

# COMPLIANCE CERTIFICATE

(March 31, 2021)

## RG-2 COMPRISING OF SOLAR PROJECTS OF 570 MW



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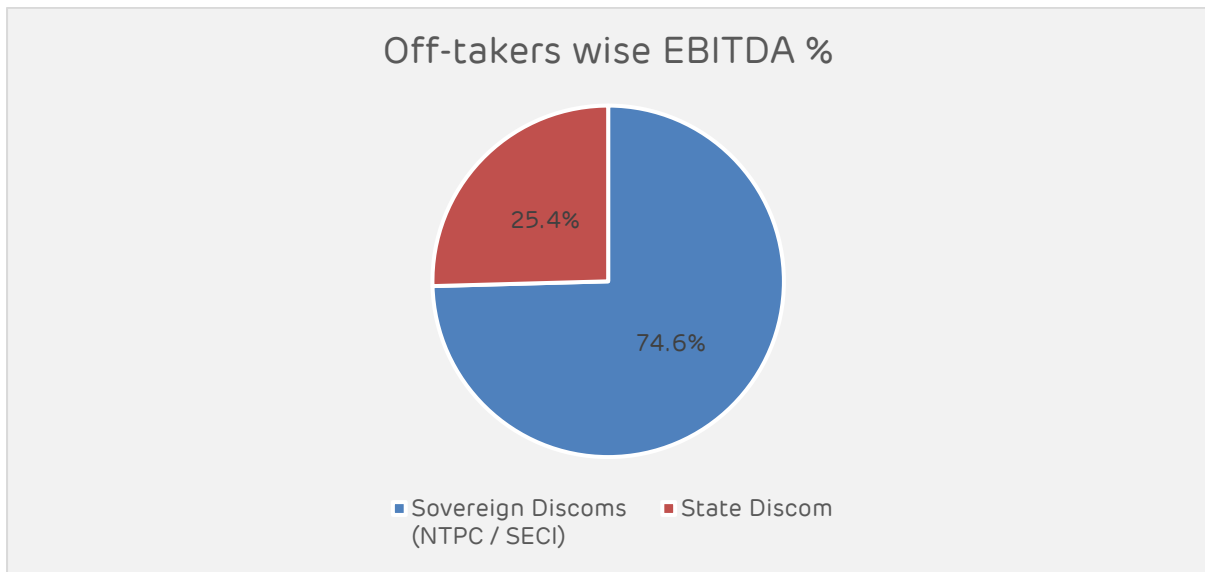
**Executive Summary**

**Adani Green Energy Obligor Group (RG 2)**

200 MW of Adani Renewable Energy (RJ) Limited (ARERJL), 350 MW of Wardha Solar (Maharashtra) Private Limited (WSMPL) and 20 MW of Kodangal Solar Parks Private Limited (KSPPL) formed an obligor group of 570 MW i.e. RG 2.

RG 2 had been assigned rating of BBB- / CW Negative by S&P, BBB- / Negative outlook (affirmed on 07<sup>th</sup> Oct 2020) by Fitch and Ba1 / Negative outlook by Moody's, was the first Renewable Generation Asset Issuance from India with Investment Grade Rating from all the three international Rating Agencies (Fitch/ Moody's/ S&P).

**Off-takers wise EBITDA (%) (FY21)**



**FY21 Developments**

**Investment by TOTAL S.A.**

Adani Promoter Group, India and TOTAL, France announce the acquisition of a 20% minority interest by TOTAL in Adani Green Energy Limited (AGEL) via the acquisition of shares held by the Adani Promoter Group in AGEL.

The transaction marks the deepening partnership between the Adani Group – India's leading infrastructure platform and TOTAL – a global energy major in the transition and green energy fields in India.

TOTAL and AGEL are JV partner in 2.35 GWac portfolio of operating solar assets each holding 50% and TOTAL also holds 20% stake in AGEL.

**COVID 19 Impact**

In spite of COVID-19 pandemic, there has been no major impact on our operational portfolio as electricity generation has been notified as an essential service. The plants were operated on 24 X 7 basis with a plant availability of 99.8%.

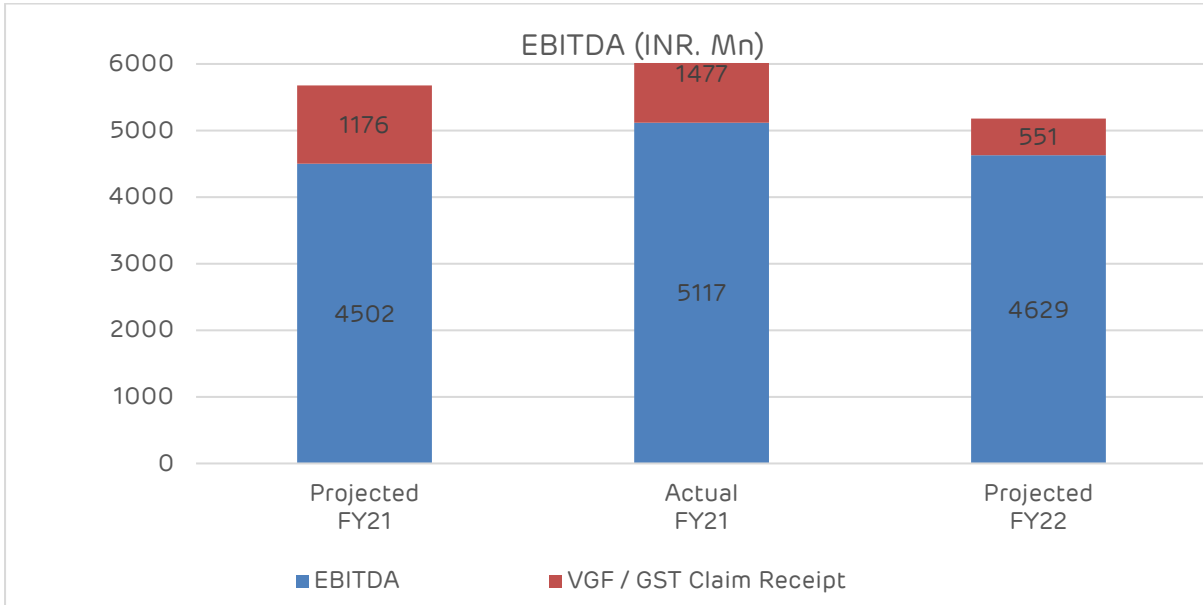
Also electricity offtake continued as per normal course of business without any curtailments and are receiving regular collections form off-takers.

The management has adopted the new normal ways of working such as:

- a) Workforce divided into small group to avoid working in congested / confined spaces and maintain social distancing.
- b) Masks are mandatory, PPEs, thermal screening, disinfected workspaces in every shift and strict vigilance at the time of gate entry and maintain hygiene at workplace.
- c) Fully equipped Ambulances (consisting of Oxygen cylinders) and Oxygen concentrators made available at each site.

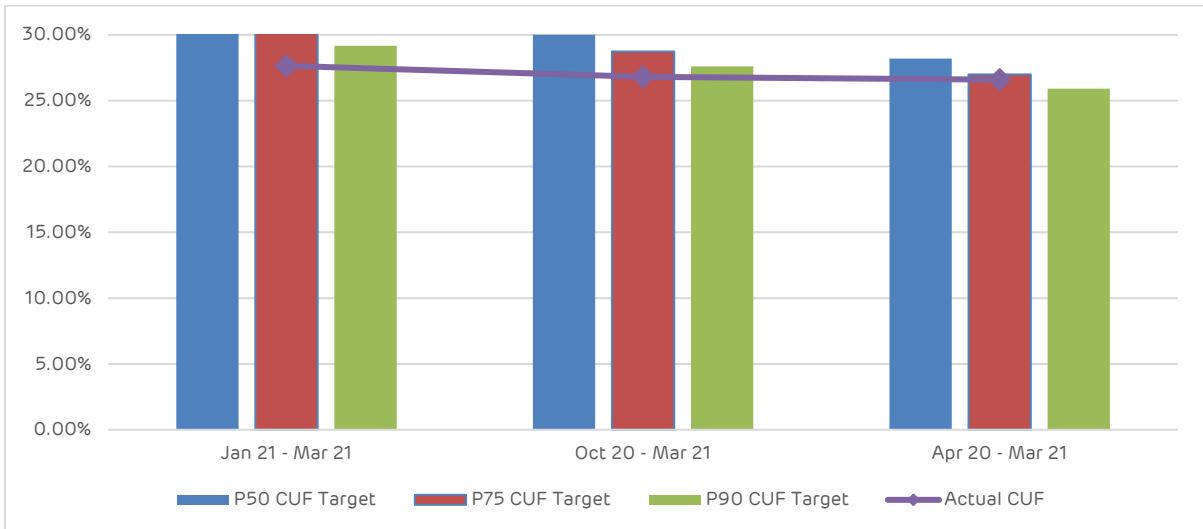
**Financial performance**

**EBIDTA Projected vs Actual**



**Operational performance**

The summary of operational performance of RG entities on aggregate basis is as follows:



The performance for FY21 has been near to P75 level of generation. Plant availability of RG-2 portfolio has been maintained at 99.8%.

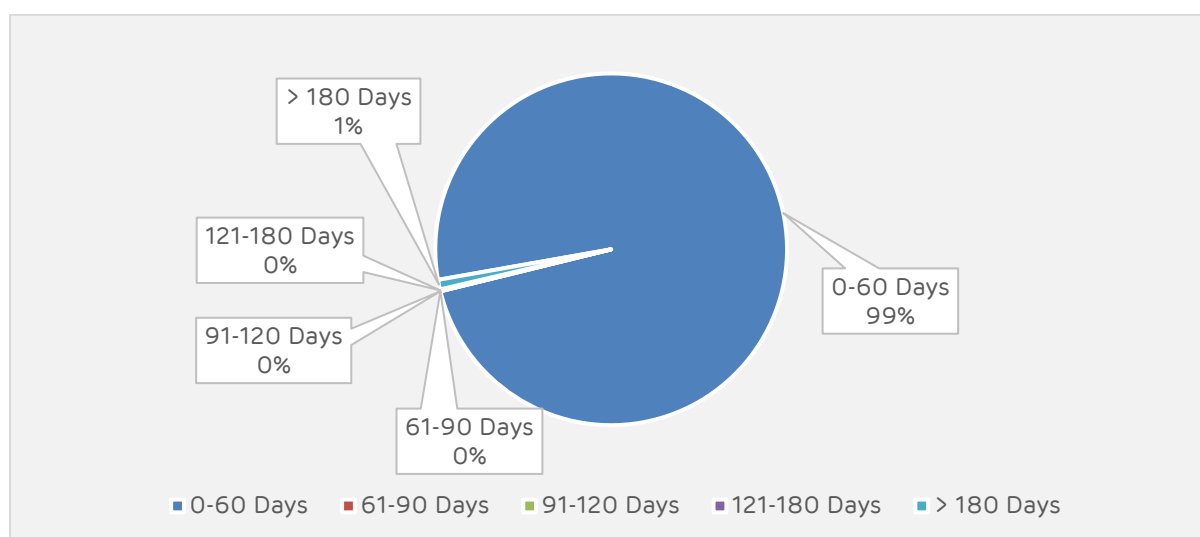
**Covenant**

The Restricted Group-II (as "RG-II") on aggregate basis has achieved following ratios:

Summary of the Covenant				
Particulars	Stipulated	March-20	Sept-20	Mar-21
Debt Service Coverage Ratio (DSCR) (Refer Annexure: 1)	1.55*	2.22	2.01	<b>2.25</b>
FFO / Net Debt (Refer Annexure: 2)	6%	12.44%	16.45%	<b>20.60%</b>
Project Life Cover Ratio (PLCR) (Refer Annexure: 3)	1.60	1.78	1.79	<b>1.80</b>
EBIDTA from Sovereign Equivalent Counterparty (Refer Annexure: 5)	65%	75.46%	76.13%	<b>74.57%</b>

\* for maximum distribution level

**Receivable position**



The receivable position on aggregate basis for the RG entities has been broadly in line with the projections.

# **Compliance Certificate (with related workings)**

**Information on Compliance Certificate and Its Workings**

To:

IDBI TRUSTEESHIP SERVICES LIMITED (the "Security Trustee")

CITICORP INTERNATIONAL LIMITED (the "Note Trustee")

Note Holders for U.S. \$ 362,500,000 Senior Secured Notes due 2039

From:

Adani Renewable Energy (RJ) Limited

Wardha Solar (Maharashtra) Private Limited

Kodangal Solar Parks Private Limited

Dated: 24<sup>th</sup> May 2021

Dear Sirs

Adani Renewable Energy (RJ) Limited, Wardha Solar (Maharashtra) Private Limited and Kodangal Solar Parks Private Limited (**together as "Issuers"**) – **Note Trust Deed dated 15<sup>th</sup> October, 2019 (the "Note Trust Deed")**

We refer to the Note Trust Deed. This is a Compliance Certificate given in respect of the Calculation Date occurring on Mar 31, 2021. Terms used in the Note Trust Deed shall have the same meaning in this Compliance Certificate.

The Certificate is based on the following documents:

1. Restricted Group's Aggregated Accounts for 12 months period ended on Mar 31, 2021.
2. The Cash Flow Waterfall Mechanism as detailed in the Note Trust Deed.
3. Working annexure.



## Computation of Operating Account Waterfall as per Note Trust Deed

We hereby make the Operating Account Waterfall and distributable amount Calculation.

Operating Account Waterfall calculation	INR Mn	INR Mn
Particulars	Apr 1, 2020 to Mar 31, 2021	Oct 1, 2019 to March 31, 2020
Opening cash balance (excluding reserves) (A)	1,457	1,229
Operating EBITDA (B) (Refer Annexure)	6,594	2,717
Working capital & Other Movements (C)	100	(282)
Capital Expenditure (D)	(398)	(55)
<b>Cash Flow Available for Debt Servicing and Reserves (E=A+B+C+D)</b>	<b>7,753</b>	<b>3,610</b>
<b>Debt Servicing and other Reserves</b>		
Interest Service (Refer annexure)	(2,443)	(1,293)
Debt Service (Repayment)	(1,128)	-
Investments in Debt Service Reserve Account	364	-
Investment in Capital Expenditure Reserve Account	-	(50)
<b>Total Debt Servicing and other Reserves (F)</b>	<b>(3,221)</b>	<b>(1,343)</b>
<b>Cash Available post Debt Servicing and Reserves (G = E+F)</b>	<b>4,532</b>	<b>2,267</b>
<b>Funds distributed in FY21 (H)</b>	<b>(1,824)</b>	<b>-</b>
<b>Cash Available for transfer to Distribution Account (I)</b>	<b>2,708</b>	<b>2,267</b>
<b>Funds earmarked for prudent liquidity</b>		
Funds earmarked for Capital Expenditure Payments	(50)	(132)
Funds earmarked for debt servicing	(1,577)	(1,288)
Funds earmarked for O&M expenses (equivalent to 1 month period)	(33)	(37)
<b>Total Funds Earmarked (J)</b>	<b>(1,660)</b>	<b>(1,457)</b>
<b>Net Cash Available for transfer to Distribution Account (K = I+J)</b>	<b>1,048</b>	<b>810</b>
<b>Amount transferred to distribution account (L)</b>	<b>(1,040)</b>	<b>(810)</b>
<b>Net Cash Available for transfer to Distribution Account (M = K+L)</b>	<b>8</b>	<b>0</b>

Note: Since RG-2 Bond issued in Oct 2019, corresponding previous period figures have been presented from Oct 19 to Mar 20.

We confirm that:

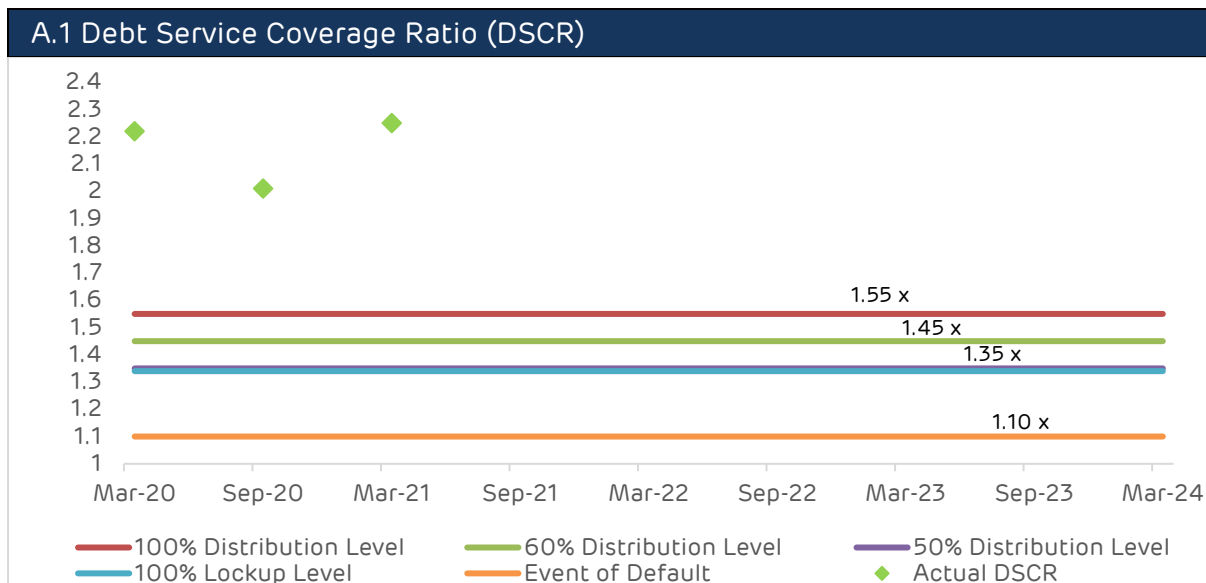
- in accordance with the workings set out in the attached Annexure 1, the Debt Service Cover Ratio for the Calculation Period ended on the relevant Calculation Date was **2.25:1**.
- copies of the Restricted Group's Aggregated Accounts in respect of the Calculation Period is attached.
- as at the Calculation Date, the aggregate amount for transfer to our Distributions Account in accordance with the Operating Account Waterfall is **INR 1,048 Mn**.
- acting prudently the cash balance of **INR 1,660 Mn** is earmarked for debt servicing due in Apr-21, Capex Expenditure and O&M expense for 1 month.
- to the best of our knowledge having made due enquiry, no Default subsists.

Summary of the Covenant

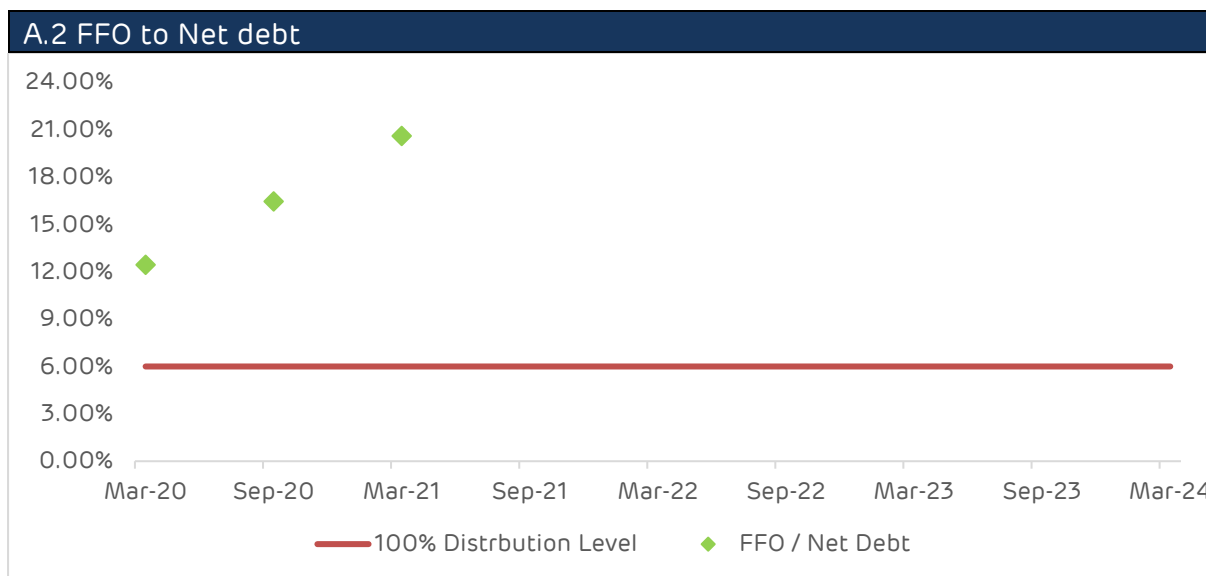
Summary of the Covenant				
Particulars	Stipulated	Mar-20	Sept-20	Mar-21
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Project Life Cover Ratio (PLCR) (Refer Annexure: 3)	1.60	1.78	1.79	<b>1.80</b>
EBIDTA from Sovereign Equivalent Counterparty (Refer Annexure: 5)	65%	75.46%	76.13%	<b>74.57%</b>

\* for maximum distribution level)

A. Financial Matrix

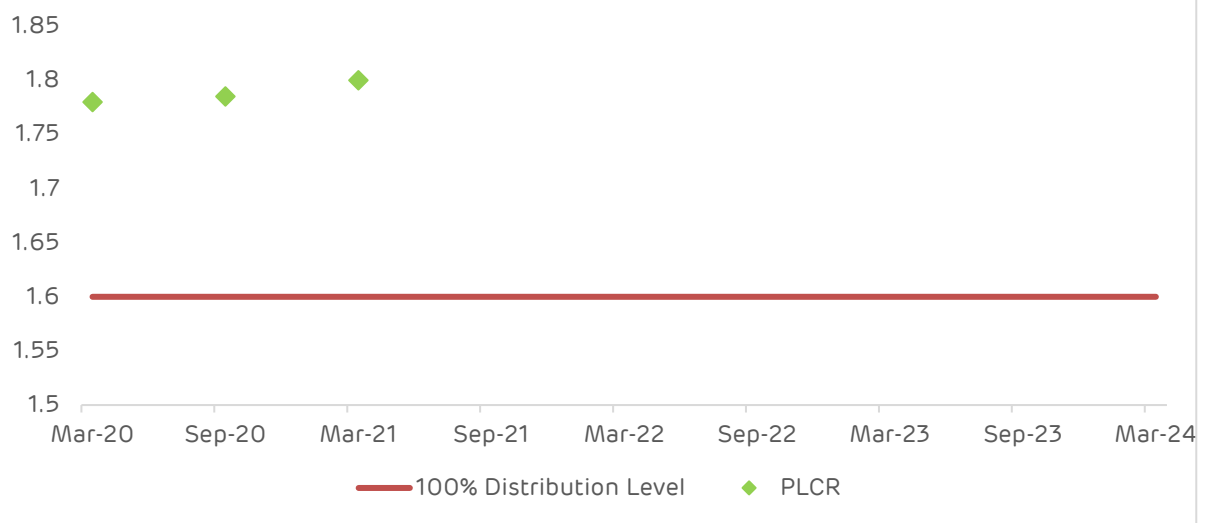


Note: The Actual DSCR of 2.25x is for the 12 months period ended Mar 31, 2021



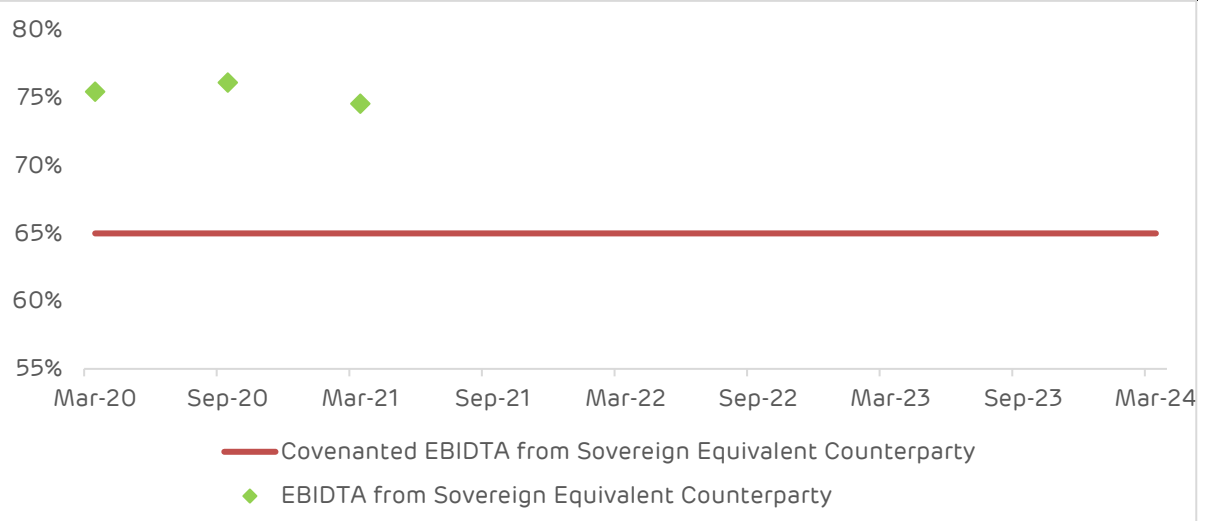
Note: The Actual FFO/Net Debt of 20.60% is for 12 months period ended Mar 31, 2021

**A.3 Project Life Cover Ratio (PLCR)**



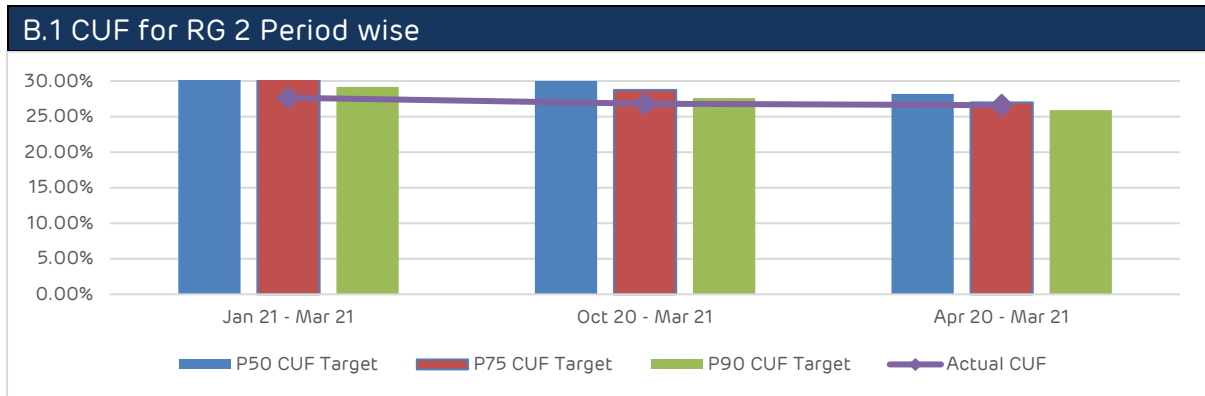
Note: The Actual PLCR of 1.80x is the Debt Sizing Cover from NPV of Future EBIDTA of PPA as on Mar 31, 2021.

**A.4 EBIDTA from Sovereign Equivalent Counterparty**



Note: The Actual EBIDTA from Sovereign Equivalent Counterparty is 74.57% for the 12 month period ended Mar 31, 2021.

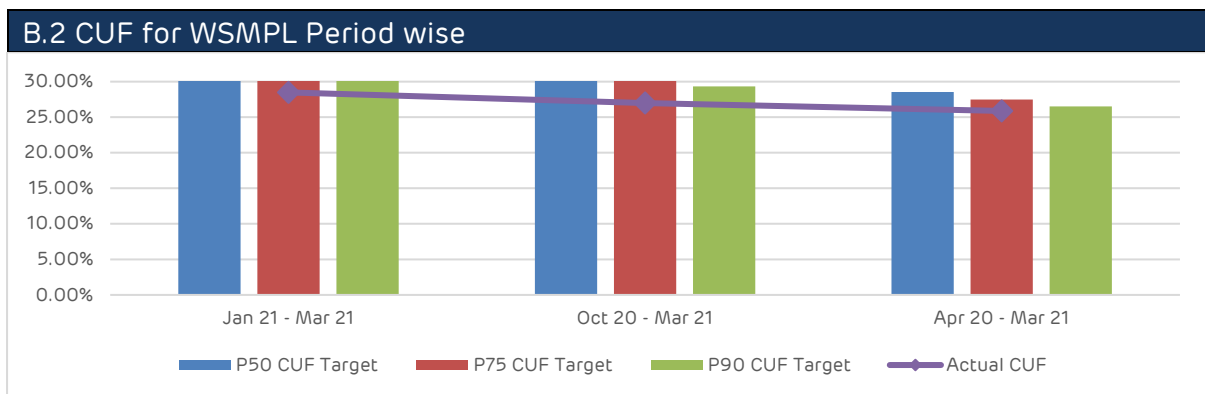
**B. Operational Performance (CUF)**



The performance for FY21 has been near to P75 level of generation. Lower CUF is mainly on account of shortfall in radiation. However, plant availability of RG-2 portfolio has been maintained at 99.8%. Projected operational EBITDA has been achieved by optimising O&M cost.

The Generation in terms of Million Units is presented as below:

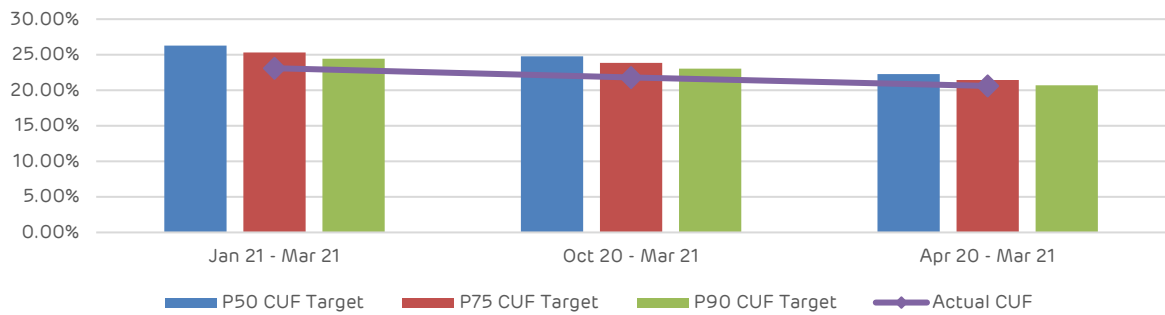
Particulars	Jan 21 - Mar 21	Oct 20 - Mar 21	Apr 20 - Mar 21
P50 Target MU	390	747	1408
P75 Target MU	374	716	1348
P90 Target MU	359	687	1294
Actual Generation MU	340	668	1328
Average Operational Capacity (MW)	570	570	570



The Generation in terms of Million Units is presented as below:

Particulars	Jan 21 - Mar 21	Oct 20 - Mar 21	Apr 20 - Mar 21
P50 Target MU	255	482	875
P75 Target MU	246	464	842
P90 Target MU	237	448	813
Actual Generation MU	215	413	793
Average Operational Capacity (MW)	350	350	350

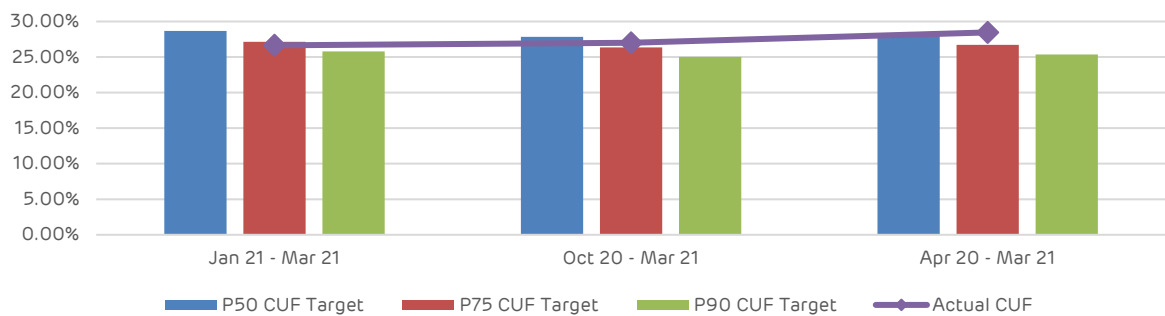
**B.3 CUF for KSPPL Period wise**



The Generation in terms of Million Units is presented as below:

Particulars	Jan 21 - Mar 21	Oct 20 - Mar 21	Apr 20 - Mar 21
P50 Target MU	11	22	39
P75 Target MU	11	21	38
P90 Target MU	11	20	36
Actual Generation MU	10	19	36
Average Operational Capacity (MW)	20	20	20

**B.4 CUF for ARERJL Period wise**

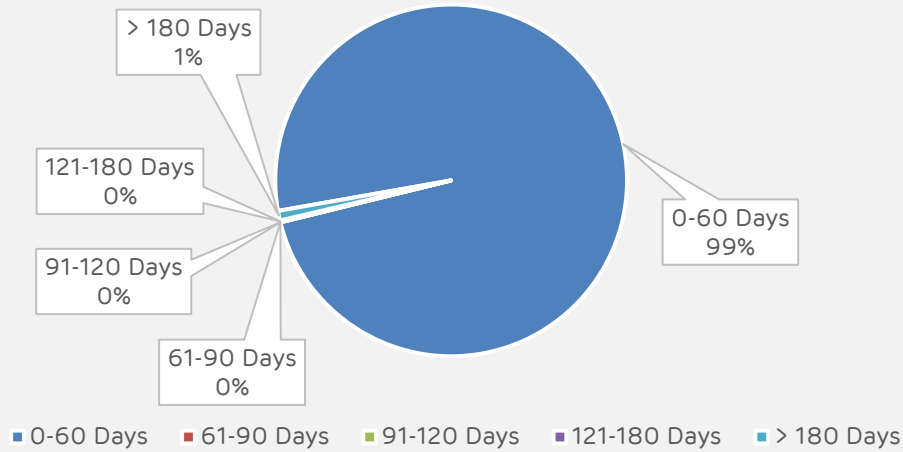


The Generation in terms of Million Units is presented as below:

Particulars	Jan 21 - Mar 21	Oct 20 - Mar 21	Apr 20 - Mar 21
P50 Target MU	124	243	494
P75 Target MU	117	230	468
P90 Target MU	111	219	444
Actual Generation MU	115	236	499
Average Operational Capacity (MW)	200	200	200

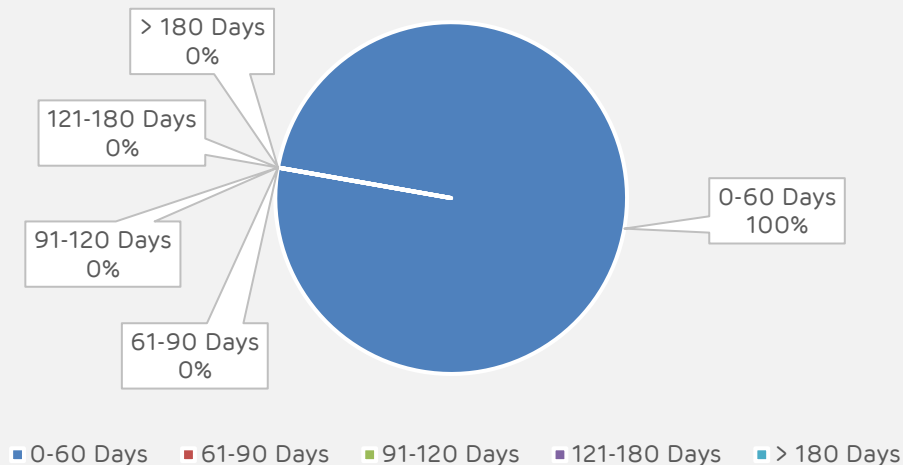
**C. Receivable Position**

**C.1 Receivable Position of RG 2**



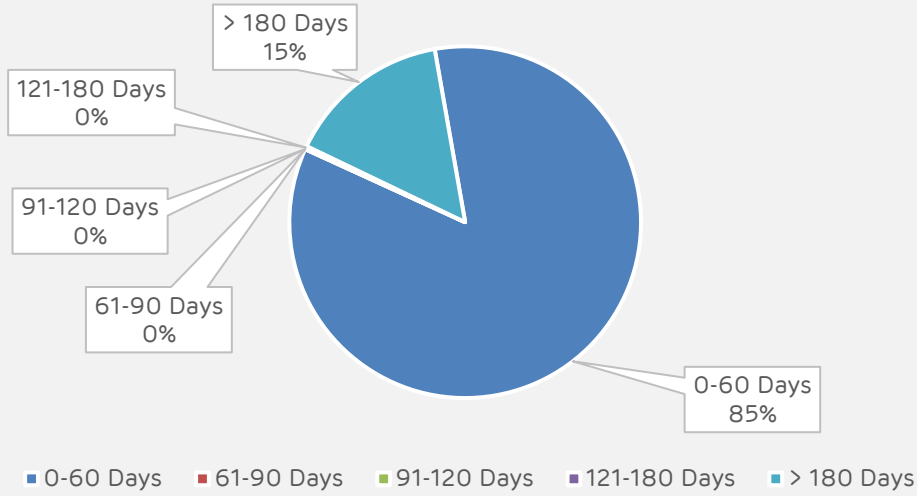
AGEL RG 2 - PPA Legal Receivable Structure						(INR Mn)
Month	0-60 days	61-90 days	91-120 days	121-180 days	>180 days	Total Receivables
Mar-21	581	0	0	1	5	587
Dec-20	563	1	0	0	5	569
Sep-20	468	0	0	0	4	473

**C.2 Receivable Position of WSMPL**



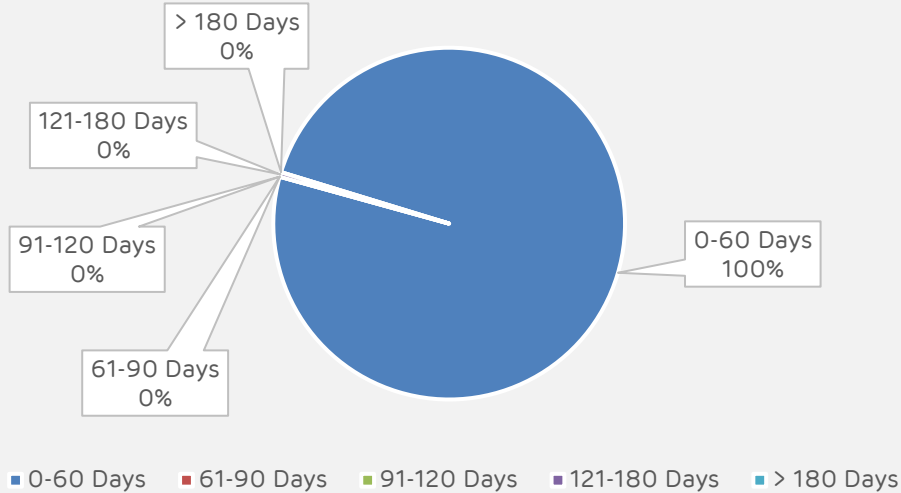
WSMPL - PPA Legal Receivable Structure						(INR Mn)
Month	0-60 days	61-90 days	91-120 days	121-180 days	>180 days	Total Receivables
Mar-21	340	0	0	0	0	340
Dec-20	317	0	0	0	0	317
Sep-20	247	0	0	0	0	247

### C.3 Receivable Position of KSPPL



KSPPL - PPA Legal Receivable Structure						(INR Mn)
Month	0-60 days	61-90 days	91-120 days	121-180 days	>180 days	Total Receivables
Mar-21	29	0	0	0	5	34
Dec-20	28	0	0	0	5	33
Sep-20	11	0	0	0	4	15

### C.4 Receivable Position of ARERJL



ARERJL - PPA Legal Receivable Structure						(INR Mn)
Month	0-60 days	61-90 days	91-120 days	121-180 days	>180 days	Total Receivables
Mar-21	212	0	0	1	0	213
Dec-20	217	1	0	0	0	218
Sep-20	211	0	0	0	0	211

Signed:

For Adani Renewable Energy (RJ) Limited  
(CIN: U40106GJ2018PLC102210)

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Director / Authorised Signatory

For Wardha Solar (Maharashtra) Private Limited  
(CIN: U40106GJ2016PTC086499)

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Director / Authorised Signatory

For Kodangal Solar Parks Private Limited  
(CIN: U40300TG2015PTC100216)

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Director / Authorised Signatory

Encl:

- 1) Legal Form Compliance Certificate (Appendix 1)
- 2) Covenant Calculations
- 3) Directors Certificate (Appendix 2)
- 4) Restricted Group's Aggregated Accounts for 12 months period ended on Mar 31, 2021
- 5) Other Security Certificates



**Appendix - 1**

**Form of Compliance Certificate**

**Citicorp International Limited** (the "Note Trustee")

39th Floor, Champion Tower

Three Garden Road, Central

Hong Kong

Fax no.: +852 2323 0279

Attention: Agency & Trust

24<sup>th</sup> May, 21

Dear Ladies and Gentlemen

**Adani Renewable Energy (RJ) Limited, Wardha Solar (Maharashtra) Private Limited and Kodangal Solar Parks Private Limited (incorporated in the Republic of India with limited liability) U.S.\$362,500,000 4.625 per cent. Senior Secured Notes due 2039**

In accordance with Clause 7.6 of the note trust deed dated 15<sup>th</sup> October 2019 (as amended and/or supplemented from time to time, the "Note Trust Deed") made between (1) Wardha Solar (Maharashtra) Private Limited, Adani Renewable Energy (RJ) Limited and Kodangal Solar Parks Private Limited (the "Issuers") and (2) the Note Trustee, we hereby certify and, in the case of paragraphs (h) and (i) below, confirm, on behalf of the Issuers, that:

(a) as at the Calculation Date, the aggregate amount for transfer to the Distribution Account in accordance with the Operating Accounts Waterfall and the Distribution Conditions is U.S.\$;

**INR 1,048 Mn      USD 14.3 Mn**

(b) in accordance with the workings set out in the attached Annexure 1, the Debt Service Cover Ratio for the Calculation Period ending on the relevant Calculation Date was

**2.25 x :1**

(c) in accordance with the workings set out in the attached Annexure 2, the Fund From Operations to Net Debt Ratio for the Calculation Period ending on the relevant Calculation Date was

**20.60%**

(d) in accordance with the workings set out in the attached Annexure 3, the Project Life Cover Ratio for the Calculation Period ending on the relevant Calculation Date was ;

**1.80 x : 1**

(e) as at the Calculation Date, the cash balance in each of the Project Accounts is as follows:

<b>Account Name</b>	<b>Cash balance (INR Mn)</b>
WSMPL	523
KSPPL	101
ARERJL	1,043
Add: Amount transferred to distribution account	1,040
Less: Funds earmarked for debt servicing due in Apr,21	(1,577)
<b>Total RG 2</b>	<b>1,131</b>

(f) the amount of Capital Expenditure undertaken or forecast to be undertaken by the Obligor in the six-month period commencing on the relevant Calculation Date is;

**October 1, 2020 to March 31, 2021      INR 287 Mn**

**April 1, 2021 to September 30, 2021      INR 50 Mn**

(g) the Issuers' EBITDA (on an aggregate basis) attributable to Sovereign Counterparties for the Calculation Period ending on the relevant Calculation Date is

**0.75 x:1**

(h) we are acting prudently and the cash balance can be distributed as permitted under the relevant Transaction Documents;

(i) any maintenance as required under the CUF report has been completed; and

(j) to the best of our knowledge having made due enquiry, no Default subsists.

The details of all Authorised Investments in respect of each Project Account as at date of this Certificate are set in **Annexure 4**.

Terms not defined herein shall have the same meanings as provided in the Note Trust Deed and the Conditions.

Yours faithfully

By: .....

Director / Authorised Signatory  
Adani Renewable Energy (RJ) Limited

By: .....

Director / Authorised Signatory  
Wardha Solar (Maharashtra) Private Limited

By:  
.....

Director / Authorised Signatory  
Kodangal Solar Parks Private Limited

**Annexure 1**

**Workings for calculation of Debt Service Cover Ratio**

Particulars	Amount in INR Mn Apr 20 to Mar 21
<b>"Debt Service Cover Ratio"</b> means, in relation to a Calculation Period ending on the relevant Calculation Date,	<b>2.25</b>
i) <b>"Cashflow Available for Debt Service"</b> means, in respect of any period, the aggregate amount of CFADS Operating Revenue for that period (which, for the avoidance of doubt, includes interest revenue accrued by the Issuers on all Project Accounts (including the Distribution Accounts, to the extent any such interest is transferred to an Operating Account) to the extent not already included in CFADS Operating Revenue), less:	<b>8,051</b>
(a) Operating Expenses paid in that period, other than any other Operating Expenses (including any Costs or fees payable in connection with the Existing Indebtedness, the Senior Secured Documents or any Additional Senior Debt or Additional Subordinated Debt and any Costs or break fees payable as a consequence of the repayment or prepayment of the Existing Indebtedness or any Hedge Termination Payments in respect of the Existing Indebtedness), in each case, funded by Permitted Finance Debt, equity contributions or shareholder loans or amounts withdrawn from a Project Account in accordance with these Conditions or the Project Accounts Deed;	(398)
(b) Taxes paid by the Issuers in that period; and	-
(c) amounts paid to the Security Trustee, each Representative under the Senior Secured Documents and any third party paying, transfer, or listing agents or registrars in relation to the Senior Debt,	-
in each case for (b) and (c) of this definition, without double counting. For any Calculation Period commencing on the Closing Date, Cash flow Available for Debt Service will include any excess cash in the Operating Account on the Closing Date.	1,457
<b>"CFADS Operating Revenue"</b> means Operating Revenue excluding (without double counting):	<b>6,992</b>
Total Operating Revenue	7,033
(a) non-recurring significant items (including, but not limited to, profits and losses on disposal of assets outside the ordinary course of business);	(41)

(b) extraordinary items (including but not limited to profits or losses on termination of any Secured Hedging Agreement);	-
(c) net payments received under any Secured Hedging Agreements;	-
(d) any other non-cash items (including but not limited to property revaluations);	-
(e) insurance proceeds, other than business interruption insurance proceeds or advance consequential loss of profit insurance proceeds or any proceeds applied towards reimbursement for repairs or reinstatement of an asset where the cost of the relevant repair or reinstatement is an Operating Expense;	-
(f) proceeds of any Finance Debt or equity; and	-
(g) any compensation, warranty claim or indemnity payment received under a Material Document, other than any amounts calculated with respect to or provided in lieu of revenue or where the cost, liability or loss being compensated for or the subject of the relevant warranty or indemnity is an Operating Expense.	-
ii) the sum of scheduled principal repayment (to the extent not refinanced, prepaid or repaid, and/or marked for refinancing) adjusting, if applicable, any opening cash carried forward from the previous Calculation Period in the Operating Account, interest payments to Senior Creditors and payments of any Costs (of recurring nature) to Senior Creditors in relation to Senior Debt due or accrued during that period, without considering any Initial Termination Payment and where such Senior Debt is denominated in a currency other than INR the relevant amounts shall be calculated at the rate at which such Senior Debt is hedged under any Hedging Agreement.	<b>3,571</b>
(a) Scheduled principal repayment	1,128
(b) Finance Cost (excluding interest towards related party loan and other finance cost)	2,457

**Annexure 2**

**Workings for the Fund from Operations to Net Debt Ratio**

<b>Particulars</b>	<b>(Amounts in INR Mn) Apr 20 - Mar 21</b>
<b>Fund From Operations to Net Debt Ratio</b>	<b>20.60%</b>
<b>"Funds From Operations"</b> means EBITDA minus cash taxes paid and adjusted for any positive or negative adjustments in working capital minus cash net interest.	<b>4,569</b>
(a) EBIDTA	6,594
(b) Less Tax Paid	-
(c) Less Working Capital Negative Movement	(432)
(d) Finance Cost (less interest towards related party loan charged to P&L)	2,457
<b>"Net Debt"</b> means the total indebtedness of the Issuer less any amounts held in the Senior Debt Restricted Amortization Account, the Senior Debt Service Reserve Accounts, the Senior Debt Restricted Reserve Accounts, the Subordinated Debt Service Reserve Accounts and the Senior Debt Redemption Accounts.	<b>22,172</b>
(a) Senior Secured Debt	25,458
(b) Cash Balance (In Various Reserve Accounts)	1,685
(c) DSRA Balance	1,600

### Annexure 3

#### Workings for the Project Life Cover Ratio

##### Particulars

(Amounts  
in INR Mn)

As on  
Mar 31  
2021  
1.80

“**Project Life Cover Ratio**” means the EBITDA forecast (on an aggregate basis) for the life of the PPAs and any residual value of assets (including cash or cash equivalents) at the end of a relevant PPA period at period N present valued at the weighted average lifecycle cost of Senior Debt outstanding on the Relevant Calculation Date divided by the Senior Debt. The EBITDA forecast for the purpose of the Project Life Cover Ratio will be based on P-90 CUF as forecast in the most recent Relevant Independent Consultant Report.

$\Sigma(1 \text{ to } n)$  EBITDA discounted at the estimated lifecycle cost of debt (over 1 to n) divided by Senior Debt outstanding at the Calculation Date.

1 to N being the remaining life of the PPAs in number of years.

For the purposes of this definition, “**Relevant Calculation Date**” means, in respect of a Transaction Date, the immediately preceding Calculation Date and in respect of a Calculation Date, such Calculation Date.

Year	3	4	5	6	7	8	9
FY	Mar-22	Mar-23	Mar-24	Mar-25	Mar-26	Mar-27	Mar-28
Residual Value	-	-	-	-	-	-	-
EBIDTA @ P90 Level	5,180	4,710	4,687	4,665	4,382	4,356	4,324
EBDITA + RV	5,180	4,710	4,687	4,665	4,382	4,356	4,324
Cost of Debt	9.43%	9.43%	9.43%	9.43%	9.43%	9.43%	9.43%

Year	10	11	12	13	14	15	16	17
FY	Mar-29	Mar-30	Mar-31	Mar-32	Mar-33	Mar-34	Mar-35	Mar-36
Residual Value	-	-	-	-	-	-	-	-
EBIDTA @ P90 Level	4,294	4,260	4,227	4,189	4,174	4,158	4,148	4,128
EBDITA + RV	4,294	4,260	4,227	4,189	4,174	4,158	4,148	4,128
Cost of Debt	9.43%	9.43%	9.43%	9.43%	9.43%	9.43%	9.43%	9.43%

Year	18	19	20	21	22	23	24
FY	Mar-37	Mar-38	Mar-39	Mar-40	Mar-41	Mar-42	Mar-43
Residual Value	-	-	-	-	-	-	15,975
EBIDTA @ P90 Level	4,137	4,155	4,167	3,824	3,251	3,166	3,101
EBDITA + RV	4,137	4,155	4,167	3,824	3,251	3,166	19,076
Cost of Debt	9.43%	9.43%	9.43%	8.52%	8.52%	8.52%	8.52%

(Amount in INR Mn)

<b>NPV Factor (life cycle cost of Debt)</b>	<b>9.26%</b>
<b>NPV of EBIDTA</b>	<b>42,913</b>
Senior Debt O/s	25,458
DSRA	1,600
<b>Debt for PLCR</b>	<b>23,858</b>

#### Annexure 4

#### Details of Authorized Investments

Details of all investments made as per Project Account Deed and Reserve Accounts.

Sr. No.	Name of Project Account	As on 31 Mar-21 (Amounts in INR Mn)		
		Balance	Investment	Total
1	WSMPL CAPITAL EXPENDITURE RESERVE ACCOUNT	-	52	52
2	WSMPL ISSUE PROCEEDS ACCOUNT	1	-	1
3	WSMPL -MARGIN FD	-	15	15
4	WSMPL OPERATING ACCOUNT	4	965	969
5	WSMPL SENIOR DEBT RESTRICTED AMORTISATION ACCOUNT	0	-	0
6	WSMPL SENIOR DEBT SERVICE RESERVE ACCOUNT	-	1,140	1,140
7	WSMPL-CURRENT-OTHER BANK	0	-	0
8	KSPPL ISSUE PROCEEDS ACCOUNT	0	-	0
9	KSPPL -MARGIN FD	-	21	21
10	KSPPL OPERATING ACCOUNT	0	101	101
11	KSPPL SENIOR DEBT RESTRICTED AMORTISATION ACCOUNT	0	-	0
12	KSPPL SENIOR DEBT SERVICE RESERVE ACCOUNT	-	50	50
13	KSPPL-CURRENT-OTHER BANK	0	-	0
14	ARERJL ISSUE PROCEEDS ACCOUNT	0	-	0
15	ARERJL -MARGIN FD	-	2	2
16	ARERJL OPERATING ACCOUNT	1	521	522
17	ARERJL SENIOR DEBT RESTRICTED AMORTISATION ACCOUNT	0	-	0
18	ARERJL SENIOR DEBT SERVICE RESERVE ACCOUNT	-	410	410
19	KSPPL-CURRENT-OTHER BANK	1	-	1
		<b>8</b>	<b>3,277</b>	<b>3,285</b>



Annexure 5

**Working for Pool Protection Event**

Particulars	Apr 20- Mar 21 (Amount in INR Mn)	
<p><b>"Pool Protection Event"</b> occurs if, with respect to the Calculation Date immediately preceding any Transaction Date, (i) the percentage of the Issuers' EBITDA (on an aggregate basis) for the Calculation Period ending on such Calculation Date attributable to PPAs with Sovereign Counterparties is less than 65 per cent. of the Issuers' EBITDA (as set out in the relevant Aggregated Accounts)</p>	<b>4,917</b>	<b>74.57%</b>
<p>or (ii) the amount equal to the Aggregate CFADS attributable to PPAs with Sovereign Counterparties is less than the sum, with respect to the then-outstanding Senior Debt, of:</p>	<b>4,917</b>	<b>1.63</b>
<p>(a) 100% of the amount of interest accrued but unpaid thereon, and</p>	2,443	
<p>(b) 100% of the principal amount thereof, amortized (in the case of principal only) on an equal semi-annual installment basis over the Remaining Life of the PPAs;</p>	579	
<p><i>provided</i>, that such Senior Debt outstanding shall be calculated on a pro forma basis for the additional Finance Debt so incurred as if such Finance Debt had been incurred on the first day of the immediately preceding Calculation Period.</p>		

**Annexure 6**
**Working Notes (FY21)**

<b>Particulars (INR Mn.)</b>	<b>Mar-21</b>	<b>FS Notes / Remarks</b>
<b>Total Operating Revenues</b>		
Revenue from Operations	5,114	From P&L
Other Income	821	From P&L
<b>Add:</b> VGF / GST Claim Received	1,477	Actual receipt
<b>Less:</b> VGF / GST Claim amortisation	(127)	Schedule 27 of FS
<b>Less:</b> Foreign Exchange Fluctuation and derivative gain from Non-Financing Activities (Regrouped to Finance Cost)	(252)	Schedule 28 of FS
	<b>7,033</b>	

<b>Particulars (INR Mn.)</b>	<b>Mar-21</b>	<b>FS Notes / Remarks</b>
<b>Operating Expense</b>		
Purchase of traded goods	48	From P&L
Employee Benefits Expenses	-	From P&L
Other Expenses	350	From P&L
	<b>398</b>	

<b>Particulars (INR Mn.)</b>	<b>Mar-21</b>	<b>FS Notes / Remarks</b>
<b>Non-Recurring Items</b>		
Net gain on sale/ fair valuation of investments through profit and loss (refer note (ii) below)	15	Schedule 28 of FS
Sale of Scrap	0	Schedule 28 of FS
Liability No Longer Written Back	26	Schedule 28 of FS
	<b>41</b>	

<b>Particulars (INR Mn.)</b>	<b>Mar-21</b>	<b>FS Notes / Remarks</b>
<b>Finance Costs (attributable to the senior secured lenders) (A)</b>		
Interest & Other Borrowing Cost (A)	1,816	Schedule 30 of FS
<b>Hedging Cost:</b>		
Loss on Derivatives Contracts	2,137	Schedule 30 of FS
Exchange difference regarded as an adjustment to borrowing cost	(634)	Schedule 30 of FS
Less: Foreign Exchange Fluctuation and derivative (gain) / loss from Non Financing Activities (Regrouped from Other income)	(252)	Schedule 28 of FS
<b>Total Hedge Cost charged to P&amp;L (B)</b>	<b>1,251</b>	

Particulars (INR Mn.)	Mar-21	FS Notes / Remarks
<b>Total Finance Cost (C = A+B)</b>	<b>3,067</b>	
Less : Interest towards related party and other finance cost not accounted for senior debt. (D)	(610)	Management Workings
<b>Net Finance Costs (attributable to the senior secured lenders) (E = C-D)</b>	<b>2,457</b>	

Note: The group has recognized Derivative and Exchange Rate Differences (ERD) cost by following Cash Flow Hedge accounting as per IND AS 109 in which Derivative cost including MTM gain / loss shall adjust with the ERD Gain / loss and **amount to the extent of hedge cost (premium) is charged to P&L** under different heads.

Particulars (INR Mn.)	Mar-21	FS Notes / Remarks
<b>Gross Debt</b>		
Gross Debt	25,409	Actual Bond o/s
Add: Derivative Liabilities (Net)	48	Schedule 6, 19 & 24
	<b>25,458</b>	

Particulars (INR Mn.)	Mar-21	FS Notes / Remarks
<b>Net Debt</b>		
<b>Gross debt as above (A)</b>	<b>25,458</b>	
Less:		
Balances held as Margin Money or security against borrowings	(1,650)	Schedule 6 of FS
Current Investments	(1,366)	Schedule 10 of FS
Cash and Cash equivalents	(8)	Schedule 12 of FS
Bank balance (other than Cash and Cash equivalents)	(261)	Schedule 13 of FS
<b>Total cash and cash equivalent (B)</b>	<b>(3,285)</b>	
<b>Net Debt (C=A+B)</b>	<b>22,172</b>	

Annexure 7

**RG 2 Plant Wise EBIDTA for Apr 20 to Mar 21**

					INR Mn
Company Name	Plant Name	MW	NTPC/ SECI /others	Offtaker	EBIDTA
WSMPL	Madhuvanhalli 1	50	SECI	SECI	4,917
WSMPL	Rastapur	50	SECI	SECI	
WSMPL	Rajeshwar	50	SECI	SECI	
WSMPL	Maskal	50	SECI	SECI	
WSMPL	Nalwar	40	SECI	SECI	
WSMPL	Yatnal	50	SECI	SECI	
WSMPL	Madhuvanhalli 2	50	SECI	SECI	
WSMPL	Kallur	10	SECI	SECI	
KSPPL	Bagewadi	20	Other	KREDL	
ARERJL	Rawra	200	Other	MSEDCL	1,528
<b>Total</b>		<b>570</b>			<b>6,594</b>

Wardha Solar (Maharashtra) Private Limited (WSMPL); Kodangal Solar Parks Private Limited (KSPPL); Adani Renewable Energy (RJ) Limited (ARERJL)

**Appendix - 2**

**Form of Certificate of Directors**

**Citicorp International Limited** (the "Note Trustee")

39th Floor, Champion Tower

Three Garden Road

Central Hongkong

Fax no.: +852 2323 0279

Attention: Agency & Trust

Dear Ladies and Gentlemen

**ADANI RENEWABLE ENERGY (RJ) LIMITED, WARDHA SOLAR (MAHARASHTRA) PRIVATE LIMITED and KODANGAL SOLAR PARKS PRIVATE LIMITED (incorporated in the Republic of India with limited liability) U.S.\$362,500,000 4.6250 per cent. Senior Secured Notes due 2039**

In accordance with Clause 7.5 of the note trust deed dated 15 October 2019 (as amended and/or supplemented from time to time, the "**Note Trust Deed**") made between (1) Wardha Solar (Maharashtra) Private Limited , Adani Renewable Energy (RJ) Limited and Kodangal Solar Parks Private Limited (the "**Issuers**") and (2) the Note Trustee, we, as Directors of the Issuers, hereby confirm that, having made all reasonable enquiries, to the best of the knowledge, information and belief of the Issuers that as at date not more than five days before the date of this certificate (the "**Certification Date**"):

(a) as at May 24, 2021, no Event of Default or Potential Event of Default had occurred since October 15, 2019

(b) from and including October 15, 2019 to and including May 24, 2021, each Issuer has complied in all respects with its obligations under the Note Trust Deed and the Notes.

Terms not defined herein shall have the same meanings as provided in the Note Trust Deed.

Yours faithfully

By:

.....

Name:

Director / Authorized Signatory

Adani Renewable Energy (RJ) Limited

By:

.....

Name:

Director / Authorized Signatory

Adani Renewable Energy (RJ) Limited

By:

.....

Name:

Director / Authorized Signatory  
Wardha Solar (Maharashtra) Private Limited

By:

.....

Name:

Director / Authorized Signatory  
Wardha Solar (Maharashtra) Private  
Limited

By:

.....

Name:

Director / Authorized Signatory  
Kodangal Solar Parks Private Limited

By:

.....

Name:

Director / Authorized Signatory  
Kodangal Solar Parks Private Limited

# **Security Compliance Certificate**



Renewables

**Citicorp International Limited (the “Note Trustee”)**

20/F Citi Tower  
One Bay East  
83 Hoi Bun Road  
Kwun Tong  
Kowloon  
Hong Kong  
Fax no.: +852 2323 0279  
Attention: Agency & Trust

**March 31, 2021**

Dear Ladies and Gentlemen

**WARDHA SOLAR (MAHARASHTRA) PRIVATE LIMITED, KODANGAL SOLAR PARKS PRIVATE LIMITED and ADANI RENEWABLE ENERGY (RJ) LIMITED (incorporated in the Republic of India with limited liability) U.S.\$362,500,000 4.625 per cent. Senior Secured Notes due 2039**

In accordance with Clause 7.22 of the note trust deed dated 15 October 2019 (as amended and/or supplemented from time to time, the “**Note Trust Deed**”) made between (1) Wardha Solar (Maharashtra) Private Limited, Kodangal Solar Parks Private Limited and Adani Renewable Energy (RJ) Limited (the “**Issuers**”) and (2) the Note Trustee, we hereby certify on behalf of the Issuers, that:

- (a) the details of Security created till the Relevant Calculation Period are as follows:
  - a. 100% Pledge of shares issued by Issuers
  - b. Cross Guarantee by the Issuers
  - c. First Ranking Charge over Issue Proceeds Account under Project Accounts
  - d. Deed of Hypothecation over receivables paid under the PPAs, and
  - e. Deed of Hypothecation over fixed assets ,current assets and receivables of ARERJL
  - f. Deed of Hypothecation over fixed assets, current assets and receivables of KSPPL
  - g. Charge over Immovable Assets of Rawra (200MW-Rajasthan) project of ARERJL
  - h. Charge over Immovable Assets of Bagewadi (20MW-Karnataka) project of KSPPL
- (b) the list of assets (including project documents and insurance contracts, if any) in respect of which Security has yet to be created are as follows:
  - a. Deed of Hypothecation over fixed assets and current assets of WSMPL
  - b. Assignment on Project Documents of WSMPL
  - c. Charge over Immovable Assets of WSMPL
- (c) the relevant consent(s) that have yet to be procured which have prevented creation of the relevant Security are as follows:
  - a. Release of First Charge over the WSMPL Fixed Assets due to non-availability of sub-registrar
  - b. TSR Completion post release of First Charge holder

Adani Renewable Energy (RJ) Limited  
Adani Corporate House, Shantigram,  
Nr. Vaishno Devi Circle, S G Highway,  
Khodiyar, Ahmedabad - 380 009  
Gujarat, India  
CIN: U40106GJ2018PLC102210

Tel +91 79 2555 5555  
Fax +91 79 2555 5500  
investor.agel@adani.com

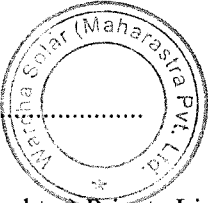


- (d) the steps taken by the Issuer on a best efforts basis to obtain such outstanding consent(s) are as follows: and
- All documents related to immovable properties has been submitted to the lawyer for the preparation of TSR
  - Draft Security Documents have been prepared
- (e) creation of the required Security over all remaining assets, project documents and insurance contracts of the WSMPL is likely to be completed within June 30, 2021.

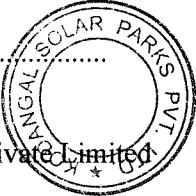
Terms not defined herein shall have the same meanings as provided in the Note Trust Deed and the Conditions.

Yours faithfully

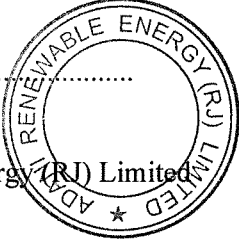
By : .....  
Jigar Jajal  
Authorised Signatory  
Wardha Solar (Maharashtra) Private Limited



By : .....  
Jigar Jajal  
Authorised Signatory  
Kodangal Solar Parks Private Limited



By : .....  
Jigar Jajal  
Authorised Signatory  
Adani Renewable Energy (RJ) Limited



**Audited Financial Statements  
as on 31<sup>st</sup> March 2021**



## **Independent Auditors' Report**

**To the Board of Directors of  
Adani Green Energy Twenty Three Limited**

### **Report on the Audit of Combined Financial Statements**

#### **Opinion**

We have audited the combined financial statements of the Restricted Group which consists of Wardha Solar (Maharashtra) Private Limited, Kodangal Solar Parks Private Limited and Adani Renewable Energy (RJ) Limited (each, referred to as a "Restricted Entity" and collectively referred to "Restricted Group") which comprises the combined balance sheet as at 31<sup>st</sup> March, 2021, the combined statement of profit and loss (including other comprehensive income), the combined statement of cash flows and combined statement of changes in net parent investment for the year ended 31<sup>st</sup> March, 2021 and a summary of the significant accounting policies and other explanatory information (together hereinafter referred to as "combined financial statements"). All Restricted Group entities are wholly owned subsidiaries of Adani Green Energy Twenty Three Limited ("AGETTL").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid combined financial statements for the year ended 31<sup>st</sup> March, 2021 give a true and fair view in accordance with the basis of preparation as set out in note 2.2 to the combined financial statements.

#### **Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 ("Act"). Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Combined Financial Results* section of our report. We are independent of the Restricted Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India, and we have fulfilled our other ethical responsibilities in accordance with the applicable provisions. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Emphasis of matter**

Without modifying our opinion, we draw attention to Note 2.2 to the combined financial statements, which describes that the Restricted Group has not formed a separate legal group of entities during the year ended 31 March 2021 and which also describes the basis of preparation, including the approach to and purpose of preparing them. Consequently, the Restricted Group's combined financial statements may not necessarily be indicative of the financial performances and financial position of the Restricted Group that would have occurred if it had operated as a single standalone group of entities during the year presented. The combined financial statements have been prepared solely for the purpose of fulfilling the requirement of the Offering Circular (OC). As a result, the combined financial statements may not be suitable for another purpose. Our opinion is not modified in respect of this matter.



## **Independent Auditors' Report**

### **To the Board of Directors of Adani Green Energy Twenty Three Limited (Continue)**

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

The Management of AGETTL is responsible for the preparation and presentation of these combined financial statements that give a true and fair view of the combined state of affairs, combined loss and other comprehensive income, changes in combined net parent investment and combined cash flows in accordance with the basis of preparation as set out in Note 2.2 to these combined financial statements. This responsibility also includes maintenance of adequate accounting records for safeguarding of the assets of each restricted entity and 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 combined financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the combined financial statements, the Management of AGETTL is responsible for assessing the ability of each restricted entity to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the restricted entity or to cease operations, or has no realistic alternative but to do so.

The Board of Directors of AGETTL is responsible for overseeing the Restricted Group's financial reporting process.

#### **Auditor's Responsibilities for the Audit of the Combined Financial Statements**

Our objectives are to obtain reasonable assurance about whether the combined 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 combined 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 combined financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on effectiveness of the Restricted Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



**Independent Auditors' Report**  
**To the Board of Directors of Adani Green Energy Twenty Three Limited (Continue)**

- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparation of combined financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. 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 combined 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 Restricted Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the combined financial statements, including the disclosures, and whether the combined 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 such entities or business activities within the Restricted Group to express an opinion on the combined financial statements. We are responsible for the direction, supervision and performance of the audit of financial information of such restricted entities included in the combined financial statements of which we are the independent auditors.

We communicate with those charged with governance of AGETTTL and such other restricted entities included in the combined 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the combined financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Place: Ahmedabad  
Date : 04<sup>th</sup> May, 2021

For **DHARMESH PARIKH & CO LLP**  
Chartered Accountants  
Firm Registration No. 112054W/ W100725

**Jain Anuj**  
Digitally signed by Jain  
Anuj  
Date: 2021.05.04  
23:50:13 +05'30'

**Anuj Jain**  
Partner  
Membership No. 119140  
UDIN - 21119140AAAAFP5944

Particulars	Notes	As at	As at
		31st March, 2021 (₹ in Millions)	31st March, 2020 (₹ in Millions)
<b>ASSETS</b>			
<b>Non - Current Assets</b>			
(a) Property, Plant and Equipment	4.1	26,967	27,604
(b) Right-of-Use Assets	4.2	863	880
(c) Capital Work-In-Progress	4.3	221	216
(d) Intangible Assets	4.4	0	0
(e) Financial Assets			
(i) Loans	5	3,032	-
(ii) Other Financial Assets	6	4,446	3,579
(f) Income Tax Assets (net)		19	15
(g) Deferred Tax Assets (net)	7	-	196
(h) Other Non-current Assets	8	160	752
		<b>35,708</b>	<b>33,242</b>
<b>Current Assets</b>			
(a) Inventories	9	27	26
(b) Financial Assets			
(i) Investments	10	1,366	1,276
(ii) Trade Receivables	11	203	144
(iii) Cash and Cash Equivalents	12	8	82
(iv) Bank balances other than (iii) above	13	261	210
(v) Loans	14	-	40
(vi) Other Financial Assets	15	590	520
(c) Other Current Assets	16	54	37
		<b>2,509</b>	<b>2,335</b>
		<b>38,217</b>	<b>35,577</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Net Parent Investment	17	4,074	3,327
		<b>4,074</b>	<b>3,327</b>
<b>LIABILITIES</b>			
<b>Non-current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	18	27,603	26,021
(ii) Lease Liabilities		431	436
(iii) Other Financial Liabilities	19	22	-
(b) Provisions	20	-	3
(c) Deferred Tax Liabilities (net)	7	63	-
(d) Other Non-current Liabilities	21	3,748	480
		<b>31,867</b>	<b>26,940</b>
<b>Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	22	490	2,870
(ii) Trade Payables	23		
i. Total outstanding dues of micro enterprises and small enterprises		6	2
ii. Total outstanding dues of creditors other than micro enterprises and small enterprises		69	66
(iii) Lease Liabilities		41	40
(iv) Other Financial Liabilities	24	1,489	2,269
(b) Other Current Liabilities	25	181	63
(c) Provisions	26	-	0
		<b>2,276</b>	<b>5,310</b>
		<b>34,143</b>	<b>32,250</b>
		<b>38,217</b>	<b>35,577</b>

The notes referred above are an integral part of the Combined Financial Statements

In terms of our report attached

For Dharmesh Parikh & Co LLP

Chartered Accountants

Firm Registration Number : 112054W/W100725

**Jain**  
**Anuj**  
Digitally signed  
by Jain Anuj  
Date: 2021.05.04  
23:51:03 +05'30'

Anuj Jain  
Partner  
Membership No. 119140

For and on behalf of the board of directors of  
ADANI GREEN ENERGY TWENTY THREE LIMITED

ADANI  
SAGAR  
RAJESH  
HAI  
Digitally signed  
by ADANI SAGAR  
RAJESH HAI  
Date: 2021.05.04  
22:50:51 +05'30'

Sagar R. Adani  
Director  
DIN: 07626229

VNEET  
S JAAIN  
Digitally signed by  
VNEET S JAAIN  
Date: 2021.05.04  
22:50:42 +05'30'

Vneet S. Jaain  
Director  
DIN: 00053906

Particulars	Notes	For the Year ended 31st March, 2021 (₹ in Millions)	For the Year ended 31st March, 2020 (₹ in Millions)
<b>Income</b>			
Revenue from Operations	27	5,114	4,182
Other Income	28	821	97
<b>Total Income</b>		<b>5,935</b>	<b>4,279</b>
<b>Expenses</b>			
Purchase of Stock in Trade / Cost of Material Consumed		48	5
Employee Benefits Expenses	29	-	32
Finance Costs	30	3,319	1,626
Depreciation and Amortisation Expenses	4.1, 4.2 and 4.4	959	800
Other Expenses	31	350	1,291
<b>Total Expenses</b>		<b>4,676</b>	<b>3,754</b>
<b>Profit before exceptional items and tax</b>		<b>1,259</b>	<b>525</b>
Exceptional items	44	-	744
<b>Profit / (Loss) before tax</b>		<b>1,259</b>	<b>(219)</b>
<b>Tax Expense:</b>			
Current Tax	32	1	-
Adjustment of tax relating to earlier years		-	0
Deferred Tax		322	46
		<b>323</b>	<b>46</b>
<b>Profit / (Loss) for the year</b>	<b>Total (A)</b>	<b>936</b>	<b>(265)</b>
<b>Other Comprehensive Income / (Loss)</b>			
<b>Items that will not be reclassified to profit or loss:</b>			
Remeasurement of defined benefit plans, net of tax		-	(0)
Add/Less : Income tax related to above		-	0
<b>Items that will be reclassified to profit or loss:</b>			
Effective portion of gain and loss on hedging instruments in a cash flow hedge, net of tax		(252)	586
Add/Less : Income tax related to above		63	(148)
<b>Other Comprehensive (Loss) / Income (After Tax)</b>	<b>Total (B)</b>	<b>(189)</b>	<b>438</b>
<b>Total Comprehensive Income for the year</b>	<b>Total (A+B)</b>	<b>747</b>	<b>173</b>

The notes referred above are an integral part of the Combined Financial Statements

In terms of our report attached

For Dharmesh Parikh & Co LLP

Chartered Accountants

Firm Registration Number : 112054W/W100725

**Jain Anuj**  
Digitally signed by Jain Anuj  
Date: 2021.05.04 23:51:24  
+05'30'

**Anuj Jain**  
Partner  
Membership No. 119140

Place : Ahmedabad  
Date : 4th May, 2021

For and on behalf of the board of directors of  
ADANI GREEN ENERGY TWENTY THREE LIMITED

**ADANI SAGAR RAJESHBHAI**  
Digitally signed by ADANI SAGAR RAJESHBHAI  
Date: 2021.05.04 22:51:00 +05'30'

**Sagar R. Adani**  
Director  
DIN: 07626229

**VNEET S JAAIN**  
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Date: 2021.05.04 22:51:09 +05'30'

**Vneet S. Jaain**  
Director  
DIN: 00053906

Place : Ahmedabad  
Date : 4th May, 2021

	As at 31st March, 2020 (₹ in Millions)
<b>Opening as at 1st April, 2019</b>	<b>2,838</b>
(Loss) for the year (net of tax)	(265)
Other Comprehensive Income for the year (net of tax)*	438
Additional Net Parent Investment during the year	316
<b>Closing as at 31st March, 2020</b>	<b>3,327</b>
	As at 31st March, 2021 (₹ in Millions)
<b>Opening as at 1st April, 2020</b>	<b>3,327</b>
Profit for the year (net of tax)	936
Other Comprehensive (Loss) for the year (net of tax)*	(189)
<b>Closing as at 31st March, 2021</b>	<b>4,074</b>

Net Parent Investment represents the aggregate amount of Share Capital, Compulsory Convertible Preference Shares (Instrument entirely Equity in nature) and other equity of Restricted Group of entities as at the respective year end and does not necessarily represent legal Share Capital for the purpose of the Restricted Group.

\* Other Comprehensive Income / (Loss) includes the adjustments for changes in actuarial valuation and cash flow hedge reserve.

**In terms of our report attached**

**For Dharmesh Parikh & Co LLP**

**Chartered Accountants**

Firm Registration Number : 112054W/W100725

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**Jain Anuj**  
Jain Anuj  
Date: 2021.05.04  
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**Anuj Jain**

Partner

Membership No. 119140

**Place : Ahmedabad**

**Date : 4th May, 2021**

**For and on behalf of the board of directors of  
ADANI GREEN ENERGY TWENTY THREE LIMITED**

ADANI Digitally signed  
SAGAR by ADANI  
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Date: 2021.05.04  
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**Sagar R. Adani**

Director

DIN: 07626229

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JAAIN  
Date:  
2021.05.04  
22:51:19 +05'30'

**Vneet S. Jaain**

Director

DIN: 00053906

**Place : Ahmedabad**

**Date : 4th May, 2021**



Particulars	For the year ended 31st March, 2021 (₹ in Millions)	For the year ended 31st March, 2020 (₹ in Millions)
<b>(A) Cash flow from operating activities</b>		
Profit / (Loss) before tax	1,259	(219)
Adjustment for:		
Interest Income	(529)	(73)
Net gain on sale/ fair valuation of investments through profit and loss	(15)	(13)
Loss on Sale of Property, Plant and Equipment (net)	24	0
Foreign Exchange Fluctuation (Gain) / Loss	(252)	391
Liability No Longer Required Written Back	(26)	(9)
Income from Viability Gap Funding and Change in Law	(127)	(5)
Exceptional items	-	744
Depreciation and amortisation expenses	959	800
Finance Costs	3,319	1,626
	<b>4,612</b>	<b>3,242</b>
<b>Working Capital Changes:</b>		
<b>(Increase) / Decrease in Operating Assets</b>		
Other Non-Current Assets	69	8
Trade Receivables	(58)	(119)
Inventories	(1)	(23)
Other Current Assets	(17)	(36)
Other Non Current Financial Assets	-	(2)
Other Current Financial Assets	1	(111)
<b>Increase / (Decrease) in Operating Liabilities</b>		
Non-current Provisions	(0)	1
Trade Payables	6	(132)
Current Provisions	0	(0)
Loans repayment received from employees	-	0
Other Current Financial Liabilities	(19)	20
Other Current Liabilities	(6)	9
<b>Net Working Capital Changes</b>	<b>(25)</b>	<b>(385)</b>
<b>Cash Generated from operations</b>	<b>4,587</b>	<b>2,857</b>
Less : Income Tax paid (Net of Refunds)	(5)	(3)
<b>Net cash generated from operating activities (A)</b>	<b>4,582</b>	<b>2,854</b>
<b>(B) Cash flow from investing activities</b>		
Expenditure on construction and acquisition of Property, Plant and Equipment and Intangible assets (including capital advances and capital work-in-progress) and Claims Received	1,279	(6,732)
Proceeds from Sale of Property, Plant and Equipment	25	6
Margin Money / Fixed Deposit Withdrawn / (placed) (net)	202	(1,593)
Loans given to Unrestricted Group entities (net)	(2,991)	(40)
Investment in units of Mutual Fund (net)	(75)	(1,263)
Interest received	446	72
<b>Net cash (used in) investing activities (B)</b>	<b>(1,114)</b>	<b>(9,550)</b>
<b>(C) Cash flow from financing activities</b>		
Proceeds from Net Parent Investment	-	316
Proceeds from Non-current borrowings	487	30,699
Repayment of Non-current borrowings	(1,128)	(20,451)
Repayment of Lease Liabilities	(52)	(36)
Proceeds from / (Repayment of) Current borrowings (net)	490	(2,195)
Finance Costs Paid	(3,339)	(1,817)
<b>Net cash (used in) / generated from financing activities (C)</b>	<b>(3,542)</b>	<b>6,516</b>
<b>Net (decrease) in cash and cash equivalents (A)+(B)+(C)</b>	<b>(74)</b>	<b>(180)</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>82</b>	<b>262</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>8</b>	<b>82</b>
<b>Notes to Statement of Cash flow:</b>		
Reconciliation of Cash and cash equivalents with the Balance Sheet:		
1 Cash and cash equivalents as per Balance Sheet: (Refer Note 12)	8	82
	<b>8</b>	<b>82</b>

- 2 Disclosure of changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes are included below.

Particulars	Note	As at 1st April, 2020	Cash Flows	On Account of Adoption of Ind AS 116	Changes in fair values (Including Exchange Rate Difference and Reclassifications)	As at 31st March, 2021
Non-Current borrowings	18 and 24	27,616	(641)	-	1,347	28,323
Current borrowings	22	2,870	490	-	(2870)	490
Lease Liability		476	(52)	48	-	472
Interest Accrued but not due	24	588	(1845)	-	1,802	545

Particulars	Note	As at 1st April, 2019	Cash Flows	On Account of Adoption of Ind AS 116	Changes in fair values (Including Exchange Rate Difference and Reclassifications)	As at 31st March, 2020
Non-Current borrowings	18 and 24	17,305	10,285	-	26	27,616
Current borrowings	22	2,991	(2195)	-	2,074	2,870
Lease Liability		-	(36)	512	-	476
Interest Accrued but not due	24	191	(1064)	-	1,461	588

- 3 The Statement of Cash Flow has been prepared under the 'Indirect Method' set out in Ind AS 7 'Statement of Cash Flows'.

**The notes referred above are an integral part of the Combined Financial Statements**

**In terms of our report attached**

**For Dharmesh Parikh & Co LLP**

**Chartered Accountants**

Firm Registration Number : 112054W/W100725

**Jain Anuj**  
Digitally signed by  
Jain Anuj  
Date: 2021.05.04  
23:52:13 +05'30'

**Anuj Jain**  
Partner  
Membership No. 119140

**For and on behalf of the board of directors of  
ADANI GREEN ENERGY TWENTY THREE LIMITED**

**ADANI**  
Digitally signed  
by ADANI  
**SAGAR**  
SAGAR  
**RAJESH**  
RAJESHBHAI  
**BHAI**  
Date:  
2021.05.04  
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**Sagar R. Adani**  
Director  
DIN: 07626229

**VNEET**  
Digitally signed  
by VNEET S  
**JAIN**  
Date:  
2021.05.04  
22:51:49 +05'30'

**Vneet S. Jaain**  
Director  
DIN: 00053906

**Place : Ahmedabad**  
**Date : 4th May, 2021**

**Place : Ahmedabad**  
**Date : 4th May, 2021**

## 1 General Information

Adani Green Energy Limited ('the Ultimate Holding Company') along with its subsidiaries (herein collectively referred to as the "Group") are companies domiciled in India and primarily involved in Solar power generation.

The Restricted Group entities which are all under the common control of the Holding Company through its subsidiary (Adani Green Energy Twenty Three Limited) comprise of the following entities (refer note 40):-

<u>Entities forming part of Restricted Group</u>	<u>Principal activity</u>	<u>Country of Incorporation</u>	<u>% Held by Holding Company</u>	
			<u>31st March, 2021</u>	<u>31st March, 2020</u>
Wardha Solar (Maharashtra) Private Limited	Solar Power Generation	India	100	100
Kodangal Solar Park Private Limited	Solar Power Generation	India	100	100
Adani Renewable Energy (RJ) Limited	Solar Power Generation	India	100	100

### 2.1 Purpose of the combined financial statements

The combined financial statements of Restricted Group have been prepared solely for the Holding Company's Management internal reporting purpose. Restricted Group has issued USD denominated Green bonds listed on Singapore Exchange Securities Trading Limited (SGX-ST). The Special Purpose Combined Financial Statements presented herein reflect the Restricted Group's results of operations, assets and liabilities and cash flows as at and for the year ended 31st March, 2021. The basis of preparation and significant accounting policies used in preparation of these Special Purpose Combined Financial Statements are set out in note 2.2 and 3 below.

### 2.2 Basis of preparation

The Combined Financial Statements of the Restricted Group have been prepared in accordance with Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013, read with the Companies (Indian Accounting Standards) Rules, 2015 amended from time to time (except Ind AS - 33 on Earnings Per Share) and other accounting principles generally accepted in India and the Guidance Note on Combined and Carve-out Financial Statements issued by the Institute of Chartered Accountants of India (ICAI).

As these combined financial statements have been prepared on a combined basis, it is not meaningful to show share capital or provide an analysis of reserves. Net parent investment, therefore, represents the difference between the assets and liabilities pertaining to combined businesses. Share capital of Restricted Group is held by the Holding Company. Earnings Per Share have not been presented in these Combined Financial Statements, as Restricted Group did not meet the applicability criteria as specified under Ind AS 33 – Earnings Per Share.

Management has prepared these combined financial statements to depict the historical financial information of the Restricted Group.

The Combined Financial Statements have been prepared on a going concern basis under the historical cost convention except for Investments in mutual funds and certain financial assets and liabilities that are measured at fair values whereas net defined benefit (asset)/ liability are valued at fair value of plan assets less defined benefit obligation at the end of each reporting period, as explained in the accounting policies below.

As per the Guidance Note on Combined and Carve Out Financial Statements, the procedure for preparing combined financial statements of the combining entities is similar to that of consolidated financial statements as per the applicable Accounting Standards. Accordingly, when combined financial statements are prepared, intra-group transactions and profits or losses are eliminated. All the inter group transactions are undertaken on Arm's Length basis. The information presented in the Special Purpose Combined Financial Statements of the Restricted Group may not be representative of the financial position that might have existed if the combining businesses had been done on a stand-alone basis.

Net parent investment disclosed in the Combined Financial Statements is not the legal capital and Other equity of the Restricted Group and is the aggregation of the Share Capital, Unsecured Perpetual Debt and Other equity of each of the entities within the Restricted Group.

Accordingly, the following procedure is followed for the preparation of the Combined Financial Statements:

- Combined like items of assets, liabilities, equity, income, expenses and cash flows of the entities of the Restricted Group.
- Eliminated in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the Restricted Group.

These are Combined Financial Statements and may not be necessarily indicative of the financial performance, financial position and cash flows of the Restricted Group that would have occurred if it had operated as separate stand-alone entities during the year presented or the Restricted Group's future performance. The Combined Financial Statements include the operation of entities in the Restricted Group, as if they had been managed together for the year presented.

Transactions that have taken place with the Unrestricted Group (i.e. other entities which are a part of the Group and not included in the Restricted Group of entities) have been disclosed in accordance of Ind AS 24, Related Party Disclosures. The preparation of financial information in conformity with Ind AS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Restricted Group's accounting policies.

Income taxes are arrived at by aggregation of the tax expenses actually incurred by the combining businesses, after considering the tax effects of any adjustments which is in accordance with the Guidance Note on Combined and Carve-Out Financial Statements issued by the ICAI.

## 2.3 Significant accounting policies

### a Property, plant and equipment

#### i. Recognition and measurement

Property, plant and equipment are stated at acquisition cost less accumulated depreciation and accumulated impairment losses, if any. All costs, including borrowing costs incurred up to the date the asset is ready for its intended use, are capitalised along with the respective asset.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use. The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

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

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

#### ii. Subsequent measurement

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Restricted Group.

#### iii. Depreciation

Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using Straight Line method. The useful life of property, plant and equipment is considered based on life prescribed in Schedule II to the Companies Act, 2013, except in case of the Plant and machinery, wherein the life of the assets has been estimated at 30 years based on technical assessment taking into account the nature of assets, the estimated usage of the assets, the operating condition of the assets, anticipated technical changes, manufacturer warranties and maintenance support. In case of major components identified, depreciation is provided based on the useful life of each such component based on technical assessment, if materially different from that of the main asset.

#### iv. Derecognition

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Combined Statement of Profit and Loss.

### b Intangible Assets

#### i. Recognition and measurement

Intangible assets acquired separately are carried at cost less accumulated amortisation and any accumulated impairment losses. The residual values, useful lives and method of depreciation of Intangible Assets are reviewed at each financial year end and adjusted prospectively, if appropriate.

#### ii. Amortisation

Amortisation is recognised on a Straight Line method basis over their estimated useful lives. Estimated useful life of the Computer Software is 5 years.

#### iii. Derecognition

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition are recognised in the Combined Statement of Profit and Loss.

### c Capital Work in Progress

Expenditure related to and incurred during implementation of capital projects to get the assets ready for intended use is included under "Capital Work in Progress". The same is allocated to the respective items of property plant and equipment on completion of construction/ erection of the capital project/ property plant and equipment.

### d Financial Instruments

#### Recognition and measurement

Trade receivables and debt securities issued are initially recognised when they originate. All other financial assets and financial liabilities are recognised when the Restricted Group becomes a party to the contractual provisions of the instruments.

A financial asset and financial liability is initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit and loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit and loss are recognised immediately in the Combined Statement of Profit and Loss.

Financial assets and financial liabilities are offset when the Restricted Group has a legally enforceable right (not contingent on future events) to off-set the recognised amounts either to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

**e Financial assets**

**Initial recognition and measurement**

On initial recognition, a financial asset is measured at fair value and subsequently measure at amortised cost, FVTOCI or FVTPL as per terms of instrument.

**Subsequent measurement**

For purposes of subsequent measurement, financial assets are classified based on assessment of business model in which it is held. This assessment is done for portfolio of the financial assets. The relevant categories are as below:

**i) At amortised cost**

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

**ii) At fair value through Other comprehensive income (FVOCI)**

A financial asset is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

**iii) At fair value through profit and loss (FVTPL)**

Financial assets which are not measured at amortised cost and are held for trading are measured at FVTPL.

Fair value changes related to such financial assets including derivative contracts are recognised in the Combined Statement of Profit and Loss.

**Business Model Assessment**

The Restricted Group makes an assessment of the objectives of the business model in which a financial asset is held because it best reflects the way business is managed and information is provided to management.

The assessment of business model comprises the stated policies and objectives of the financial assets, management strategy for holding the financial assets, the risk that affects the performance etc. Further management also evaluates whether the contractual cash flows are solely payment of principal and interest considering the contractual terms of the instrument.

**Derecognition of financial assets**

The Restricted Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Restricted Group neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in the Combined Statement of Profit and Loss. if such gain or loss would have otherwise been recognised in combined statement of profit and loss on disposal of that financial asset.

**Impairment of Financial assets**

The Restricted Group applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, trade receivables and other contractual rights to receive cash or other financial asset.

Expected credit losses rate the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Restricted Group in accordance with the contract and all the cash flows that the Restricted Group expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate. The Restricted Group estimates cash flows by considering all contractual terms of the financial instrument through the expected life of that financial instrument.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Restricted Group uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Restricted Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial The Restricted Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure;

- a) Financial assets that are debt instruments, and are measured at amortised cost e.g. loans, debt securities, deposits, trade receivables and bank balances.
- b) 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.

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

**f Financial liabilities and equity instruments****Classification as debt or equity**

Debt and equity instruments issued by the Restricted Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

**Equity instruments**

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Restricted Group are recognised at the proceeds received, net of direct issue costs.

**Financial liabilities**

All financial liabilities are measured at amortised cost using the effective interest method or at FVTPL.

**Financial liabilities at amortised cost**

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item in the Combined Statement of Profit and Loss.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Trade and other payables are recognised at the transaction cost, which is its fair value, and subsequently measured at amortised cost.

**Financial liabilities at FVTPL**

A financial liability may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;
- the financial liability whose performance is evaluated on a fair value basis, in accordance with the Restricted Group's documented risk management;

Fair value changes related to such financial liabilities including derivative contracts like forward currency contracts and options to hedge its foreign currency risks are recognised in the combined statement of profit and loss .

**Derecognition of financial liabilities**

The Restricted Group derecognises financial liabilities when, and only when, the Restricted Group's obligations are discharged, cancelled or have expired. An exchange with a lender 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. Similarly, a substantial modification of the terms of an existing financial liability is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the Combined Statement of Profit and Loss .

**Derivative Financial Instruments****Initial recognition and subsequent measurement**

The Restricted Group uses derivative financial instruments, such as forward currency contracts and options to hedge its foreign currency risk. Derivatives are initially measured at fair value. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are generally recognised in combined statement of profit and loss as Foreign Exchange (Gain) / Loss except those relating to borrowings, which are separately classified under Finance Cost. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

**g Inventories**

Inventories which comprise of stores and spares are carried at the lower of the cost and net realisable value after providing for obsolescence and other losses where considered necessary. Cost of Inventories comprises all cost of purchase and other cost incurred in bringing inventories to their present location and condition. In determining the cost, weighted average cost method is used.



**h Current and non-current classification**

The Restricted Group presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle or
- Held primarily for the purpose of trading or
- Expected to be realised within twelve months after the reporting period, or
- 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.

A liability is current when:

- It is expected to be settled in normal operating cycle or
- It is held primarily for the purpose of trading or
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Restricted Group classifies all other liabilities as non-current.

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

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

**i Functional currency**

These financial statements are presented in Indian Rupees (INR), which is also the Restricted Group's functional currency. All amounts have been rounded-off to the nearest millions without decimal, unless otherwise indicated.

**Foreign currencies**

Transactions in foreign currencies are initially recorded by the Restricted Group at its 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.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

Exchange differences are recognized in the Combined Statement of Profit and Loss except exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings.

**j Government grants**

Government grants are not recognised until there is reasonable assurance that the Restricted Group will comply with the conditions attached to them and that the grants will be received.

Government grants are recognised in profit and loss on a systematic basis over the periods in which the Restricted Group recognises as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Restricted Group should purchase, construct or otherwise acquire non-current assets are recognised as deferred revenue in the combined balance sheet and transferred to profit and loss on a systematic and rational basis over the useful lives of the related assets.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Restricted Group with no future related costs are recognised in profit and loss in the period in which they become receivable.

The benefit of a government loan at a below-market rate of interest is treated as a government grant, measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates.

**k Revenue recognition**

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

Revenue is measured based on the transaction price, which is the consideration, adjusted for discounts and other incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes or other amounts collected from customers in its capacity as an agent. If the consideration in a contract includes a variable amount, the Restricted Group estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently

The accounting policies for the specific revenue streams of the Restricted Group are summarized below:

- i) Revenue from Power Supply is recognised in terms of the Power Purchase Agreements (PPA) entered with Central and State Distribution Companies and is measured at the value of the consideration received or receivable, net of discounts if any.
- ii) The Restricted Group's contracts with customers for the sale of goods generally include one performance obligation. Revenue from the sale of goods is recognised at the point in time when control of the asset is transferred to the customers, generally on delivery of the goods.
- iii) Interest income is recognised on Effective Interest Rate (EIR) basis taking into account the amount outstanding and the applicable interest rate. Dividend income is accounted for when the right to receive income is established
- iv) Delayed payment charges and interest on delayed payment for power supply are recognized based on conclusive evidence regarding ultimate collection.
- v) Delayed payment charges and interest on delayed payment for power supply are recognized based on conclusive evidence regarding ultimate collection.

### **Contract Balances**

#### **Contract assets**

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Restricted Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

#### **Trade receivables**

A receivable represents the Restricted Group's right to an amount of consideration that is unconditional i.e. only the passage of time is required before payment of consideration is due.

#### **Contract liabilities**

A contract liability is the obligation to transfer goods or services to a customer for which the Restricted Group has received consideration (or an amount of consideration is due) from the customer. Contract liabilities are recognised as revenue when the Restricted Group performs obligations under the contract.

### **l Borrowing costs**

Borrowing costs are interest and other costs incurred in connection with the borrowing of funds. Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in combined statement of profit and loss in the period in which they are incurred.

### **m Employee benefits**

#### **i) Defined benefit plans:**

The Restricted Group operates a defined benefit gratuity plan in India, which requires contributions to be made to a separately administered fund. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit and loss in subsequent periods.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Restricted Group recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

#### **ii) Defined contribution plan:**

Retirement benefit in the form of Provident Fund and Family Pension Fund is a defined contribution scheme. The Restricted Group has no obligation, other than the contribution payable to the provident fund. The Restricted Group recognizes contribution payable to the provident fund scheme as a charge to the capital work-in-progress till the capitalisation of the projects otherwise the same is charged to the combined statement of profit and loss for the period in which the contributions to the respective funds accrue.

#### **iii) Compensated Absences:**

Provision for Compensated Absences and its classifications between current and non-current liabilities are based on independent actuarial valuation. The actuarial valuation is done as per the projected unit credit method.

#### **iv) Short term employee benefits:**

Short-term employee benefit obligations are recognised at an undiscounted amount in the combined statement of profit and loss for the reporting period in which the related services are received.



**n Taxation**

Tax on Income comprises current and deferred tax. It is recognised in combined statement of profit and loss except to the extent that it relates to a business combination, or items recognised directly in net parent investment.

**Current tax**

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the reporting period and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

**Deferred tax**

Deferred tax is recognized for the future tax consequences of deductible temporary differences between the carrying values of assets and liabilities and their respective tax bases at the reporting date, using the tax rates and laws that are enacted or substantively enacted as on reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Restricted Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities. Deferred tax is also recognised in respect of carried forward tax losses and tax credits subject to the assessment of reasonable certainty of recovery.

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 future 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. 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 recognized outside the combined statement of profit and loss is recognized outside with the underlying items i.e. either in the statement of other comprehensive income or directly in Net Parent Investment as relevant.

**o Provisions, Contingent Liabilities and Contingent Assets**

Provisions are recognised when the Restricted Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. When the Restricted Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the combined statement of profit and loss net of any reimbursement.

Contingent liabilities are not recognised but are disclosed in the notes. Contingent assets are not recognised but are disclosed in the notes where an inflow of economic benefits is probable.

**p Impairment of non-financial assets**

At the end of each reporting period, the Restricted Group reviews the carrying amounts of non-financial assets, other than inventories and deferred tax assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Restricted Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. 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 or CGU for which the estimates of future cash flows have not been

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised immediately in combined statement of profit and loss. Impairment loss recognised in respect of a CGU is allocated to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a pro rata basis.

**q Leases**

The Restricted Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Restricted Group recognises a right-of-use asset and a lease liability at the lease commencement date except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Lease term is a non-cancellable period together with periods covered by an option to extend the lease if the Restricted Group is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Restricted Group is reasonably certain not to exercise that option.

The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Restricted Group by the end of the lease term or the cost of the right-of-use asset reflects that the Restricted Group will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments to be paid over the lease term at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Restricted Group's incremental borrowing rate. Generally, the Restricted Group uses its incremental borrowing rate as the discount rate. Subsequently, the lease liability is measured at amortised cost using the effective interest method.

**r Hedge Accounting**

The Restricted Group designates certain hedging instruments, which include derivatives and non-derivatives in respect of foreign currency risk, as cash flow hedges.

To qualify for hedge accounting, the hedging relationship must meet all of the following requirements :

- there is an economic relationship between the hedged items and the hedging instruments,
- the effect of credit risk does not dominate the value changes that result from that economic relationship,
- the hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the entity actually hedges and the quantity of the hedging instrument that the entity actually uses to hedge that quantity of hedged item.

At the inception of the hedge relationship, the entity documents the relationship between the hedging instrument and hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Restricted Group documents whether the hedging instrument is highly effective in offsetting changes in fair value or cash flows of the hedged item attributable to the hedged risk.

**Cash flow hedges**

The Restricted Group designates derivative contracts or non derivative financial assets / liabilities as hedging instruments to mitigate the risk of movement in interest rates and foreign exchange rates for foreign exchange exposure on highly probable future cash flows attributable to a recognised asset or liability or forecast cash transactions. When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognized in the cash flow hedging reserve being part of other comprehensive income. Any ineffective portion of changes in the fair value of the derivative is recognized immediately in the Statement of Profit and Loss. If the hedging relationship no longer meets the criteria for hedge accounting, then hedge accounting is discontinued prospectively. If the hedging instrument expires or is sold, terminated or exercised, the cumulative gain or loss on the hedging instrument recognized in cash flow hedging reserve till the period the hedge was effective remains in cash flow hedging reserve until the underlying transaction occurs. The cumulative gain or loss previously recognized in the cash flow hedging reserve is transferred to the combined statement of profit and loss upon the occurrence of the underlying transaction.

**s Cash and Cash Equivalents**

Cash and cash equivalents 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.

Cash and cash equivalents for the purpose of Statement of Cash Flow comprise cash and cheques in hand, bank balances, demand deposits with banks where the original maturity is three months or less.

**3.1 Use of estimates and judgements**

The preparation of the Restricted Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures including 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.

**Key Sources of Estimation uncertainty:**

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. Existing circumstances and assumptions about future developments may change due to market changes or circumstances arising that are beyond the control of the Restricted Group. Such changes are reflected in the assumptions when they occur.

**i) Useful lives and residual value of property, plant and equipment**

In case of the plant and machinery, in whose case the life of the assets has been estimated at 30 years based on technical assessment, taking into account the nature of the assets, the estimated usage of the asset, the operating condition of the asset, anticipated technological changes, manufacturer warranties and maintenance support, except for major components identified during the year, depreciation on the same is provided based on the useful life of each such component based on technical assessment, if materially different from that of the main asset.

**ii) Fair value measurement of financial instruments**

In estimating the fair value of financial assets and financial liabilities, the Restricted Group uses market observable data to the extent available. Where such Level 1 inputs are not available, the Restricted Group establishes appropriate valuation techniques and inputs to the 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. Judgments 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.

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.

**iii) Taxes**

Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies and future recoverability of deferred tax assets.

**iv) 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 for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a discounted future cashflows model. The recoverable amount is sensitive to the discount rate used for the discounted future cashflows model as well as the expected future cash-inflows and the growth rate used.

**v) Impairment of Financial Assets**

The impairment provisions for trade receivables are made considering simplified approach based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation based on the company's past history and other factors at the end of each reporting period. In case of other financial assets, the Company applies general approach for recognition of impairment losses wherein the Company uses judgement in considering the probability of default upon initial recognition and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period.

**vi) Recognition and measurement of provision and contingencies**

The Restricted Group recognises a provision if it is probable that an outflow of cash or other economic resources will be required to settle the provision. If an outflow is not probable, the item is treated as a contingent liability. Risks and uncertainties are taken into account in measuring a provision.

4.1 Property, Plant and Equipment

Particulars	₹ in Millions)	
	As at 31st March, 2021	As at 31st March, 2020
<b>Net Carrying amount of:</b>		
<b>Tangible assets</b>		
Land - Freehold	645	485
Building	446	484
Furniture and Fixtures	3	2
Computer	4	3
Office Equipments	6	7
Plant & Equipment	25,860	26,620
Vehicles	3	3
<b>Total</b>	<b>26,967</b>	<b>27,604</b>

Description of Assets	₹ in Millions)								Total	
	Land - Freehold	Land - Leasehold	Building	Furniture and Fixtures	Computer	Office Equipments	Plant & Equipment	Vehicles		
<b>I. Cost</b>										
<b>Balance as at 1st April, 2019</b>	435	403	494	3	8	10	20,361	5	21,719	
Additions during the year	50	-	151	1	1	4	8,902	0	9,109	
Disposals during the year	-	-	(2)	(0)	(0)	(0)	(7)	-	(9)	
Transition Impact on adoption of Ind AS 116 (refer note 33 and 4.2 below)	-	(403)	-	-	-	-	-	-	(403)	
<b>Balance as at 31st March, 2020</b>	485	-	643	4	9	14	29,256	5	30,416	
Additions during the year	160	-	15	1	2	2	175	0	355	
Disposals during the year	-	-	(3)	(0)	-	(1)	(57)	-	(61)	
<b>Balance as at 31st March, 2021</b>	645	-	655	5	11	15	29,374	5	30,710	
<b>II. Accumulated depreciation</b>										
<b>Balance as at 1st April, 2019</b>	-	-	115	1	5	5	1,898	2	2,026	
Depreciation expense for the year	-	-	46	1	1	2	739	0	789	
Disposals during the year	-	-	(2)	(0)	(0)	(0)	(1)	-	(3)	
<b>Balance as at 31st March, 2020</b>	-	-	159	2	6	7	2,636	2	2,812	
Depreciation expense for the year	-	-	52	0	1	2	886	0	941	
Disposals during the year	-	-	(2)	(0)	-	(0)	(8)	-	(10)	
<b>Balance as at 31st March, 2021</b>	-	-	209	2	7	9	3,514	2	3,743	

Note:

- (i) Depreciation Nil (As at 31st March 2020 ₹ 0 Million) relating to the project assets has been allocated to capital work in progress.  
(ii) For charges created refer note 18 and 22.

4.2 Right-of-Use Assets (refer note 33)

Particulars	₹ in Millions)	
	As at 31st March, 2021	As at 31st March, 2020
Net Carrying amount of:		
Lease hold land	863	880
<b>Total</b>	<b>863</b>	<b>880</b>

Description of Assets	₹ in Millions)	
	Lease hold land	Total
<b>I. Cost</b>		
Balance as at 1st April, 2019	-	-
Transition Impact on adoption of Ind AS 116 (refer note 4.1 above)	403	403
Addition during the year	494	494
<b>Balance as at 31st March, 2020</b>	<b>897</b>	<b>897</b>
Addition during the year	-	-
<b>Balance as at 31st March, 2021</b>	<b>897</b>	<b>897</b>
<b>II. Accumulated depreciation</b>		
Balance as at 1st April, 2019	-	-
Depreciation expense for the year	17	17
<b>Balance as at 31st March, 2020</b>	<b>17</b>	<b>17</b>
Depreciation expense for the year	17	17
<b>Balance as at 31st March, 2021</b>	<b>34</b>	<b>34</b>

**Note:**

(i) For charges created refer note 18 and 22.

4.3 Capital Work in Progress

	As at 31st March, 2021 (₹ in Millions)	As at 31st March, 2020 (₹ in Millions)
Capital Work-in-Progress (pertaining to Property, Plant and Equipment)	221	216
<b>Total</b>	<b>221</b>	<b>216</b>

**Note:**

For charges created refer note 18 and 22.

4.4 Intangible Assets

Particulars	₹ in Millions)	
	As at 31st March, 2021	As at 31st March, 2020
Net Carrying amount of: Intangible assets		
Computer software	(0)	(0)
<b>Total</b>	<b>(0)</b>	<b>(0)</b>

Description of Assets	₹ in Millions)	
	Computer software	Total
<b>I. Cost</b>		
Balance as at 31st March, 2019	2	2
Additions during the year	-	-
Balance as at 31st March, 2020	2	2
Additions during the year	-	-
Balance as at 31st March, 2021	2	2
<b>II. Accumulated amortisation</b>		
Balance as at 31st March, 2019	1	1
Amortisation expense for the year	1	1
Disposals for the year	-	-
Balance as at 31st March, 2020	2	2
Amortisation expense for the year	0	0
Disposals for the year	-	-
Balance as at 31st March, 2021	2	2

5 Non Current Loans

	As at 31st March, 2021 (₹ in Millions)	As at 31st March, 2020 (₹ in Millions)
<b>(Unsecured, considered good)</b>		
Loan to Unrestricted Group entities	3,032	-
<b>Total</b>	<b>3,032</b>	<b>-</b>

**Note:**

(i) Loans to Unrestricted Group entities are receivable on mutually agreed terms after period of 1 year from the date of balance sheet and carry an interest rate in the ranging from 10.05% to 15.25% p.a..  
(ii) For balances with Unrestricted Group entities, refer note 40.

6 Other Non-Current Financial Assets

	As at 31st March, 2021 (₹ in Millions)	As at 31st March, 2020 (₹ in Millions)
Balances held as Margin Money (refer note (i) below)	1,650	1,903
Derivative Assets	34	1,200
Security Deposits	352	352
Claims receivable	2,410	124
<b>Total</b>	<b>4,446</b>	<b>3,579</b>

**Note:**

(i) Debt Service Reserve Account Deposits against Rupee Term Loans and Bonds which is expected to roll over after the maturity.

7 Deferred Tax Assets (Net)

	As at 31st March, 2021 (₹ in Millions)	As at 31st March, 2020 (₹ in Millions)
<b>Deferred Tax Liabilities on</b>		
Difference between book base and tax base of Property, Plant and Equipment and Right of Use Assets / Lease liability	420	199
<b>Gross Deferred Tax Liabilities</b>	<b>420</b>	<b>199</b>
<b>Deferred Tax Assets on</b>		
Provision for Employee benefits	-	1
Unabsorbed depreciation	366	403
Difference between book base and tax base of Property, Plant and Equipment and Right of Use Assets / Lease liability	(9)	(9)
<b>Gross Deferred Tax Assets</b>	<b>357</b>	<b>395</b>
<b>Net Deferred Tax (Liability) / Asset</b>	<b>(63)</b>	<b>196</b>

**Movement in deferred tax assets (net) for the Financial Year 2020-21**

Particulars	Opening Balance as at 1st April, 2020	Recognised in Statement of profit and Loss	Recognised in OCI	Closing Balance as at 31st March, 2021
<b>Tax effect of items constituting deferred tax liabilities:</b>				
Difference between book base and tax base of Property, Plant and Equipment and Right of Use Assets / Lease liability	199	284	(63)	420
	<b>199</b>	<b>284</b>	<b>(63)</b>	<b>420</b>
<b>Tax effect of items constituting deferred tax assets :</b>				
Employee Benefits	1	(1)	-	-
Unabsorbed depreciation	403	(37)	-	366
Difference between book base and tax base of Property, Plant and Equipment and Right of Use Assets / Lease liability	(9)	-	-	(9)
	<b>395</b>	<b>(38)</b>	<b>-</b>	<b>357</b>
<b>Net Deferred Tax Liability</b>	<b>196</b>	<b>(322)</b>	<b>63</b>	<b>(63)</b>

**Movement in deferred tax assets (net) for the Financial Year 2019-20**

Particulars	Opening Balance as at 1st April, 2019	Recognised in Statement of profit and Loss	Recognised in OCI	Closing Balance as at 31st March, 2020
<b>Tax effect of items constituting deferred tax liabilities:</b>				
Difference between book base and tax base of Property, Plant and Equipment and Right of Use Assets / Lease liability	5	194	-	199
	<b>5</b>	<b>194</b>	<b>-</b>	<b>199</b>
<b>Tax effect of items constituting deferred tax assets :</b>				
Employee Benefits	1	0	0	1
Unabsorbed depreciation	200	203	-	403
Difference between book base and tax base of Property, Plant and Equipment and Right of Use Assets / Lease liability	193	(55)	(148)	(9)
	<b>394</b>	<b>148</b>	<b>(147)</b>	<b>395</b>
<b>Net Deferred Tax Asset</b>	<b>389</b>	<b>(46)</b>	<b>(147)</b>	<b>196</b>

Entities forming part of the Restricted Group has entered into long term power purchase agreement with central and state distribution companies for period of 25 years, pursuant to this management is reasonably certain that the unabsorbed depreciation will be utilized. Unabsorbed depreciation can be utilised at anytime without any restriction or time frame.

Also refer note 46 for impact of the Taxation Laws (Amendment) Ordinance, 2019 ('The Ordinance').

**8 Other Non-current Assets**

	As at 31st March, 2021 (₹ in Millions)	As at 31st March, 2020 (₹ in Millions)
Capital advances*	131	654
Balances with Government Authorities (refer note 33)	29	98
Prepaid Expenses	0	-
Staff Relocation advance	-	0
<b>Total</b>	<b>160</b>	<b>752</b>

\*For balances with Unrestricted Group entities, refer note 40.

**9 Inventories  
(At lower of Cost or Net Realisable Value)**

	As at 31st March, 2021 (₹ in Millions)	As at 31st March, 2020 (₹ in Millions)
Stores and spares	27	26
<b>Total</b>	<b>27</b>	<b>26</b>

**Note:**

For charges created refer note 18 and 22.



10 Current Investments	As at 31st March, 2021 (₹ in Millions)	As at 31st March, 2020 (₹ in Millions)
<b>Investment measured at FVTPL</b>		
<b>Investment in Mutual Funds (Unquoted and fully paid)</b>		
Nil (As at 31st March, 2020 90,766) units of ₹ 1000 each of Axis Liquid Fund-Direct Growth	-	200
1,01,728 (As at 31st March, 2020 22,70,834) units of ₹ 1000 each of Birla Sun Life Cash Plus - Growth-Direct Plan	34	726
Nil (As at 31st March, 2020 96,585) units of ₹ 1000 each of L&T Overnight Fund Direct Plan-Growth	-	150
Nil (As at 31st March, 2020 61,538) units of ₹ 1000 each of UTI Liquid Cash Plan-Direct Plan Growth	-	200
1,46,412 (As at 31st March, 2020 Nil) units of ₹ 1000 each of UTI Overnight Fund-Direct Growth Plan	413	-
10,23,960 (As at 31st March, 2020 Nil) units of ₹ 1000 each of Nippon India Overnight Fund -Direct Growth	113	-
3,15,693 (As at 31st March, 2020 Nil) units of ₹ 1000 each of Axis Overnight Fund Direct Growth	343	-
4,23,297 (As at 31st March, 2020 Nil) units of ₹ 1000 each of Tata Overnoghnt Fund - Direct Plan-Growth	460	-
3,029 (As at 31st March, 2020 Nil) units of ₹ 1000 each of YES Overnight Fund Direct Growth	3	-
<b>Total</b>	<b>1,366</b>	<b>1,276</b>
Aggregate value of unquoted investments	1,366	1,276
Fair value of unquoted investments	1,366	1,276
<b>Note:</b>		
For charges created refer note 18 and 22.		
11 Trade Receivables	As at 31st March, 2021 (₹ in Millions)	As at 31st March, 2020 (₹ in Millions)
Unsecured, considered good (refer note 43)	203	144
<b>Total</b>	<b>203</b>	<b>144</b>
<b>Notes:</b>		
(i) For charges created refer note 18 and 22.		
(ii) For balances with Unrestricted Group entities, refer note 40.		
12 Cash and Cash equivalents	As at 31st March, 2021 (₹ in Millions)	As at 31st March, 2020 (₹ in Millions)
Balances with banks		
In current accounts	8	82
<b>Total</b>	<b>8</b>	<b>82</b>
<b>Note:</b>		
For charges created refer note 18 and 22.		
13 Bank balance (other than Cash and Cash equivalents)	As at 31st March, 2021 (₹ in Millions)	As at 31st March, 2020 (₹ in Millions)
Balances held as Margin Money (refer note below)	19	78
Fixed Deposits (with maturity for more than three months)	242	132
<b>Total</b>	<b>261</b>	<b>210</b>
<b>Notes:</b>		
(i) For charges created refer note 18 and 22.		
(ii) Fixed Deposit / Margin Money is pledged / lien against Rupee Term Loan and Bond.		
14 Current Loans	As at 31st March, 2021 (₹ in Millions)	As at 31st March, 2020 (₹ in Millions)
<b>(Unsecured, Considered good)</b>		
Loans to Unrestricted Group entities (refer note 40 and note (i) below)	-	40
Loans to Employees	-	0
<b>Total</b>	<b>-</b>	<b>40</b>
<b>Notes :</b>		
(i) Loans to Unrestricted Group entities have been received during the year.		
(ii) Loans to Unrestricted Group carry an interest rate ranging from Nil to 10.05%.		

15 Other Current Financial Assets	As at 31st March, 2021 (₹ in Millions)	As at 31st March, 2020 (₹ in Millions)
Interest accrued but not due*	105	22
Security deposit	4	5
Contract assets - Unbilled Revenue (refer note 43)	481	481
Claims receivable	-	12
<b>Total</b>	<b>590</b>	<b>520</b>

**Note:**

For charges created refer note 18 and 22.

\*For balances with Unrestricted group entities, refer note 40

16 Other Current Assets	As at 31st March, 2021 (₹ in Millions)	As at 31st March, 2020 (₹ in Millions)
Advance for supply of goods and services*	41	32
Security deposit	-	0
Balances with Government authorities	4	5
Prepaid Expenses	9	0
Advance to Employees	-	0
<b>Total</b>	<b>54</b>	<b>37</b>

**Note:**

For charges created refer note 18 and 22.

\*For balances with Unrestricted group entities, refer note 40.

17 Net Parent Investment	As at 31st March, 2021 (₹ in Millions)	As at 31st March, 2020 (₹ in Millions)
Opening Net Parent Investment	3,327	2,838
Add/Less : Profit / (Loss) for the year (net of tax)	936	(265)
Add/Less : Other Comprehensive (Loss) / Income for the period (net of tax)	(189)	438
Add/Less : Additional Net Parent Investment during the year	-	316
<b>Closing Net Parent Investment</b>	<b>4,074</b>	<b>3,327</b>

**Note:**

Net Parent Investment represents the aggregate amount of Share Capital, Compulsory Convertible Preference Shares (Instrument entirely Equity in nature) and other equity of Restricted Group of entities as at the respective period end and does not necessarily represent legal Share Capital for the purpose of the Restricted Group.

18 Non - Current Borrowings (At amortised cost)	As at 31st March, 2021 (₹ in Millions)	As at 31st March, 2020 (₹ in Millions)
<b>Secured borrowings</b>		
4.625% Senior Secured USD Bonds (refer note (i), (ii) and (iii) below)	24,387	26,021
	<b>24,387</b>	<b>26,021</b>
<b>Unsecured borrowings</b>		
From Unrestricted group (refer note (iv) below and note 40)	3,216	-
	<b>3,216</b>	<b>-</b>
<b>Total</b>	<b>27,603</b>	<b>26,021</b>

**Notes:****The Security and repayment details for the balances as at 31st March, 2021****Wardha Solar (Maharashtra) Private Limited**

(i) Bonds aggregating to ₹ 17,587 Millions (as at 31st March, 2020 ₹ 18,984 Millions) are secured / to be secured by first charge on all present and future immovable assets and movable assets including including current assets of the Company. Further, secured / to be secured by pledge of 100% Equity shares held by the Immediate Holding Company and Cross guarantees of Adani Renewable Energy RJ Limited and Kodangal Solar Parks Private Limited. The same carries an interest rate 4.625% p.a. and repayable in 40 half yearly structured installments starting from Financial year 2020-21, due dates as per offering circular.

**Kodangal Solar Parks Private Limited**

(ii) Bond from Financial Institution aggregating to ₹ 785 Millions (As at 31st March, 2020 ₹ 847 Millions) are secured / to be secured by first charge on all present and future immovable assets and movable assets including current assets of the Company. Further, secured / to be secured by pledge of 100% Equity shares held by the Immediate Holding Company and Cross guarantees of Wardha Solar Maharashtra Private Limited and Adani Renewable Energy RJ Limited. The same carries an interest rate 4.625% p.a. and repayable in 40 half yearly structured installments starting from Financial year 2020-21, due dates as per offering circular.

**Adani Renewable Energy (RJ) Limited**

(iii) Bond from Financial Institution aggregating to ₹ 7,074 Millions (As at 31st March, 2020 ₹ 7,597 Millions) are secured / to be secured by first charge on all present and future immovable assets including free hold land , movable assets including plant and machinery and other assets relating to project and current assets including Debt Service Reserve Account , Trust and Retention Account other bank accounts, renewable energy certificate and carbon credit certificate and other reserves of the Company. Further, secured / to be secured by pledge of 100% Equity shares held by the Holding Company and Cross guarantee of Wardha Solar (Maharashtra) Private Limited and Kodangal Solar Parks Private Limited. The same carries an interest rate 4.625% p.a. Repayment of Bond will be done on structured 40 half yearly instalments starting from Financial year 2020-21.

(iv) Loans from Unrestricted group entities are repayable on mutually agreed terms after a period of one year from the date of balance sheet and carry an interest rate ranging from 10.00% p.a. to 15.25% p.a.

19 Other Non Current Financial Liabilities	As at 31st March, 2021 (₹ in Millions)	As at 31st March, 2020 (₹ in Millions)
Derivative Liabilities	22	-
<b>Total</b>	<b>22</b>	<b>-</b>

20 Non-Current Provisions	As at 31st March, 2021 (₹ in Millions)	As at 31st March, 2020 (₹ in Millions)
<b>Provision for Employee Benefits</b>		
Provision for Gratuity (refer note 39 and 47)	-	2
Provision for Compensated Absences (refer note 39 and 47)	-	1
<b>Total</b>	<b>-</b>	<b>3</b>

21 Other Non-current Liabilities	As at 31st March, 2021 (₹ in Millions)	As at 31st March, 2020 (₹ in Millions)
Deferred Revenue	3,748	480
Others payables	-	0
<b>Total</b>	<b>3,748</b>	<b>480</b>

22 Current Borrowings	As at 31st March, 2021 (₹ in Millions)	As at 31st March, 2020 (₹ in Millions)
<b>Secured borrowings</b>		
From Banks (refer note (i), (ii) and (iii) below)	490	-
<b>Unsecured Borrowings</b>		
From Unrestricted group entities (refer note 40 and note (iv) and (v) below)	-	2,870
<b>Total</b>	<b>490</b>	<b>2,870</b>

**Note:**

**Wardha Solar (Maharashtra) Private Limited**

(i) Short Term Loan from a financial Institution aggregating to ₹ 260 Millions (as at 31st March, 2020 Nil) is secured /to be secured by first charge on all present and future immovable assets, movable assets and current assets of the Company on paripassu basis, Cross Guarantee by Kodangal Solar Parks Private Limited and Adani Renewable Energy (RJ) Limited and Pari passu pledge over 100% of the equity shares held by Immediate Holding Company (excluding shared held by nominee share holders). The same is payable in bullet payment (one time) upto 6 months from date of disbursement and carries interest rate in a range of 7.60% p.a. to 7.90% p.a. on Short term loan.

**Kodangal Solar Parks Private Ltd**

(ii) Short Term Loan from a financial Institution aggregating to ₹ 30 Millions (as at 31st March, 2020 Nil) is secured /to be secured by first charge on all present and future immovable assets, movable assets and current assets of the Company on paripassu basis, Cross Guarantee by Wardha Solar (Maharashtra) Private Limited and Adani Renewable Energy (RJ) Limited and Pari passu pledge over 100% of the equity shares held by Immediate Holding Company (excluding shares held by nominee share holders). The same is repayable in bullet payment (one time) upto 6 months from date of disbursement and carries interest rate in a range of 7.60% p.a. to 7.90% p.a.

**Adani Renewable Energy (RJ) Ltd**

(iii) Short Term Loan from a financial Institution aggregating to ₹ 200 Millions (as at 31st March, 2020 Nil) is secured /to be secured by first charge on all present and future immovable assets, movable assets and current assets of the Company on paripassu basis, Cross Guarantee by Wardha Solar (Maharashtra) Private Limited and Kodangal Solar Parks Private Limited and Pari passu pledge over 100% of the equity shares held by Immediate Holding Company (excluding shared held by nominee share holders). The same is payable in bullet payment (one time) upto 6 months from date of disbursement and carries interest rate in a range of 7.60% p.a. to 7.90% p.a. on Short term loan.

(iv) Loans from Unrestricted Group entities have been repaid during the year.

(v) Loans from related parties carry an interest rates are in the range of 10.00% to 10.50% p.a.

23 Trade Payables	As at 31st March, 2021 (₹ in Millions)	As at 31st March, 2020 (₹ in Millions)
Trade Payables		
i. Total outstanding dues of micro enterprises and small enterprises (refer note 42)	6	2
ii. Total outstanding dues of creditors other than micro enterprises and small enterprises	68	66
<b>Total</b>	<b>74</b>	<b>68</b>

**Note:**

For balance with Unrestricted Group, refer note 40.

24 Other Current Financial Liabilities	As at 31st March, 2021 (₹ in Millions)	As at 31st March, 2020 (₹ in Millions)
Current maturities of Non-current borrowings (secured) (refer note 18)	720	1,120
Interest accrued but not due on borrowings#	545	588
Retention money payable	4	156
Derivative Liabilities	60	-
Capital creditors*#	160	385
Other Payables	0	20
<b>Total</b>	<b>1,489</b>	<b>2,269</b>

**Notes:**

#For balance with Unrestricted Group entities, refer note 40.

\* Capital creditors represents the amounts payable for purchase of Property, Plant and Equipment and Capital-Work-In-Progress. For total outstanding dues of micro enterprises and small enterprises refer note 42.

<b>25 Other Current Liabilities</b>	<b>As at 31st March, 2021 (₹ in Millions)</b>	<b>As at 31st March, 2020 (₹ in Millions)</b>
Statutory liabilities	34	42
Advance From Customer	5	2
Deferred Revenue	142	18
Other Payables	-	1
<b>Total</b>	<b>181</b>	<b>63</b>

<b>26 Current Provisions</b>	<b>As at 31st March, 2021 (₹ in Millions)</b>	<b>As at 31st March, 2020 (₹ in Millions)</b>
<b>Provision for Employee Benefits</b>		
Provision for Gratuity (refer note 39 and 47)	-	0
Provision for Compensated Absences (refer note 39 and 47)	-	0
<b>Total</b>	<b>-</b>	<b>0</b>

<b>27 Revenue from Operations</b>	<b>For the Year ended 31st March, 2021 (₹ in Millions)</b>	<b>For the Year ended 31st March, 2020 (₹ in Millions)</b>
<b>Revenue from Contract with Customers (refer note 41)</b>		
Revenue from Power Supply	4,926	4,164
Revenue from Traded Goods	49	9
<b>Other operating Income</b>		
Income from Viability Gap Funding and Change in Law	127	5
Income from Carbon Credit	12	4
<b>Total</b>	<b>5,114</b>	<b>4,182</b>

<b>28 Other Income</b>	<b>For the Year ended 31st March, 2021 (₹ in Millions)</b>	<b>For the Year ended 31st March, 2020 (₹ in Millions)</b>
Interest Income (refer note (i) below)	529	73
Net gain on sale/ fair valuation of investments through profit and loss (refer note (ii) below)	15	13
Sale of Scrap	0	1
Foreign Exchange Fluctuation and derivative Gain	252	-
Liability No Longer Required Written Back	26	9
Miscellaneous Income	-	1
<b>Total</b>	<b>821</b>	<b>97</b>

**Notes:**

(i) Interest income includes ₹ 159 Millions (For the year ended 31st March, 2020 ₹ 2 Millions) from Unrestricted Group and ₹ 141 Millions (For the year ended 31st March, 2020 ₹ 71 Millions) from Bank deposits.

(ii) Includes fair value gain amounting to ₹ 3 Million (For the year ended 31st March, 2020 ₹ 1 Million).

<b>29 Employee Benefits Expenses</b>	<b>For the Year ended 31st March, 2021 (₹ in Millions)</b>	<b>For the Year ended 31st March, 2020 (₹ in Millions)</b>
Salaries, Wages and Bonus	-	29
Contribution to provident and other funds (refer note 39)	-	2
Staff welfare expenses	-	1
<b>Total</b>	<b>-</b>	<b>32</b>

30 Finance costs	For the Year ended 31st March, 2021 (₹ in Millions)	For the Year ended 31st March, 2020 (₹ in Millions)
<b>(a) Interest Expenses on financial liabilities measured at amortised cost:</b>		
Interest on Loans, Bonds and Debentures	1,754	1,357
Interest on Lease Liabilities	48	33
Interest Expenses - Trade Credit and Others	0	71
<b>(a)</b>	<b>1,802</b>	<b>1,461</b>
<b>(b) Other borrowing costs :</b>		
Loss / (gain) on Derivatives Contracts (Net)	2,137	(989)
Bank Charges and Other Borrowing Costs	14	50
<b>(b)</b>	<b>2,151</b>	<b>(939)</b>
<b>(c) Exchange difference regarded as an adjustment to borrowing cost</b>	<b>(634)</b>	<b>1,104</b>
<b>(c)</b>	<b>(634)</b>	<b>1,104</b>
<b>Total (a+b+c)</b>	<b>3,319</b>	<b>1,626</b>
31 Other Expenses	For the Year ended 31st March, 2021 (₹ in Millions)	For the Year ended 31st March, 2020 (₹ in Millions)
Stores and Spares	9	12
Communication expenses	3	3
Repairs and Maintenance		
Plant and Equipment (refer note 40)	151	173
Others	5	5
Expense related to short term leases	0	1
Rates and Taxes	5	1
Legal and Professional Expenses (refer note 40)	11	103
Payment to Auditors		
Statutory Audit Fees	0	0
Tax Audit Fees	0	0
Others	1	0
Travelling and Conveyance Expenses	14	15
Insurance Expenses	53	10
Office Expenses	0	1
Loss on sale of Property plant and equipment	24	0
Directors' Sitting Fees	0	0
Foreign Exchange Fluctuation and derivative loss	-	963
Electricity Expenses	-	0
Miscellaneous Expenses	74	4
<b>Total</b>	<b>350</b>	<b>1,291</b>

### 32 Income Tax

The major components of income tax expense for the year ended 31st March, 2021 and 31st March, 2020 are:

<b>Income Tax Expense :</b>	<b>For the Year ended 31st March, 2021 (₹ in Millions)</b>	<b>For the year ended 31st March, 2020 (₹ in Millions)</b>
<b>Current Tax:</b>		
Current Income Tax Charge	-	-
Adjustment of tax relating to earlier years	-	0
<b>Total (a)</b>	<b>-</b>	<b>0</b>
<b>Deferred Tax:</b>		
In respect of current year origination and reversal of temporary differences	322	46
<b>Total (b)</b>	<b>322</b>	<b>46</b>
<b>Total (a+b)</b>	<b>322</b>	<b>46</b>

The income tax expense for the year can be reconciled to the accounting profit as follows:

	<b>For the Year ended 31st March, 2021 (₹ in Millions)</b>	<b>For the year ended 31st March, 2020 (₹ in Millions)</b>
<b>Profit / (Loss) before tax as per Combined Statement of Profit and Loss</b>	1,259	(219)
<b>Income tax using the Restricted group's domestic tax rate 25.17% (as at 31st March, 2020 @ 25.17%)</b>	317	(55)
<b>Tax Effect of :</b>		
Change in estimate relating to prior years	8	47
Income charged as per special provision of Income Tax Act, 1961	(3)	-
Change in Tax Rate	-	54
<b>Tax Expense for the year recognised in Combined Statement of Profit and Loss for the year</b>	<b>322</b>	<b>46</b>

### 33 Contingent Liabilities and Commitments ( to the extent not provided for) :

#### (i) Contingent Liabilities:

(i) The Restricted Group has received demand for liquidation damages for various projects completed beyond the contractually agreed dates. The Restricted Group has filed appeal against such demands with appellent authorities. The management believes the reason for delay were not attributable to the Restricted Group and the facts underlying the Restricted Group's position, it believes that the probability that it will ultimately be found liable for these assessments currently does not seem probable and accordingly has not accrued any amount with respect to these matters in its financial statements. The Restricted Group does not expect the impact of these demands to have a material adverse effect on its financial position and financial results.

As at 31st March, 2021 ( ₹ in Millions)	As at 31st March, 2020 ( ₹ in Millions)
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29	98
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#### (ii) Commitments :

Capital Commitment (estimated amount of contracts remaining to be executed on capital account and not provided for):

As at 31st March, 2021 ( ₹ in Millions)	As at 31st March, 2020 ( ₹ in Millions)
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Wardha Solar (Maharashtra) Private Limited	686	11
Kodangal Solar Parks Private Limited	0	1
Adani Renewable Energy (RJ) Limited	7	28

<b>Total</b>	<b>693</b>	<b>40</b>
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### 34 Leases

The Restricted Group has elected below practical expedients on transition to Ind AS 116:

1. Applied a single discount rate to a portfolio of leases with reasonably similar characteristics.
2. Applied the exemption not to recognise right of use assets and lease liabilities with less than 12 months of lease term on the date of initial application.
3. Excluded the initial direct costs from the measurement of right of use asset at the date of initial application.
4. Elected not to reassess whether a contract is, or contains a lease at the date of initial application. Instead, for contracts entered into before the transition date, the Restricted Group relied on its assessment made applying Ind AS 17 Leases.

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified assets for a period of time in exchange for consideration.

The Restricted Group has elected not to apply the requirements of Ind AS 116 to short term leases of all the assets that have a lease term of twelve months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense on a straight line basis over the lease term.

The Restricted Group has lease contracts for land used in its operations. Leases of this items generally have lease terms of 25 years, the Restricted group is restricted from assigning and subleasing the leased assets.

The weighted average incremental borrowing rate applied to lease liabilities is 10.50%.

The following is the movement in Lease liabilities:

Particulars	( ₹ in Millions)
<b>Balance as at 1st April, 2019 (adoption of Ind AS 116)</b>	<b>156</b>
Finance costs incurred during the year	47
New Lease contract entered during the year	310
Payments of Lease Liabilities	(36)
<b>Balance as at 31st March, 2020</b>	<b>476</b>
Finance costs incurred during the year	48
Payments of Lease Liabilities	(52)
<b>Balance as at 31st March, 2021</b>	<b>472</b>

### 35 Financial Instruments and Risk Review :

The Restricted Group's risk management activities are subject to the management direction and control under the framework of Risk Management Policy as approved by the Board of Directors of entities forming part of Restricted Group. The Management ensures appropriate risk governance framework for the Restricted Group through appropriate policies and procedures and that risks are identified, measured and managed in accordance with the Restricted Group's policies and risk objectives.

The Restricted Group's financial liabilities comprise mainly of borrowings, trade and other payables. The Restricted Group's financial assets comprise mainly of investments, cash and cash equivalents, other balances with banks, loans, trade receivables and other receivables.

The Restricted Group has exposure to the following risks arising from financial instruments:

- 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 price risk.



**i) Interest rate risk**

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

The sensitivity analysis have been carried out based on the exposure to interest rates for instruments not hedged against interest rate fluctuations at the end of the reporting period. The said analysis has been carried on the amount of floating rate Non-current liabilities outstanding at the end of the reporting period. A 50 basis point increase or decrease represents the management's assessment of the reasonably possible change in interest rates.

Since all the borrowing of Restricted Group are hedged, there will be no impact in the profit and loss on account of change in interest rate.

**ii) Foreign Currency risk**

Foreign Currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Restricted Group is exposed to the effects of fluctuation in the prevailing foreign currency exchange rates on its financial position and cash flows. Exposure arises primarily due to exchange rate fluctuations between the functional currency and other currencies from the Restricted Group's operating and financing activities. The Restricted Group hedges at least 25% of its total exposure for 12 months as per the policy.

Every 1% depreciation / appreciation in the exchange rate between the Indian rupee and U.S.dollar and other currencies on the exposure of \$ 0 million as on 31st March, 2021 and \$ 1 million as on 31st March, 2020, would have decreased/increased the Restricted Group's profit for the year as follows :

	As at 31st March, 2021 (₹ in Millions)	As at 31st March, 2020 (₹ in Millions)
Impact on profit or loss for the year (before tax)	0	0

**iii) Price risk**

The Restricted Group's exposure to price risk in the investment in mutual funds and classified in the balance sheet as fair value through profit or loss. The Restricted Group's non-listed equity securities are susceptible to market price risk arising from uncertainties about future values of the investment securities. Management monitors the investments closely to mitigate its impact on profit and cash flows.

**Credit risk**

**Trade Receivable:**

Major receivables of the Restricted Group are from State and Central distribution Companies (DISCOM) which are Government entities. The Restricted Group is regularly receiving its dues from DISCOM. Delayed payments carries interest as per the terms of agreements. Trade receivables are generally due for lesser than one year, accordingly in relation to these dues, the Restricted Group does not foresee any significant Credit Risk.

**Other Financial Assets:**

This comprises mainly of deposits with banks, investments in mutual funds and other intercompany receivables. Credit risk arising from these financial assets is limited and there is no collateral held against these because the counterparties are Group Companies, banks and recognised financial institutions. Banks and recognised financial institutions have high credit ratings assigned by the international credit rating agencies.

**Liquidity risk**

Liquidity risk is the risk that the Restricted Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Restricted Group monitors its risk of shortage of funds using cash flow forecasting models. These models consider the maturity of its financial investments, committed funding and projected cash flows from operations. The Restricted Group's objective is to provide financial resources to meet its business objectives in a timely, cost effective and reliable manner and to manage its capital structure. A balance between continuity of funding and flexibility is maintained through continued support from lenders, trade creditors as well as through issue of equity shares.

The Restricted Group expects to generate positive cash flows from operations in order to meet its external financial liabilities as they fall due. The Restricted Group has understanding from unrestricted group entities to extend repayment terms of borrowings as required.

**Maturity profile of financial liabilities:**

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments.

						(₹ in Millions)
As at 31st March, 2021	Note	Less than 1 year	1 to 5 year	More than 5 Years	Total	
Borrowings (Including current maturities)	18, 22 and 24	1,219	6,131	21,765	29,115	
Lease Liabilities		41	136	295	472	
Trade Payables	23	75	-	-	75	
Derivative Liabilities	24	60	22	-	82	
Other Financial Liabilities	24	709	-	-	709	
						(₹ in Millions)
As at 31st March, 2020	Note	Less than 1 year	1 to 5 year	More than 5 Years	Total	
Borrowings (Including current maturities)	18, 22 and 24	3,990	2,985	23,035	30,010	
Lease Liabilities		40	132	304	476	
Trade Payables	23	68	-	-	68	
Other Financial Liabilities	24	1,149	-	-	1,149	

### Capital Management

The Restricted Group's objectives for managing capital is to safeguard continuity and healthy capital ratios in order to support its business and provide adequate return to shareholders through continuing growth. The Restricted Group's overall strategy remains unchanged from previous year.

The Restricted Group sets the amount of capital required on the basis of annual business and long-term operating plans which include capital and other strategic investments.

The funding requirements are met through a mixture of equity, internal fund generation, debt securities and other Non-current/current borrowings. The Restricted Group's policy is to use current and non-current borrowings to meet anticipated funding requirements. The Restricted Group monitors capital on the basis of the net debt to equity ratio.

The Restricted Group believes that it will be able to meet all its current liabilities and interest obligations in a timely manner, since most of the current liabilities are from Unrestricted Group entities.

In Order to achieve this overall objective, the Restricted Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest bearing loans and borrowing in the current period. No changes were made in the objectives, policies or processes for managing capital during the year ended 31st March, 2021 and 31st March, 2020.

Particulars	Note	As at 31st March, 2021 (₹ in Millions)	As at 31st March, 2020 (₹ in Millions)
Net debt (total debt less cash and cash equivalents) (A)	18,22, 24 and 12	28,805	30,405
Total net parent investment (B)	17	4,074	3,327
Total net parent investment and net debt C=(A+B)		32,879	33,732
Gearing ratio (A/C)		88%	90%

36 The Restricted Group has taken various derivatives to hedge its loans and other payable. The outstanding position of derivative instruments is as under:

Nature	Purpose	As at 31st March, 2021		As at 31st March, 2020	
		(₹ in Millions)	Foreign Currency (USD in Million)	(₹ in Millions)	Foreign Currency (USD in Million)
Forward Contract	Hedging of Bond Interest accrued but not due	1,167	16	1,251	17
Principal only Swap	Hedging of Foreign Currency Bond Principal	25,409	348	27,429	363
	<b>Total</b>	<b>26,576</b>	<b>364</b>	<b>28,680</b>	<b>380</b>

The details of foreign currency exposures not hedged by derivative instruments are as under :-

Currency	As at 31st March, 2021		As at 31st March, 2020	
	(₹ in Millions)	Foreign Currency (USD in Million)	(₹ in Millions)	Foreign Currency (USD in Million)
Creditors and Acceptances	33	0	36	0
Creditors and Acceptances	1	0	-	-
<b>Total</b>	<b>34</b>	<b>0</b>	<b>36</b>	<b>0</b>

(Closing rate as at 31st March, 2021 : INR/USD-73.11 and INR/EUR-85.75 and as at 31st March, 2020 : INR/USD-75.66 and INR/EUR-82.77)

### 37 Fair Value Measurement :

a) The carrying value of financial instruments by categories as of 31st March, 2021 is as follows :

Particulars	(₹ in Millions)			
	Fair Value through Other Comprehensive Income	Fair Value through profit or loss	Amortised cost	Total
<b>Financial Assets</b>				
Cash and cash equivalents	-	-	8	8
Bank balances other than cash and cash equivalents	-	-	261	261
Investments	-	1,366	-	1,366
Trade Receivables	-	-	203	203
Loans	-	-	3,032	3,032
Derivative Assets	34	-	-	34
Other Financial assets	-	-	5,002	5,002
<b>Total</b>	<b>34</b>	<b>1,366</b>	<b>8,506</b>	<b>9,906</b>
<b>Financial Liabilities</b>				
Borrowings (including current maturities)	-	-	28,813	28,813
Lease Liabilities	-	-	472	472
Trade Payables	-	-	75	75
Derivative Liabilities	60	-	-	60
Other Financial Liabilities	-	-	709	709
<b>Total</b>	<b>60</b>	<b>-</b>	<b>30,069</b>	<b>30,129</b>

b) The carrying value of financial instruments by categories as of 31st March, 2020 is as follows :

Particulars	(₹ in Millions)		
	Fair Value through profit or loss	Amortised cost	Total
<b>Financial Assets</b>			
Cash and cash equivalents	-	82	82
Bank balances other than cash and cash equivalents	-	210	210
Investments	1,276	-	1,276
Trade Receivables	-	144	144
Loans	-	40	40
Derivative Assets	1,200	-	1,200
Other Financial assets	-	4,098	4,098
<b>Total</b>	<b>2,476</b>	<b>4,574</b>	<b>7,050</b>
<b>Financial Liabilities</b>			
Borrowings (including current maturities)	-	30,010	30,010
Lease Liabilities	-	476	476
Trade Payables	-	68	68
Other Financial Liabilities	-	1,149	1,149
<b>Total</b>	<b>-</b>	<b>31,703</b>	<b>31,703</b>

**Note:**

(i) Fair value of financial assets and liabilities measured at amortised cost is not materially different from the fair value. Further, impact of time value of money is not significant for the financial instruments classified as current. Accordingly, the fair value has not been disclosed separately.

(ii) Trade Receivables, Cash and Cash Equivalents, Other bank balances, Loans, Other Financial Assets, Current Borrowings, Trade Payables and Other Current Financial Liabilities: Fair values approximate their carrying amounts largely due to short-term maturities of these instruments.

**38 Fair Value hierarchy :**

Particulars	(₹ in Millions)	
	As at 31st March, 2021	
	Level 2	Total
<b>Assets</b>		
Investments	1,366	1,366
Derivative Assets	34	34
<b>Total</b>	<b>1,400</b>	<b>1,400</b>
<b>Liabilities</b>		
Derivative Liabilities	60	60
<b>Total</b>	<b>60</b>	<b>60</b>

Particulars	(₹ in Millions)	
	As at 31st March, 2020	
	Level 2	Total
<b>Assets</b>		
Investments	1,276	1,276
Derivative Assets	1,200	1,200
<b>Total</b>	<b>2,476</b>	<b>2,476</b>
<b>Liabilities</b>		
Derivative Liabilities	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

(i) The fair values of investments in mutual fund units is based on the net asset value ("NAV") as stated by the issuers of these mutual fund units in the published statements as at Balance Sheet date. NAV represents the price at which the issuer will issue further units of mutual fund and the price at which issuers will redeem such units from the investors.

(ii) The fair values of the derivative financial instruments has been determined using valuation techniques with market observable inputs as at reporting date. The models incorporate various inputs including the credit quality of counter-parties and foreign exchange rates.

39 As per Indian Accounting standard 19 "Employee Benefits", the disclosure as defined in the accounting standard are given below.

The status of gratuity plan as required under Ind AS-19 :

The Restricted Group operates a defined benefit plan (the Gratuity plan) covering eligible employees, which provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment.

The Restricted Group has a defined benefit gratuity plan and is governed by the Payment of Gratuity Act, 1972. Under the Act, every employee who has completed at least five year of service is entitled to gratuity benefits on departure at 15 days salary (last drawn salary) for each completed year of service. The scheme is managed on unfunded basis.

Particulars	As at 31st March, 2021 (₹ in Millions)	As at 31st March, 2020 (₹ in Millions)
<b>i. Reconciliation of Opening and Closing Balances of Defined Benefit Obligation</b>		
Present Value of Defined Benefit Obligations at the beginning of the Year	2	2
Current Service Cost	-	0
Interest Cost	-	0
Employee Transfer in / transfer out (net)	(2)	(0)
Re-measurement (or Actuarial) (gain) / loss arising from:		
change in demographic assumptions	-	0
change in financial assumptions	-	0
experience variance (i.e. Actual experience vs assumptions)	-	0
Present Value of Defined Benefits Obligation at the end of the Year	-	2
<b>ii. Reconciliation of Opening and Closing Balances of the Fair value of Plan Assets</b>		
Fair Value of Plan assets at the beginning of the Year	-	-
Investment Income	-	-
Return on plan asset excluding amount recognised in net interest expenses	-	-
Fair Value of Plan assets at the end of the Year	-	-
<b>iii. Reconciliation of the Present value of defined benefit obligation and Fair value of plan assets</b>		
Present Value of Defined Benefit Obligations at the end of the Year	-	(2)
Fair Value of Plan assets at the end of the Year	-	-
<b>Net (Liability) recognized in balance sheet as at the end of the Year</b>	-	(2)
<b>iv. Gratuity Cost for the Year</b>		
Current service cost	-	0
Interest cost	-	0
Investment Income	-	-
Net Gratuity cost	-	1
<b>v. Other Comprehensive income</b>		
Actuarial (gains) / losses	-	-
Change in demographic assumptions	-	0
change in financial assumptions	-	0
experience variance (i.e. Actual experiences assumptions)	-	0
Return on plan assets, excluding amount recognised in net interest expense	-	-
Components of defined benefit costs recognised in other comprehensive income / CWIP	-	0
<b>vi. Actuarial Assumptions</b>		
Discount Rate (per annum)	NA	7%
Annual Increase in Salary Cost	NA	8%
Attrition Rate	NA	7%
Mortality Rate during employment	NA	Indian Assured Lives Mortality (2006-08)

**vii. Sensitivity Analysis**

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and mortality. The sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The results of sensitivity analysis is given below:

Particulars	As at 31st March, 2021 (₹ in Millions)		As at 31st March, 2020 (₹ in Millions)	
Defined Benefit Obligation (Base)	-		2	
Particulars	As at 31st March, 2021 (₹ in Millions)		As at 31st March, 2020 (₹ in Millions)	
	Decrease	Increase	Decrease	Increase
Discount Rate (- / + 1%)	NA	NA	2	2
Salary Growth Rate (- / + 1%)	NA	NA	2	2
Attrition Rate (- / + 50%)	NA	NA	2	2
Mortality Rate (- / + 10%)	NA	NA	2	2

**viii. Asset Liability Matching Strategies**

The scheme is managed on unfunded basis.

**ix. Effect of Plan on Entity's Future Cash Flows**

**a) Funding arrangements and Funding Policy**

The scheme is managed on unfunded basis.

**b) Expected Contribution during the next annual reporting period**

The Restricted Group's best estimate of Contribution during the next year is Nil, as the scheme is managed on unfunded basis.

**c) Maturity Profile of Defined Benefit Obligation**

Weighted average duration (based on discounted cash flows) - NA

**Expected cash flows over the next (valued on undiscounted) (₹ in Millions)**

1 year	NA
2 to 5 years	NA
6 to 10 years	NA
More than 10 years	NA

The actuarial liability for compensated absences (including Sick Leave) as at the year ended 31st March, 2021 is Nil (as at 31st March, 2020 ₹ 2 millions) (For applicable assumptions refer note (vi)).

**Defined Contribution Plan**

Contribution to Defined Contribution Plans for the year is as under :

	As at 31st March, 2021 (₹ in Millions)	As at 31st March, 2020 (₹ in Millions)
Employer's Contribution to Provident Fund	-	1

**40 Related party transactions**

**a. List of related parties and relationship**

The Restricted Group entities have certain transactions with entities which are not covered under Restricted Group (Unrestricted Group entities).

Entities with joint control of, or significant influence over, the Parent Company	:	S. B. Adani Family Trust ( SBAFT ) Adani Trading Services LLP Adani Properties Private Limited Universal Trade and Investments Limited
Ultimate Holding Company		Adani Green Energy Limited
Immediate Holding Company of WSMPL	:	Parampujya Solar Energy Private Limited
Immediate Holding Company of ARERJL	:	Adani Renewable Energy Holding One Limited (Formerly known as Mahoba Solar UP Private Limited)
Immediate Holding Company of KSPPL	:	Adani Green Energy Twenty Three Limited (w.e.f. 3rd April, 2020)
Unrestricted group entities (with whom transaction are done)	:	Adani Logistics Limited Adani Enterprises Limited Kamuthi Solar Power Limited Kamuthi Renewable Energy Limited Adani Global DMCC Gujarat Adani Institute Of Medical Sciences Kilaj Solar (Maharashtra) Pvt Limited Adani Vizhinjam Port Private Limited Adani Port and SEZ Limited Adani Green Energy (Tamilnadu) Limited Adani International Container Terminal Private Limited Adani Infrastructure Management Service Limited Adani Renewable Energy Park Rajasthan Limited Adani Green Energy (UP) Limited Gaya Solar (Bihar) Private Limited Adani Wind Energy (TN) Limited Adani Renewable Energy GJ Limited

Key Management Personnel	:	<p><b>Wardha Solar (Maharashtra) Private Limited</b> Abhilash Mehta, Whole-time-Director Unni Krishnan Gopal, Director ( w.e.f. 14th, May, 2019) Dev Prakash Joshi, Director (upto 14th May,2019) Ashish Garg, Director (upto 22nd November,2019) Ankit Shah, Chief Financial Officer Dipak Gupta, Additional Director (w.e.f. 31st March, 2021) Ravi Kapoor, Independent Director (w.e.f. 31st March, 2021) Krishnakumar Mishra, Additional Director (upto 16th January,2021) Sushama Oza, Independent Director Divy Dwivedi, Company Secretary (upto 16th May, 2019)</p> <p><b>Kodangal Solar Parks Private Limited</b> Ajay Purohit, Whole-time Director Krishnakumar Mishra (w.e.f. 21st October, 2019 upto 16th January,2021) Raj Kumar Jain, Director Ajith Kannissery, Director (upto 7th December,2020) Kirti Joshi, Additional Director (w.e.f. 7th December, 2020) Ravi Kapoor, Additional Director (w.e.f. 31st March, 2021) Nayana Gadhavi (w.e.f. 21st October, 2019) Shashi Kant Ranjan, Chief Financial Officer Sneha Chaudhary (w.e.f. 6th September, 2019 upto 22 September,2020)</p> <p><b>Adani Renewable Energy (RJ) Limited</b> Bhupendra Asawa, Whole-time Director Raj KumarJain, Director Sandip Adani, Director Udayan Sharma, Chief Financial Officer Nayana Gadhavi, Additional Director Sushama Oza, Additional Director</p>
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**Terms and conditions of transactions with Unrestricted group entities**

Outstanding balances of Unrestricted group entities at the year-end are unsecured. Transaction entered into with Unrestricted group entities are made on terms equivalent to those that prevail in arm's length transactions.

**Notes:**

The names of the related parties and nature of the relationships where control exists are disclosed irrespective of whether or not there have been transactions between the related parties. For others, the names and the nature of relationships is disclosed only when the transactions are entered into by the Restricted Group with the related parties during the existence of the related party relationship. Transactions in excess of 10% of the total related party transactions for each type has been disclosed in note below.

- 41** The Restricted Group's activities during the year revolve around renewable power generation. Considering the nature of The Restricted Group's business, as well as based on reviews by the chief operating decision maker to make decisions about resource allocation and performance measurement, there is only one reportable segment in accordance with the requirements of Ind AS - 108 – "Operating Segments", prescribed under Companies (Indian Accounting Standards) Rules, 2015. As the Restricted Group's entire revenue is from domestic sales, no separate geographical segment is disclosed.

**42 Due to micro, small and medium enterprises**

On the basis of the information and records available with management, outstanding dues to the Micro and Small enterprise as defined in the MSMED Act, 2006 are disclosed as below.

Particulars	As at 31st March, 2021 (₹ in Millions)	As at 31st March, 2020 (₹ in Millions)
Principal amount remaining unpaid to any supplier as at the year end.	22	38
Interest due thereon	-	-
Amount of interest paid by the Restricted Group in terms of section 16 of the MSMED, along with the amount of the payment made to the supplier beyond the appointed day during the accounting year.	-	-
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 period) but without adding the interest specified under the MSMED.	-	-
Amount of interest accrued and remaining unpaid at the end of the accounting year.	-	-
Amount of further interest remaining due and payable even in succeeding years.	-	-

The disclosure in respect of the amount payable to enterprises which have provided goods and services to the Restricted Group and which qualify under the definition of micro and small enterprises, as defined under Micro, Small and Medium Enterprises Development Act, 2006 has been made in the Financial statement as at 31st March, 2021 based on the information received and available with the entities of Restricted Group.

**43 Contract balances:**

(a) The following table provides information about receivables and contract assets from the contracts with customers.

Particulars	(₹ in Millions)	
	As at 31st March, 2021	As at 31st March, 2020
Trade receivables (refer note 11)	203	144
Contract Assets - Unbilled Revenue (refer note 15)	481	481

The contract assets primarily relate to the Restricted Group's right to consideration for work completed but not billed at the reporting date. The contract assets are transferred to receivables when the rights become unconditional. This usually occurs when the Restricted Group issues an invoice to the Customer. The contract liabilities primarily relate to the advance consideration received from the customers.

(b) Significant changes in contract assets during the period:

Particulars	(₹ in Millions)	
	As at 31st March, 2021	As at 31st March, 2020
Contract assets reclassified to receivables	481	366

**Reconciliation the amount of revenue recognised in the statement of combined profit and loss with the contracted price:**

(₹ in Millions)

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
	Revenue as per contracted price	5,039
<b>Adjustments</b>		
Discounts	64	84
<b>Revenue from contract with customers</b>	<b>4,975</b>	<b>4,173</b>

The Restricted Group does not have any remaining performance obligation for sale of goods.

**44** During the previous year, the Restricted Group had refinanced its earlier borrowings through issuance of secured senior notes (US\$ denominated bonds). On account of such refinancing activities, the Restricted Group has incurred a onetime expense aggregating to ₹ 744 Millions. These expenses comprises of prepayment charges, unamortized portion of other borrowing cost related to earlier borrowings and cost of premature termination of derivative contracts. The same are treated as exceptional items in the combined financial statements.

**45** Due to ongoing impact of COVID-19 globally and in India, the Group has assessed the likely adverse impact on economic environment in general and financial risks on account of COVID-19. The Group is in the business of generation of electricity which is an essential service as emphasized by the Ministry of Power, Government of India. The demand of power is continuously increasing throughout the year with increasing economic activities in the country. The management has estimated its future cash flows for the Group which indicates no major impact in the operational and financial performance of the Group. The management, however, will continue to closely monitor the performance of the Group.

**46** On 20th September, 2019, vide the 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 1st April, 2019, subject to certain conditions. The Company has decided to opt for the reduced corporate tax rates effective from 1st April, 2019. Accordingly, the Restricted Group has recognised Provision for Income Tax and has re-measured its deferred taxes as per the provisions of the Ordinance. This has resulted in a reduction of deferred tax assets by ₹ 53.5 millions on account of remeasurement of deferred tax assets as at 31st March, 2019.

**47 Recent Pronouncements**

On March 24, 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from April 1, 2021. Key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

**Balance Sheet:**

- Lease liabilities should be separately disclosed under the head 'financial liabilities', duly distinguished as current or non-current.
- Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.
- Specified format for disclosure of shareholding of promoters.
- Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.

• If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.

• Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.

**Statement of Profit & Loss:**

- Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head 'additional information' in the notes forming part of financial statements.

The amendments are extensive and the Restricted Group will evaluate the same to give effect to them as required by law.

**48** Entities forming part of restricted group does not have any employee. The operational management and administrative functions of the entities forming part of restricted group are being managed by Ultimate Holding Company.

**49 Events occurring after the Balance sheet Date**

The Restricted Group evaluates events and transactions that occur subsequent to the balance sheet date but prior to approval of the special purpose combined financial statements to determine the necessity for recognition and/or reporting of any of these events and transactions in the special purpose combined financial statements. There are no subsequent events to be recognized or reported that are not already disclosed.

**50** Previous year figures have been regrouped and rearranged wherever necessary to conform to this year's classification.

**51 Approval of financial statements**

The Combined Financial Statements were approved for issue by the board of directors of the Holding Company on 4th May, 2021.

**In terms of our report attached**

**For Dharmesh Parikh & Co LLP**

**Chartered Accountants**

Firm Registration Number : 112054W/W100725

**Jain Anuj**

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by Jain Anuj  
Date: 2021.05.04  
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**Anuj Jain**

Partner

Membership No. 119140

**Place : Ahmedabad**

**Date : 4th May, 2021**

**For and on behalf of the board of directors of  
ADANI GREEN ENERGY TWENTY THREE LIMITED**

**ADANI  
SAGAR**  
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by ADANI  
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RAJESH  
BHAI  
Date: 2021.05.04  
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**Sagar R. Adani**

Director

DIN: 07626229

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JAAIN  
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**Vneet S. Jaain**

Director

DIN: 00053906

**Place : Ahmedabad**

**Date : 4th May, 2021**



## b. Transactions with Related Parties

(₹ in Millions)

Particulars	Holding Company (Including Immediate Holding)	Fellow Subsidiaries	Joint Ventures of Group	Entities under common control/ Associate entities	Key Management Personnel	Holding Company (Including Immediate Holding)	Subsidiary Companies (Including Fellow)	Joint Ventures of Group	Entities under common control/ Associate entities	Key Management Personnel
<b>Equity Share Capital</b>	-	-	-	-	-	<b>316</b>	-	-	-	-
Adani Renewable Energy Holding One Limited (Formerly known as Mahoba Solar UP Private Limited)	-	-	-	-	-	316	-	-	-	-
<b>Equity Share Capital Transfer To</b>	<b>979</b>	-	-	-	-	-	-	-	-	-
Adani Green Energy Twenty Three Limited	979	-	-	-	-	-	-	-	-	-
<b>Equity Share Capital Transfer From</b>	<b>2</b>	-	-	<b>977</b>	-	-	-	-	-	-
Adani Renewable Energy Holding One Limited (Formerly known as Mahoba Solar UP Private Limited)	-	-	-	977	-	-	-	-	-	-
<b>Preference Share Capital Transfer From</b>	<b>267</b>	-	-	-	-	-	-	-	-	-
Adani Green Energy Limited	267	-	-	-	-	-	-	-	-	-
<b>Preference Share Capital Transfer To</b>	<b>267</b>	-	-	-	-	-	-	-	-	-
Adani Green Energy Twenty Three Limited	267	-	-	-	-	-	-	-	-	-
<b>Conversion of Borrowing from Debenture to Loan</b>	-	-	-	-	-	<b>2,707</b>	-	-	-	-
Adani Renewable Energy Holding One Limited (Formerly known as Mahoba Solar UP Private Limited)	-	-	-	-	-	938	-	-	-	-
Parampujya Solar Energy Private Limited	-	-	-	-	-	1,769	-	-	-	-
<b>Borrowings (Debenture)</b>	-	-	-	-	-	<b>304</b>	-	-	-	-
Adani Renewable Energy Holding One Limited (Formerly known as Mahoba Solar UP Private Limited)	-	-	-	-	-	304	-	-	-	-
<b>Interest Expense on Debenture</b>	-	-	-	-	-	<b>226</b>	-	-	-	-
Adani Renewable Energy Holding One Limited (Formerly known as Mahoba Solar UP Private Limited)	-	-	-	-	-	82	-	-	-	-
Parampujya Solar Energy Private Limited	-	-	-	-	-	144	-	-	-	-
<b>Loan Given</b>	<b>3,037</b>	-	-	<b>3,032</b>	-	<b>440</b>	-	-	-	-
Adani Green Energy Limited	2,737	-	-	-	-	440	-	-	-	-
Adani Renewable Energy Holding One Limited (Formerly known as Mahoba Solar UP Private Limited)	-	-	-	3,032	-	-	-	-	-	-
<b>Loan Received Back</b>	<b>3,077</b>	-	-	-	-	<b>400</b>	-	-	-	-
Adani Green Energy Limited	2,777	-	-	-	-	400	-	-	-	-
<b>Interest Income on Loan</b>	<b>154</b>	-	-	<b>2</b>	-	<b>2</b>	-	-	-	-
Adani Green Energy Limited	154	-	-	-	-	2	-	-	-	-
<b>Loan Taken</b>	<b>1,476</b>	-	-	-	-	<b>4,030</b>	-	-	-	-
Adani Green Energy Twenty Three Limited	1,254	-	-	-	-	-	-	-	-	-
Parampujya Solar Energy Private Limited	223	-	-	-	-	1,778	-	-	-	-
Adani Green Energy Limited	-	-	-	-	-	597	-	-	-	-
Adani Renewable Energy Holding One Limited (Formerly known as Mahoba Solar UP Private Limited)	-	-	-	-	-	1,655	-	-	-	-
<b>Loan Repaid Back</b>	<b>89</b>	-	-	<b>1,041</b>	-	<b>4,150</b>	-	-	-	-
Adani Renewable Energy Holding One Limited (Formerly known as Mahoba Solar UP Private Limited)	-	-	-	1,041	-	614	-	-	-	-
Adani Green Energy Limited	-	-	-	-	-	3,537	-	-	-	-
<b>Interest Expense on Loan</b>	<b>434</b>	-	-	<b>1</b>	-	<b>217</b>	-	-	-	-
Adani Green Energy Twenty Three Limited	162	-	-	-	-	-	-	-	-	-
Parampujya Solar Energy Private Limited	271	-	-	-	-	-	-	-	-	-
Adani Green Energy Limited	-	-	-	-	-	187	-	-	-	-
<b>Other Balances Transfer from</b>	<b>3</b>	-	-	<b>27</b>	-	<b>0</b>	-	<b>0</b>	<b>1</b>	-
Adani Green Energy (UP) Limited	-	-	-	11	-	-	-	-	1	-
Adani Renewable Energy Holding One Limited (Formerly known as Mahoba Solar UP Private Limited)	-	-	-	16	-	-	-	-	-	-

<b>Other Balances Transfer to</b>	<b>25</b>	-	-	<b>2</b>	-	<b>0</b>	-	<b>0</b>	<b>0</b>	-
Adani Green Energy Limited	14	-	-	-	-	-	-	-	-	-
Parampujya Solar Energy Private Limited	10	-	-	-	-	-	-	-	-	-
Adani Green Energy (JP) Limited	-	-	-	-	-	-	-	-	0	-
Adani Infrastructure Management Service Limited	-	-	-	-	-	-	-	-	0	-
<b>Purchase of Goods</b>	<b>7</b>	-	<b>0</b>	<b>187</b>	-	<b>4,599</b>	-	-	<b>2,614</b>	-
Adani Renewable Energy Holding One Limited (Formerly known as Mahoba Solar UP Private Limited)	-	-	-	187	-	-	-	-	-	-
Adani Green Energy Limited	-	-	-	-	-	4,599	-	-	-	-
Adani Global DMCC	-	-	-	-	-	-	-	-	2,614	-
<b>Receiving of Services</b>	<b>2</b>	-	-	<b>129</b>	-	<b>128</b>	-	-	<b>148</b>	-
Adani Infrastructure Management Service Limited	-	-	-	129	-	-	-	-	132	-
Adani Green Energy Limited	-	-	-	-	-	128	-	-	-	-
<b>Sale of Assets</b>	<b>6</b>	-	-	<b>0</b>	-	<b>3</b>	-	-	<b>1</b>	-
Adani Green Energy Limited	6	-	-	-	-	-	-	-	-	-
Parampujya Solar Energy Private Limited	-	-	-	-	-	3	-	-	-	-
<b>Sale of Goods</b>	<b>14</b>	<b>0</b>	-	<b>46</b>	-	<b>4</b>	-	-	<b>5</b>	-
Adani Green Energy (JP) Limited	-	-	-	13	-	-	-	-	4	-
Adani Green Energy Limited	13	-	-	-	-	2	-	-	-	-
Adani Solar Energy Four Private Limited (Formerly known as Kilaj Solar (Maharashtra) Private Limited)	-	-	-	19	-	-	-	-	-	-
Kamuthi Renewable Energy Limited	-	-	-	-	-	-	-	-	1	-
<b>Reimbursement of Expenses</b>	-	-	-	-	-	<b>4</b>	-	-	-	-
Adani Renewable Energy Holding One Limited (Formerly known as Mahoba Solar UP Private Limited)	-	-	-	-	-	4	-	-	-	-
<b>Purchase of Land</b>	-	-	-	-	-	-	-	-	<b>0</b>	-
Kamuthi Solar Power Limited	-	-	-	-	-	-	-	-	0	-
<b>Purchase of Asset</b>	-	-	-	-	-	<b>3</b>	-	-	-	-
Parampujya Solar Energy Private Limited	-	-	-	-	-	3	-	-	-	-
<b>Interest - Others</b>	-	-	-	-	-	-	-	-	<b>33</b>	-
Adani Global DMCC	-	-	-	-	-	-	-	-	33	-
<b>Corporate Social Responsibility Expenses</b>	-	-	-	<b>0</b>	-	-	-	-	-	-
Gujarat Adani Institute of Medical Sciences	-	-	-	0	-	-	-	-	-	-
<b>Director Sitting Fees</b>	-	-	-	-	<b>0</b>	-	-	-	-	<b>0</b>
Krishnakumar Chhaganlal Mishra	-	-	-	-	0	-	-	-	-	0
Nayna K Gadhvi	-	-	-	-	0	-	-	-	-	0

c. Balances With Related Parties

(₹ in Millions)

Particulars	Holding Company (including Immediate Holding)	Subsidiary Companies (Including Fellow)	Joint Ventures of Group	Entities under common control/ Associate entities	Key Management Personnel	Holding Company (including Immediate Holding)	Subsidiary Companies (Including Fellow)	Joint Ventures of Group	Entities under common control/ Associate entities	Key Management Personnel
<b>Borrowings (Loan)</b>	<b>3,216</b>	-	-	-	-	<b>2,870</b>	-	-	-	-
Adani Green Energy Twenty Three Limited	1,215	-	-	-	-	-	-	-	-	-
Parampujya Solar Energy Private Limited	2,001	-	-	-	-	1,778	-	-	-	-
Adani Renewable Energy Holding One Limited (Formerly known as Mahoba Solar UP Private Limited)	-	-	-	-	-	1,041	-	-	-	-
<b>Loans &amp; Advances Given</b>	-	-	-	<b>3,032</b>	-	<b>40</b>	-	-	-	-
Adani Renewable Energy Holding One Limited (Formerly known as Mahoba Solar UP Private Limited)	-	-	-	3,032	-	-	-	-	-	-
Adani Green Energy Limited	-	-	-	-	-	40	-	-	-	-
<b>Accounts Payable (Inclusive of Provisions)</b>	<b>53</b>	-	<b>0</b>	<b>3</b>	-	<b>131</b>	-	<b>0</b>	<b>3</b>	-
Adani Green Energy Limited	31	-	-	-	-	104	-	-	-	-
Parampujya Solar Energy Private Limited	22	-	-	-	-	-	-	-	-	-
Adani Renewable Energy Holding One Limited (Formerly known as Mahoba Solar UP Private Limited)	-	-	-	-	-	14	-	-	-	-
<b>Accounts Receivable</b>	<b>0</b>	<b>1</b>	-	<b>162</b>	-	<b>293</b>	-	-	<b>103</b>	-
Adani Green Energy (JP) Limited	-	-	-	117	-	-	-	-	96	-
Adani Solar Energy Four Private Limited (Formerly known as Kilaj Solar (Maharashtra) Private Limited)	-	-	-	22	-	-	-	-	-	-
Adani Green Energy Limited	-	-	-	-	-	293	-	-	-	-