulsorily convertible preference share (CCPS) shall be converted at fair market value of shares at the time of issuance, as the number of shares that will be issued are based on the fair market value at the time of conversion or at the time of issuance of CCPS, whichever is higher.

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

38. Related party disclosures

a) List of related parties

Name of related party	Nature of relationship
Brijmohan Lal Om Prakash, Partnership Firm	Ultimate holding entity
Bahadur Chand Investments Private Limited	Enterprise having control
BM Munjal Energies Private Limited	Ultimate holding company
Hero Future Energies Global Limited, UK	Intermediate holding company
Hero Future Energies Asia Pte. Limited, Singapore	Holding company
Hero Fincorp Limited	Enterprise owned or significantly influenced by key management personnel or their relatives
Hero MotoCorp Limited	
Rockman Industries Limited	
Hero Future Energies Limited Employees Group Gratuity Trust	
International Finance Corporation	Enterprise having significant influence over the Company
IFC GIF Holding II Cooperative U.A	
Clean Renewable Power (Mauritius) Pte Ltd	Fellow subsidiary Company
Srivatsan Srinivas Iyer- Chief Executive Officer (w.e.f January 31, 2021)	Key management personnel
Sumit Kumar Roy- Director	
Harish Pant- Director	
Benjamin Paul Fraser- Director	
Anuj Agarwal- Director	
Mayur Maheshwari- Company Secretary	

b) Transactions with related parties

Name of related party	Relationship	Nature of transaction	For the year ended March 31, 2025	For the year ended March 31, 2024
Hero Fincorp Limited	Enterprise owned or significantly influenced by key management personnel or their relatives	Loan repaid	-	500.00
Hero MotoCorp Limited	Enterprise owned or significantly influenced by key management personnel or their relatives	Operation & maintenance fees	4.99	4.70
		Collection received	6.22	5.76
Rockman Industries Limited	Enterprise owned or significantly influenced by key management personnel or their relatives	Sale of electricity	38.94	21.52
		Collection received	37.32	24.72
Hero Future Energies Asia Pte. Limited	Holding Company	Issue of equity shares by the company	13,107.63	2,645.31
		Issue of equity shares by Clean Renewable Energy Singapore Pte. Ltd.	-	307.23
		Purchase of investment in Clean Renewable Energy Singapore Pte. Ltd.	321.57	-
		Loan taken	186.99	-
		Loan repaid	186.99	-
		Interest expense	0.22	-
		Other payable repaid	-	0.97
Bahadur Chand Investments Private Limited	Enterprise having control	Loan repaid	-	1,240.00
		Loan received	-	620.00
		Interest paid on loan	-	29.99
BM Munjal Energies Private Limited	Ultimate holding company	Expenses incurred by us on their behalf	0.31	-
International Finance Corporation	Enterprise having significant influence over the Company	Loan repaid	-	183.25
		Interest expense	-	9.03
Clean Renewable Power (Mauritius) Pte Ltd	Fellow Subsidiary Company	Interest expense on onshore ECB bonds1	2,057.53	2,205.47
		Repayment of onshore ECB bonds	1,767.98	1,631.98

Notes to the Consolidated Financial Statements

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

Name of related party	Relationship	Nature of transaction	For the year ended March 31, 2025	For the year ended March 31, 2024
Hero Future Energies Global Ltd.	Intermediate holding company	Issue of equity shares by Hero Future Energies UK Ltd	32.73	90.82
		Purchase of investment in Hero Future Energies UK Ltd	450.08	-
		Loan received	340.35	366.24
		Loan repaid	340.35	-
		Amount received by them on our behalf	6.98	
		Repayment of other payables	2,297.01	-
		Loan purchased	2,171.10	
		Interest on loan given	149.71	195.39
		Expenses incurred by them on our behalf	2.59	-

[1] Excludes amortisation of discount on issuance of onshore ECB bonds.

c) Closing Balance of related parties

Name of related party	Relationship	Nature of transaction	As at March 31, 2025	As at March 31, 2024
Bahadur Chand Investment Private Limited	Enterprise having control	Cumulative compulsorily convertible preference share	5,569.57	5,569.57
Hero Future Energies Limited Employees Group Gratuity Trust	Enterprise over which key management personnel and their relatives able to control	Contribution to gratuity trust fund	91.30	83.85
Hero MotoCorp Limited	Enterprise owned or significantly influenced by key management personnel or their relatives	Trade Receivables	1.25	1.61
Rockman Industries Limited	Enterprise owned or significantly influenced by key management personnel or their relatives	Trade receivables	3.10	1.05
Hero Future Energies Asia Pte. Limited	Holding company	Equity shares	23,495.96	10,388.33
		Cumulative compulsorily convertible preference share	1,682.93	1,682.93
Hero Future Energies Global Ltd.	Intermediate holding company	Cumulative compulsorily convertible preference share	3,916.46	3,916.46
		Other Payable	2.59	68.26
		Equity shares of Hero Future Energies UK Ltd	-	133.19
		Loan outstanding	-	3,420.78
		Interest payable	-	205.83
BM Munjal Energies Private Limited	Ultimate holding company	Cumulative compulsorily convertible preference share	762.50	762.50
		Other receivables	0.34	0.03
International Finance Corporation	Enterprise having significant influence over the Company	Cumulative compulsorily convertible preference share	3,125.54	3,125.54
IFC GIF Holding II Cooperative U.A	Enterprise having significant influence over the Company	Cumulative compulsorily convertible preference share	3,127.67	3,127.67
Clean Renewable Power (Mauritius) Pte Ltd	Fellow Subsidiary Company	Onshore ECB bonds	21,895.79	23,663.77
		Interest accrued on onshore ECB bonds	25.77	26.97

d) Compensation of key management personnel of the Company

Particulars	As at March 31, 2025	As at March 31, 2024
Short-term employee benefits[1]	120.57	103.20
Total compensation paid to key management personnel	**120.57**	**103.20**

[1] 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 Group as a whole.

As at March 31, 2025, total payable to key management personnel is Rs 47.95 million (March 31, 2024 Rs 38.54 million)

Notes to the Consolidated Financial Statements

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

d) Other transactions

Other related parties has provided corporate guarantee on behalf of the group companies in following manner for the purpose of borrowing taken by group companies:

The principal	Guarantor	Purpose of guarantee	Guarantee amount As at March 31, 2025
Hero Wind Energy Private Limited	Hero Future Energies Asia Pte. Limited1	Borrowings taken by the subsidiary	2,850.00
Hero Solar Energy Private Limited	Hero Future Energies Asia Pte. Limited2	Borrowings taken by the subsidiary	3,650.00

[1] Hero Future Energies Asia Pte. Limited has given joint guarantee along with Hero Solar Energy Private Limited and Hero Future Energies Private Limited

[2] Hero Future Energies Asia Pte. Limited has given joint guarantee along with Hero Wind Energy Private Limited and Hero Future Energies Private Limited

e) Terms and conditions of transactions with related parties

All the transaction with the related parties are made on terms equivalent to those that prevail on an arm's length transactions. Outstanding balances at the year-end are unsecured and interest free except the interest bearing loan and settlement occurs in cash. There have been no guarantees provided or received for any related party payables/receivables on a consolidated basis.

39. Gratuity and other post-employment benefit plans

a) Defined contribution plans

The Group makes contribution towards provident fund. Under the scheme, the 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 Group has recognized Rs. 36.48 million (March 31, 2024: Rs. 31.12 million) during the year as expense towards contribution to the plan.

	Year ended March 31, 2025	Year ended March 31, 2024
Provident fund	36.48	31.12
Total	**36.48**	**31.12**

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 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 scheme 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 the 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, 2025 Gratuity (funded)	As at March 31, 2024 Gratuity (funded)
	Change in defined benefit obligation		
1	Present value of obligation as at the beginning of the year	68.51	52.24
2	Add: Current service cost	17.29	11.28
3	Add: Interest cost	4.89	3.82
4	Add: Actuarial (gain) / loss	(13.15)	14.55
5	Less: Benefits paid	(10.43)	(13.38)
	Present value of obligation as at the end of the year	**67.11**	**68.51**

Notes to the Consolidated Financial Statements

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

d) The following tables summarise the components of net benefit expense recognised in the Statement of profit or loss and the funded status :

	Year ended March 31, 2025 Gratuity (funded)	Year ended March 31, 2024 Gratuity (funded)
Cost for the year included under employee benefit		
Add: Current service cost	17.29	11.28
Add: Interest cost	4.89	3.82
Less: Investment Income	(5.99)	(5.52)
Net cost	**16.19**	**9.58**

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

	Year ended March 31, 2025 Gratuity (funded)	Year ended March 31, 2024 Gratuity (funded)
Fair value of plan assets at the beginning	83.86	75.54
Add: Investment income	5.99	5.52
Add: Expected return on plan assets	1.46	2.80
Fair value of plan assets at the end	**91.31**	**83.86**

The Plan assets has been invested in Insurance policies with Bajaj Allianz Life Insurance Co. Ltd and Life Insurance Corporation of India.

The major categories of plan assets are as follows:

Categories	Year ended March 31, 2025	Year ended March 31, 2024
Insurer managed funds	8.63	8.08
Equity	15.33	14.78
Corporate bond	30.81	8.70
Sovereign	32.89	48.50
Money market, deposits & other	3.65	3.79
Total	**91.31**	**83.85**

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

		Year ended March 31, 2025 Gratuity (funded)	Year ended March 31, 2024 Gratuity (funded)
1	Actuarial gain / (loss) for the year – obligation	13.15	(14.55)
2	Actuarial gain / (loss) for the year - plan assets	1.46	2.80
3	Total gain / (loss) for the year	14.61	(11.75)
4	Actuarial gain / (loss) recognised during the year	14.61	(11.75)

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

		Year ended March 31, 2025 Gratuity (funded)	Year ended March 31, 2024 Gratuity (funded)
Economic assumptions			
1	Discount rate	6.70%	7.15%
2	Rate of increase in compensation levels	10%	12%
Demographic assumptions			
1	Expected average remaining working life of employees (years)	24.76	24.53
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	1.90%	4.63%
2	Ages from 31-44	16.50%	15.44%
3	Above 44 years	2.80%	2.32%

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

Risk exposure

Through its defined benefit plans, the Group is exposed to a number of risks, the most significant of which are detailed below:

Discount rate- Reduction in discount rate in subsequent valuations can increase the liability.

Salary escalation rate - Actual salary increases will increase the defined benefit liability. Increase in salary increase rate assumption in future valuations which in turn also increase the liability.

Withdrawal rate- Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact defined benefit liability.

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

	Year ended March 31, 2025 Gratuity (funded)	Year ended March 31, 2024 Gratuity (funded)
Present value of obligation	67.11	68.51
Less: Fair value of plan assets	(91.31)	(83.85)
Net (assets) / liability	(24.20)	(15.34)

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

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

		Year ended March 31, 2025 Gratuity (funded)	Year ended March 31, 2024 Gratuity (funded)
A.	**Discount rate**		
	Effect on DBO due to 1% increase in discount rate	(5.57)	(6.51)
	Effect on DBO due to 1% decrease in discount rate	6.44	7.60
B.	**Salary escalation rate**		
	Effect on DBO due to 1% increase in salary escalation rate	6.17	7.19
	Effect on DBO due to 1% decrease in salary escalation rate	(5.44)	(6.30)
C.	**Withdrawal Rate**		
	Effect on DBO due to 50% increase in withdrawal rate	(3.56)	(5.41)
	Effect on DBO due to 50% decrease in withdrawal rate	6.17	9.32
D.	**Mortality Rate**		
	Effect on DBO due to 10% increase in mortality rate	(0.07)	(0.07)
	Effect on DBO due to 10% decrease in mortality rate	0.07	0.07

The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

The Group expects to contribute Rs. Nil (March 31, 2024 : Rs. 0.24 million) to the plan during the next financial year.

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

	As at March 31, 2025 Gratuity (funded)	As at March 31, 2024 Gratuity (funded)
1 year	6.24	5.67
2 to 5 years	24.75	21.61
6 to 10 years	20.63	20.99
More than 10 years	85.58	118.06

40 Leases

The Group has lease contracts for land and office premises. Leases of office premises generally have a lease term ranging between 2 to 9 years, while land generally has a lease term between 20 to 30 years. The Group's obligation under its leases are secured by the lessor's title to the lease assets. The Group has considered extension terms as part of assessing the length of the lease. The right of use assets have been disclosed within property, plant and equipment

Carrying amounts of right of use assets recognised and the movements during the period are disclosed in note 4.

Set out below are the carrying amounts of lease liabilities and the movements during the year:

	Amount
As at April 1, 2023	550.23
Additions	98.65
Accretion of Interest	54.50
Payments	(67.76)
Adjustment for termination of lease	7.23
As at March 31, 2024	**642.85**
Additions	128.21
Accretion of Interest[1]	66.86
Payments	(99.08)
Adjustments for modification of lease	(30.95)
As at March 31, 2025	**707.89**

[1] During the year, interest accretion on lease liability amounting Rs.13.40 million (March 31,2024: Rs 3.62 million) is transferred to Capital work-in-progress.

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	As at March 31, 2025	As at March 31, 2024
Current	50.53	51.48
Non- Current	657.36	591.37

The maturity analysis of lease liabilities are disclosed in Note 45.

The effective interest rate and maturity for lease liabilities is as follows:

Particulars	Effective interest Rate	Maturity between
India	9.00%- 10.10%	2021-2054
UK	7.50%	Upto 2050
Ukraine	15.80%	Upto 2043

The following are the amounts recognised in the Statement of Profit & Loss:

	Year ended March 31, 2025	Year ended March 31, 2024
Depreciation	50.01	62.30
Interest expense on lease liabilities	53.46	54.50
Expense relating to short- term leases and low value assets (included in other expenses)	24.41	8.98
	127.88	**125.78**

The Group had a total cash outflows for leases of Rs. 99.08 million during the year ended March 31, 2025 (March 31, 2024 Rs. 67.76 million).

41. Capital commitments and contingent liabilities

(a) Capital commitments

(i) As at March 31, 2025, the group has capital commitments pertaining to construction of wind and solar energy projects and estimates that it will incur (net of advances) amounting to Rs. 21,730.15 million (March 31, 2024: Rs. 298.99 million).

(ii) The various subsidiaries of the 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 subsidiaries have committed to sell and Discoms & private parties have committed to purchase entire generation from installed capacity, expect for one PPA which has been executed for 3 years.

(b) Contingent Liabilities

	As at March 31, 2025	As at March 31, 2024
Income tax matters	79.13	79.13
Indirect tax matters	39.06	39.06
Total	**118.19**	**118.19**

(c) Other legal proceedings

General

The Group is involved in legal suits/ matters filed by or against its group entities involving various matters such unfavourable changes in terms operational matters by various government authorities, delay in commissioning in consequential impact, supplier and customer related claims/ counter claims etc. The Group is contesting all such cases and the management believes that they have a good case on merits. The group has concluded that it is only possible, but not probable that the actions of the various third parties will succeed. Accordingly, no additional provision has been made in these consolidated financial statements.

(i) Project related

(i) Hero Future Energies Private Limited ('HFE') signed a Power Purchase Agreement ('PPA') with Hubli Electricity Supply Company Ltd ('HESCOM') on February 19, 2014. HESCOM granted HFE an additional 180 days to complete the 10 MW Solar Power project, which was commissioned on August 18, 2015. However, in 2017, the Karnataka Electricity Regulatory Commission ('KERC') retrospectively revoked this extension, leading to HESCOM deducting Rs. 120 million in liquidated damages from the PPA payments in 2020. HFE appealed against this decision to the Hon'ble Appellate Tribunal for Electricity ('APTEL'). APTEL's order addressed the delays as follows: 78 days allowed, 29 days disallowed, and 69 days remanded for further review. Liquidated Damages (LDs) are charged based on the delay days, with specific percentages of the Performance Bank Guarantee (PBG) and additional charges beyond 91 days, all

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subject to GST. Based on the order, the Group has considered the following financial impact as of March 31, 2025: receivable written off in the profit and loss account Rs. 18.3 million, and provision against receivable of Rs. 77.9 million, amount of Rs. 46 million has been cosidered as receivable.

(ii) Vayu Urja Bharat Private Limited, a subsidiary company within the Group ('the Subsidiary') had entered into a Power Purchase Agreement ('PPA') with Southern Power Distribution Company of Andhra Pradesh Limited ('APSPDCL'). Subsequently, APSPDCL's attempt to reduce the PPA tariff was denied by the Hon'ble High Court of Andhra Pradesh vide order dated March 15, 2022, which reaffirmed the PPA tariff in favour of the Subsidiary. Thereafter, the Hon'ble Supreme Court vide order dated January 2, 2023 dismissed an appeal filed by APSPDCL against the aforementioned tariff order passed by the Hon'ble High Court of Andhra Pradesh. This resolved the longstanding dispute over the PPA tariff in favour of the subsidiary.

Consequently, APSPDCL is paying at the full PPA tariff, subject to certain deductions, which include claims related to the Generation Based Incentive (GBI) payments received by the subsidiary from the Indian Renewable Energy Development Agency Limited ('IREDA') and deductions related to breach of Capacity Utilisation Factor (CUF) limits. The management of the Group considers these deductions to be invalid and has initiated recovery actions. As of March 31, 2025, the outstanding GBI related deductions amounts to Rs. 1,061 million, of which the Group has already obtained favourable orders from Hon'ble High Court of Andhra Pradesh for the recovery of Rs. 405 million. The remaining amount is under litigation as this matter continues to be an industry-wide issue in the State of Andhra Pradesh. Further, as of March 31, 2025, the outstanding CUF deductions amounts to Rs. 585 million, which continues to be under litigation. In this GBI industry wide issue in which the Subsidiary is a party, Appellate Tribunal for Electricity vide its order dated December 19, 2024 has directed for the refund of all GBI deducted within the next four months along with interest. APSPDCL has challenged this APTEL order and the matter is presently pending for hearing before the Supreme Court.

Based on the progress achieved made so far and legal opinions obtained, the management of the Group is confident that the GBI and CUF deductions are fully recoverable and, therefore no loss allowance is required to be made for these amounts in the consolidated financial statements for the year ended March 31, 2025.

(iii) Clean Solar Power (Tumkur) Private Limited entered into nine PPAs in 2016 for a 180 MW solar plant. Due to delays in commissioning 140 MW, liquidated damages and tariff reductions were applied to seven PPAs. For all PPAs, DISCOMS resumed paying tariff in full from November 4, 2023.

On January 4, 2023, the Group secured favourable orders from KERC for the refund of liquidated damages and tariff differences, and reinstatement of the original tariff for all seven PPAs across three DISCOMs. One DISCOM settled both liquidated damages and tariff difference in full for one PPA while the remaining six PPAs remain under appeal before APTEL. In August 2024, APTEL directed DISCOMs to pay the entire liquidated damages and including two thirds of the tariff difference for the period upto November 4, 2023. The DISCOMs have made full payment in accordance with the APTEL Order.

During the year ended March 31, 2025, the Group has received Rs 747.62 million from DISCOMs. Accordingly, the group has reversed provision relating to two thirds of the tariff differential.

Management is confident that the remaining one-third of the tariff differential will be received and therefore the remaining provision of INR 150.09 million has been reversed.

(iv) In 2018, Clean Wind Power (Anantapur) Private Limited was granted a tariff of Rs 3.61 per kWh by Telangana State Electricity Regulatory Commission (TSERC), but Telangana State Southern Power Distribution Company Limited (TSSPDCL) refused to sign the PPA at this rate, offering Rs 2.79 per kWh instead. The Company filed a case before the Telangana High Court for restoration of tariff of Rs 3.61 per kWh. The High Court subsequently directed TSSPDCL to sign an interim PPA at Rs 2.79 per kWh, which was signed on February 24, 2021.The issue regarding restoration of final tariff of Rs 3.61 per kWh is listed before the Telangana High Court.

Management, supported by legal opinion, expects to secure the full tariff of 3.61 per kWh. However, both revenue recognition and impairment assessment have been based on the interim tariff, with no impairment charges being recognized."

(v) Clean Wind Power (Bhavnagar) Private Limited entered into a PPA with Maharashtra Electricity Distribution Company Limited (MSEDCL) for a 75.6 MW wind project, with a commercial operation deadline of January 17, 2020, which was not met. In September 2021 the Company deposited Rs 151m to MSEDCL for not meeting the commercial operation deadline. Potential further penalties could be approximately Rs 1,250 million.

In September 2021 the Company petitioned Maharashtra Electricity Regulatory Commission (MERC) for frustration of the PPA due to force majeure events. In November 2024, MERC issued an order dismissing the Company's petition for frustration of the PPA. The Company has challenged this order before APTEL. APTEL vide its Order dated February 4, 2025 restrained MSEDCL from initiating any proceedings against the Company for recovery of any potential penalties during pendency of the appeal before APTEL. Management is confident that the outcome of this filing shall be successful, and therefore the Rs 151m deposited for not meeting the commercial operation deadline shall be recoverable and no further penalties will be levied.

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Management is confident that the penalties shall not be levied and that the Rs 151 million cash paid for non-performance is fully recoverable. Accordingly no provision has been made in the financial statements."

(vi) Waaneep Solar Private Limited entered into a PPA with Southern Power Distribution Company of Andhra Pradesh Limited (APSPDCL). A dispute arose when APSPDCL sought to revise the PPA tariff, leading to legal proceedings. On January 2, 2023, the Hon'ble Supreme Court dismissed APSPDCL's appeal against a tariff order issued by the Hon'ble High Court of Andhra Pradesh, resolving the dispute in favour of the generators, including Waaneep Solar Private Limited. Following the court ruling, APSPDCL has been making regular monthly payments in accordance with the terms of the PPA.

ii) Land related

There are various land cases filed by Land owners/third parties against subsidiaries of the Group or vice versa on various issues including (i) Suit for Partition and separate possession (ii) sale of their ancestral land by relatives/family members, without obtaining their consent, to subsidiaries of the Group (iii) the receipt of inadequate sales consideration from subsidiaries for the sale of their land. The Group is contesting all such cases and based on advice from legal counsel, management believes that they have a good case on merits. The 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 group. Given the uncertainty surrounding the various claims against the group, it is also not practicable to quantify the potential future effect on earnings, operations, cash flow or financial condition of the group.

iii) Vendor related

Bhilwara Green Energy Limited (BGEL) entered into an Operation & Maintenance (O&M) agreement with ReGen Infrastructure and Services Private Limited (ReGen) on September 18, 2015. On February 19, 2020, the National Company Law Tribunal (NCLT) ordered the commencement of the corporate insolvency resolution process (CIRP) for ReGen and appointed Interim Resolution Professionals (IRP). BGEL filed a claim for operational debt of Rs 212.6 million, but the IRP arbitrarily reduced the claim to Rs 190.28 million. In response, BGEL filed an application under Section 60(5) of the Insolvency and Bankruptcy Code, 2016, before the NCLT, Chennai, seeking directions against the reduced claim amount. BGEL has also filed an application for the treatment of certain amounts (e.g. liquidated damages) as CIRP costs. The matters were taken up on November 21, 2024 before a different bench of the NCLT. Hence, the same were adjourned to be listed before the regular bench.

(iv) Regulatory Matters

(i) Waaneep Solar Private Limited received a demand notice from Madhya Pradesh Madhya Kshetra Vidyut Vitran Company Limited (MPMKVVCL) on January 6, 2020, claiming arrears of 89.68 million for electricity usage from July 2016 to November 2019. Waaneep disputed the demand and made a payment of Rs 40 million under protest, filing a Writ Petition before the High Court of Madhya Pradesh.

The High Court granted an interim order of protection on March 18, 2020, and later referred the matter to the Madhya Pradesh Electricity Grievance Redressal Forum (MPEGRF). On November 29, 2023, MPEGRF ruled that Waaneep Solar was liable to pay the full amount. Waaneep made the remaining payment on January 25, 2024, but challenged the MPEGRF's order before the Electricity Ombudsman, which issued an order upholding the demand on May 27, 2024.

Waaneep Solar has filed a Writ Petition before the Madhya Pradesh High Court on August 27, 2024, challenging the Ombudsman's order. The Court issued a notice in the matter, and the case is expected to be heard in due course.

(ii) The Telangana State Electricity Regulatory Commission ("TSERC") notified and brought into effect, from April 2023, the Telangana State Electricity Regulatory Commission (Forecasting, Scheduling, Deviation Settlement and Related Matters for Solar and Wind Generation Sources) Regulations, 2018 ("Impugned Regulations"). Under these Regulations, any deviation between the actual and scheduled generation by a generating station results in liability for deviation charges.

Regulation 8.2 imposes deviation charges at the substation level. Regulation 15 imposes additional charges at the state level, leading to double penalties for the same deviation.

The impugned DSM regulations are contrary to the Electricity Act, 2003, manifestly arbitrary & violative of Article 14 Indian Constitution as they are irrational, excessive, and disproportionate.

In response, Clean Wind Power (Anantapur) Pvt. Ltd. and Clean Solar Power (Chitradurga) Pvt. Ltd., along with the National Solar Energy Federation of India (NSEFI) and its members, filed W.P. No. 21949 of 2024 before the Hon'ble High Court of Telangana, challenging the imposition of dual deviation settlement mechanism (DSM) penalties. The Hon'ble High Court directed that no coercive action be taken against the Petitioners, subject to their payment of 50% of the state periphery deviation charges.

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Subsequently, a Special Leave Petition (SLP) was filed before the Hon'ble Supreme Court. By its order dated January 31, 2025, the Hon'ble Supreme Court modified the High Court's earlier order dated September 2, 2024, reducing the required deposit to 25% of the state periphery deviation charges.
Based on the legal opinions obtained, the management is confident that the deviation charges are not payable. Accordingly, no provision has been recognized in the consolidated financial statements for the year ended March 31, 2025."

(iii) Clean Wind Power (Manvi) Private Limited ("CWP Manvi") had filed Petition No. OP 120/18 before the Karnataka Electricity Regulatory Commission (KERC), seeking a declaration of its captive status for FY 2017-18 and quashing the demand notices issued by the DISCOMs while wrongful imposition of cross-subsidy surcharge on group captive consumers. The Hon'ble KERC allowed the petition, declared CWP (Manvi) as a captive generating plant for FY 2017-18, and set aside the impugned demand notices.

Recently, in April 2025, Chamundeshwari Electricity Supply Corporation Limited (CESCOM) and Mangalore Electricity Supply Company Limited (MESCOM) jointly filed a review petition no. RP 02 of 2025 before the KERC against the aforesaid order after an inordinate delay of 567 days. A notice has been issued in the matter, and the hearing is scheduled for June 10, 2025 to consider the DISCOM's application seeking condonation of the 567-days delay.

42. Capital management

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

The Group manage 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 Group may return capital to shareholders or issue new shares. The Group monitor capital using a gearing ratio, which is net debt divided by total capital plus net debt. The net debt of the Group includes interest bearing borrowings less cash and cash equivalents.

	As at March 31, 2025	As at March 31, 2024
Borrowings (Refer to note 25)	116,547.99	107,699.72
Less: Cash and cash equivalents (Refer to note 9)	9,108.46	5,384.94
Net debt	**107,439.53**	**102,314.78**
Equity share capital (Refer to note 17)	253.21	129.21
Other equity (Refer to note 18)	1,164.89	(12,850.46)
Total capital	**1,418.10**	**(12,721.25)**
Capital and net debt	108,857.63	89,593.53
Gearing ratio	**98.70%**	**114.20%**

In order to achieve this overall objective, the 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 has been no covenant breach except in one case as mentioned in note 25.

43. Fair values

Set out below, is a comparison by class of the carrying amounts and fair value of the Group's financial instruments:

a) Fair value of financial assets:

	Carrying values		Fair values	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
Financial assets measured at fair value through profit or loss				
Investment in mutual fund (Refer to note 7)	2,641.21	390.57	2,641.21	390.57
Total A	**2,641.21**	**390.57**	**2,641.21**	**390.57**
Financial assets measured at amortised cost *				
Security deposits (Refer to note 12)	140.34	102.27	140.34	102.27
Trade receivables (Refer to note 8)	5,436.60	5,880.18	5,436.60	5,880.18
Cash and cash equivalents (Refer note 9)	9,108.46	5,384.94	9,108.46	5,384.94
Other bank balances (Refer note 10)	2,129.39	3,551.73	2,129.39	3,551.73
Loans (Refer note 11)	23.09	30.56	23.09	30.56
Other financial assets (Refer note 12)	2,509.34	2,589.65	2,509.34	2,589.65
Receivable for loss of control in subsidiary (Refer Note 12)	-	1,537.29	-	1,537.29
Total B	**19,347.22**	**19,076.62**	**19,347.22**	**19,076.62**

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b) Fair value of financial liabilities:

	Carrying values		Fair values	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
Financial liabilities measured at amortised cost				
Borrowings (Refer to note 25)	116,547.99	107,699.72	116,400.49	105,277.98
Trade payables* (Refer note 20)	1,795.83	1,473.43	1,795.83	1,473.43
Other financial liabilities* (Refer to note 21)	2,683.21	2,746.69	2,683.21	2,746.69
	121,027.03	**111,919.84**	**120,879.53**	**109,498.10**

*Management has assessed that fair value of these are not materially different than their carrying amount.

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, the 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 will be in line with the prevalent market rates. Therefore, the discounting rate for calculating the fair value of floating interest rate borrowings has been taken in line with the current cost of debt.

Discount rate used in determining fair value

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.

Mutual funds classified above are valued on the basis of quoted rates available from securities markets in India. Mutual funds are valued using the closing NAV.

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 Group and in case of financial asset is the average market rate of similar credit rated instrument. The Group maintains policies and procedures to value financial assets or financial liabilities using the best and most relevant data available.

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

a) Fair values of the 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, 2025 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.

44. 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 fair value of trade receivables, trade payables and other financial assets including receivables from loss of control in subsidiary and liabilities is considered to be equal to the carrying amounts of these items due to their short term nature. Where such items are non-current in nature, the same has been classified as Level 3 and fair value determined using discounted cash flow basis. There has been no change in the valuation methodology during the year. The sensitivity of change in the unobservable inputs used in fair valuation of financial assets and liabilities does not have a significant impact on their value.

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

Quantitative disclosures fair value measurement hierarchy for assets

	Level Classification	As at March 31, 2025	As at March 31, 2024
Financial assets measured at fair value through profit or loss			
Investment in mutual fund (Refer to note 7)	Level 1	2,641.21	390.57
Total A		**2,641.21**	**390.57**
Financial assets measured at amortised cost			
Security deposits (Refer to note 12)	Level 2	140.34	102.27
Total B		**140.34**	**102.27**
Total (A+B)		**2,781.55**	**492.84**

Quantitative disclosures fair value measurement hierarchy for liabilities

	Level Classification	As at March 31, 2025	As at March 31, 2024
Financial liabilities measured at amortised cost			
Forward currency contract	Level 1	0.42	-
Total A		**0.42**	**-**
Borrowings (Refer to note 25)	Level 2	116,400.49	105,277.98
Total B		**116,400.49**	**105,277.98**
Total (A+B)		**116,400.91**	**105,277.98**

There have been no transfers between Level 1, Level 2 and Level 3 during the year.

45. Financial risk management objectives and policies

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

The Group's principal financial assets includes investments in mutual funds, security deposits, trade receivables, cash and bank balances and others.

The Group is exposed to credit risk, liquidity risk and market risk. The Group's senior level management monitors these risks and is supported by the 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 Group, the 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 Group's practices 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 practices 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, 2025 and March 31, 2024.

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 Group's main interest rate risk arises from long-term borrowings with variable rates, which expose the Group to interest rate risk. The 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 Group may enter into currency rate swap arrangements and/ or interest rate swap arrangements, which allows the Group to exchange periodic payments based on a notional amount and agreed upon fixed and floating interest rates.

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The 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 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, 2025	+50	(237.57)
	-50	237.57
March 31, 2024	+50	(143.42)
	-50	143.42

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

Foreign currency risk is the risk that the fair value or future cash flows of exposure will fluctuate because of changes in foreign exchange rates.

Apart from structural foreign exchange risk arising from investments denominated in foreign currencies, which is inherent to the Group's international nature, the Group is exposed to foreign exchange risk through buyers' credits, letters of credit issued to foreign vendors and foreign currency trade payables.

The Group holds derivative financial instruments such as currency and interest rate swaps to mitigate the risk of changes in exchange rates on such foreign currency exposures. The most significant foreign exchange risk exposure relates to changes in the exchange rate between Indian rupee and foreign currencies including USD,EUR and VND.

The Group holds derivative financial instruments such as currency and Interest rate swaps to mitigate the risk of changes in exchange rates on certain 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 hedged foreign currency exposure of creditors as at March 31, 2025 is Rs. Nil million (March 31, 2024 Rs. Nil million).

The hedged foreign currency exposure on bank guarantee facility taken by one of the subsidiaries as at March 31, 2025 is Rs. 20.84 million (March 31, 2024 Rs. Nil million).

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 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 and other financial instruments.

The Group does not have significant credit risk exposure to any single counterparty other than Solar Energy Corporation of India Limited (SECI) (30.05%) and AP Power Distribution Company (12.02%). The amounts are billed monthly and are payable within the contractually agreed credit period.

The Group evaluates the concentration of risk with respect to trade receivables and contract assets as low, as its customers are government owned companies with high quality credit rating.

i) Trade receivables

Customer credit risk is managed by each business unit subject to the 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 Group has state utilities/government entities as it's customers with high credit worthiness, therefore, the 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.

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The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment and impairment analysis is performed at each reporting date to measure expected credit losses. The calculation reflects the probability weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

Movement in expected credit loss on trade receivables during the year (refer note 2(t)):

	Fair value (Rs in million)	
	March 31, 2025	March 31, 2024
Opening balance	632.51	580.58
Changes in allowance for expected credit loss:		
Additional provision during the year	171.52	104.86
Utilised during the year	(27.59)	-
Provision reversal during the year	(467.82)	(52.93)
Closing balance	**308.62**	**632.51**

For ageing analysis of trade receivables as of the reporting date Refer Note 8.

ii) Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Group's treasury department in accordance with the 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 Group's Board of Directors on an annual basis, and may be updated throughout the year subject to approval of the 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 Group may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses.

The Group's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The 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 Group expects to generate positive cash flows from operations in order to meet its external financial liabilities as they fall due and also consistently monitors funding and refinancing options available in the debt market with a view to maintain financial flexibility.

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

As at March 31, 2025

	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Borrowings[123]	70.37	3,918.32	20,809.68	63,470.71	41,063.84	129,332.92
Trade payables	-	-	1,795.83	-	-	1,795.83
Other financial liabilities	-	-	2,679.83	3.38	-	2,683.21
Lease Liabilities[2]	-	0.43	74.59	273.38	1,739.15	2,087.55
Total	**70.37**	**3,918.75**	**25,359.93**	**63,747.47**	**42,802.99**	**135,899.51**

As at March 31, 2024

	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Borrowings[123]	77.37	2,511.91	17,760.26	58,158.54	43,711.01	122,219.09
Trade payables	-	-	1,473.43	-	-	1,473.43
Other financial liabilities	-	-	1,916.94	4.13	-	1,921.07
Lease Liabilities[2]	-	5.73	63.85	267.85	1,388.94	1,726.37
Total	**77.37**	**2,517.64**	**21,214.48**	**58,430.52**	**45,099.95**	**127,339.96**

1 refer note 25

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

3 The term loan from lender is shown as payable on demand on account of a covenant breach. If there was no covenant breach Rs.63.37 million would be payable in 1 to more than 5 years (March 31, 2024: Rs.77.37 million is payable in 1 to 5 years) including interest accrued thereon.

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46. Transfer Pricing

The Group is in the process of conducting a transfer pricing study as required by the transfer pricing regulations under the Income Tax Act ('regulations') to determine whether the transactions entered during the year ended March 31, 2025, with the associated enterprises in the normal course of business and were undertaken at "arm's length price". The management confirms that all the transactions with associate enterprises are undertaken at negotiated prices on usual commercial terms and is confident that the aforesaid regulations will not have any impact on the financial statements, particularly on the amount of tax expense and that of provision for taxation.

47. Segment Note

The 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 Group's resources are dedicated to this single segment and all the discrete financial information is available for this segment. The Group operates within India and outside India, namely Ukraine, Vietnam, Singapore and United Kingdoms.

Geographic information

Revenue from external customers	March 31, 2025	March 31, 2024
Revenue from contract with customers		
India	14,158.98	14,617.65
Outside India	550.13	353.49
Total (A)	**14,709.11**	**14,971.14**
Total revenue per consolidated statement of profit and loss	**14,709.11**	**14,971.14**

The revenue information above is based on the locations of the customers.

Non-current operating assets:	March 31, 2025	March 31, 2024
India	97,135.42	80,152.54
Outside India	1,636.96	1,345.45
Total	**98,772.38**	**81,497.99**

Non-current assets for this purpose consist of following:

Particulars	March 31, 2025		March 31, 2024	
	India	Outside India	India	Outside India
Property, plant and equipment & Right of use asset	87,361.02	1,274.76	77,134.91	1,276.46
Capital work-in-progress	6,669.43	362.05	1,151.74	68.91
Intangible assets	2,800.17	0.15	1,515.08	0.08
Goodwill	304.81	-	350.81	-
	97,135.43	**1,636.96**	**80,152.54**	**1,345.45**

48. Accounting of Viability Gap Funding (government grant)

The subsidiaries Clean Solar Power (Dhar) Private Limited, Waaneep Solar Private Limited, and Clean Solar Power (Gulbarga) Private Limited have signed a Viability Gap Funding (VGF) securitization agreement with Solar Energy Corporation of India (SECI). This agreement creates a charge on their project assets, making them eligible for VGF support of Rs 492 million, Rs 1,175 million, and Rs 1,360 million respectively. The VGF will be released in two instalments: 50% after three months from the scheduled commissioning date and the remaining 50% in five equal instalments over the next five years, subject to meeting generation requirements mentioned in the VGF securitisation agreements. On account of reasonable certainty of collection of VGF, the same is treated as deferred revenue and is being amortized over the assets' useful life in the same proportion in which depreciation on related assets is charged to statement of profit and loss. Accordingly, the Group has recorded Rs 137.30 million (March 31, 2024 Rs. 123.41 million) as Other income (refer note 27) and Rs 1989.23 million (March 31, 2024 Rs. 2106.40 million) as deferred income (refer note 22) in the financial statements.

Notes to the Consolidated Financial Statements

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

49. Reconciliation Of movements of liabilities to cash flows arising from financing activities

Particulars	Opening balance (April 01, 2024)	Cash flows	Non-cash transactions				Closing balance (March 31, 2025)
			Processing cost	Interest accretion	New lease contracts	others	
Term loans from financial institution & banks	53,432.40	3,901.00	288.13	-	-	9,922.63	67,544.16
Loan from related party (refer note 38)	3,420.78	(3,420.78)	-	-	-	-	-
Non-Convertible debentures	2,334.54	(614.51)		-	-	-	1,720.03
Cumulative compulsorily convertible preference share	24,949.67	-	-	-	-	-	24,949.67
Compulsory convertible debentures	83.20	-	-	-	-	-	83.20
Optionally convertible cumulative debentures	0.00	-	-	-	-	-	-
Lease liabilities	642.84	(99.08)	-	66.86	128.21	(30.94)	707.89
ECB bond	23,246.17	(1,767.98)	-	140.00	-	-	21,618.19
Total	**108,109.60**	**(2,001.35)**	**288.13**	**206.86**	**128.21**	**9,891.69**	**116,623.14**

Particulars	Opening balance (April 01, 2023)	Cash flows	Non-cash transactions				Closing balance (March 31, 2024)
			Processing cost	Interest accretion	New lease contracts	others	
Term loans from financial institution & banks	53,061.53	322.03	48.84	-	-	-	53,432.40
Loan from related party (refer note 38)	4,177.92	(758.16)	-	-	-	1.02	3,420.78
Non-Convertible debentures	3,334.70	(1,039.71)	39.55	-	-	-	2,334.54
Supplier's/ buyer's credit	0.00	-					-
Cumulative compulsorily convertible preference share	24,949.67	-	-	-	-	-	24,949.67
Compulsory convertible debentures	83.20	-	-	-	-	-	83.20
Commercial papers	1,115.43	(1,115.43)	-	-	-	-	-
Optionally convertible cumulative debentures	120.59	(121.91)	-	1.32	-	-	0.00
Lease liabilities	550.57	(69.84)	-	58.63	103.67	(0.19)	642.84
ECB bond	24,739.00	(1,631.98)	139.15	-	-	-	23,246.17
Total	**112,132.61**	**(4,415.00)**	**227.54**	**59.95**	**103.67**	**0.83**	**108,109.60**

50. Statement containing specific disclosure of the entities which are included in consolidated financial statements:

For Year ended March 31, 2025

Name of the entity in the group	Net assets i.e. total assets minus total liabilities		Share in profit and loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit & loss	Amount	As % of Consolidated other comprehensive income	Amount	As % of Consolidated total comprehensive income	Amount
Hero Future Energies Private Limited	2017.25%	24,048.02	16.15%	(259.11)	14.68%	4.05	16.18%	(255.06)
Hero Wind Energy Private Limited	887.31%	10,577.78	8.32%	(133.55)	3.84%	1.06	8.40%	(132.49)
Clean Wind Power (Anantapur) Private Limited	(72.18%)	(860.45)	10.67%	(171.12)	(0.46%)	(0.13)	10.86%	(171.25)

Notes to the Consolidated Financial Statements

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

Name of the entity in the group	Net assets i.e. total assets minus total liabilities		Share in profit and loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit & loss	Amount	As % of Consolidated other comprehensive income	Amount	As % of Consolidated total comprehensive income	Amount
Clean Wind Power (Pratapgarh) Private Limited	(13.92%)	(165.96)	(0.38%)	6.02	0.26%	0.07	(0.39%)	6.09
Clean Wind Power (Ratlam) Private Limited.	77.86%	928.16	(7.45%)	119.47	1.86%	0.51	(7.61%)	119.98
Clean Wind Power (Satara) Private Limited	62.08%	740.01	(2.87%)	45.97	0.66%	0.18	(2.93%)	46.15
Clean Wind Power (Devgarh) Private Limited	370.83%	4,420.69	(24.58%)	394.31	1.68%	0.46	(25.04%)	394.78
Clean Wind Power (Manvi) Private Limited	0.43%	5.11	31.06%	(498.33)	2.06%	0.57	31.57%	(497.76)
Clean Wind Power (Jaisalmer) Private Limited.	(23.60%)	(281.33)	0.01%	(0.22)	0.00%	-	0.01%	(0.22)
Vayu Urja Private Limited.	155.71%	1,856.21	(14.30%)	229.51	1.96%	0.54	(14.59%)	230.05
Clean Wind Power (Kurnool) Private Limited.	0.00%	0.00	0.00%	-	0.00%	-	0.00%	-
Clean Wind Power (Bhavnagar) Private Limited	31.21%	372.03	1.18%	(19.01)	0.11%	0.03	1.20%	(18.98)
Clean Wind Power (Piploda) Private Limited	1.45%	17.28	2.13%	(34.14)	0.40%	0.11	2.16%	(34.02)
Clean Wind Power (Bableshwar) Private Limited	(11.07%)	(132.01)	3.31%	(53.05)	0.51%	0.14	3.36%	(52.91)
Clean Wind Power (Tuticorin) Private Limited	(15.37%)	(183.25)	14.50%	(232.68)	0.00%	-	14.76%	(232.68)
Bhilwara Green Energy Ltd	148.02%	1,764.62	(19.02%)	305.15	0.39%	0.11	(19.36%)	305.26
LNJ Power Ventures Limited	(42.07%)	(501.55)	5.90%	(94.74)	0.11%	0.03	6.01%	(94.70)
Hero Rooftop Energy Private Limited	249.32%	2,972.17	(0.06%)	1.00	2.98%	0.82	(0.12%)	1.82
Clean Solar Rooftop Private Limited	8.02%	95.63	0.03%	(0.48)	0.00%	-	0.03%	(0.48)
Hero Solar Energy Private Limited	1243.46%	14,823.55	20.39%	(327.14)	9.25%	2.55	20.58%	(324.58)
Clean Solar Power (Dhar) Private Limited.	53.85%	641.95	(4.53%)	72.75	0.71%	0.20	(4.63%)	72.95
Clean Solar Power (Chitradurga) Private Limited	41.33%	492.69	(0.82%)	13.10	0.29%	0.08	(0.84%)	13.18
Rajkot (Gujarat) Solar Energy Private Limited	8.49%	101.22	1.89%	(30.25)	1.45%	0.40	1.89%	(29.85)
Clean Solar Power (Tumkur) Private Limited	243.75%	2,905.84	(46.69%)	749.16	2.85%	0.79	(47.56%)	749.95
Clean Solar Power (Bhadla) Private Limited	296.02%	3,528.91	(2.09%)	33.47	0.68%	0.19	(2.13%)	33.66
Clean Solar Power (Jaipur) Private Limited	(18.84%)	(224.55)	0.08%	(1.35)	0.02%	0.00	0.09%	(1.34)
Clean Solar Power (Gulbarga) Private Limited	33.73%	402.14	6.43%	(103.09)	0.77%	0.21	6.52%	(102.88)
Clean Solar Power (Jodhpur) Private Limited	321.74%	3,835.51	(75.87%)	1,217.22	(0.03%)	(0.01)	(77.19%)	1,217.22
Clean Solar Power (Konch) Private Limited	0.00%	0.00	0.00%	(0.00)	0.00%	-	0.00%	(0.00)
Clean Solar Power (Sirsa) Private Limited	(13.39%)	(159.57)	0.01%	(0.17)	0.00%	-	0.01%	(0.17)
Clean Solar Power (KADAPA) Private Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Waaneep Solar Private Limited	200.87%	2,394.56	(2.82%)	45.27	0.91%	0.25	(2.89%)	45.52

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

Name of the entity in the group	Net assets i.e. total assets minus total liabilities		Share in profit and loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit & loss	Amount	As % of Consolidated other comprehensive income	Amount	As % of Consolidated total comprehensive income	Amount
Clean Solar Power (Bellary) Private Limited	22.73%	270.97	(0.52%)	8.35	0.24%	0.07	(0.53%)	8.42
Clean Solar Power (Amarsar) Pvt. Ltd .	(1.87%)	(22.25)	0.01%	(0.21)	0.00%	-	0.01%	(0.21)
Clean Renewable Energy (Bikaner) Private Limited	(0.01%)	(0.11)	0.76%	(12.18)	0.00%	-	0.77%	(12.18)
Clean Renewable Energy (Barmer) Private Limited	77.55%	924.55	0.47%	(7.49)	0.00%	-	0.48%	(7.49)
Clean Solar Power (Baniyana) Private Limited	38.45%	458.39	1.39%	(22.23)	0.00%	-	1.41%	(22.23)
Clean Renewable Energy AP ONE Private Limited.	18.41%	219.42	1.64%	(26.24)	0.00%	-	1.66%	(26.24)
Clean Renewable Energy Hybrid One Private Limited	0.01%	0.08	0.03%	(0.45)	0.00%	-	0.03%	(0.45)
Clean Renewable Energy Hybrid Two Private Limited	0.16%	1.90	0.08%	(1.32)	0.00%	-	0.08%	(1.32)
Clean Renewable Energy Hybrid Five Private Limited	3.02%	35.97	0.02%	(0.30)	0.00%	-	0.02%	(0.30)
Clean Renewable Energy Hybrid Three Private Limited	94.81%	1,130.21	0.39%	(6.27)	0.00%	-	0.40%	(6.27)
Clean Renewable Energy Hybrid Four Private Limited	0.04%	0.47	0.24%	(3.89)	0.00%	-	0.25%	(3.89)
Clean Renewable Energy Hybrid Six Private Limited	(0.01%)	(0.12)	0.01%	(0.22)	0.00%	-	0.01%	(0.22)
Clean Renewable Energy Hybrid Seven Private Limited	(0.01%)	(0.10)	0.01%	(0.19)	0.00%	-	0.01%	(0.19)
Clean Renewable Energy Hybrid Eight Private Limited	12.29%	146.49	1.83%	(29.29)	0.00%	-	1.86%	(29.29)
Clean Renewable Energy Hybrid Nine Private Limited	(0.03%)	(0.33)	0.03%	(0.43)	0.00%	-	0.03%	(0.43)
Clean Renewable Energy Hybrid Ten Private Limited	(0.01%)	(0.09)	0.01%	(0.19)	0.00%	-	0.01%	(0.19)
Vision Renergies and Projects Private Limited	3.40%	40.55	(2.74%)	44.03	0.00%	-	(2.79%)	44.03
Clean Renewable Energy TN ONE Private Limited	(0.00%)	(0.04)	0.01%	(0.20)	0.00%	-	0.01%	(0.20)
Clean Renewable Energy KK ONE Private Limited	0.03%	0.39	0.02%	(0.28)	0.00%	-	0.02%	(0.28)
Clean Renewable Energy MH ONE Private Limited	(0.00%)	(0.04)	0.01%	(0.20)	0.00%	-	0.01%	(0.20)
Clean Renewable Energy KK 1A Private Limited	(0.01%)	(0.13)	0.01%	(0.21)	0.00%	-	0.01%	(0.21)
Clean Renewable Energy KK 2A Private Limited	5.86%	69.83	0.64%	(10.19)	0.00%	-	0.65%	(10.19)
Clean Renewable Energy KK 2B Private Limited	10.03%	119.62	1.26%	(20.28)	0.00%	-	1.29%	(20.28)
Clean Renewable Energy KK 2C Private Limited	3.52%	42.01	0.44%	(7.00)	0.00%	-	0.44%	(7.00)
Clean Renewable Energy KK 2D Private Limited	4.34%	51.74	0.62%	(10.01)	0.00%	-	0.63%	(10.01)
Clean Renewable Energy MH 1A Private Limited	(0.01%)	(0.09)	0.02%	(0.26)	0.00%	-	0.02%	(0.26)

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	As % of consolidated net assets	Amount	As % of consolidated profit & loss	Amount	As % of Consolidated other comprehensive income	Amount	As % of Consolidated total comprehensive income	Amount
Clean Renewable Energy KK 1E Private Limited	(0.01%)	(0.13)	0.01%	(0.23)	0.00%	-	0.01%	(0.23)
Clean Renewable Energy KK 1B Private Limited	(0.01%)	(0.13)	0.01%	(0.23)	0.00%	-	0.01%	(0.23)
Clean Renewable Energy KK 1D Private Limited	(0.01%)	(0.13)	0.01%	(0.23)	0.00%	-	0.01%	(0.23)
Clean Renewable Energy HR 1A Private Limited	(0.35%)	(4.13)	0.64%	(10.19)	0.00%	-	0.65%	(10.19)
Clean Renewable Energy GJ 1B Private Limited	(0.01%)	(0.10)	0.01%	(0.20)	0.00%	-	0.01%	(0.20)
Clean Renewable Energy GJ 1C Private Limited	(0.01%)	(0.10)	0.01%	(0.20)	0.00%	-	0.01%	(0.20)
Clean Renewable Energy ISTS 1 Private Limited	(0.01%)	(0.09)	0.01%	(0.19)	0.00%	-	0.01%	(0.19)
Clean Renewable Energy GJ 1A Private Limited	(0.01%)	(0.09)	0.01%	(0.19)	0.00%	-	0.01%	(0.19)
Clean Renewable Energy KK 1C Private Limited	(0.01%)	(0.13)	0.01%	(0.23)	0.00%	-	0.01%	(0.23)
Clean Solar Power (Eastern Europe) Limited	93.02%	1,108.95	2.68%	(43.02)	0.00%	-	2.73%	(43.02)
GEA SOLAR GROUP LLC	(105.16%)	(1,253.60)	(10.92%)	175.27	0.00%	-	(11.12%)	175.27
GREENWAY SOLAR GROUP LLC	(117.55%)	(1,401.30)	12.24%	(196.45)	0.00%	-	12.46%	(196.45)
Hero Future Energies UK Limited	334.20%	3,984.12	0.13%	(2.04)	0.00%	-	0.13%	(2.04)
Clean Battery Pwr UK1 Limited	2.79%	33.23	1.20%	(19.24)	0.00%	-	1.22%	(19.24)
Clean Battery Pwr UK2 Limited	0.03%	0.30	0.05%	(0.84)	0.00%	-	0.05%	(0.84)
Clean Solar Power UK 1 Limited	0.02%	0.29	0.05%	(0.87)	0.00%	-	0.05%	(0.87)
Clean Renewable Energy Singapore Pte Limited	49.68%	592.26	(0.29%)	4.73	0.00%	-	(0.30%)	4.73
HFE Vietnam LLC	15.52%	185.04	2.17%	(34.89)	0.00%	-	2.21%	(34.89)
Clean Renewable Energy Hybrid Eleven Private Limited	0.01%	0.09	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
Clean Renewable Energy Hybrid Twelve Private Limited	0.25%	3.02	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
Clean Renewable Energy Hybrid ThirteenPrivate Limited	(0.00%)	(0.03)	0.01%	(0.13)	0.00%	-	0.01%	(0.13)
Clean Renewable Energy Hybrid Fourteen Private Limited	(0.00%)	(0.03)	0.01%	(0.13)	0.00%	-	0.01%	(0.13)
Clean Renewable Energy Hybrid Fifteen Private Limited	2.52%	29.98	0.03%	(0.52)	0.00%	-	0.03%	(0.52)
Clean Renewable Energy MH 1B Private Limited	(0.00%)	(0.03)	0.01%	(0.13)	0.00%	-	0.01%	(0.13)
Clean Renewable Energy MH 1C Private Limited	(0.00%)	(0.03)	0.01%	(0.13)	0.00%	-	0.01%	(0.13)
Clean Renewable Energy MH 1D Private Limited	(0.00%)	(0.03)	0.01%	(0.13)	0.00%	-	0.01%	(0.13)
Consolidation adjustments and Eliminations	(6690.92%)	(79,763.80)	163.17%	(2,617.98)	3.54%	0.98	165.97%	(2,617.06)
Less: Share attributable to Non-Controlling Interest	(18.96%)	(225.98)	0.00%	(22.85)	48.34%	13.35	0.60%	(9.50)
Total	100%	1,192.12	100%	(1,604.44)	100%	27.61	100%	(1,576.83)

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Name of the entity in the group	Net assets i.e. total assets minus total liabilities		Share in profit and loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit & loss	Amount	As % of Consolidated other comprehensive income	Amount	As % of Consolidated total comprehensive income	Amount
Hero Future Energies Limited	-83.67%	10,895.00	-161.43%	453.20	-1.03%	(1.37)	-305.03%	451.84
Hero Wind Energy Private Limited	-51.07%	6,649.36	199.43%	(559.89)	-1.17%	(1.55)	379.02%	(561.45)
Clean Wind Power (Anantapur) Private Limited	13.73%	(1,787.69)	83.82%	(235.31)	0.12%	0.16	158.74%	(235.15)
Clean Wind Power (Pratapgarh) Private Limited	1.32%	(172.05)	0.43%	(1.22)	-0.14%	(0.19)	0.95%	(1.41)
Clean Wind Power (Ratlam) Private Limited	-5.76%	750.42	-22.11%	62.08	-0.27%	(0.35)	-41.67%	61.73
Clean Wind Power (Satara) Private Limited	-5.19%	675.59	-22.21%	62.35	-0.01%	(0.01)	-42.08%	62.34
Clean Wind Power (Devgarh) Private Limited	-31.13%	4,053.03	-107.57%	301.98	-0.24%	(0.31)	-203.65%	301.67
Clean Wind Power (Manvi) Private Limited	-3.86%	502.87	15.05%	(42.24)	-0.41%	(0.54)	28.88%	(42.78)
Clean Wind Power (Jaisalmer) Private Limited	2.16%	(281.16)	0.03%	(0.10)	0.00%	-	0.07%	(0.10)
Vayu Urja Bharat Private Limited	-2.42%	315.51	-84.59%	237.49	-0.16%	(0.21)	-160.19%	237.28
Clean Wind Power (Kurnool) Private Limited	0.00%	0.00	0.08%	(0.23)	0.00%	-	0.15%	(0.23)
Clean Wind Power (Bhavnagar) Private Limited	5.08%	(661.94)	1.94%	(5.45)	-0.02%	(0.02)	3.69%	(5.47)
Clean Wind Power (Piploda) Private Limited	-0.25%	32.08	-3.17%	8.91	-0.05%	(0.06)	-5.97%	8.84
Clean Wind Power (Bableshwar) Private Limited	0.79%	(102.70)	5.55%	(15.58)	-0.22%	(0.29)	10.71%	(15.87)
Clean Wind Power (Tuticorin) Private Limited	1.53%	(198.97)	8.43%	(23.66)	0.00%	-	15.97%	(23.66)
Bhilwara Green Energy Limited	-11.09%	1,444.52	-94.35%	264.88	-0.03%	(0.03)	-178.79%	264.85
LNJ Power Ventures Limited	4.28%	(557.93)	30.10%	(84.50)	0.04%	0.05	57.01%	(84.45)
Hero Rooftop Energy Private Limited	1.85%	(240.44)	36.48%	(102.41)	-0.72%	(0.95)	69.78%	(103.36)
Clean Solar Rooftop Private Limited	0.04%	(5.58)	2.26%	(6.35)	0.00%	-	4.28%	(6.35)
Hero Solar Energy Private Limited	-30.74%	4,002.94	370.99%	(1,041.54)	-1.83%	(2.43)	704.77%	(1,043.97)
Clean Solar Power (Dhar) Private Limited	-4.29%	558.98	-37.02%	103.94	-0.03%	(0.05)	-70.14%	103.90
Clean Solar Power (Chitrdurga) Private Limited	4.24%	(551.72)	8.63%	(24.22)	-0.07%	(0.10)	16.42%	(24.32)
Rajkot (Gujarat) Solar Energy Private Limited	-0.83%	107.86	-9.06%	25.42	-0.12%	(0.16)	-17.05%	25.26
Clean Solar Power (Tumkur) Private Limited	11.02%	(1,434.96)	-52.74%	148.07	-0.55%	(0.73)	-99.46%	147.34
Clean Solar Power (Bhadla) Private Limited	-20.64%	2,688.04	-23.10%	64.85	-0.25%	(0.33)	-43.56%	64.52
Clean Solar Power (Jaipur) Private Limited	1.72%	(224.51)	0.44%	(1.24)	0.00%	(0.01)	0.84%	(1.24)
Clean Solar Power (Gulbarga) Private Limited	-3.06%	398.62	35.68%	(100.16)	-0.07%	(0.09)	67.68%	(100.26)
Clean Solar Power (Bellary) Private Limited	0.17%	(22.64)	-7.64%	21.46	-0.05%	(0.07)	-14.44%	21.40
Waaneep Solar Private Limited	-17.25%	2,245.85	-170.10%	477.54	-0.09%	(0.12)	-322.29%	477.41

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	As % of consolidated net assets	Amount	As % of consolidated profit & loss	Amount	As % of Consolidated other comprehensive income	Amount	As % of Consolidated total comprehensive income	Amount
Clean Solar Power (Jodhpur) Private Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Clean Solar Power (Konch) Private Limited	0.00%	0.00	0.17%	(0.47)	0.00%	-	0.32%	(0.47)
Clean Solar Power (Kadapa) Private Limited	0.00%	-	0.07%	(0.19)	0.00%	-	0.13%	(0.19)
Clean Solar Power (Sirsa) Private Limited	0.49%	(64.40)	1.33%	(3.74)	0.00%	-	2.52%	(3.74)
Clean Solar Power (Baniyana) Private Limited	0.18%	(22.79)	8.09%	(22.72)	0.00%	-	15.34%	(22.72)
Clean Solar Power (Bhainsada) Private Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Clean Solar Power (Amarsar) Private Limited	0.37%	(48.69)	0.93%	(2.60)	0.00%	-	1.75%	(2.60)
Clean Solar Power (Bikaner) Private Limited	0.00%	(0.44)	0.12%	(0.34)	0.00%	-	0.23%	(0.34)
Clean Solar Power (Barmer) Private Limited	0.17%	(21.81)	7.77%	(21.81)	0.00%	-	14.72%	(21.81)
Clean Renewable Energy KK One Private Limited	0.00%	(0.05)	0.05%	(0.15)	0.00%	-	0.10%	(0.15)
Clean Renewable Energy TN One Private Limited	0.00%	(0.05)	0.05%	(0.15)	0.00%	-	0.10%	(0.15)
Clean Renewable Energy MH One Private Limited	0.00%	(0.05)	0.06%	(0.15)	0.00%	-	0.10%	(0.15)
Clean Renewable Energy KK 1A Private Limited	0.00%	(0.04)	0.05%	(0.14)	0.00%	-	0.09%	(0.14)
Clean Renewable Energy KK 2A Private Limited	0.01%	(0.93)	0.06%	(0.15)	0.00%	-	0.10%	(0.15)
Clean Renewable Energy KK 2B Private Limited	0.01%	(1.33)	0.06%	(0.16)	0.00%	-	0.10%	(0.16)
Clean Renewable Energy KK 2C Private Limited	0.00%	(0.62)	0.05%	(0.15)	0.00%	-	0.10%	(0.15)
Clean Renewable Energy KK 2D Private Limited	0.01%	(1.02)	0.05%	(0.15)	0.00%	-	0.10%	(0.15)
Clean Renewable Energy MH 1A Private Limited	0.00%	(0.04)	0.05%	(0.14)	0.00%	-	0.10%	(0.14)
Clean Renewable Energy Hybrid One Private Limited	0.00%	(0.04)	0.05%	(0.14)	0.00%	-	0.10%	(0.14)
Clean Renewable Energy Hybrid Two Private Limited	0.00%	(0.05)	0.05%	(0.15)	0.00%	-	0.10%	(0.15)
Clean Renewable Energy AP One Private Limited	0.17%	(22.51)	8.05%	(22.61)	0.00%	-	15.26%	(22.61)
Clean Renewable Energy Hybrid Five Private Limited	0.00%	(0.05)	0.05%	(0.15)	0.00%	-	0.10%	(0.15)
Clean Renewable Energy Hybrid Three Private Limited	0.03%	(3.63)	1.33%	(3.73)	0.00%	-	2.52%	(3.73)
Clean Renewable Energy Hybrid Four Private Limited	0.00%	(0.05)	0.05%	(0.15)	0.00%	-	0.10%	(0.15)
Clean Renewable Energy Hybrid Six Private Limited	0.00%	0.06	0.01%	(0.04)	0.00%	-	0.02%	(0.04)
Clean Renewable Energy Hybrid Seven Private Limited	0.00%	0.08	0.01%	(0.02)	0.00%	-	0.01%	(0.02)

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Name of the entity in the group	Net assets i.e. total assets minus total liabilities		Share in profit and loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit & loss	Amount	As % of Consolidated other comprehensive income	Amount	As % of Consolidated total comprehensive income	Amount
Vision Renergies and Projects Private Limited	0.02%	(3.20)	0.18%	(0.50)	0.00%	-	0.34%	(0.50)
Clean Solar Power (Eastern Europe) Limited	-5.62%	731.31	65.83%	(184.81)	3.74%	4.96	121.41%	(179.85)
CRE Singapore Pte Limited	-2.37%	309.11	1.17%	(3.29)	3.15%	4.18	-0.60%	0.89
HFE UK Limited	-0.76%	99.56	10.71%	(30.08)	0.98%	1.30	19.43%	(28.78)
Clean Battery Power UK1 Limited	0.16%	(21.33)	5.89%	(16.54)	-0.27%	(0.36)	11.41%	(16.90)
Clean Battery Power UK2 Limited	0.01%	(1.06)	0.17%	(0.47)	-0.03%	(0.04)	0.35%	(0.52)
Clean Solar Power UK1 Limited	0.01%	(1.06)	0.17%	(0.47)	-0.03%	(0.04)	0.34%	(0.51)
HFE VIETNAM LLP	0.09%	(11.39)	2.98%	(8.36)	-1.09%	(1.45)	6.62%	(9.81)
GEA SOLAR GROUP LLC	11.29%	(1,469.58)	-32.60%	91.52	45.20%	59.95	-102.25%	151.46
GREENWAY SOLAR GROUP LLC	9.65%	(1,256.10)	54.13%	(151.96)	38.37%	50.89	68.23%	(101.07)
Consolidation adjustments and Eliminations	311.70%	(40,587.50)	-28.31%	79.47	35.12%	46.58	-85.10%	126.06
Less: Share attributable to Non-Controlling Interest	-2.30%	300.03	-13.14%	36.88	-17.78%	(23.59)	-8.97%	13.29
			0.00%		0.00%	-		-
Total	**100%**	**-13021.28**	**100%**	**-280.74**	**100%**	**132.62**	**100%**	**-148.13**

51. Employee stock option plans of erstwhile Hero Future Energies Private Limited (now amalgamated):

During the year no awards were made to any employees (2024: no awards) and no further awards are planned. In compliance with the Scheme of Arrangement approved vide NCLT's Order dated February 07, 2018, Company has adopted the Employee Stock Option Plan, 2025 ("2025 ESOP Plan"), which has been formulated basis the earlier Employee Stock Option Plan, 2015. The Company needs to discharge its obligations towards beneficiaries.

In order to expedite the grant of Employee Stock Options (ESOPs) benefits the Company has suo moto communicated with all beneficiaries for settlement. The mode of settlement of ESOPs has been approved by the Board of the Company.

Management has assessed, based on current facts, circumstances and legal assessment, it is appropriate to recognise a provision of Rs 288.78 million as at March 31, 2025 (March 31, 2024: Rs 258.24 million).

Details of ESOP policy is as under:

Particulars	Category A Options	Category B Options	Category C Options
Exercise price	Rs. 10 (Rupees Ten)	Rs. 17 (Rupees Seventeen)	Rs. 24 (Rupees Twenty Four)
Number of options granted as at March 31, 2025	10,900,000	6,125,966	1,875,000
Grant Date	Different dates from October 1, 2015 to October 1, 2018	Different dates from October 1, 2015 to October 1, 2018	Granted on November 12, 2019
Vesting period and condition	- 1,700,000 options vested on March 31, 2017; and - 9,200,000 options vested on March 31, 2018.	- 882,353 options vested as on March 31, 2017; - 1,764,706 options vested as on March 31, 2018; - 200,000 options vested as on March 31, 2020; - 100,000 options to be vested on March 31, 2021; - 2,590,672 options vesting in four annual tranches of 20%, 25%, 25% and 30% from grant date; - 588,235 options fofeited for not satisfying service condition	All Options vested on Grant date i.e. November 12, 2019.
Exercise period	Exercise period of the Plan is 4 years from the vesting date or date of IPO, whichever is later		
Method of settlement	Cash settled (In Special cases, may be settled by issue of option securities		

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Particulars	Category A	Category B	Category C
Opening balance	10,900,000	6,125,966	1,875,000
Granted during the year	-	-	-
Forfeited/Lapsed during the year	-	-	-
Exercised during the year	-	-	-
Closing balance	10,900,000	6,125,966	1,875,000
Vested and exercisable	10,900,000	6,125,966	1,875,000

52. Going Concern

The Board of Directors has reviewed a detailed cash flow forecast for the period until September 30, 2026, prepared by management after considering various factors and concluded that there is no material uncertainty regarding the going concern.

The cash flow forecast shows an improvement in net cash flow generation, reflecting both the improved pattern of payment receipts from DISCOMs and the impact of the equity raise. The improvement in cash flows generated from payment receipts is partly due to the Electricity (Late Payment Surcharge (LPS) and Related Matters) Rules, 2022, introduced by the Indian Ministry of Power during the year ended March 31, 2023. These rules prescribe the manner (including timeline options) in which the DISCOMs shall clear outstanding dues in Equated Monthly Instalments (EMIs) between 12 – 48 months, pertaining to generating companies. The introduction of EMIs has positively impacted cash flow generation as certain receivables are now being received at an accelerated rate.

Although the going concern assessment and conclusion are not reliant on any of these factors, additional measures are available to management over and above the committed sources of finance included in the base case and stress test scenarios to support the liquidity of the Group if required. These measures include, for example, the use of undrawn equity intended for growth projects (subject to shareholder approval) and asset disposals. The stress test scenario assumes 5% lower power generation/customer collections from budgeted levels across all assets during the going concern period and a 1% increase in debt interest costs.

The Group also has a dedicated project financing team that continuously interacts with third-party lenders to secure new or roll-over existing facilities. This practice is consistent with the Group's refinancing activities from previous years and is within the normal course of business for the Group. Although management considers it would only be a remote scenario in which any of these sources of finance would be unavailable, none of them are completely within the Group's control.

53 "Basis the financial information of the current year, the Company has not met the qualifying criteria of an NBFC.
Further, based on the financial information of the previous financial year the company had met the qualifying criteria of an NBFC as prescribed under Section 45-IA of the Reserve Bank of India Act, 1934 and RBI Press Release no. 1998-99/1269 dated April 8, 1999. The Company is primarily engaged in the business of generation and sale of electricity through its wholly owned subsidiaries and the provision of certain services to those subsidiaries and is not engaged in financing activities. Generation of Electricity falls under the definition of Industrial Activity under sub-clauses (i) to (xviii) of clause (c) of section 2 of the Industrial Development Bank of India Act, 1964. Further, section 45-IC of the Reserve Bank of India Act, 1934 specifically exempts an institution, which carries on the principal business of 'Industrial Activity' and 'Provision of services' from the definition of 'Financial Institution'.

Accordingly, the management is of the view that the Company is neither a financial institution nor required to seek registration as an NBFC. Hence, no material financial implications would devolve on the company."

54. Safeguard duty and GST

The Government of India introduced a Safeguard Duty (SGD) on solar cell imports on July 30, 2018, and implemented the Goods and Services Tax (GST) on July 1, 2017. In line with their PPAs, Clean Solar Power (Bhadla) Pvt. Ltd. and Clean Solar Power (Gulbarga) Pvt. Ltd. will recover SGD and GST-related costs of Rs.1,390.52 million and Rs.489.80 million, respectively, from the Solar Energy Corporation of India (SECI).

Clean Solar Power (Tumkur) Pvt. Ltd. filed a petition with the Karnataka Electricity Regulatory Commission (KERC) under Clause 15.1 of its PPA, seeking recognition of Ministry Of Finance (MoF) Notification No. 11/2017 – Central Tax (Rate) dated June 28, 2017, and Government Of Karnataka GoK Notification dated June 29, 2017, as a "Change in Law" event. KERC, in its order dated September 12, 2023 (Petition No. OP 29 of 2019), upheld this claim and approved compensation of Rs.150.18 million.

Similarly, Clean Solar Power (Jodhpur) Pvt. Ltd. filed a petition with the Central Electricity Regulatory Commission (CERC), which, in its order dated May 17, 2023 (Petition No. 174/MP/2022), also recognized the same notifications as a "Change in Law" event and approved a claim of Rs.548.89 million.

As per the company's accounting policy, revenue from such claims is recognized over the remaining PPA term from the date of the first refund installment. Accelerated payments are treated as contract liabilities.

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As of March 31, 2025, the company recorded Rs.835.04 million (2024: Rs.696.83 million) as deferred revenue. During the year ended March 31, 2025, it recognized Rs.101.49 million (2024: Rs.85.12 million) as other operating income from deferred revenue. Additionally, it recognized Rs.55.92 million (2024: Rs.49.29 million) as interest income from SGD and GST refunds. The outstanding balance as of March 31, 2025, stands at Rs.1784.52 million (2024: Rs.1,381.67 million).

The Group has offset deferred revenue against corresponding financial assets during the respective years.

55. Impairment of non-current assets

At each reporting date, the Group assesses whether any indicators exist that an asset may be impaired. Potential indicators considered include the variance between the actual and forecasted performance of the asset due to expiry of existing PPAs during the financial year and other factors given in Ind AS 36- 'Impairment of Assets'.

During the impairment assessment for the financial year ended March 31, 20205, the management identified three indicators : (i) the size of variance between actual and forecasted performance of the project held by Clean Wind Power (Anantapur) Private Limited, (ii) management projections that net realisations in certain C&I projects will reduce from the existing level, (iii) completion of a green hydrogen pilot project and (iv) deterioration of the geopolitical situation in Ukraine and the commencement of generation of one of the Group's assets there. Management therefore has conducted impairment assessments for the relevant cash generating units.

Indian assets

Management conducted impairment assessments for the relevant projects in India based on various estimates and assumptions, including:

Estimate/Assumption	Basis
Long-term interest rate	This reflects the subsidiary's estimate of cost or borrowings available in market on a long-term basis.
O&M escalation	Based on management assessment of long-term escalation rate in the O&M contracts.
Debt Equity ratio	The debt/equity split has been considered based on the long-term perspective.
Weighted average cost of capital ("WACC")	The cost of equity has been computed using CAPM Model, where the cost of equity = Risk free rate of return + Beta * Market risk premium. Cost of equity has been further adjusted by additional risks including illiquidity as the subsidiary is currently unlisted and counterparty (off-taker) risk of State utilities.

a) Clean Wind Power (Anantapur) Private Limited

An impairment charge of Rs. 70.12 million, representing the excess of the carrying amount of PPE over its value in use, has been recognized in the statement of profit and loss for the year. The impairment assessment was performed using cashflow projections based on the current interim tariff of Rs. 2.79/kWh (although management is confident of securing final tariff rate of Rs. 3.61/kWh), a remaining project life of 26 years and a post tax discount rate of 9.24%.

b) Bhilwara Green Energy Limited (BGEL)

An impairment charge of Rs. 206.10 Millions, representing the excess of the carrying amount of PPE over value in use, has been recognized in the statement of profit and loss for the year. The impairment assessment was performed using cash flow projects based on an assumed reduction in tariff as the current PPA is set to expire in the financial year ending March 31, 2026, a remaining project life of 17 years and a post tax discount rate of 9.26%.

c) Clean Wind Power (Manvi) Private Limited (Manvi)

An impairment charge of Rs. 290.32 Million, representing the excess of the carrying amount of PPE over value in use, has been recognized in the statement of profit and loss for the year. The impairment assessment was performed using cash flow projections based on a reduction in net realizations due to a transition from an annual banking facility to a monthly facility in May 2025, assumed lower tariffs on expiration of the current PPA for wind assets in May 2025 and on expiry of the current PPA for solar assets in February 2028, remaining projects lives of 23 years for the wind assets and 28 years for the solar assets, respectively, and a post tax discount rate of 9.71%

d) Hero Rooftop Energy Private Limited (Rockman Industries Limited project)

During the financial year 2024-25, through one of the subsidiaries Hero Rooftop Energy Private Limited, the Group commissioned a pioneering green hydrogen plant in Tirupati, Andhra Pradesh, with the objective of blending green hydrogen with LPG. This project represents a significant milestone in India's energy transition, creating new opportunities for the decarbonization of industrial processes, particularly in hard-to-abate sectors. The Group incurred a total capital expenditure of Rs. 74.53 million, of which Rs. 56.44 million was charged to the profit and loss account as impairment being the excess of the carrying amount of PPE over value in use considering the new technology and acceptability of the same.

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Projects in Ukraine

In the Group's subsidiaries in Ukraine, there are three Solar Projects : Gea 1 (13 MWp), Gea 2 (23 MWp), and Greenway (26 MWp) started generation in March 2023, June 2023 and April 2025 respectively. The geopolitical situation in Ukraine has remained unstable and unpredictable since the commencement of significant military operations by Russia and Ukraine in February 2022. This situation may impact the project assets in Ukraine, affecting their future cashflows or value in the event of disposal.

The Group has considered the ongoing issues in Ukraine as a potential indicator of further impairment and the fact that generation had started at one asset during the year as a potential reversal trigger and therefore as required by IND AS 36, an impairment test has been performed. The impairment assessments are based on a range of estimates and assumptions, including the following key assumptions.

Particulars	Assumptions
Period of projected future revenues	The projected revenue period reflects the useful economic life of the assets, with Power Purchase Agreements signed for 6.5 years at a pre-determined tariff rate assumed to continue for the remaining economic life.
Weighted average cost of capital ("WACC") 35 %	The cost of equity was computed using the Capital Asset Pricing Model (CAPM), adjusted for country risk and war spread. The beta and market risk premium were based on third-party information for emerging markets, reflecting the downgrade in Ukraine's credit ratings.

The impairment assessment indicated a recoverable value of INR 2,067.12 million for the property, plant and equipment, intangible assets, and capital work in progress, compared to a net carrying value of INR 1,220.23 million. As the recoverable value assessed is not materially different from that assessed in the impairment assessment of the previous year, the results of the assessment was very sensitive to changes in assumptions (for example a 5% change in WACC could potentially altering the recoverable value by around INR 200.00 million), and the situation remains unstable and unpredictable, no reversal of the impairment charge previously booked has been recognized in the financial year ending 31 March 2025.

56. Late Payment Surcharge

The Ministry of Power issued the Electricity Late Payment Surcharge and Related Matters Rules, 2022 on June 3, 2022. These rules outline how DISCOMs should clear outstanding dues to generating companies in EMIs over 12 to 48 months.

The Group recognized the following transactions:

- Interest income on delayed payments (LPS) of Rs 3.15 million for the year ended March 31, 2025 (March 31, 2024: 36.83 million), which was not previously recognized due to uncertainty.
- Total receivables of Rs 5,129.69 million as of June 30, 2022 (including LPS) were discounted at a rate of 9.25% - 10.20% per annum, resulting in a discounting effect of Rs 276.06
million recognized as other financing costs for the year ended March 31, 2023.
- The Group recognized the unwinding of discounting over the period, resulting in Rs 67.29 million as interest income for the year ended March 31, 2025, and Rs 114.53 million for the year ended March 31, 2024.
- Non-current and current portion of receivables (including LPS) as of 31 March 2025 amounted to Rs 52.40 million and Rs 366.76 million respectively.

57 Exceptional items

During the year ended March 31, 2025, the Government Orders (GOs) for the Koppal project, the Hamanabad 30 MW project, and the Basavakalyana 30 MW project expired. Consequently, the carrying value of these GOs has been written off in the profit and loss account, amounting to Rs. 277.1 million. Additionally, the Group decided to discontinue certain under-construction projects. As a result, the pre development costs associated with these projects have also been charged to the statement of profit and loss account, amounting to Rs. 41.40 million.

58. Acquisitions

Clean Solar Power (Jodhpur) Private Limited

During the year ended March 31, 2023, Clean Solar Power (Jodhpur) Private Limited achieved its commercial operation date (COD) on April 21, 2022. According to the Share Purchase Agreement (SPA) with CLP India Private Limited (Apraava), the investor gained exposure to variable returns from the project from the COD. Based on IND AS 110, management believes the Group lost control over the subsidiary from this date. The total consideration from the investor, after adjustments, is approximately Rs 1,429.40 million, plus Rs 204.86 million interest payable under the Debenture Trust Deed. As of September 30, 2024, the Group accounted for this transaction as a receivable for the loss of control of the subsidiary, amounting to Rs 1,634.23 million.

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In December 2024, the Group, through its subsidiary Hero Solar Energy Private Limited (HSPL), re-acquired control over Clean Solar Power (Jodhpur) Private Limited (CSP Jodhpur) since Apraava was unable to obtain requisite regulatory approvals to ensure completion of disposal. Consequently, the SPA was terminated, and the Group regained control over CSP Jodhpur effective December 2024. This transaction has been accounted for as a business combination in accordance with Ind AS 103 – Business Combinations.

Following the termination of the SPA, the acquisition will result in the consolidation of CSP Jodhpur in the Group's financial statements from the acquisition date, December 1, 2024.

The assets and liabilities recognised as a result of the acquisition are as follows:

Assets acquired	Amounts
Tangible assets including land	12,019.00
Intangible assets	1,413.00
Working capital	581.00
Cash and cash equivalents	204.00
Other financial assets	4.70
Other assets	8.63
Fair value of assets acquired (A)	**14,230.33**
Liabilities assumed	
Loan from related parties	1,400.00
External borrowings	9,923.00
Other financial liabilities	34.00
Other liabilities	0.10
Fair value of liabilities assumed (B)	**11,357.10**
Fair value of net assets acquired (A)-(B)	**2,873.23**

Calculation of goodwill/ capital reserve

Consideration transferred	1,795.00
Less: Net identifiable assets acquired	2,873.23
Capital reserve	(1,078.23)

The difference of Rs. 1,078.23 million arising on fair value of consideration and, and the fair value net assets taken over has been presented as capital reserve within other equity.

As of the acquisition date, the Group had a receivable of Rs. 1,795 million from the investor. The purchase consideration was settled against this receivable.

The acquired business contributed revenues of Rs. 481.36 million and loss of Rs. 136.53 million to the Group for period December 1, 2024 to March 31, 2025. Total revenue for the year ending March 31, 2025 is Rs. 1,476.36 million

Vision Renergies and Projects Private Limited

On January 31, 2024 the Group acquired 100% shares of Vision Renergies and Projects Private Limited ("Company") at an acquisition price of Rs 95.12 million for cash consideration. The Company has obtained approvals/ license ("License") from New and Renewable Energy Development Corporation of Andhra Pradesh ("NREDCAP") to set up a 40MW wind power project in Andhra Pradesh.
The goodwill of Rs 46.05 million arising from the acquisition.

Total identifiable net assets at fair value (C=A-B)	49.07
Goodwill arising on acquisition (Refer note 5)	46.05
Purchase consideration transferred	95.12

* The Goodwill is mainly attributable to the future economic benefits that will be arising due to right to install the plant. The goodwill is not expected to be deductible for tax purposes.

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59. Common Control Business Combination (CCBC)

The details of the combining entities and the amount of difference between the consideration and the value of net identifiable assets acquired (which has been transferred to capital reserve) during the year ended March 31, 2025 are as follows:-

Name of the Combining Entities	General nature of business	Date of incorporation	Nature of Relationship	Date on which control is obtained	Number of Equity Shares acquired (No's)	Ownership % acquired	Shares held by the Company as on March 31, 2025 (No's)	Ownership % as on March 31, 2025	Consideration[1]
Hero Future Energies UK Ltd. ("HFE UK")	Development, Construction and Acquisition of solar and wind power projects.	December 09, 2021	Subsidiary	December 31, 2024	1,588,001	100%	1,588,001	100%	Rs. 449.71 million
Clean Battery Power UK 1 Ltd		August 23, 2022	Subsidiary of HFE UK	December 31, 2024	470,501	100%	670,501	100%	Rs. 0.00 million
Clean Battery Power UK 2 Ltd		November 11, 2022	Subsidiary of HFE UK	December 31, 2024	20,501	100%	20,501	100%	Rs. 0.00 million
Clean Solar Power UK 1 Ltd		September 09, 2022	Subsidiary of HFE UK	December 31, 2024	10,501	100%	10,501	100%	Rs. 0.00 million
Clean Solar Power (Eastern Europe) Ltd. ("CSP EE")		April 03, 2019	Subsidiary of HFE UK	December 18, 2024	161	80.50%	170	85%	Rs. 0.00 million
Gea Solar Group LLC	Production of electricity (main), transmission and distribution of electricity, and trade of electricity.	June 24, 2016	Subsidiary of CSP EE	December 18, 2024	34,765,110	100%	34,765,110	100%	Rs. 0.00 million
Greenway Solar Group LLC		August 23, 2016	Subsidiary of CSP EE	December 18, 2024	24,864,755	100%	24,864,755	100%	Rs. 0.00 million
Clean Renewable Energy Singapore Pte Ltd. ("CRE Singapore")	Investment in renewable energy projects.	March 04, 2020	Subsidiary of HFE UK	December 23, 2024	5,105,280	100%	5,105,280	100%	Rs. 320.72 million
Hero Future Energies Vietnam Limited Liability Company	Electricity Production, Electrical system installation and management consulting related to renewable energy projects	May 11, 2022	Subsidiary of CRE Singapore	December 23, 2024	70,096,646,308	100%	70,096,646,308	100%	Rs. 0.00 million

[1] Amount below rounding off norms

The Company acquired 100% of the equity shares of Hero Future Energies UK Limited ("HFE UK"), along with its subsidiaries, from Hero Future Energies Global Limited for a total consideration of Rs. 449.71 million on December 31, 2024.

Prior to this acquisition:

- On December 18, 2024, Hero Future Energies UK Limited acquired 80.50% of the equity shares of Clean Solar Power (Eastern Europe) Limited, together with its subsidiaries, from Hero Future Energies Global Limited for a nominal consideration of Rs. 0.00 million (USD 1).
- On December 23, 2024, Hero Future Energies UK Limited also acquired 100% of the equity shares of Clean Renewable Energy Singapore Pte. Ltd. ("CRE Singapore"), along with its subsidiary, from Hero Future Energies Asia Pte. Ltd. for a total consideration of Rs. 320.72 million.

The aforementioned acquisitions have been accounted for as a common control business combination in accordance with Appendix C of Ind AS 103, Business Combinations, as it involves entities — namely, the Company, Hero Future Energies UK Limited (“”HFE UK””), Clean Solar Power (Eastern Europe) Limited ("CSP EE"), Clean Renewable Energy Singapore Pte. Ltd. ("CRE Singapore"), and their respective subsidiaries — that are ultimately controlled by the same party, Hero Future Energies Global Limited (the Intermediate Holding Company), both before and after the business combination.

Accordingly, the business combination has been accounted for using the pooling of interests method, as prescribed under Appendix C of Ind AS 103. Consequently, the financial information for the prior period (i.e., Financial Year 2023–24) has been restated in the financial statements as if the business combination had occurred from the beginning of the preceding period, i.e., April 1, 2023.

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59. Common Control Business Combination (CCBC)

Details of net identifiable assets / (liabilities) acquired (at carrying amounts) :

Particulars	As at April 1, 2023
Non Current Assets	
Property, plant and equipment	1,068.88
Right of use asset	190.98
Capital work-in-progress	145.03
Other financial assets	0.04
Other assets	370.05
Current Assets	
Inventories	0.01
Trade receivables	4.95
Loan	22.41
Cash and cash equivalents	16.44
Other financial assets	3.50
Other assets	9.85
Total Assets (A)	**1,832.14**
Non-current liabilities	
Lease Liablities	195.75
Current liabilities	
Borrowings	3,059.80
Lease Liablities	3.30
Trade payables	6.86
Other financial liabilities	444.31
Other liabilities	2.09
Total Liability (B)	**3,712.11**
Non-controlling interests (C)	(286.80)
Net identifiable assets / (liabilities) acquired (D = A-B-C)	(1,593.17)

Restated Balance Sheet Consolidated Balance Sheet as at March 31, 2024

Particulars	Before effect of business combination	Effect of business combination	Reclassification adjustments	Revised balance
ASSETS				
Non-current assets				
(a) Property, plant and equipment	77,312.99	1,098.38	-	78,411.37
(b) Right of use asset	656.04	185.15	-	841.19
(c) Capital work-in-progress	1,091.21	129.44	-	1,220.65
(d) Goodwill	350.81	(0.00)	-	350.81
(e) Other intangible assets	1,515.08	0.08	-	1,515.16
(f) Financial assets		-	-	
(i) Trade receivables	422.81	-	-	422.81
(ii) Other financial assets	724.10	0.04	1.87	726.01
(g) Deferred tax assets (net)	891.88	1.40	-	893.28
(h) Other non-current assets	883.34	96.36	-	979.70
(i) Non-current tax assets (net)	397.96	0.29	-	398.26
Total non-current assets	**84,246.22**	**1,511.14**	**1.87**	**85,759.24**

Notes to the Consolidated Financial Statements

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

Current assets				
(a) Inventories	162.30	0.04	-	162.34
(b) Financial assets		-	-	
(i) Investments	390.57	-	-	390.57
(ii) Trade receivables	5,357.26	100.11	-	5,457.37
(iii) Cash and cash equivalents	4,926.61	455.82	2.51	5,384.94
(iv) Other bank balances	3,551.73	-	-	3,551.73
(v) Loans	8.00	22.56	-	30.56
(vi) Other financial assets	3,486.91	18.80	(2.51)	3,503.20
(c) Other current assets	885.17	239.62	-	1,124.79
	18,768.55	**836.95**	**-**	**19,605.50**
Assets classified as held for sale	21.21	-	-	21.21
Total current assets	**18,789.76**	**836.95**	**-**	**19,626.71**
Total assets	**103,035.98**	**2,348.09**	**1.87**	**105,385.95**

Particulars	Before effect of business combination	Effect of business combination	Reclassification adjustments	Revised balance
EQUITY AND LIABILITIES				
EQUITY				
(a) Equity share capital	129.21	-	-	129.21
(b) Other equity	(10,753.68)	(2,096.78)	-	(12,850.46)
Equity attributable to owners of the parent	**(10,624.47)**	**(2,096.78)**	**-**	**(12,721.25)**
Non-controlling interests	-	(300.03)	-	(300.03)
Total equity	**(10,624.47)**	**(2,396.81)**	**-**	**(13,021.28)**
LIABILITIES				
Non-current liabilities				
(a) Financial liabilities				
(i) Borrowings	94,590.18	-	-	94,590.18
(ii) Lease liabilities	390.59	200.78	-	591.37
(iii) Other financial liabilities	3.29	(0.01)	-	3.28
(b) Provisions	186.24	-	-	186.24
(c) Deferred tax liabilities (net)	1,700.23	-	-	1,700.23
(d) Other non-current liabilities	3,048.53	-	-	3,048.53
Total non-current liabilities	**99,919.06**	**200.77**	**-**	**100,119.83**
Current liabilities				
(a) Financial liabilities				
(i) Borrowings	9,688.76	3,420.78	-	13,109.54
(ii) Lease liabilities	47.49	3.99	-	51.48
(iii) Trade payables				
- total outstanding dues of micro enterprises and small enterprises	40.40	114.19	(114.18)	40.41
- total outstanding dues of creditors other than micro enterprises and small enterprises	1,538.67	(105.65)	-	1,433.02
(iv) Other financial liabilities	1,534.38	1,092.98	116.05	2,743.41
(b) Other current liabilities	597.68	17.86	-	615.54
(c) Provisions	265.82	-	-	265.82
(d) Current tax liabilities (Net)	28.19	-	-	28.19
Total current liabilities	**13,741.39**	**4,544.15**	**1.87**	**18,287.41**
Total liabilities	**113,660.45**	**4,744.91**	**1.87**	**118,407.23**
Total equity and liabilities	**103,035.98**	**2,348.10**	**1.87**	**105,385.95**

Notes to the Consolidated Financial Statements

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

59. Common Control Business Combination (CCBC)

Restated Consolidated Statement of Profit and Loss for the year ended March 31, 2024

	Paticulars	Before effect of business combination	Effect of business combination	Reclassification adjustments	Revised balance
I	Revenue from operations	14,617.65	353.49	-	14,971.14
II	Other income	1,253.94	(8.96)	-	1,244.98
III	**Total income (I +II)**	**15,871.59**	**344.53**	**-**	**16,216.12**
IV	Expenses				
	Cost of materials consumed	15.40	(0.02)	-	15.38
	Employee benefits expense	721.68	23.55	-	745.23
	Finance costs	8,529.84	402.99	-	8,932.83
	Depreciation and amortization expense	3,413.28	28.96	-	3,442.24
	Other expenses	2,634.89	195.30	-	2,830.19
	Total expenses	**15,315.09**	**650.78**	**-**	**15,965.87**
V	(Loss)/Profit before exceptional items and tax (III-IV)	556.50	(306.25)	-	250.25
VI	Exceptional items	57.74	-		57.74
VII	(Loss)/ Profit before tax (V-VI)	498.76	(306.25)	-	192.51
VIII	Tax expense:				
	a) Current tax	184.24	-	-	184.24
	b) Adjustment of tax relating to earlier years	(69.62)	-	-	(69.62)
	b) Deferred tax charge	360.19	(1.55)	-	358.64
	Total tax expense	**474.81**	**(1.55)**	**-**	**473.26**
IX	(Loss) for the year (VII-VIII)	23.95	(304.70)	-	(280.75)
X	**Other comprehensive income**				
	Other comprehensive income that will be reclassified subsequently to statement of profit and loss				
	Exchange Difference on translation of foreign operations	-	142.38	-	142.38
	Income tax effect	-	-		-
	Net comprehensive (loss)/income not to be reclassified to statement of profit or loss in subsequent year	**-**	**142.38**	**-**	**142.38**
	Other comprehensive income/ (loss) not to be reclassified to statement of profit and loss in subsequent years:				
	Re-measurement (loss)/ gains on defined benefit plans	(11.75)	-	-	(11.75)
	Income tax effect	1.99	-	-	1.99
	Net other comprehensive income/ (loss) not to be reclassified to statement of profit and loss in subsequent years	**(9.76)**	**-**	**-**	**(9.76)**
	Other comprehensive income for the year, net of tax	**(9.76)**	**142.38**	**-**	**132.62**
XI	**Total comprehensive income/(loss) of the year, net of tax (IX+X)**	**14.19**	**(162.32)**	**-**	**(148.13)**

Restated Consolidated Statement of Cash Flows for the year ended March 31, 2025

Particulars	Before effect of business combination	Effect of business combination	Reclassification adjustments	Revised balance
I. Cash flow from operating activities				
(Loss)/Profit before tax	498.76	(306.25)	-	192.51
Adjustments to reconcile profit before tax to net cash flows:				
Depreciation and amortization expense	3,413.28	28.96	-	3,442.24
Exceptional items	57.74	-	-	57.74
Amortisation of government grant	(144.12)	-	-	(144.12)

Notes to the Consolidated Financial Statements

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

Particulars	Before effect of business combination	Effect of business combination	Reclassification adjustments	Revised balance
Provision no longer required written back	(250.02)	-	-	(250.02)
Finance costs	8,529.84	402.99	-	8,932.83
Finance income	(540.59)	(1.70)	-	(542.29)
Provision for doubtful receivables and advances	73.22	-	-	73.22
Foreign exchange fluctuation gain/(loss)	(10.90)	72.76	-	61.86
Insurance claims	(121.62)	-	-	(121.62)
Profit on disposal of property, plant and equipment		-	-	-
Write down of Inventory	98.76	-	-	98.76
Gain on sale / mark to market gain on mutual funds	(5.84)	-	-	(5.84)
Unwinding of discount	(126.06)	-	-	(126.06)
Translation difference of foreign operations		142.38	-	142.38
	10,973.69	**645.39**	**-**	**11,619.08**
Operating profit before working capital changes	**11,472.45**	**339.14**	**-**	**11,811.59**
Changes in working capital:				
Decrease in trade and other receivables	1,209.27	(95.17)	-	1,114.10
(Increase)/decrease in inventories	117.01	(0.02)	-	116.99
Increase/ (decrease) in trade and other payables	(112.88)	1.63	-	(111.25)
(Increase) in other financial assets	(27.79)	(321.25)	-	(349.04)
(Increase)/ decrease in other assets	208.48	43.25	-	251.73
Net liabilities in relation to asset held for sale	(161.48)	-	-	(161.48)
Increase in other financial liabilities	(31.61)	202.18	-	170.57
Increase/ (decrease) in other liabilities and provisions	(73.85)	15.76	-	(58.09)
Change in working capital	**1,127.15**	**(153.61)**	**-**	**973.53**
Cash generated from operating activities	**12,599.60**	**185.53**	**-**	**12,785.12**
Less : Taxes paid/ (net of refunds)	79.09	0.06	-	79.15
Net cash generated from operating activities	12,678.69	185.59	-	12,864.27
II. Cash flow from investing activities:				
Proceeds from sale of mutual funds	100.00	-	-	100.00
Investment in mutual funds	(390.48)	-	-	(390.48)
Proceeds from sale of property, plant and equipment	0.21	(0.21)	-	-
Capital expenditure on payment towards Property, Plant and Equipment, including capital advances and capital work in progress	(1,151.30)	(34.39)	-	(1,185.69)
Proceeds from Insurance claims	121.62	-	-	121.62
Proceeds from sale of assets classified as held for sale	894.06	(0.01)	-	894.05
Fixed deposits with banks (net)	(2,427.80)	2.52	-	(2,425.28)
Proceeds from loan repayment from related parties	50.00	-	-	50.00
Short term Loans given	(8.00)	(0.15)	-	(8.15)
Acquisition of subsidiaries	(95.12)	0.00	-	(95.12)
Proceeds from Government grants	384.14	-	-	384.14
Interest received	850.47	1.72	-	852.19
Net cash used in investing activities:	**(1,672.20)**	**(30.51)**	**-**	**(1,702.71)**
III. Net cash flow from financing activities:				
Proceeds from equity share capital (net of share issue expenses)	2,641.63	397.55	-	3,039.18
Proceeds from non-controlling interest		-	-	
Payment of principal portion of lease liabilities	(47.25)	(17.28)	-	(64.53)
Net repayment of borrowings	(4,707.01)	288.17	-	(4,418.84)
Interest paid	(8,103.74)	(381.62)	-	(8,485.36)
Net cash used in financing activities	**(10,216.37)**	**286.82**	**-**	**(9,929.55)**

Notes to the Consolidated Financial Statements

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

Particulars	Before effect of business combination	Effect of business combination	Reclassification adjustments	Revised balance
Net change in cash and cash equivalents (I+II+III)	**790.12**	**441.90**	**-**	**1,232.01**
Cash and cash equivalents as at the beginning of the year (a)	3,903.53	16.44	-	3,919.97
Cash and cash equivalents as at the end of the year (b)	4,693.65	458.33	-	5,151.98
Net change in cash and cash equivalents (b-a)	**790.12**	**441.89**	**-**	**1,232.01**

Particulars	Before effect of business combination	Effect of business combination	Reclassification adjustments	Revised balance
Reconciliation for cash and cash equivalent as per cash flow statement for the year:				
Balances with banks:				
- In current account	3,571.20	247.77	-	3,818.97
- Deposits with original maturity of three months or less	1,355.41	208.05	-	1,563.46
Bank overdraft	(232.96)	-	-	(232.96)
Cash and cash equivalents as at the end of the year	**4,693.65**	**455.81**	**-**	**5,149.46**

60. Other Statutory information

(i) The Group does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.

(ii) The Group does not have any transactions with companies struck off.

(iii) The Group does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(iv) The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.

(v) The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries), or;

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(vi) The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,

(vii) The Group does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

(viii) The Group has not been declared wilful defaulter by any bank or financial institution or other lender.

(viii) The Group has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

61. Whistleblower complaints

During the year ended March 31, 2025, the Group received three whistleblower complaints alleging misconduct by employees of certain entities of the Group. The Ethics Committee conducted investigations in accordance with the Group's whistleblower policy. The investigations concluded that no fraud has been committed, with no evidence of any inappropriate financial payment or material misstatement having been identified. "

Notes to the Consolidated Financial Statements

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

62. Events occurring after balance sheet date

No material events have occurred subsequent to the reporting period that would require disclosure or adjustment in these financial statements.

63. The Group uses SAP ECC as its accounting software for maintaining the books of accounts for the year ended March 31, 2025. The feature for recording the audit trail (edit log) facility has been enabled at transaction level throughout the financial year. However, starting from April 16, 2024, management implemented the audit trail feature at the database level.

64. The Group has elected to apply Ind AS 109 for financial guarantees in accordance with the transitional provisions specified in the notification. The effect of applying this new standard as of March 31, 2025, is as follows:

Hero Future Energies Asia Pte. Ltd ("HFE Asia") has provided financial guarantees on behalf of Hero Solar Energy Private Limited and Hero Wind Energy Private Limited. These guarantees cover the outstanding loans from Aditya Birla Finance Limited and Federal Bank.

Impact in the consolidated financial statements is as follows:

Particulars	Prepaid asset	Deemed capital contribution
Fair value of Financial guarantee obligation by HFE Asia	22.87	22.87
Amortisation till March 31, 2024	(5.45)	-
Amortisation of corporate guarantee during the year ended March 31, 2025	(8.84)	-
Closing as at March 31, 2025	8.58	22.87

65. Material partly-owned subsidiaries

Financial information of subsidiaries that have material non-controlling interests is provided below:

Proportion of equity interest held by non-controlling interests:

Name	Country of incorporation and operation	March 31, 2025	March 31, 2024
Clean Solar Power (Eastern Europe) Ltd along with it's subsidiaries	UK	15%	15%

Set out below is summarised financial information for each subsidiary that has non-controlling interests that are material to the Group. The amounts disclosed for each subsidiary are before inter-company eliminations.

Summarised Balance Sheet	Clean Solar Power (Eastern Europe) Ltd	
	March 31, 2025	March 31, 2024
Current assets	816.07	305.57
Current liabilities	(4,034.96)	(275.79)
Net current assets	**(3,218.89)**	**29.78**
Non-current assets	1,303.47	1,454.95
Non-current liabilities	(59.37)	(3,484.55)
Net non-current assets	**1,244.10**	**(2,029.60)**
Net Assets	1,974.79	1,999.82
Accumulated NCI	296.26	300.03

Summarised Statement of Profit and Loss	Clean Solar Power (Eastern Europe) Ltd	
	March 31, 2025	March 31, 2024
Revenue	540.00	350.93
Profit for the year	(63.96)	(245.84)
Other comprehensive income	88.98	157.64
Total comprehensive income	**25.02**	**(88.20)**
Profit allocated to NCI	3.75	(13.23)

Notes to the Consolidated Financial Statements

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

Summarised Statement of Cash Flows	Clean Solar Power (Eastern Europe) Ltd	
	March 31, 2025	March 31, 2024
Cash flows from operating activities	373.58	181.22
Cash flows from investing activities	(4.11)	(59.00)
Cash flows from financing activities	(1.19)	41.04
Net increase/ (decrease) in cash and cash equivalents	**368.28**	**163.26**

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

67. Due to different acquisitions made by Group during each of the year numbers are not comparable.

For M S K A & Associates
Chartered Accountants
ICAI Firm's Registration Number: 105047W

Nipun Gupta
Partner
Membership Number: 502896

Place: Gurugram
Date: May 26, 2025

For and on behalf of the Board of Directors
Hero Future Energies Private Limited

Anuj Agarwal
Director
DIN: 01866057
Place: New Delhi
Date: May 26, 2025

Benjamin Paul Fraser
Director
DIN: 09759173
Place: New Delhi
Date: May 26, 2025

Srivatsan Srinivas Iyer
Chief Executive Officer
Place: New Delhi
Date: May 26, 2025

Mayur Maheshwari
Company Secretary
M. No. F7379
Place: New Delhi
Date: May 26, 2025

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For any queries, please reach out to:
mayur.maheshwari@herofutureenergies.com

www.herofutureenergies.com

202, Third Floor, Okhla Industrial Estate,
Phase-III, New Delhi-110020