

COMPLIANCE CERTIFICATE  
(September 30<sup>th</sup>, 2022)

RG-2 COMPRISING OF SOLAR PROJECTS OF 570 MW



## Contents

Executive Summary.....	2
Information on Compliance Certificate and Its Workings.....	7
Computation of Operating Account Waterfall as per Note Trust Deed .....	8
A. Financial Matrix.....	9
A.1 Debt Service Coverage Ratio (DSCR).....	9
A.2 FFO to Net debt.....	9
A.3 Project Life Cover Ratio (PLCR).....	10
A.4 EBIDTA from Sovereign Equivalent Counterparty .....	10
B. Operational Performance (CUF) .....	10
B.1 CUF for RG 2 Period wise .....	10
B.2 CUF for WSMPL Period wise .....	10
B.3 CUF for KSPPL Period wise .....	11
B.4 CUF for ARERJL Period wise.....	11
C. Receivable Position.....	12
C.1 Receivable Position of RG 2.....	12
C.2 Receivable Position of WSMPL.....	12
C.3 Receivable Position of KSPPL.....	13
C.4 Receivable Position of ARERJL.....	13
Appendix - 1 .....	15
Annexure 1 .....	17
Annexure 2.....	20
Annexure 3.....	20
Annexure 4.....	22
Annexure 5.....	23
Annexure 6.....	24
Annexure 7 .....	26
Appendix - 2.....	27

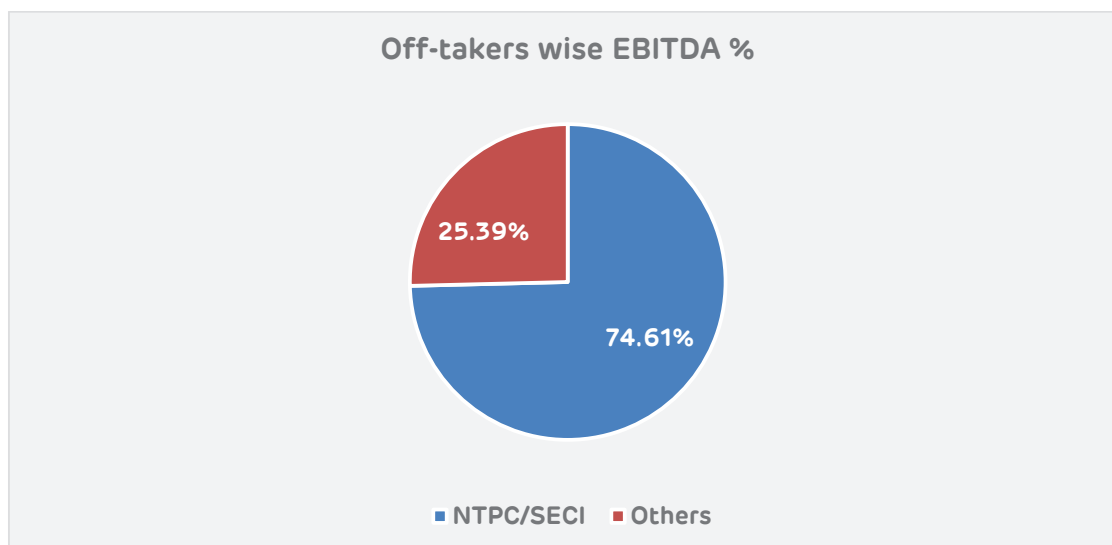
## Executive Summary

### 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 BB+ / Stable by S&P, BBB- / Stable outlook by Fitch and Ba1 / Stable outlook by Moody's.

### Off-takers wise EBITDA (%) (Trailing 12 months ended 30<sup>th</sup> September 2022)



## Recent Developments

### **1. New Capacities commissioned of 1,755 MW:**

- Commissioned a 390 MW wind-solar Hybrid power plant in May-22 at Jaisalmer, Rajasthan. This plant is the first ever wind and solar hybrid power generation plant in India.
- Commissioned 600 MW World's largest co-located Wind-Solar Hybrid power plant in Sep-22 at Jaisalmer, Rajasthan
- Commissioned third wind-solar Hybrid Power Plant of 450 MW at Jaisalmer, Rajasthan. With this hybrid plant, AGEL now has the largest operational hybrid power generation capacity of 1,440 MW.
- Commissioned Wind power plant of 325 MW, the largest in Madhya Pradesh

### **2. International Holding Company has invested USD 500 MN in AGEL**

Abu Dhabi based International Holding Company PJSC (IHC), through its subsidiary, invested ~ USD 500 mn as primary capital in AGEL. This will be a long-term investment in India as the country is driving much innovation globally, including the green energy sector, and AGEL will play a significant role in unleashing India's total green energy potential, hence, being value accretive to IHC. This will help AGEL deleverage the balance sheet, strengthen the credit

rating profile thereby helping reduce the cost of capital and support future growth.

3. **Raised USD 288 mn construction facility** in March-22 thereby increasing the construction revolver pool to USD 1.64 bn. The extended pool of liquidity strengthens AGEL's strategy to fast-track the development of its under-construction asset portfolio.

4. **Domestic NCD of Rs 612.30 Cr for debt refinancing**

Adani Green Energy (UP) Ltd, Prayatna Developers Pvt Ltd and Parampujya Solar Energy Pvt Ltd, collectively housing 930 MW of operational solar power projects – have raised Rs 612.30 Cr by their maiden domestic bond issuance, on private placement basis.

The Rated, Listed, Secured, Redeemable, Non-Convertible Debentures (NCDs) of face value of Rs 10,00,000 each, in multiple series, have an average annualized coupon rate of 7.83% p.a. (fixed) and a tenure upto ~12 years. The proceeds from the NCDs will be utilised to part-refinance existing rupee term loan bearing higher interest cost. The NCDs are rated AA/Stable by CRISIL Limited and AA(CE)/Stable by India Ratings. The NCDs are listed on the Wholesale Debt market segment of BSE Limited.

5. **Adani Green raises Japanese Yen denominated Refinancing Facility Diversifies the funding pool to raise long-term financing:**

- AGEL through its subsidiary Adani Solar Energy AP Six Private Ltd, has raised JPY denominated facility to refinance its existing indebtedness.
- The facility comprises JPY 27,954 million (c. USD 200 Mn equivalent) amortizing project loan facility, assessing the 16 years debt structure with door-to-door tenor of 10 years and average tenor of more than 8 years.

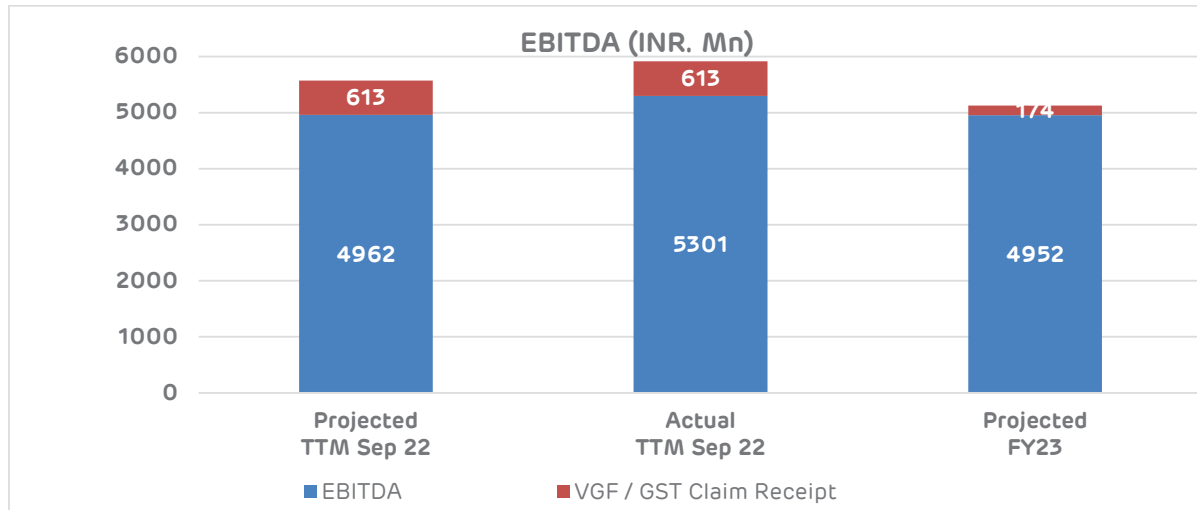
6. **Other Key updates:**

- 100% of AGEL's operating capacity is now single-use plastic (SUP) free
- Achieved Sustainalytics ESG Risk Rating of 'Low Risk' with a score of 14.6, the best amongst key large global peers and significantly better than global industry average of 33.5
- Won CII's Climate Action Program (CAP) 2.0 'Committed' Award that signifies identification of primary risk, GHG management, targets decided and participatory culture at AGEL



## Financial performance

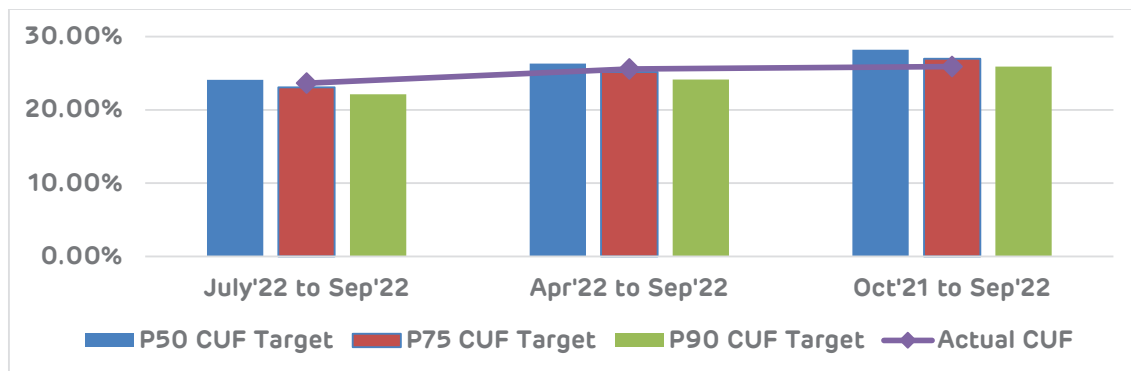
### EBIDTA Projected vs Actual



\*Projected EBITDA numbers are taken from financial model.

## Operational performance

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



- The performance for FY22 has been at P90 level of generation.
- However, plant availability of RG-2 portfolio has been maintained at 99.6%.

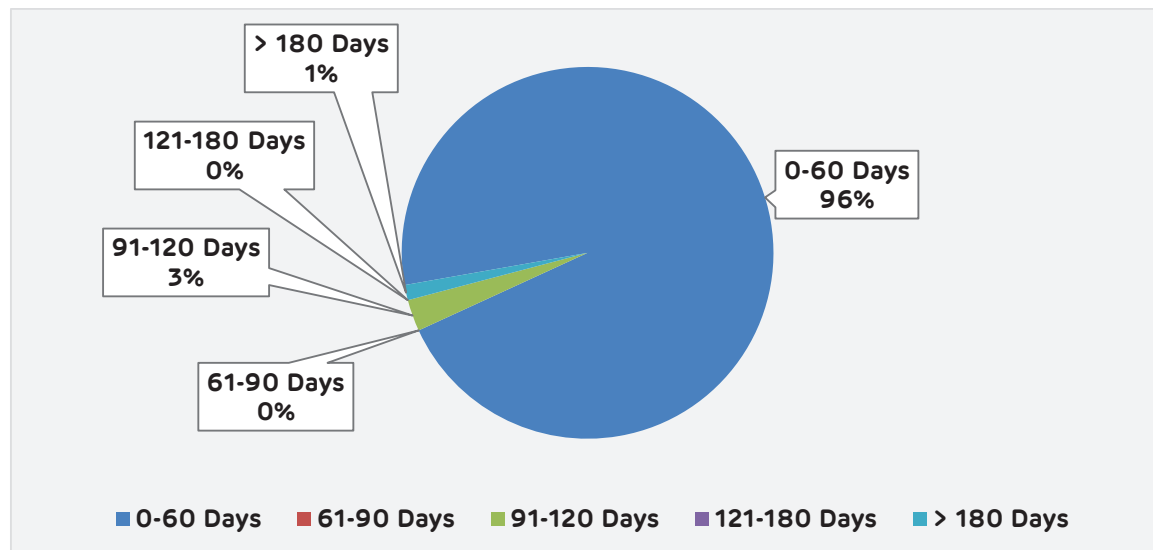
## Covenant

RG-II on aggregate basis has achieved following ratios:

Summary of the Covenant						
Particulars	Stipulated	Sep-20	Mar-21	Sep-21	Mar-22	Sep-22
Debt Service Coverage Ratio (DSCR) (Refer Annexure: 1)	1.55*	2.01	2.25	2.36	2.42	2.41
FFO / Net Debt (Refer Annexure: 2)	6%	16.45%	20.60%	16.26%	16.15%	14.51%
Project Life Cover Ratio (PLCR) (Refer Annexure: 3)	1.6	1.79	1.8	1.81	1.75	1.85
EBIDTA from Sovereign Equivalent Counterparty (Refer Annexure: 5)	65%	76.13%	74.57%	72.82%	74.60%	74.61%

\*for maximum distribution level

## PPA Customers Receivable position as on 30<sup>th</sup> September 2022 (INR 512 Mn)



The receivable position on aggregate basis for the RG-2 entities has been broadly in line with the projections.

**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: 27<sup>th</sup> December 2022

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 September 30<sup>th</sup>, 2022. 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 September 30<sup>th</sup>, 2022.
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	Oct 1, 2021 to Sep 30, 2022	Oct 1, 2020 to Sep 30, 2021
Opening cash balance (excluding reserves) (A)	1,620	1,853
Operating EBITDA (B) (Refer Annexure)	5,914	5,585
Working Capital Loan Drawl/ (Repayment) (C)	(510)	510
Working capital & Other Movements (D)	(230)	(350)
Capital Expenditure (E)	(301)	(297)
Cash Flow Available for Debt Servicing and Reserves (F=A+B+C+D+E)	6,492	7,301
Debt Servicing and other Reserves		
Interest Service (Refer annexure)	(2,372)	(2,445)
Debt Service (Repayment)	(753)	(713)
Total Debt Servicing and other Reserves (F)	(3,124)	(3,158)
Cash Available post Debt Servicing and Reserves (G = E+F)	3,367	4,144
Funds distributed in during the period (H)	(1,000)	(1,712)
Cash Available for transfer to Distribution Account (I = G+H)	2,368	2,432
Funds earmarked for prudent liquidity		
Funds earmarked for Capital Expenditure Payments	(50)	(100)
Funds earmarked for debt servicing	(1,580)	(1,485)
Funds earmarked for O&M expenses (equivalent to 1 month period)	(25)	(35)
Total Funds Earmarked (J)	(1,655)	(1,620)
Net Cash Available for transfer to Distribution Account (K = I+J)	713	812
Amount transferred to distribution account (L)	-	(812)
Net Cash Available for transfer to Distribution Account (M = L+M)	713	-

We confirm that:

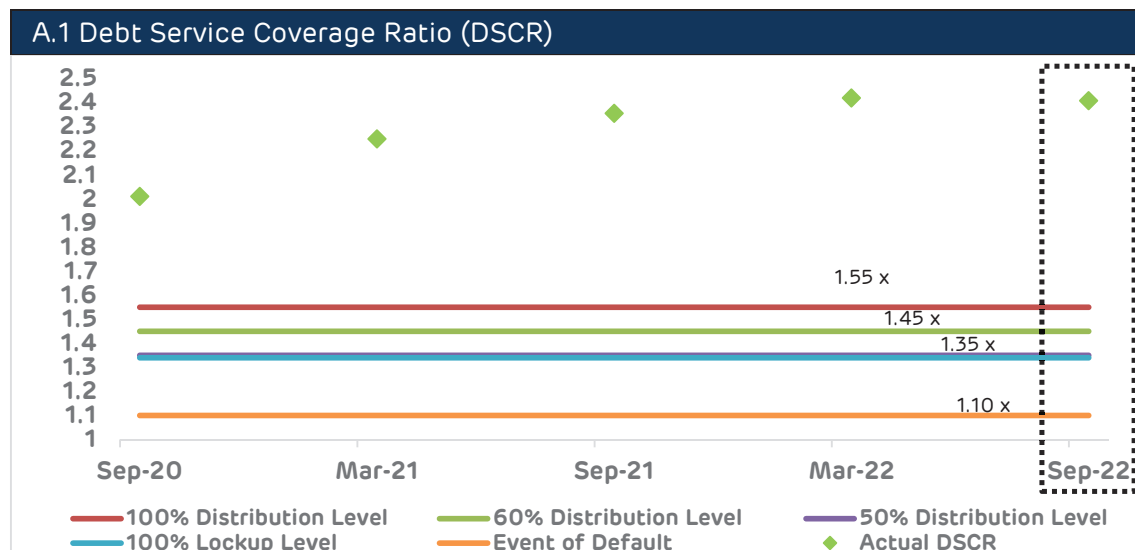
- in accordance with the workings set out in the attached Annexure 1, the Debt Service Cover Ratio for the Calculation Period ended on the relevant Calculation Date was **2.41:1**.
- copies of the Restricted Group's Aggregated Accounts in respect of the Calculation Period is attached.
- as at the Calculation Date, the aggregate amount for transfer to our Distributions Account in accordance with the Operating Account Waterfall is **INR 713 Mn**.
- acting prudently the cash balance of **INR 1,655 Mn** is earmarked for debt servicing due in Oct-22, 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

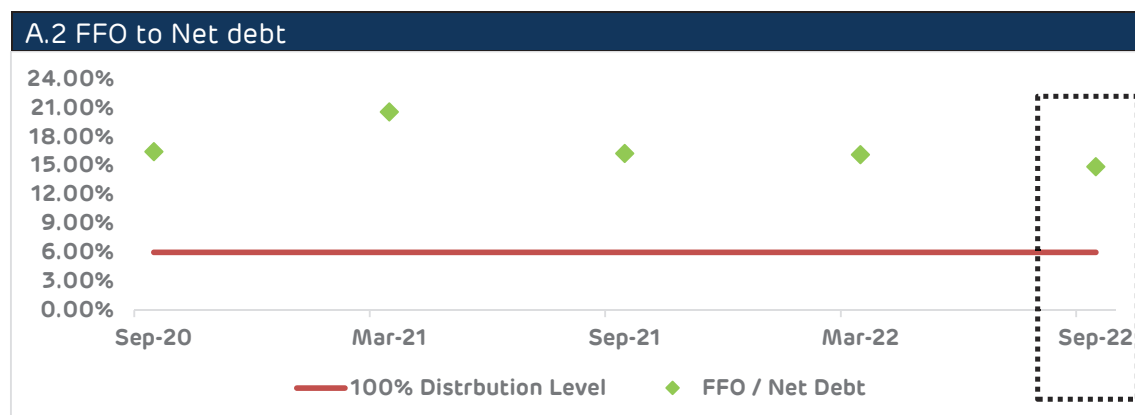
Summary of the Covenant						
Particulars	Stipulated	Sep-20	Mar-21	Sep-21	Mar-22	Sep-22
Debt Service Coverage Ratio (DSCR) (Refer Annexure: 1)	1.55*	2.01	2.25	2.36	2.42	2.41
FFO / Net Debt (Refer Annexure: 2)	6%	16.45%	20.60%	16.26%	16.15%	14.51%
Project Life Cover Ratio (PLCR) (Refer Annexure: 3)	1.6	1.79	1.8	1.81	1.75	1.85
EBIDTA from Sovereign Equivalent Counterparty (Refer Annexure: 5)	65%	76.13%	74.57%	72.82%	74.60%	74.61%

\*for maximum distribution level

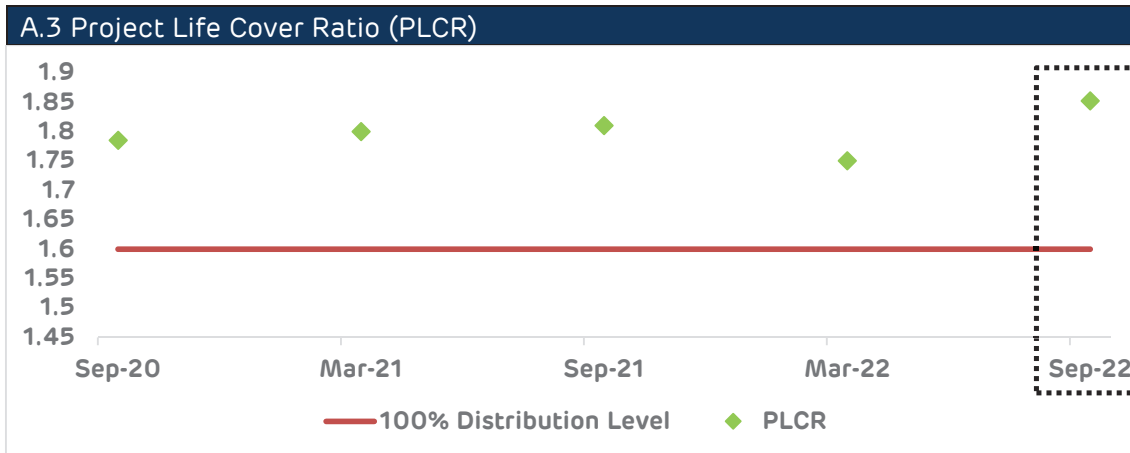
**A. Financial Matrix**



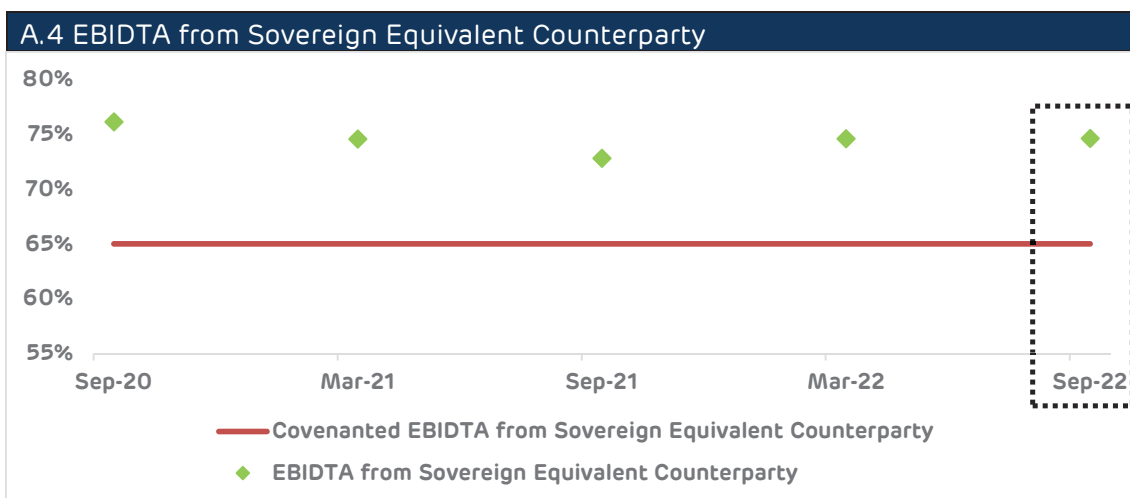
Note: The Actual DSCR of 2.41x is for the 12 months period ended September 30<sup>th</sup>, 2022



Note: The Actual FFO/Net Debt of 14.51% is for 12 months period ended September 30<sup>th</sup>, 2022



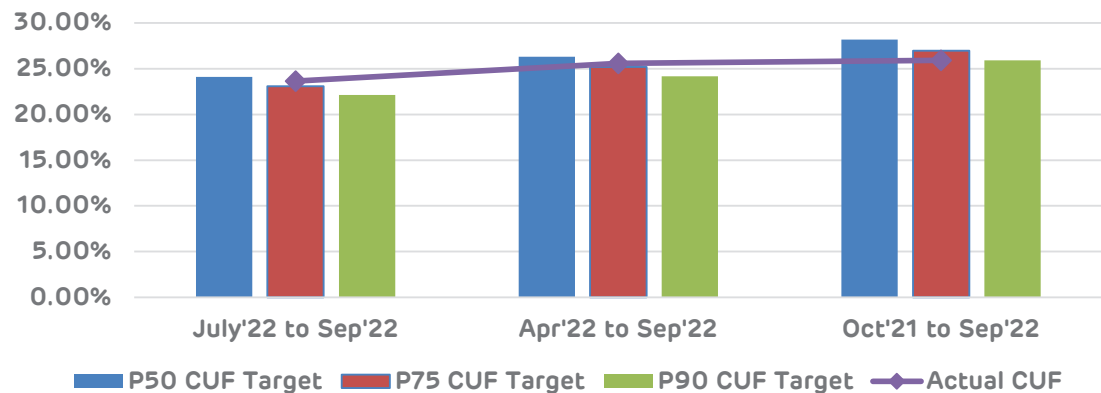
Note: The Actual PLCR of 1.85x is the Debt Sizing Cover from NPV of Future EBITDA of PPA as on September 30<sup>th</sup>, 2022.



Note: The Actual EBITDA from Sovereign Equivalent Counterparty is 74.61% for the 12 month period ended September 30<sup>th</sup>, 2022.

## B. Operational Performance (CUF)

### B.1 CUF for RG 2 Period wise

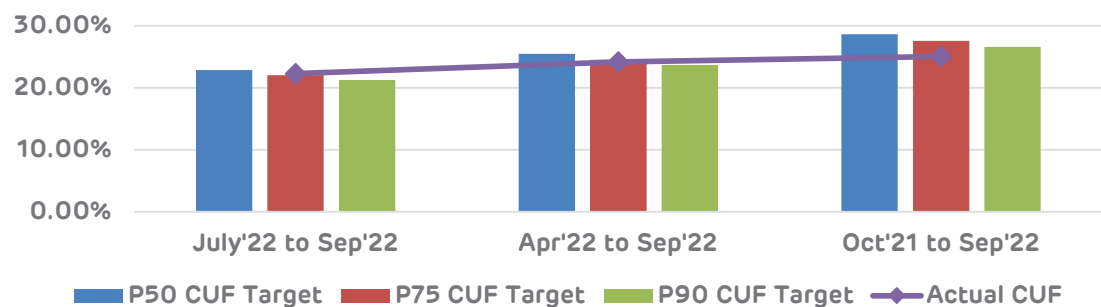


- The performance for FY22 has been at P90 level of generation.
- However, plant availability of RG-2 portfolio has been maintained at 99.6%.

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

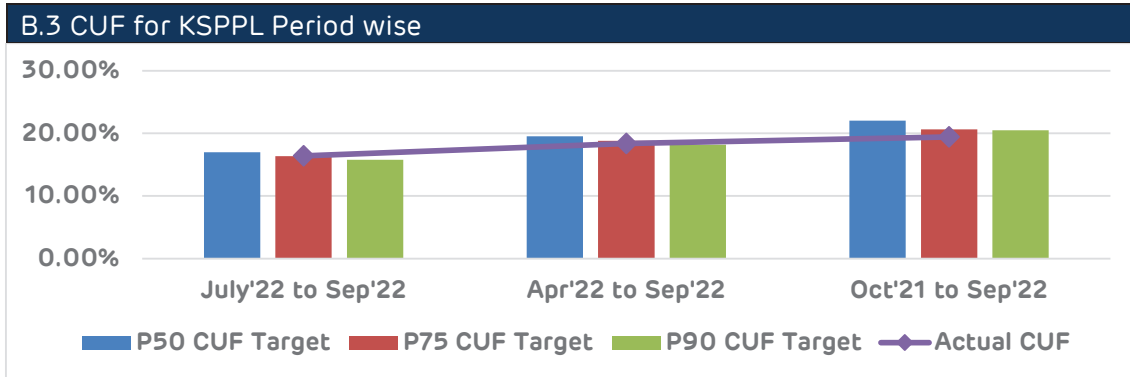
Particulars	July'22 to Sep'22	Apr'22 to Sep'22	Oct'21 to Sep'22
P50 Target MU	297	655	1408
P75 Target MU	284	627	1347
P90 Target MU	272	602	1294
Actual Generation MU	291	637	1294
Average Operational Capacity (MW)	570	570	570

### B.2 CUF for WSMPL Period wise



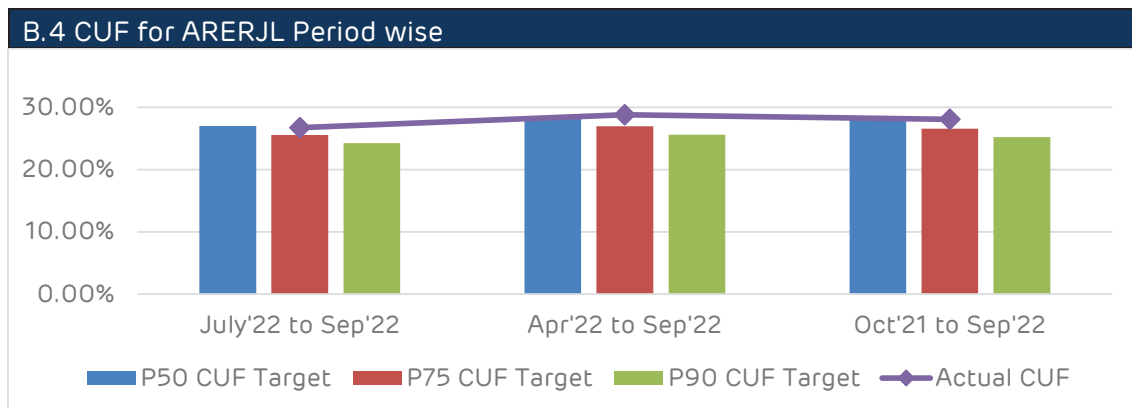
The Generation in terms of Million Units is presented as below:

Particulars	July'22 to Sep'22	Apr'22 to Sep'22	Oct'21 to Sep'22
P50 Target MU	173	390	878
P75 Target MU	167	375	845
P90 Target MU	161	362	816
Actual Generation MU	169	370	768
Average Operational Capacity (MW)	350	350	350



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

Particulars	July'22 to Sep'22	Apr'22 to Sep'22	Oct'21 to Sep'22
P50 Target MU	7	17	39
P75 Target MU	7	16	36
P90 Target MU	7	16	36
Actual Generation MU	7	16	34
Average Operational Capacity (MW)	20	20	20



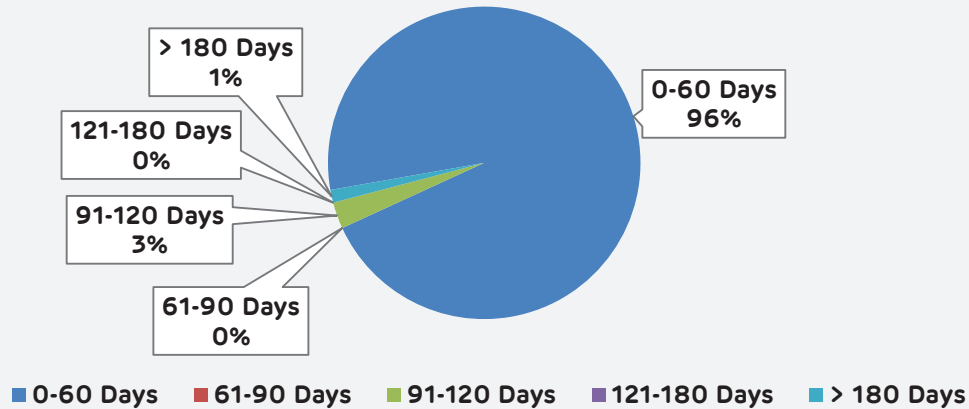
The Generation in terms of Million Units is presented as below:

Particulars	July'22 to Sep'22	Apr'22 to Sep'22	Oct'21 to Sep'22
P50 Target MU	117	249	491
P75 Target MU	110	235	465
P90 Target MU	105	224	442
Actual Generation MU	115	252	492
Average Operational Capacity (MW)	200	200	200



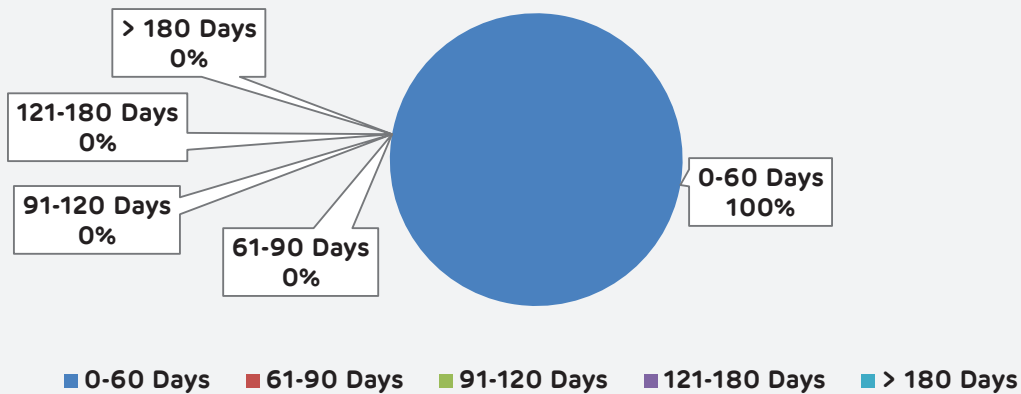
### C. Receivable Position

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



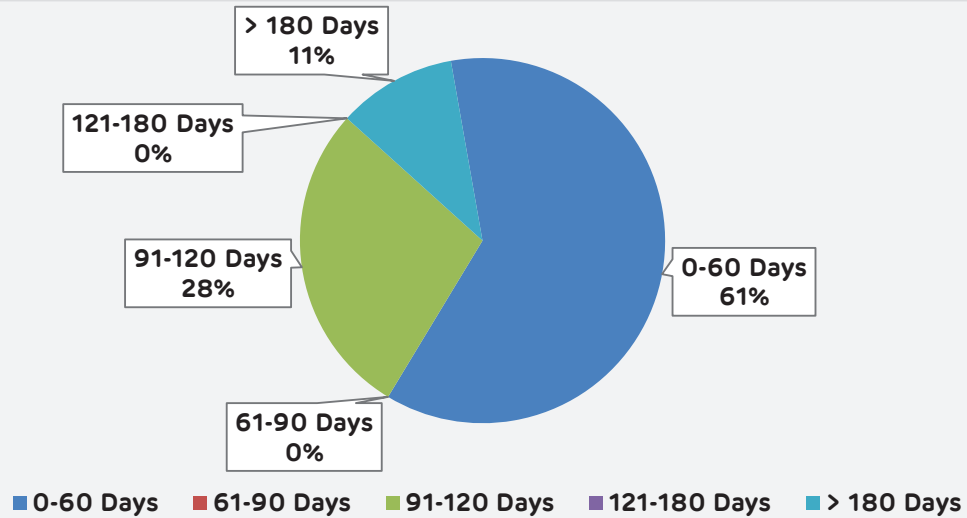
RG 2 - PPA Receivable Ageing						(INR Mn)
Month	0-60 days	61-90 days	91-120 days	121-180 days	>180 days	Total Receivables
Sep-22	492	0	14	0	7	512
Mar-22	587	0	0	0	6	593
Sep-21	522	0	0	0	5	527

#### C.2 Receivable Position of WSMPL



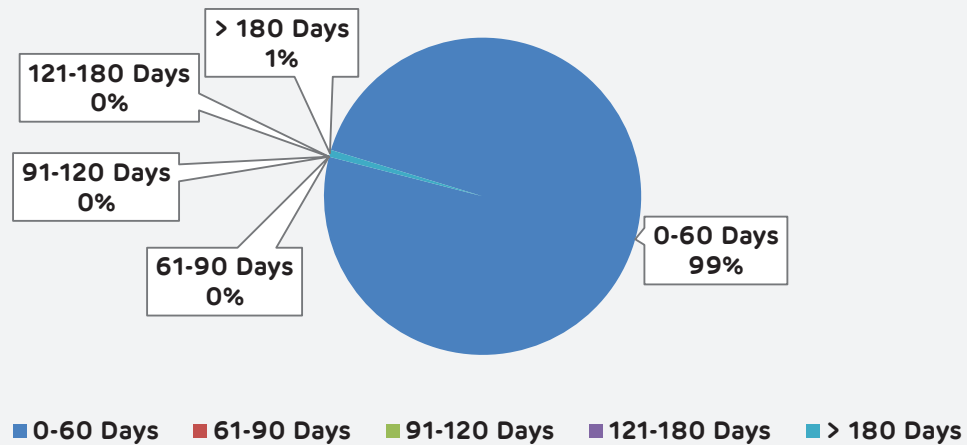
WSMPL - PPA Receivable Ageing						(INR Mn)
Month	0-60 days	61-90 days	91-120 days	121-180 days	>180 days	Total Receivables
Sep-22	254	0	0	0	0	254
Mar-22	322	0	0	0	0	322
Sep-21	259	0	0	0	0	259

### C.3 Receivable Position of KSPPL



KSPPL - PPA Receivable Ageing						(INR Mn)
Month	0-60 days	61-90 days	91-120 days	121-180 days	>180 days	Total Receivables
Sep-22	31	0	14	0	5	50
Mar-22	43	0	0	0	5	48
Sep-21	23	0	0	0	5	28

### C.4 Receivable Position of ARERJL



ARERJL - PPA Receivable Ageing						(INR Mn)
Month	0-60 days	61-90 days	91-120 days	121-180 days	>180 days	Total Receivables
Sep-22	207	0	0	0	1	208
Mar-22	222	0	0	0	1	223
Sep-21	240	0	0	0	0	240

Signed:

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

Digitally signed by  
BHUPENDRA BHUPENDRA  
KANTIPRASAD KANTIPRASAD  
D ASAWA ASAWA  
Date: 2022.12.27  
15:48:55 +05'30'

Director / Authorised Signatory

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

DIPAK  
LAKHANL LAKHANL  
AL GUPTA AL GUPTA  
Digitally signed by DIPAK  
LAKHANL AL GUPTA  
Date: 2022.12.27 15:50:36 +05'30'

Director / Authorised Signatory

For Kodangal Solar Parks Private Limited  
(CIN: U40300TG2015PTC100216)

RAJ  
KUMAR KUMAR  
JAIN JAIN  
Digitally signed  
by RAJ KUMAR  
JAIN  
Date: 2022.12.27  
15:51:05 +05'30'

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 September 30<sup>th</sup>, 2022
- 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

27<sup>th</sup> December, 2022

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 713 Mn**

**USD 8.8 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

**2.41 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

**14.51%**

(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 ;

**1.85 x : 1**

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

Account Name	Cash balance (INR Mn)
WSMPL	1731
KSPPL	79
ARERJL	558
Less: Funds earmarked for debt servicing due in Oct'22	(1,580)
<b>Total RG 2</b>	<b>788</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;

**April 1, 2022 to September 30, 2022      INR 186Mn**

**Oct 1, 2022 to March 31, 2023      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

BHUPENDRA  
KANTIPRASA  
D ASAWA

Digitally signed by  
BHUPENDRA  
KANTIPRASAD ASAWA  
Date: 2022.12.27  
15:51:31 +05'30'

By: .....

Director / Authorised Signatory  
Adani Renewable Energy (RJ) Limited

DIPAK  
LAKHANLAL  
GUPTA

Digitally signed by  
DIPAK LAKHANLAL  
GUPTA  
Date: 2022.12.27  
15:52:00 +05'30'

By: .....

Director / Authorised Signatory  
Wardha Solar (Maharashtra) Private Limited

RAJ KUMAR

Digitally signed by RAJ  
KUMAR JAIN  
Date: 2022.12.27  
15:52:22 +05'30'

By: JAIN  
.....

Director / Authorised Signatory  
Kodangal Solar Parks Private Limited

## Annexure 1

### Workings for calculation of Debt Service Cover Ratio

Particulars	Amount in INR Mn Oct 21 to Sep 22
<b>"Debt Service Cover Ratio"</b> means, in relation to a Calculation Period ending on the relevant Calculation Date,	<b>2.41</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>7,533</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;	(296)
(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.	1,620
<b>"CFADS Operating Revenue"</b> means Operating Revenue excluding (without double counting):	<b>6,210</b>
Total Operating Revenue	6,261
(a) non-recurring significant items (including, but not limited to, profits and losses on disposal of assets outside the ordinary course of business);	(51)

(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>3,126</b>
(a) Scheduled principal repayment	755
(b) Finance Cost (excluding interest towards related party loan and other finance cost)	2,371

## Annexure 2

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

Particulars	(Amounts in INR Mn) Oct 21 - Sep 22
<b>Fund From Operations to Net Debt Ratio</b>	<b>14.51%</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>3,110</b>
(a) EBIDTA	5,914
(b) Less Tax Paid	-
(c) Less Working Capital Movement	433
(d) Finance Cost (less interest towards related party loan charged to P&L)	2,371
<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>21,437</b>
(a) Senior Secured Debt	25,457
(b) Cash Balance (In Various Reserve Accounts)	2,420
(c) DSRA Balance	1,600



### Annexure 3

#### Workings for the Project Life Cover Ratio

##### Particulars

(Amounts  
in INR Mn)

As on  
Sep 30  
2022  
1.85

**"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	4	5	6	7	8	9	10	11
FY	Mar-23	Mar-24	Mar-25	Mar-26	Mar-27	Mar-28	Mar-29	Mar-30
Residual Value	-	-	-	-	-	-	-	-
EBIDTA @ P90 Level	2,685	4,952	4,918	4,629	4,613	4,590	4,572	4,547
EBDITA + RV	2,685	4,952	4,918	4,629	4,613	4,590	4,572	4,547
Cost of Debt	9.43%	9.43%	9.43%	9.43%	9.43%	9.43%	9.43%	9.43%

Year	12	13	14	15	16	17	18	19
FY	Mar-31	Mar-32	Mar-33	Mar-34	Mar-35	Mar-36	Mar-37	Mar-38
Residual Value	-	-	-	-	-	-	-	-
EBIDTA @ P90 Level	4,529	4,502	4,483	4,455	4,434	4,403	4,382	4,349
EBDITA + RV	4,529	4,502	4,483	4,455	4,434	4,403	4,382	4,349
Cost of Debt	9.43%	9.43%	9.43%	9.43%	9.43%	9.43%	9.43%	9.43%

Year	20	21	22	23	24
FY	Mar-39	Mar-40	Mar-41	Mar-42	Mar-43
Residual Value	-	-	-	-	15,975
EBIDTA @ P90 Level	4,311	3,912	3,748	3,687	3,645
EBDITA + RV	4,311	3,912	3,748	3,687	19,620
Cost of Debt	9.43%	8.52%	8.52%	8.52%	8.52%

(Amount in INR Mn)

<b>NPV Factor (life cycle cost of Debt)</b>	<b>9.25%</b>
<b>NPV of EBIDTA</b>	<b>44,188</b>
Senior Debt O/s	25,457
DSRA	1,600
<b>Debt for PLCR</b>	<b>23,857</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 30-Sep-22 (Amounts in INR Mn)		
		Balance	Investment	Total
1	ARERJL ISSUE PROCEEDS ACCOUNT	-	-	-
2	ARERJL -MARGIN FD	-	3	3
3	ARERJL OPERATING ACCOUNT	29	454	483
4	ARERJL SENIOR DEBT RESTRICTED AMORTISATION ACCOUNT	1	-	1
5	ARERJL SENIOR DEBT SERVICE RESERVE ACCOUNT	-	481	481
6	KSPPL ISSUE PROCEEDS ACCOUNT	-	-	-
7	KSPPL OPERATING ACCOUNT	1	69	70
8	KSPPL SENIOR DEBT RESTRICTED AMORTISATION ACCOUNT	0	-	0
9	KSPPL SENIOR DEBT SERVICE RESERVE ACCOUNT	-	59	59
10	WSMPL CAPITAL EXPENDITURE RESERVE ACCOUNT	0	52	52
11	WSMPL ISSUE PROCEEDS ACCOUNT	-	-	-
12	WSMPL -MARGIN FD	-	17	17
13	WSMPL OPERATING ACCOUNT	12	1,501	1,513
14	WSMPL SENIOR DEBT RESTRICTED AMORTISATION ACCOUNT	-	-	-
15	WSMPL SENIOR DEBT SERVICE RESERVE ACCOUNT	-	1,341	1,341
	<b>Total</b>	<b>42</b>	<b>3,978</b>	<b>4,020</b>

## Annexure 5

### Working for Pool Protection Event

Particulars	Oct 21- Sep 22 (Amount in INR Mn)	
" <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)	4,412	74.61%
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:	4,412	1.47
(a) 100% of the amount of interest accrued but unpaid thereon, and	2,371	
(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;	621	
<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.		

## Annexure 6

Working Notes (Trailing 12 months ended 30<sup>th</sup> September 2022)

Particulars (INR Mn.)	Sep-22	FS Notes / Remarks
<b>Total Operating Revenues</b>		
Revenue from Operations	4,913	From P&L
Other Income	877	From P&L
<b>Add:</b> VGF / GST Claim Received	613	Actual receipt
<b>Less:</b> VGF / GST Claim amortisation	(142)	Schedule 23 of FS
	<b>6,261</b>	

Particulars (INR Mn.)	Sep-22	FS Notes / Remarks
<b>Operating Expense</b>		
Purchase of traded goods	15	From P&L
Other Expenses	1,545	From P&L
<b>Less:</b> Foreign Exchange Fluctuation and derivative gain from Non-Financing Activities (Regrouped to Finance Cost)	(1,264)	Schedule 26 of FS
	<b>296</b>	

Particulars (INR Mn.)	Sep-22	FS Notes / Remarks
<b>Non-Recurring Items</b>		
Net gain on sale/ fair valuation of investments through profit and loss (refer note (ii) below)	41	Schedule 24 of FS
Sale of Scrap	1	
Liability No Longer Written Back	9	
	<b>51</b>	

Particulars (INR Mn.)	Sep-22	FS Notes / Remarks
<b>Finance Costs (attributable to the senior secured lenders) (A)</b>		
Interest & Other Borrowing Cost (A)	1,918	Schedule 25 of FS
<b>Hedging Cost:</b>		
Loss/ (Gain) on Derivatives Contracts	(1,272)	Schedule 25 of FS
Exchange difference regarded as an adjustment to borrowing cost	1,117	Schedule 25 of FS
Add: Foreign Exchange Fluctuation and derivative (gain) / loss from Non Financing Activities (Regrouped from Other income)	1,264	Schedule 26 of FS
<b>Total Hedge Cost charged to P&amp;L (B)</b>	<b>1,109</b>	
<b>Total Finance Cost (C = A+B)</b>	<b>3,026</b>	

Particulars (INR Mn.)	Sep-22	FS Notes / Remarks
Less : Interest towards related party and other finance cost not accounted for senior debt. <b>(D)</b>	(655)	Management Workings
<b>Net Finance Costs (attributable to the senior secured lenders) (E = C-D)</b>	<b>2,371</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.)	Sep-22	FS Notes / Remarks
<b>Gross Debt</b>		
Gross Debt	27,055	Actual Bond o/s
Less: Derivative Assets (Net)	(1,598)	Schedule 6 & 14
	<b>25,457</b>	

Particulars (INR Mn.)	Sep-22	FS Notes / Remarks
<b>Net Debt</b>		
<b>Gross debt as above (A)</b>	<b>25,457</b>	
Less:		
Balances held as Margin Money or security against borrowings	(1,881)	Schedule 6 of FS
Current Investments	(1,757)	Schedule 10 of FS
Cash and Cash equivalents	(252)	Schedule 12 of FS
Bank balance (other than Cash and Cash equivalents)	(129)	Schedule 13 of FS
<b>Total cash and cash equivalent (B)</b>	<b>(4,020)</b>	
<b>Net Debt (C=A+B)</b>	<b>21,437</b>	

## Annexure 7

### RG 2 Plant Wise EBIDTA for Oct 21 to Sep 22

					INR Mn
Company Name	Plant Name	MW	NTPC/ SECI /others	Offtaker	EBIDTA
WSMPL	Madhuvanhalli 1	50	SECI	SECI	4,412
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	149
ARERJL	Rawra	200	Other	MSEDCL	1,352
<b>Total</b>		<b>570</b>			<b>5,914</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 December 27<sup>th</sup>, 2022, 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 December 27<sup>th</sup>, 2022, 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: **RAJ KUMAR JAIN** Digitally signed by RAJ KUMAR JAIN  
Date: 2022.12.27 15:53:12 +05'30'

Name:  
Director / Authorized Signatory  
Adani Renewable Energy (RJ) Limited

By: **BHUPENDRA KANTIPRASAD ASAWA** Digitally signed by BHUPENDRA KANTIPRASAD ASAWA  
Date: 2022.12.27 15:53:33 +05'30'

Name:  
Director / Authorized Signatory  
Adani Renewable Energy (RJ) Limited



By: DIPAK LAKHANLAL GUPTA Digitally signed by DIPAK LAKHANLAL GUPTA  
Date: 2022.12.27 15:54:02 +05'30'

Name:  
Director / Authorized Signatory  
Wardha Solar (Maharashtra) Private Limited

By: ABHILASH MEHTA Digitally signed by ABHILASH MEHTA  
Date: 2022.12.27 15:54:31 +05'30'

Name:  
Director / Authorized Signatory  
Wardha Solar (Maharashtra) Private Limited

By: AJAY RATILAL PUROHIT Digitally signed by AJAY RATILAL PUROHIT  
Date: 2022.12.27 15:55:02 +05'30'

Name:  
Director / Authorized Signatory  
Kodangal Solar Parks Private Limited

By: RAJ KUMAR JAIN Digitally signed by RAJ KUMAR JAIN  
Date: 2022.12.27 15:55:51 +05'30'

Name:  
Director / Authorized Signatory  
Kodangal Solar Parks Private Limited

## **Security Compliance Certificate**

**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

**September 30, 2022**

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. Deed of Hypothecation over fixed assets, current assets and receivables of WSMPL
  - h. Assignment on Project Documents
  - i. Charge over Immovable Assets of Rawra (200MW-Rajasthan) project of ARERJL
  - j. Charge over Immovable Assets of Bagewadi (20MW-Karnataka) project of KSPPL
  - k. Charge over Immovable Assets of 350MW projects of WSMPL
- (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: Nil
- (c) the relevant consent(s) that have yet to be procured which have prevented creation of the relevant Security are as follows: Nil
- (d) the steps taken by the Issuer on a best efforts basis to obtain such outstanding consent(s) are as follows: Nil and
- (e) creation of the required Security over all assets, project documents and insurance contracts is completed.

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

Registered Office: Adani Corporate House, Shantigram, Nr. Vaishno Devi Circle,  
S G Highway, Khodiyar, Ahmedabad – 382 421, Gujarat, India

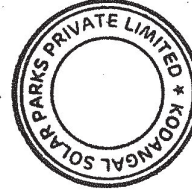
Terms not defined herein shall have the same meanings as provided in the Note Trust Deed and the Conditions.

Yours faithfully

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

By : .....  
Authorised Signatory  
Kodungal Solar Parks Private Limited

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



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

Registered Office: Adani Corporate House, Shantigram, Nr. Vaishno Devi Circle,  
S G Highway, Khodiyar, Ahmedabad – 382 421, Gujarat, India



## **Independent Auditor's 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, Kodungal Solar Park Private Limited and Adani Renewable Energy (RJ) Limited (each, referred to as "Restricted Entity" and collectively referred to as "Restricted Group") which comprises the Combined Balance Sheet as at 30<sup>th</sup> September 2022, 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 twelve months ended 30<sup>th</sup> September 2022 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 ("AGE23L").

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 twelve months ended 30<sup>th</sup> September 2022 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 twelve months ended 30<sup>th</sup> September 2022 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 as mentioned in note 2.1 to the Combined Financial Statements. 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 Auditor's Report (Continued)**

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

The Management of AGE23L is responsible for the preparation and presentation of these Combined Financial Statements that give a true and fair view of the state of affairs, results of the operations, changes in net parent investment and cash flows in accordance with the basis of preparation as set out in note 2.2 to these Combined Financial Statements. This 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, which have been used for the purpose of preparation of the Combined Financial Statements.

In preparing the Combined Financial Statements, the Management of AGE23L 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 company or to cease operations, or has no realistic alternative but to do so.

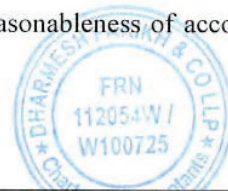
Those charged with governance are responsible for overseeing the Restricted Group's financial reporting process.

### **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 Auditor's Report (Continued)**

### **Auditor's Responsibilities for the Audit of the combined financial statement. (Continued)**

- 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.

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

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

### **Restriction on distribution or use**

These Combined Interim Financial Statements have been prepared by AGE23L's management solely for the purpose of fulfilling the requirement of Offering Circular (OC). This report is issued solely for the aforementioned purpose and also for the purpose of upload on the website of the Company and the Stock Exchanges as may be applicable and accordingly may not be suitable for any other purpose, and should not be used, referred to or distributed for any other purpose or to any other party without our prior written consent. Further, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

Place: Ahmedabad  
Date: 16<sup>th</sup> December, 2022



For, **DHARMESH PARIKH & CO LLP**  
Chartered Accountants  
Firm Registration No. 112054W/W00725

**Anuj Jain**  
Partner  
Membership No. 119140  
UDIN – 22119140BFOTFH4072

Particulars	Notes	As at 30th September, 2022 (₹ in Millions)	As at 31st March, 2022 (₹ in Millions)
<b>ASSETS</b>			
<b>Non - Current Assets</b>			
(a) Property, Plant and Equipment	4.1	25,901	26,337
(b) Right-of-Use Assets	4.2	871	846
(c) Capital Work-In-Progress	4.3	5	57
(d) Intangible Assets	4.4	0	0
(e) Financial Assets			
(i) Loans	5	4,979	4,979
(ii) Other Financial Assets	6	5,352	3,598
(f) Income Tax Assets (net)		35	26
(g) Other Non-current Assets	8	29	171
<b>Total Non-Current Assets</b>		<b>37,172</b>	<b>36,014</b>
<b>Current Assets</b>			
(a) Inventories	9	27	17
(b) Financial Assets			
(i) Investments	10	1,757	1,614
(ii) Trade Receivables	11	518	687
(iii) Cash and Cash Equivalents	12	252	27
(iv) Bank balances other than (iii) above	13	129	71
(v) Other Financial Assets	14	610	706
(c) Other Current Assets	15	36	23
<b>Total Current Assets</b>		<b>3,329</b>	<b>3,145</b>
<b>Total Assets</b>		<b>40,501</b>	<b>39,159</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Net Parent Investment	16	4,869	4,694
<b>Total Equity</b>		<b>4,869</b>	<b>4,694</b>
<b>LIABILITIES</b>			
<b>Non-current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	17	29,385	27,963
(ii) Lease Liabilities	29	454	423
(b) Deferred Tax Liabilities (net)	7	350	282
(c) Other Non-current Liabilities	18	3,535	3,606
<b>Total Non-Current Liabilities</b>		<b>33,724</b>	<b>32,274</b>
<b>Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	19	803	1,257
(ii) Lease Liabilities	29	43	42
(iii) Trade Payables	20		
i. Total outstanding dues of micro enterprises and small enterprises		1	12
ii. Total outstanding dues of creditors other than micro enterprises and small enterprises		61	44
(iv) Other Financial Liabilities	21	854	659
(b) Other Current Liabilities	22	146	177
<b>Total Current Liabilities</b>		<b>1,908</b>	<b>2,191</b>
<b>Total Liabilities</b>		<b>35,632</b>	<b>34,465</b>
<b>Total Equity and Liabilities</b>		<b>40,501</b>	<b>39,159</b>

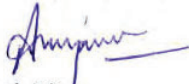
The notes referred above are an integral part of the Combined Financial Statements

In terms of our report attached

For Dharmesh Parikh & Co LLP

Chartered Accountants

Firm Registration Number : 112054W/W100725

  
Anuj Jain

Partner

Membership No. 119140

Place : Ahmedabad

Date : 16th December, 2022



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

  
Sagar R. Adani  
Additional Director  
DIN: 07626229

  
Vneet S. Jaain  
Additional Director  
DIN: 00053906

Place : Ahmedabad

Date : 16th December, 2022



Particulars	Notes	For the twelve months ended 30th September, 2022 (₹ in Millions)	For the twelve months ended 30th September, 2021 (₹ in Millions)
<b>Income</b>			
Revenue from Operations	23	4,913	5,105
Other Income	24	877	744
<b>Total Income</b>		<b>5,790</b>	<b>5,849</b>
<b>Expenses</b>			
Purchase of Stock in Trade		15	58
Finance Costs	25	1,763	3,055
Depreciation and Amortisation Expenses	4.1, 4.2 and 4.4	976	964
Other Expenses	26	1,545	367
<b>Total Expenses</b>		<b>4,299</b>	<b>4,444</b>
<b>Profit before tax</b>		<b>1,491</b>	<b>1,405</b>
<b>Tax (Credit) / Charge:</b>	27		
Current Tax (Credit) / Charge		-	-
Deferred Tax Charge		389	362
<b>Total Tax Charge</b>		<b>389</b>	<b>362</b>
<b>Profit for the period</b>	<b>Total (A)</b>	<b>1,102</b>	<b>1,043</b>
<b>Other Comprehensive (Loss)</b>			
Items that will not be reclassified to profit & loss in subsequent periods:			
Items that will be reclassified to profit and loss in subsequent periods:			
Effective portion on (Loss) in a cash flow hedge, net		(927)	(201)
Add / Less: Income Tax effect		233	51
<b>Total Other Comprehensive (Loss), (net of tax)</b>	<b>Total (B)</b>	<b>(694)</b>	<b>(150)</b>
<b>Total Comprehensive Income for the period, (net of tax)</b>	<b>Total (A+B)</b>	<b>408</b>	<b>893</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

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

  
Anuj Jain  
Partner  
Membership No. 119140

  
Sagar R. Adani  
Additional Director  
DIN: 07626229

  
Vneet S. Jaain  
Additional Director  
DIN: 00053906

Place : Ahmedabad  
Date : 16th December, 2022



Place : Ahmedabad  
Date : 16th December, 2022



**Opening as at 1st October, 2020**

Add: Profit for the period, net of tax

Add: Other Comprehensive (Loss) for the period, net of tax\*

**Closing as at 30th September, 2021**As at  
30th September, 2021  
(₹ in Millions)

3,569

1,043

(150)

4,461

**Opening as at 1st October, 2021**

Add: Profit for the period, net of tax

Add: Other Comprehensive (Loss) for the period, net of tax\*

**Closing as at 30th September, 2022**As at  
30th September, 2022  
(₹ in Millions)

4,461

1,102

(694)

4,869

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 - 2 of entities as at the respective period end and does not necessarily represent legal Share Capital for the purpose of the Restricted Group - 2.

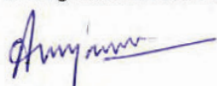
\* Other Comprehensive (Loss) consist of adjustments for changes in cash flow hedge reserve.

In terms of our report attached

For Dharmesh Parikh &amp; Co LLP

Chartered Accountants

Firm Registration Number : 112054W/W100725



Anuj Jain

Partner

Membership No. 119140

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



Sagar R. Adani

Additional Director

DIN: 07626229



Vneet S. Jaain

Additional Director

DIN: 00053906

Place : Ahmedabad

Date : 16th December, 2022

Place : Ahmedabad

Date : 16th December, 2022



Particulars	For the twelve months ended 30th September, 2022 (₹ In Millions)	For the twelve months ended 30th September, 2021 (₹ In Millions)
<b>(A) Cash flow from operating activities</b>		
Profit before tax	1,491	1,405
Adjustment to reconcile the Profit before tax to net cash flows:		
Interest Income	(826)	(700)
Net gain on sale/ fair valuation of investments through profit and loss	(41)	(19)
Loss on Sale / Discard of Property, Plant and Equipment	1	27
Foreign Exchange Fluctuation Loss / (Gain) (net)	1,264	(3)
Liability No Longer Required Written Back	(4)	(24)
Income from Viability Gap Funding and Change in Law	(142)	(142)
Liquidated Damages	-	69
Expense related to low value assets and short term leases	6	-
Depreciation and Amortisation Expenses	976	964
Finance Costs	1,763	3,055
Operating Profit before working capital changes	4,488	4,631
Working Capital Changes:		
(Increase) / Decrease in Operating Assets		
Trade Receivables	77	(61)
Inventories	1	5
Other Current Assets	12	23
Other Current Financial Assets	2	-
Increase / (Decrease) in Operating Liabilities		
Trade Payables	(16)	61
Other Current Financial Liabilities	(0)	-
Other Current Liabilities	3	-
Net Working Capital Changes	79	28
Cash Generated from Operations	4,567	4,659
Less : Income Tax Paid (net)	(16)	(7)
Net Cash Generated from Operating Activities (A)	4,551	4,652
<b>(B) Cash flow from investing activities</b>		
Capital receipt on account of grants (net of acquisition of Property, Plant and Equipment and Intangible assets, capital advances and capital work-in-progress)	308	640
Proceeds from Sale / Discard of Property, Plant and Equipment	4	28
Margin Money / Fixed Deposit (Placed) / Withdrawn (net)	(290)	1,230
Loans given to Unrestricted Group entities (Non Current)	(873)	(2,741)
Loans repaid by Unrestricted Group Entities (Non Current)	130	-
Loans given to Unrestricted Group entities (Current)	-	40
Investments in units of Mutual funds (net)	(376)	(1,010)
Interest received	511	130
Net cash (used in) Investing Activities (B)	(586)	(1,683)
<b>(C) Cash flow from financing activities</b>		
Proceeds from Non-Current Borrowings	-	383
Repayment of Non-Current Borrowings	(753)	(865)
Repayment of Lease Liabilities	(52)	(68)
(Repayment) of / Proceeds from Current borrowings (net)	(510)	510
Finance Costs Paid	(2,573)	(2,953)
Net cash (used in) Financing Activities (C)	(3,888)	(2,993)
Net increase / (decrease) in cash and cash equivalents (A)+(B)+(C)	77	(24)
Cash and cash equivalents at the beginning of the period	175	199
Cash and cash equivalents at the end of the period	252	175
Reconciliation of Cash and cash equivalents with the Balance Sheet:		
Cash and cash equivalents: (Refer Note 12)	252	175





Notes:

- Accrued Interest for the year ended 31st March, 2022 of ₹ 345 Millions (For the year ended 31st March, 2021 ₹ 384 Millions) and ₹ 396 Millions (For the year ended 31st March, 2021 ₹ 2 Millions) on Inter Corporate Deposit ("ICD") taken and given respectively from / to Unrestricted Group entities, have been converted to the ICD balances as on reporting date as per the terms of the Contract.
- Disclosure of changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes under Para 44A as set out in Ind AS 7 "Statement of Cash flows" under Companies (Indian Accounting Standards) Rules, 2017 (as amended) is as under.

Particulars	Notes	As at 1st October, 2021	Net Cash Flows	Others	Changes in fair values (Including Exchange Rate Difference and Reclassifications)	As at 30th September 2022
Non-Current borrowings (Including Current Maturities)	17	27,463	(753)	344	3,134	30,188
Current borrowings	19	1,241	(510)	-	(731)	-
Lease Liabilities	29	453	(52)	-	96	497
Interest Accrued	21	782	(2,573)	(344)	2,972	837

Particulars	Notes	As at 1st October, 2020	Net Cash Flows	Others	Changes in fair values (Including Exchange Rate Difference and Reclassifications)	As at 30th September 2021
Non-Current borrowings (Including Current Maturities)	17	26,179	(482)	384	1,382	27,463
Current borrowings	19	2,832	510	-	(2,101)	1,241
Lease Liabilities	29	473	(68)	-	48	453
Interest Accrued	21	-	(2,953)	(384)	4,119	782

- 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

For and on behalf of the board of directors of

ADANI GREEN ENERGY TWENTY THREE LIMITED

Anuj Jain

Partner

Membership No. 119140

Sagar R. Adani

Additional Director

DIN: 07626229

Vneet S. Jaain

Additional Director

DIN: 00053906

Place : Ahmedabad

Date : 16th December, 2022

Place : Ahmedabad

Date : 16th December, 2022



# 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 - 2 entities which are all under the common control of the Ultimate Holding Company through its subsidiary (Adani Green Energy Twenty Three Limited) comprise of the following entities (refer note 34):-

<u>Entities forming part of Restricted Group - 2</u>	<u>Principal activity</u>	<u>Country of Incorporation</u>	<u>% Held by Holding Company</u>	
			<u>30th September, 2022</u>	<u>30th September, 2021</u>
Wardha Solar (Maharashtra) Private Limited	Solar Power Generation	India	100	100
Kodungal 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

Restricted Group - 2 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 - 2's results of operations, assets and liabilities and cash flows as at and for the year ended 30th September, 2022. 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 - 2 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 - 2 is held by the Holding Company. Earnings Per Share have not been presented in these Combined Financial Statements, as Restricted Group - 2 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 - 2.

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 - 2 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 represents the aggregate amount of Share Capital, Compulsory Convertible Preference Shares (Instrument entirely Equity in nature) and other equity of Restricted Group - 2 of entities as at the respective period end and does not necessarily represent legal Share Capital for the purpose of the Restricted Group - 2.

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

(a) Combined like items of assets, liabilities, equity, income, expenses and cash flows of the entities of the Restricted Group - 2.

(b) Eliminated in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the Restricted Group - 2.

These are Combined Financial Statements and may not be necessarily indicative of the financial performance, financial position and cash flows of the Restricted Group - 2 that would have occurred if it had operated as separate stand-alone entities during the year presented or the Restricted Group - 2's future performance. The Combined Financial Statements include the operation of entities in the Restricted Group - 2, 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 - 2 of entities) have been disclosed in accordance with 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 - 2'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.





**3 Significant accounting policies****a Property, plant and equipment****i. Recognition and measurement**

Property, plant and equipment are stated at acquisition cost grossed up with the amount of tax / duty benefits availed, less accumulated depreciation and accumulated impairment losses, if any.

Properties in the course of construction are carried at cost, less any recognised 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, 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.

When significant parts of plant and equipment are required to be replaced at intervals, the Restricted Group depreciates them separately based on their specific useful lives and they are accounted for as separate items (major components) of property, plant and equipment.

**ii. Subsequent measurement**

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Restricted Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred. Subsequent costs are depreciated over the residual life of the respective assets.

**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 part C of 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 and any significant part initially recognised 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 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 using Straight Line method 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 of any intangible asset are measured as the difference between net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

**c Capital Work in Progress**

Expenditure related to and incurred during implementation (net of incidental income) 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. Capital work in progress is stated at cost, net of accumulated impairment loss, if any.





**d Financial Instruments****Recognition and measurement**

A Financial Instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

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 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**

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis i.e. the date that the Restricted Group commits to purchase or sell the assets. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within a timeframe established by regulation or convention in the market place.

**Subsequent measurement**

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

**i) At amortised cost**

Financial assets that meet the following conditions are subsequently measured at amortised cost using effective interest method (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

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

The effective interest method is a method of calculating the amortised cost of financial assets and of allocating interest income over the relevant period.

The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and transaction costs and other premiums or discounts) through the expected life of the financial assets, or where appropriate, a shorter period, to the net carrying amount on initial recognition.

Interest is recognised on an effective interest basis for debt instruments other than those financial assets classified as at Fair Value through Profit and Loss (FVTPL).

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

A financial asset is measured at FVTOCI 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 or FVTOCI and are held for trading are measured at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset.

**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 Statement of Profit and Loss if such gain or loss would have otherwise been recognised in the 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 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.

The Restricted Group assesses at each Balance sheet date whether a financial asset or a Group of financial assets is impaired. Ind AS 109, 'Financial Instruments' requires expected credit losses to be measured through a loss allowance. The Restricted Group recognizes credit loss allowance using the lifetime expected credit loss model for trade receivables.

The Restricted Group's financial assets comprise of cash and cash equivalents, trade receivables, other bank balances, interest accrued on bank deposits, security deposits and other receivables. These assets are measured subsequently at amortised cost except for derivative assets which are measured at FVTPL.

**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****Initial recognition and measurement**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

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

The Restricted Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

**Subsequent measurement**

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

**(i) 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 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.

**(ii) Financial liabilities at FVTPL**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as FVTPL. Financial liabilities are classified as held for trading if these are incurred for the purpose of repurchasing in the near term.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability.

Fair Values are determined in the manner designed in note "r".





**(iii) 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 Statement of Profit and Loss.

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

The Restricted Group enters into a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks, including foreign exchange forward contracts, interest rate swaps, cross currency swaps, principal only swap and coupon only swap. Derivatives are initially measured at fair value. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are generally recognised in the Statement of Profit and Loss as Foreign Exchange (Gain) / Loss except those relating to borrowings, which are separately classified under Finance Cost and those pertaining to the effective portion of cash flow hedges, which is recognised in OCI and later reclassified to profit or loss when the hedge item affects profit or loss or treated as adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

**Embedded derivatives**

Derivatives embedded in non-derivative host contracts that are not financial assets within the scope of Ind AS 109 "Financial Instruments" except for the effective portion of cash flow hedges (refer note (h)) are treated as separate derivatives when their risks and characteristics are not closely related to those of the host contracts and the host contracts are not measured at FVTPL. These embedded derivatives are measured at fair value with changes in fair value recognised in profit and loss.

Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss category.

**g Inventories**

Inventories 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

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

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 and presentation currency**

These financial statements are presented in Indian Rupees (INR), which is also functional currency of entities forming part of Restricted Group.

**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 Statement of Profit and Loss except exchange differences on foreign currency borrowings relating to assets under construction, 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 Revenue recognition**

Revenue from contracts with customers is recognised when control of the goods or services are rendered 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.

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

**i) Revenue from power supply**

The Restricted Group's contracts in form of Power Purchase Agreements (PPA) entered with State Distribution Companies for the sale of electricity generally include one performance obligation. The Restricted Group has concluded that revenue from sale of electricity, net of discounts, if any, should be recognised at the point in time when electricity is transferred to the customer.

**ii) Sale of other goods**

Revenue from the sale of other 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) Late Payment Surcharge and interest on late payment for power supply are recognized on reasonable certainty to expect ultimate collection or otherwise based on actual collection, whichever is earlier.

**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.

**k 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 the Statement of Profit and Loss in the period in which they are incurred. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing cost.





**I Taxation**

Tax on income comprises current and deferred tax. It is recognised in the Statement of Profit and Loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

**Current tax**

Tax on income for the current period is determined on the basis of estimated taxable income and tax credits computed in accordance with the provisions of the relevant tax laws and based on the expected outcome of assessments / appeals. Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current 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. Deferred tax liabilities are generally recognised for all taxable temporary differences except when the deferred tax liability arises at the time of transaction that affects neither the accounting profit or loss nor taxable profit or loss. Deferred tax assets are generally recognized for all deductible temporary differences, carry forward of unused tax credits and any unused tax losses, to the extent that it is probable that future taxable income will be available against which the deductible temporary differences and carry forward of unused tax credit and unused tax losses can be utilised, except when the deferred tax asset relating to temporary differences arising at the time of transaction that affects neither the accounting profit or loss nor the taxable profit or loss.

Deferred tax relating to items recognized outside the 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 equity as relevant.

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.

The Restricted Group offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

**m 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.

Contingent liabilities may arise from litigation, taxation and other claims against the Restricted Group. Where it is management's assessment that the outcome is uncertain or cannot be reliably quantified, the claims are disclosed as contingent liabilities unless the likelihood of an adverse outcome is remote.

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





**n Impairment of non-financial assets**

At the end of each reporting period, the Restricted Group reviews the carrying amounts of non-financial 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 adjusted.

The Restricted Group bases its impairment calculation on detailed budget and forecast calculations, which are prepared separately for each of the Restricted Group's cash-generating unit to which the individual assets are allocated. For longer periods, a long term growth rate is calculated and applied to project future cash flows. To estimate cash flow projections beyond periods covered by the most recent budget / forecasts, the Restricted Group estimates cash flow projections based on estimated growth rate.

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 the Statement of Profit and Loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in statement of profit or loss.

**o Leases**

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

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 are expensed on a straight-line basis over the lease term.

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.

**p 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 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.
- the effect of credit risk does not dominate the value changes that result from that economic relationship,

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 / hedging instruments is recognized in the cash flow hedging reserve being part of other comprehensive income. The Effective portion of cash flow hedges is adjusted to the lower of the cumulative gain or loss on the hedging instrument and the cumulative change in fair value of the hedged item.

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 Statement of Profit and Loss upon the occurrence of the underlying transaction.

For any other cash flow hedges, the amount accumulated in OCI is reclassified to profit or loss as reclassification adjustment in the same period or periods during which the hedged cash flows affect profit or loss.

**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.

**Other Bank deposits**

Margin money comprise of bank deposits restricted as to withdrawal or usage and are used to collateralize certain debt related obligations required under the Trust and Retention Account agreement entered with the various lenders and restricted under other arrangements. Margin money bank deposits are classified as current and non-current based on management expectation of the expiration date of the underlying restrictions.

**Fair Value Measurement**

The Restricted Group measures financial instruments, such as, derivatives at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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

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

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Restricted Group's management determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

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

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

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

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

External valuers are involved for valuation of significant assets, such as unquoted financial assets and financial liabilities.

For the purpose of fair value disclosures, the Restricted Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.





**s 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, the cost of assets are presented at gross value and grants thereon are recognised as deferred revenue in the 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.

**3.1 Use of estimates and judgements**

The preparation of the Restricted Group's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the acRestricted Grouping disclosures including contingent liabilities. The estimates and associated assumptions are based on experience and other factors that management considers to be relevant. Actual results may significantly differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis by the management of the Restricted Group. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. 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 and judgements 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 power plant assets, in whose case the life of the assets has been estimated at 30 years for solar power generation projects 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, 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 judgment 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. The amount of the deferred income tax assets considered realisable could reduce if the estimates of the future taxable income are reduced.

**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 cash flows model. The recoverable amount is sensitive to the discount rate used for the discounted future cash flows model as well as the expected future cash-inflows.

**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 Restricted Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation based on the Restricted Group's past history and other factors at the end of each reporting period. In case of other financial assets, the Restricted Group applies general approach for recognition of impairment losses wherein the Restricted Group 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.

**vii) Identification of a lease**

Management assesses applicability of Ind AS 116 - 'Leases', for PPAs. In assessing the applicability, the management exercises judgement in relation to the underlying rights and risks related to operations of the plant, control over design of the plant etc., in concluding that the PPA do not meet the criteria for recognition as a lease.

**(viii) Government Grant**

Significant management judgment is required to determine the timing and extent of recognition of any grants received from Government. They can only be recognized upon reasonable assurance that the entity will comply with the conditions attached to the grant.





## 4.1 Property, Plant and Equipment

Particulars	As at 30th September, 2022	As at 31st March, 2022
<b>Net Carrying amount of: Property, Plant and Equipment</b>		
Land - Freehold	660	658
Building	392	412
Furniture and Fixtures	3	3
Computer Hardware	3	3
Office Equipments	26	10
Plant & Equipments	24,814	25,248
Vehicles	3	3
<b>Total</b>	<b>25,901</b>	<b>26,337</b>

Description of Assets	(₹ in Millions)						Total
	Land - Freehold	Building	Furniture and Fixtures	Computer Hardware	Office Equipments	Plant & Equipments	
<b>I. Cost</b>							
Balance as at 1st April, 2021	645	655	5	11	15	29,374	30,710
Additions during the year	13	19	0	0	7	288	328
Disposals during the year	-	(1)	(0)	-	-	(7)	(8)
Balance as at 31st March, 2022	658	673	5	11	22	29,655	31,030
Additions during the period	2	6	0	-	19	21	48
Disposals during the period	-	-	-	-	-	(6)	(6)
Balance as at 30th September, 2022	660	679	5	11	41	29,670	31,072
<b>II. Accumulated depreciation</b>							
Balance as at 1st April, 2021	-	209	2	7	9	3,514	3,743
Depreciation expense for the year	-	53	0	1	3	894	952
Disposals during the year	-	(1)	(0)	-	-	(1)	(2)
Balance as at 31st March, 2022	-	261	2	8	12	4,407	4,693
Depreciation expense for the period	-	26	0	0	3	450	479
Disposals during the period	-	-	-	-	-	(1)	(1)
Balance as at 30th September, 2022	-	287	2	8	15	4,856	5,171

Note:

(i) For charges created refer note 17 and 19.





## 4.2 Right-of-Use Assets (refer note 29)

Particulars	As at 30th September, 2022	As at 31st March, 2022
Net Carrying amount of:		
Lease hold land	871	846
<b>Total</b>	<b>871</b>	<b>846</b>

Description of Assets	Lease hold land	Total
<b>I. Cost</b>		
Balance as at 1st April, 2021	897	897
Addition during the year	-	-
Balance as at 31st March, 2022	897	897
Addition during the period	38	38
Balance as at 30th September, 2022	935	935
<b>II. Accumulated depreciation</b>		
Balance as at 1st April, 2021	34	34
Depreciation expense for the year	17	17
Balance as at 31st March, 2022	51	51
Depreciation expense for the period	13	13
Balance as at 30th September, 2022	64	64

## 4.3 Capital Work in Progress

	As at 30th September, 2022 (₹ in Millions)	As at 31st March, 2022 (₹ in Millions)
Capital Work-in-Progress (pertaining to Property, Plant and Equipment)	5	57
<b>Total</b>	<b>5</b>	<b>57</b>

## Note:

(i) For charges created refer note 17 and 19.

## a. Balance as at 30th September 2022

Capital Work In Progress	Amount in CWIP for a period of			Total
	Less than 1 year	1-2 years	2-3 years	
Capital Inventories	5	0	0	5
	5	0	0	5

## b. Balance as at 31st March 2022

Capital Work In Progress	Amount in CWIP for a period of			Total
	Less than 1 year	1-2 years	2-3 years	
Capital Inventories	50	4	3	57
	50	4	3	57

The Restricted Group-2 do not have any capital-work-in progress whose completion is overdue or has exceeded its cost compared to its original plan.



4.4 Intangible Assets

Particulars	(₹ in Millions)	
	As at 30th September, 2022	As at 31st March, 2022
Net Carrying amount of: Intangible assets		
Computer software	0	0
Total	0	0

Description of Assets	(₹ in Millions)	
	Computer software	Total
I. Cost		
Balance as at 1st April, 2021	2	2
Additions during the year	-	-
Balance as at 31st March, 2022	2	2
Additions during the period	-	-
Balance as at 30th September, 2022	2	2
II. Accumulated amortisation		
Balance as at 1st April, 2021	2	2
Amortisation expense for the year	0	0
Balance as at 31st March, 2022	2	2
Amortisation expense for the period	0	0
Balance as at 30th September, 2022	2	2



5 Non Current Loans

(Unsecured, considered good)  
Loan to Unrestricted Group entities

	As at 30th September, 2022 (₹ in Millions)	As at 31st March, 2022 (₹ in Millions)
	4,979	4,979
<b>Total</b>	<b>4,979</b>	<b>4,979</b>

Notes:

- (i) Loans to Unrestricted Group Entities are receivable on mutually agreed terms with in a period of five years from the date of balance sheet and carry an interest rate ranging from 10.60% p.a. to 15.25% p.a.  
(ii) For balances with Unrestricted Group entities, refer note 34.  
(iii) For charges created refer note 17 and 19.  
(iv) Unpaid interest at year end is added with the principal amount as per the terms of the agreement. Refer foot note 1 of Cashflow Statement.

6 Other Non-Current Financial Assets

Balances held as Margin Money (refer note (i) below)  
Fair Value of Derivatives  
Security Deposits  
Claims Receivable (refer note (iii) below)

	As at 30th September, 2022 (₹ in Millions)	As at 31st March, 2022 (₹ in Millions)
	1,881	1,650
	1,551	215
	352	352
	1,568	1,381
<b>Total</b>	<b>5,352</b>	<b>3,598</b>

Notes:

- (i) Debt Service Reserve Account (DSRA) Deposits against Bonds which is expected to roll over after maturity of Bonds.  
(ii) For charges created refer note 17 and 19.  
(iii) Claims receivable includes grants recognised as there are reasonable assurance that the Restricted Group will comply with the conditions attached to them and that the grants will be received.

7 Deferred Tax Liabilities (Net)

Deferred Tax Liabilities on  
Difference between book base and tax base of Property, Plant and Equipment and Right of Use Assets / Lease liabilities

	As at 30th September, 2022 (₹ in Millions)	As at 31st March, 2022 (₹ in Millions)
	606	565
<b>Gross Deferred Tax Liabilities</b>	<b>606</b>	<b>565</b>
Deferred Tax Assets on Unabsorbed depreciation	256	283
<b>Gross Deferred Tax Assets</b>	<b>256</b>	<b>283</b>
<b>Net Deferred Tax Liabilities</b>	<b>(350)</b>	<b>(282)</b>

Movement in Deferred Tax Liabilities (net) for the period ended 30th September 2022

Particulars	As at 1st April, 2022	Recognised in profit and Loss - Charge	Recognised in OCI - Credit	As at 30th September, 2022
<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 liabilities (Including impact of cash flow hedges)	565	157	(116)	606
	<b>565</b>	<b>157</b>	<b>(116)</b>	<b>606</b>
<b>Tax effect of items constituting deferred tax assets:</b>				
Unabsorbed depreciation	283	(27)	-	256
	<b>283</b>	<b>(27)</b>	<b>-</b>	<b>256</b>
<b>Net Deferred Tax Liabilities</b>	<b>(282)</b>	<b>(184)</b>	<b>116</b>	<b>(350)</b>

Movement in Deferred Tax Liabilities (net) for the Financial Year 2021-22

Particulars	As at 1st April, 2021	Recognised in profit and Loss - Charge	Recognised in OCI - Credit	As at 31st March, 2022
<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 liabilities (Including impact of cash flow hedges)	420	324	(179)	565
	<b>420</b>	<b>324</b>	<b>(179)</b>	<b>565</b>
<b>Tax effect of items constituting deferred tax assets:</b>				
Unabsorbed depreciation	366	(83)	-	283
Difference between book base and tax base of Property, Plant and Equipment and Right of Use Assets / Lease liabilities	(9)	9	-	-
	<b>357</b>	<b>(74)</b>	<b>-</b>	<b>283</b>
<b>Net Deferred Tax Liabilities</b>	<b>(63)</b>	<b>(398)</b>	<b>179</b>	<b>(282)</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.

8 Other Non-current Assets

Capital advances (refer note (ii) below)  
Liquidated damages paid under protest (refer note 28)  
Prepaid Expenses

	As at 30th September, 2022 (₹ in Millions)	As at 31st March, 2022 (₹ in Millions)
	0	142
	29	29
	0	0
<b>Total</b>	<b>29</b>	<b>171</b>

Notes:

- (i) For charges created refer note 17 and 19.  
(ii) For balances with Unrestricted Group entities, refer note 34.





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

Stores and spares

Note:

For charges created refer note 17 and 19

	As at 30th September, 2022 (₹ in Millions)	As at 31st March, 2022 (₹ in Millions)
Total	27	17

10 Current Investments

Investment measured at FVTPL

Investment in Mutual Funds (Unquoted and fully paid)

Nil (As at 31st March, 2022 8,58,925 Units) of Birla Sun Life Cash Plus - Growth-Direct Plan  
38,60,856 Units (As at 31st March, 2022 3,76,696 Units) of Nippon India Overnight Fund -Direct Growth  
Nil (As at 31st March, 2022 2,33,377 Units) units Tata Overnight Fund -Direct Plan-Growth  
322 Units (As at 31st March, 2022 54,170 Units) of Kotak Liquid Direct Plan Growth  
2,404 Units (As at 31st March, 2022 2,403 Units) of HDFC Liquid Fund - Direct Plan - Growth  
Nil (As at 31st March, 2022 5,59,800 Units) of ICICI Prudential Liquid - Direct Plan - Growth  
2,40,632 Units (As at 31st March, 2022 2,84,139 Units) of Aditya Birla Overnight Fund Growth - Direct Plan  
13,220 Units (As at 31st March, 2022 9,001 Units) of SBI Overnight Fund Direct Growth  
5,74,048 Units (As at 31st March, 2022 20,68,176 Units) of ICICI Prudential Overnight Fund Direct Plan  
76,932 Units (As at 31st March, 2022 Nil) of HDFC Overnight Fund Direct Plan - Growth  
37,970 Units (As at 31st March, 2022 Nil) of Axis Overnight Fund Direct Growth

	As at 30th September, 2022 (₹ in Millions)	As at 31st March, 2022 (₹ in Millions)
	-	295
	451	43
	-	262
	1	233
	10	10
	-	177
	283	327
	47	31
	673	236
	248	-
	44	-
Total	1,757	1,614

Aggregate value of unquoted investments

Fair value of unquoted investments

Note:

For charges created refer note 17 and 19

	1,757	1,614
	1,757	1,614

11 Trade Receivables

Secured, considered good

Unsecured, considered good (refer note 36)

Trade Receivables which have significant increase in credit risk

Trade Receivables - Credit impaired

Unbilled Revenue (refer note 36)

	As at 30th September, 2022 (₹ in Millions)	As at 31st March, 2022 (₹ in Millions)
	-	-
	141	225
	-	-
	-	-
	377	462
Total	518	687

Notes:

(i) For charges created refer note 17 and 19.

(ii) Expected Credit Loss (ECL)

Trade receivables of the Restricted Group-2 are majorly from Central and State Electricity Distribution Companies (DISCOMs) which are Government entities with credit period of 30-45 days and from Unrestricted Group Entities and others. The Restricted Group-2 is regularly receiving its dues from DISCOMs and others. Delayed payments carries interest as per the terms of agreements with related parties and DISCOMs. Accordingly in relation to these dues, the Restricted Group does not foresee any Credit Risk.

(iii) For balances with Unrestricted Group entities, refer note 34.

a. Balance as at 30th September, 2022

Sr No	Particulars	Unbilled Revenue	Not Due	Outstanding for following periods from due date of receipt					Total
				Less than 6 months	6 Months - 1 year	1-2 Years	2-3 Years	More than 3 years	
1	Undisputed Trade receivables - Considered good	377	110	25	0	1	2	3	518
2	Undisputed Trade receivables - which have significant increase in risk	-	-	-	-	-	-	-	-
3	Undisputed Trade receivables - credit impaired	-	-	-	-	-	-	-	-
4	Disputed Trade receivables - Considered good	-	-	-	-	-	-	-	-
5	Disputed Trade receivables - which have significant increase in risk	-	-	-	-	-	-	-	-
6	Disputed Trade receivables - credit impaired	-	-	-	-	-	-	-	-
7	Allowance for impairment	-	-	-	-	-	-	-	-



b. Balance as at 31st March 2022

Sr No	Particulars	Unbilled Revenue	Net Due	Outstanding for following periods from due date of receipt					Total
				Less than 6 months	6 Months - 1 year	1-2 Years	2-3 Years	More than 3 years	
1	Undisputed Trade receivables - Considered good	462	135	24	27	29	2	8	687
2	Undisputed Trade receivables - which have significant increase in risk	-	-	-	-	-	-	-	-
3	Undisputed Trade receivables - credit impaired	-	-	-	-	-	-	-	-
4	Disputed Trade receivables - Considered good	-	-	-	-	-	-	-	-
5	Disputed Trade receivables - which have significant increase in risk	-	-	-	-	-	-	-	-
6	Disputed Trade receivables - credit impaired	-	-	-	-	-	-	-	-
7	Allowance for impairment	-	-	-	-	-	-	-	-

12 Cash and Cash equivalents

Balances with banks  
In current accounts  
Fixed Deposits (with maturity for three months or less)

	As at 30th September, 2022 (₹ in Millions)	As at 31st March, 2022 (₹ in Millions)
	42	27
	210	-
<b>Total</b>	<b>252</b>	<b>27</b>

Note:

For charges created refer note 17 and 19.

13 Bank balance (other than Cash and Cash equivalents)

Balances held as Margin Money (refer note (ii) below)  
Fixed Deposits (with maturity for more than three months)

	As at 30th September, 2022 (₹ in Millions)	As at 31st March, 2022 (₹ in Millions)
	72	20
	57	51
<b>Total</b>	<b>129</b>	<b>71</b>

Notes:

- (i) For charges created refer note 17 and 19.  
(ii) Fixed Deposit / Margin Money is pledged / lien against Bond.

14 Other Current Financial Assets

Interest accrued but not due (refer note (ii) and (iv) below)  
Security deposit  
Fair Value of Derivative  
Claims receivable (refer note (iii) below)

	As at 30th September, 2022 (₹ in Millions)	As at 31st March, 2022 (₹ in Millions)
	272	231
	2	4
	46	-
	290	471
<b>Total</b>	<b>610</b>	<b>706</b>

Notes:

- (i) For charges created refer note 17 and 19.  
(ii) For conversion of Interest accrued on intercorporate deposit given to Unrestricted Group Entities, refer footnote 1 of Cash Flow Statement.  
(iii) Claims receivable includes grants recognised as there are reasonable assurance that the Restricted Group will comply with the conditions attached to them and that the grants will be received.  
(iv) For balances with Unrestricted Group entities, refer note 34.

15 Other Current Assets

Advance for supply of goods and services (refer note (ii) below)  
Balances with Government authorities  
Prepaid Expenses

	As at 30th September, 2022 (₹ in Millions)	As at 31st March, 2022 (₹ in Millions)
	8	12
	4	5
	24	6
<b>Total</b>	<b>36</b>	<b>23</b>

Notes:

- (i) For charges created refer note 17 and 19.  
(ii) For balances with Unrestricted Group entities, refer note 34.

16 Net Parent Investment

Opening Net Parent Investment  
Add : Profit for the year (net of tax)  
Add : Other Comprehensive (Loss) for the period / year (net of tax)  
Closing Net Parent Investment

	As at 30th September, 2022 (₹ in Millions)	As at 31st March, 2022 (₹ in Millions)
	4,694	4,074
	519	1,152
	(344)	(532)
<b>Total</b>	<b>4,869</b>	<b>4,694</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 - 2 of entities as at the respective period end and does not necessarily represent legal Share Capital for the purpose of the Restricted Group - 2.





17 Non - Current Borrowings (At amortised cost)	As at 30th September, 2022 (₹ in Millions)	As at 31st March, 2022 (₹ in Millions)
Secured borrowings		
Senior Secured USD Bonds (refer note (i), (ii) and (iii) below)	25,978	24,556
Unsecured borrowings		
From Related Parties (refer note (iv) below and note 34)	3,407	3,407
<b>Total</b>	<b>29,385</b>	<b>27,963</b>

**Notes:**

**The Security and repayment details for the balances as at 30th September, 2022**

**Wardha Solar (Maharashtra) Private Limited**

(i) Bonds aggregating to ₹ 18,726 Millions (as at 31st March, 2022 ₹ 17,709 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 and further, secured / to be secured by pledge of 100% Equity shares held by 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) Bonds from Financial Institution aggregating to ₹ 836 Millions (As at 31st March, 2022 ₹ 791 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 2019-20, due dates as per offering circular.

**Adani Renewable Energy (RJ) Limited**

(iii) Bonds aggregating to ₹ 7,493 Millions (As at 31st March, 2022 ₹ 7,086 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 Immediate 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 in 40 half yearly instalments starting from Financial year 2020-21.

(iv) Loans from Unrestricted group entities are repayable on mutually agreed terms with in a period of five years from the date of agreement and carry an interest rate of 15.25% p.a.

(v) The amount disclosed in security details is gross amount before adjustments towards unamortised cost.

(vi) Unpaid interest at year end is added with the principal amount as per the terms of the agreement. Refer Note 1 of Cashflow Statement.

18 Other Non-current Liabilities	As at 30th September, 2022 (₹ in Millions)	As at 31st March, 2022 (₹ in Millions)
Deferred Revenue (refer note 3(s))	3,535	3,606
Other Payables	0	0
<b>Total</b>	<b>3,535</b>	<b>3,606</b>

19 Current Borrowings	As at 30th September, 2022 (₹ in Millions)	As at 31st March, 2022 (₹ in Millions)
Secured borrowings		
From Banks (refer note (i), (ii) and (iii) below)	-	510
Current maturities of Non-current borrowings (refer note 17)	803	747
<b>Total</b>	<b>803</b>	<b>1,257</b>

**Note:**

**Wardha Solar (Maharashtra) Private Limited**

(i) Short Term Loan from a financial Institution aggregating to ₹ Nil (as at 31st March, 2022 ₹ 290 Millions) is secured by first charge on all present and future immovable assets, movable assets and current assets of the Company on paripassu basis and pledge over 100% of the equity share held by the Holding Company and first ranking paripassu charge over Escrow accounts, projects accounts and amount received by each issuer under respective PPA's from time to time and guaranteed by Adani Renewable Energy (RJ) Limited and Kodangal Solar Parks Private Limited. The same carries interest rate in a range of 5.66% p.a. to 7.75% p.a. and have been repaid during the year.

**Kodangal Solar Parks Private Limited**

(ii) Short Term Loan from a financial Institution aggregating to ₹ Nil (as at 31st March, 2022 ₹ 50 Millions) is secured by first charge on all present and future immovable assets, movable assets and current assets of the Company on paripassu basis. and the Security will be created and perfected in favour of the security trustee for the security parties including the bank except in deal of guarantee which will be entered between each issuer & the bank, paripassu pledge over 100% of the equity shared of each of the issuers to be created and perfected within 60 Days from the date of first disbursement. & Pledge will not be created on the Equity shares of issuers held by nominee shareholder, further clarified that the number of Shares pledge for each lender will not exceed the maximum cap stipulated under 30% as Stipulated section 19 of banking regulations act 1949. The same carries interest rate in a range of 5.66% p.a. to 7.75% p.a. and have been repaid during the year.

**Adani Renewable Energy (RJ) Limited**

(iii) Short Term Loan from a financial Institution aggregating to ₹ Nil (as at 31st March, 2022 ₹ 170 Millions) is secured by first charge on all present and future immovable assets, movable assets and current assets of the Company on paripassu basis and 100% of the equity shares held by the Holding Company and first ranking paripassu charge over Escrow accounts, projects accounts and amount received by each issuer under respective PPA's from time to time, and guaranteed by Wardha Solar (Maharashtra) Private Limited and Kodangal Solar Parks Private Limited. The same carries interest rate in a range of 5.66% p.a. to 7.75% p.a. and have been repaid during the year.



20 Trade Payables

Trade Payables

- Total outstanding dues of micro enterprises and small enterprises
- Total outstanding dues of creditors other than micro enterprises and small enterprises

	As at 30th September, 2022 (₹ in Millions)	As at 31st March, 2022 (₹ in Millions)
	1	12
	61	44
<b>Total</b>	<b>62</b>	<b>56</b>

a. Balance as at 30th September 2022

Sr No	Particulars	Not Due	Outstanding for following periods from due date of Payment				Total
			Less than 1 year	1-2 years	2-3 Years	More than 3 years	
1	MSME	1	-	-	-	-	1
2	Others	10	49	2	0	0	61
3	Disputed dues - MSME	-	-	-	-	-	-
4	Disputed dues - Others	-	-	-	-	-	-
	<b>Total</b>	<b>11</b>	<b>49</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>62</b>

b. Balance as at 31st March 2022

Sr No	Particulars	Not Due	Outstanding for following periods from due date of Payment				Total
			Less than 1 year	1-2 years	2-3 Years	More than 3 years	
1	MSME	12	-	-	-	-	12
2	Others	18	25	1	0	0	44
3	Disputed dues - MSME	-	-	-	-	-	-
4	Disputed dues - Others	-	-	-	-	-	-
	<b>Total</b>	<b>30</b>	<b>25</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>56</b>

Note:

For balance with Unrestricted Group, refer note 34.

21 Other Current Financial Liabilities

- Interest accrued but not due on borrowings#@
- Retention money payable
- Fair Value of Derivatives
- Capital creditors\*#

	As at 30th September, 2022 (₹ in Millions)	As at 31st March, 2022 (₹ in Millions)
	837	549
	2	3
	-	26
	15	81
<b>Total</b>	<b>854</b>	<b>659</b>

Notes:

#For balances with Unrestricted Group entities, refer note 34.

\* Capital creditors represents the amounts payable for purchase of Property, Plant and Equipment and Capital-Work-in-Progress.

@ For conversion of Interest accrued on intercorporate deposit taken from Unrestricted Group Entities, refer footnote 1 of Cash Flow Statement.

22 Other Current Liabilities

- Statutory liabilities
- Advance From Customer (refer note below)
- Deferred Revenue (refer note 3(s))

	As at 30th September, 2022 (₹ in Millions)	As at 31st March, 2022 (₹ in Millions)
	1	34
	3	1
	142	142
<b>Total</b>	<b>146</b>	<b>177</b>

Note:

For balances with Unrestricted Group entities, refer note 34.

23 Revenue from Operations

Revenue from Contract with Customers (refer note 36)

- Revenue from Power Supply
- Revenue from Sale of Goods (refer note below)
- Other operating income
- Income from Viability Gap Funding and Change in Law

	For the twelve months ended 30th September, 2022 (₹ in Millions)	For the twelve months ended 30th September, 2021 (₹ in Millions)
	4,754	4,905
	17	58
	142	142
<b>Total</b>	<b>4,913</b>	<b>5,105</b>

Note:

For transaction with Unrestricted Group entities, refer note 34.

24 Other Income

- Interest Income (refer note (i) and (iii) below)
- Gain on sale / fair valuation of investments through profit and loss (net) (refer note (ii) below)
- Sale of Scrap
- Liability No Longer Required Written Back
- Miscellaneous Income

	For the twelve months ended 30th September, 2022 (₹ in Millions)	For the twelve months ended 30th September, 2021 (₹ in Millions)
	826	700
	41	19
	1	1
	9	24
	-	0
<b>Total</b>	<b>877</b>	<b>744</b>

Notes:

(i) Interest income includes ₹ 475 Millions (As at 30th September, 2021 : ₹ 329 Millions) from intercorporate deposits and ₹ 146 Millions (As at 30th September, 2021 : ₹ 133 Millions) from Bank deposits.

(ii) Includes fair value gain amounting to ₹ 11 Million (As at 30th September, 2021 : ₹ 0 Million).

(iii) For transaction with Unrestricted Group entities, refer note 34.





25 Finance costs

(a) Interest Expenses on financial liabilities:

Interest on Loans, Bonds and Debentures (refer note below)  
Interest on Lease Liabilities

(a)

(b) Other borrowing costs:

(Gain) / Loss on Derivatives Contracts (Net)  
Bank Charges and Other Borrowing Costs

(b)

(c) Exchange difference regarded as an adjustment to borrowing cost

(c)

Total (a+b+c)

For the twelve months ended 30th September, 2022 (₹ in Millions)	For the twelve months ended 30th September, 2021 (₹ in Millions)
1,849	1,782
54	48
1,903	1,830
(1,272)	1,051
15	15
(1,257)	1,066
1,117	159
1,117	159
1,763	3,055

Note:

For transaction with Unrestricted Group entities, refer note 34.

26 Other Expenses

Stores and Spare parts consumed  
Communication expenses  
Repairs, Operations and Maintenance  
Plant and Equipment (refer note 34)  
Others  
Expense related to low value assets and short term leases (refer note 29)  
Rates and Taxes  
Legal and Professional Expenses (refer note 34)  
Payment to Auditors  
Statutory Audit Fees  
Tax Audit Fees  
Others  
Travelling and Conveyance Expenses  
Insurance Expenses  
Office Expenses  
Loss on Sale / Discard of Property plant and equipment (net)  
Directors' Sitting Fees  
Foreign Exchange Fluctuation and derivative loss  
Liquidated Damages  
Sundry balances written off  
Corporate Social Responsibility Expense (refer note 34)  
Miscellaneous Expenses

Total

For the twelve months ended 30th September, 2022 (₹ in Millions)	For the twelve months ended 30th September, 2021 (₹ in Millions)
9	13
1	2
149	159
0	0
6	-
7	6
14	10
2	1
1	-
-	1
17	15
30	42
0	-
1	27
0	0
1,264	4
-	69
6	-
34	-
4	18
1,545	367

27 Income Tax

The major components of income tax expense for the period ended 30th September, 2022 and 30th September, 2021 are:

Income Tax Expense:

Profit and Loss Section:

Current Tax:

Current Tax Charge  
Tax relating to earlier years

(a)

Deferred Tax:

In respect of current year origination and reversal of temporary differences

(b)

OCI Section:

Deferred Tax

(c)

Total (a+b+c)

For the twelve months ended 30th September, 2022 (₹ in Millions)	For the twelve months ended 30th September, 2021 (₹ in Millions)
-	-
-	-
-	-
389	362
389	362
(233)	(51)
(233)	(51)
156	311

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

Profit before tax as per Combined Statement of Profit and Loss

Income tax using the Restricted Group - 2's domestic tax rate 25.17% (as at 30th September, 2021 @ 25.17%)

Tax Effect of:

Deferred tax on Other Comprehensive Income  
Change in estimate relating to prior years  
Tax on permanent differences

Tax Expense for the period recognised in Combined Statement of Profit and Loss for the period

For the twelve months ended 30th September, 2022 (₹ in Millions)	For the twelve months ended 30th September, 2021 (₹ in Millions)
1,491	1,405
375	354
(233)	(51)
3	8
11	-
156	311





As at 30th September, 2022 (₹ in Millions)	As at 31st March, 2022 (₹ in Millions)
--	--

29 29

63 53

As at 30th September, 2022 (₹ in Millions)	As at 31st March, 2022 (₹ in Millions)
--	--

Wardha Solar (Maharashtra) Private Limited	11	1
Kodungal Solar Parks Private Limited	0	-
Adani Renewable Energy (RJ) Limited	3	-

Total	14	1
-------	----	---

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

Particulars	(₹ in Millions)
<b>Balance as at 1st April, 2021</b>	<b>472</b>
Finance costs incurred during the period	48
Payments of Lease Liabilities	(55)
<b>Balance as at 31st March, 2022</b>	<b>465</b>
Finance costs incurred during the period	30
Other Adjustment	42
Payments of Lease Liabilities	(40)
<b>Balance as at 30th September, 2022</b>	<b>497</b>

Particulars	As at 30th September, 2022	As at 31st March, 2022
Current lease liabilities	43	42
Non-current lease liabilities	454	423

Particulars	For the twelve months ended 30th September, 2022	For the twelve months ended 30th September, 2021
Interest on lease liabilities	54	48
Depreciation expense on Right-of-use assets	22	17
Expense related to low value assets and short term leases	6	-

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 - 2's exposure to the risk of changes in market interest rates relates primarily to the Restricted Group - 2'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 non current borrowings of Restricted Group - 2 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 - 2 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 - 2's operating and financing activities. The Restricted Group - 2 has hedged 100% of its foreign currency borrowings to that extent, the Restricted Group - 2 is not exposed to foreign currency risk.

Every 1% depreciation / appreciation in the exchange rate between the Indian rupee and U.S.dollar and other currencies on the exposure relating to foreign currency creditors and acceptances of \$ 0 million and EURO 0 million as on 30th September, 2022 and \$ 0 million and EURO 0 million as on 31st March, 2022, would have decreased/increased the Restricted Group - 2's profit for the year as follows :

	As at 30th September, 2022 (₹ in Millions)	As at 31st March, 2022 (₹ in Millions)
Impact on profit / (loss) for the period / year (before tax)	0	0

**iii) Price risk**

The Restricted Group - 2's exposure to price risk in investments in mutual funds and classified as fair value through profit or loss. The Restricted Group - 2'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 - 2 are from State and Central distribution Companies (DISCOM) which are Government entities and Unrestricted Group Entities and Others. The Restricted Group - 2 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 - 2 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 Unrestricted Group Entities, 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 - 2 will encounter difficulty in meeting the obligations associated with its financial liabilities. The Restricted Group - 2 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 - 2'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 - 2 expects to generate positive cash flows from operations in order to meet its external financial liabilities as they fall due. The Restricted Group - 2 has support from unrestricted Group entities to extend repayment terms of borrowings, if needed.

**Maturity profile of financial liabilities:**

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

						(₹ in Millions)
As at 30th September, 2022	Note	Less than 1 year	1 to 5 year	More than 5 Years	Total	
Borrowings*	17 and 19	811	6,651	23,000	30,462	
Lease Liabilities#	29	43	194	1,298	1,535	
Trade Payables	20	62	-	-	62	
Fair Value of Derivatives	21	-	-	-	-	
Other Financial Liabilities	21	854	-	-	854	
As at 31st March, 2022	Note	Less than 1 year	1 to 5 year	More than 5 Years	Total	(₹ in Millions)
Borrowings*	17 and 19	1,258	6,125	21,794	29,177	
Lease Liabilities#	29	44	186	1,300	1,530	
Trade Payables	20	56	-	-	56	
Fair Value of Derivatives	21	26	-	-	26	
Other Financial Liabilities	21	633	-	-	633	

\* Gross of unamortised transaction costs

# Carrying value of Lease liabilities as on 30th September, 2022 is ₹ 497 millions (as at 31st March, 2022 ₹ 465 millions)





#### Capital Management

The Restricted Group - 2'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 - 2's overall strategy remains unchanged from previous year.

The Restricted Group - 2 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 - 2's policy is to use current and non-current borrowings to meet anticipated funding requirements. The Restricted Group - 2 monitors capital on the basis of the net debt to equity ratio.

The Restricted Group - 2 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.

The Restricted Group - 2's capital management ensures 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.

Particulars	Note	As at 30th September, 2022 (₹ in Millions)	As at 31st March, 2022 (₹ in Millions)
Debt	17 and 19	30,188	29,220
Cash and cash equivalents and bank deposits (including DSRA and Current investments)	6, 10, 12 and 13	4,020	3,362
Net Debt (A)		26,168	25,858
Total Net Parent Investment (B)	16	4,869	4,694
Total Net Parent Investment and net Debt (C)=(A+B)		31,037	30,552
Net Debt to Equity (A/C)		84%	85%

### 31 Derivatives and Hedging

#### (i) Classification of derivatives

Derivatives are only used for economic hedging purposes and not as speculative investments. However, where derivatives do not meet the hedge accounting criteria, they are accounted for at fair value through profit or loss. Information about the derivatives used by the Restricted Group and outstanding as at the end of the financial year is provided below:

Particulars	Financial Assets		Financial Liabilities	
	As at 30th September, 2022	As at 31st March, 2022	As at 30th September, 2022	As at 31st March, 2022
Derivatives not designated as Hedging Instruments:	-	-	-	-
Derivatives designated as Hedging Instruments:	1,598	215	-	26
Forward contracts and Principal Only Swap	1,598	215	-	26

#### (ii) Hedging activities

##### Foreign Currency Risk

The Restricted Group-2 is exposed to various foreign currency risks as explained in note 30 above. The Restricted Group - 2 has hedged 100% of its foreign currency borrowings to that extent. The Restricted Group - 2 is not exposed to foreign currency risk.

All these hedges are accounted for as cash flow hedges.

##### Interest Rate Risk

The Restricted Group-2 is exposed to interest rate risks on floating rate borrowings as explained in note 30 above.

#### (iii) Hedge Effectiveness

There is an economic relationship between the hedged items and the hedging instruments as the terms of the hedge contracts match the terms of hedge items. The Restricted Group-2 has established a hedge ratio of 1:1 for the hedging relationships as the underlying risk of the foreign exchange and interest rate are identical to the hedged risk components. To test the hedge effectiveness, the Restricted Group-2 compares the changes in the fair value of the hedging instruments against the changes in fair value of the hedged items attributable to the hedged risks.

#### (iv) Source of Hedge ineffectiveness

In case of foreign currency risk and interest rate risk, the main source of hedge ineffectiveness is the effect of the counterparty and the Restricted Group-2's own credit risk on the fair value of hedge contracts, which is not reflected in the fair value of the hedged items. The effect of this is not expected to be material.

#### (v) Disclosures of effects of Cash Flow Hedge Accounting

##### Hedging instruments

The Restricted Group-2 has taken derivatives to hedge its borrowings and interest accrued thereon.

Particulars	Less than 1 year	1 to 5 year	More than 5 Years	Total
Forward contracts and Principal Only Swap				
As at 30th September, 2022	1,242	27,055	-	28,297
Nominal Amount				
As at 31st March, 2022	1,175	25,586	-	26,761
Nominal Amount				



(vi) The effect of the cash flow hedge in the Statement of Profit and Loss is as follows:

Particulars	As at 30th September, 2022	As at 31st March, 2022
Cash flow Hedge Reserve at the beginning of the period / year	(528)	4
Total hedging (loss) recognised in OCI	(460)	(711)
Income tax on above	116	179
Ineffectiveness recognised in profit or loss	-	-
Cash flow Hedge Reserve at the end of the period / year	(872)	(528)

The Restricted Group-2 does not have any ineffective portion of hedge.

(vii) The outstanding position of derivative instruments is as under:

Nature	Purpose	As at 30th September, 2022		As at 31st March, 2022	
		(₹ in Millions)	Foreign Currency (USD in Million)	(₹ in Millions)	Foreign Currency (USD in Million)
Forward Contract	Hedging of Bond Interest accrued but not due	1,242	15	1,175	15
Principal only Swap	Hedging of Foreign Currency Bond Principal	27,055	333	25,586	338
<b>Total</b>		<b>28,297</b>	<b>348</b>	<b>26,761</b>	<b>353</b>

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

	Currency	As at 30th September, 2022		As at 31st March, 2022	
		(₹ in Millions)	Foreign Currency (USD in Million)	(₹ in Millions)	Foreign Currency (USD in Million)
Creditors and Acceptances	USD	37	0	35	0
Creditors and Acceptances	EURO	0	0	0	0
<b>Total</b>		<b>37</b>	<b>0</b>	<b>35</b>	<b>0</b>

(Closing rate as at 30th September, 2022 : INR/USD-81.35, INR/EUR- 79.73 and as at 31st March, 2022 : INR/USD-75.79 and INR/EUR-84.22)

### 32 Fair Value Measurement :

a) The carrying value of financial instruments by categories as of 30th September, 2022 is as follows :

Particulars	FVTOCI	FVTPL	Amortised cost	(₹ in Millions) Total
<b>Financial Assets</b>				
Cash and cash equivalents	-	-	252	252
Bank balances other than cash and cash equivalents	-	-	129	129
Investments	-	1,757	-	1,757
Trade Receivables	-	-	518	518
Loans	-	-	4,979	4,979
Fair Value of Derivatives	1,551	-	-	1,551
Other Financial assets	-	-	4,412	4,412
<b>Total</b>	<b>1,551</b>	<b>1,757</b>	<b>10,290</b>	<b>13,598</b>
<b>Financial Liabilities</b>				
Borrowings	-	-	30,188	30,188
Lease Liabilities	-	-	497	497
Trade Payables	-	-	62	62
Fair Value of Derivatives	-	-	-	-
Other Financial Liabilities	-	-	854	854
<b>Total</b>	<b>-</b>	<b>-</b>	<b>31,601</b>	<b>31,601</b>

b) The carrying value of financial instruments by categories as of 31st March, 2022 is as follows :

Particulars	FVTOCI	FVTPL	Amortised cost	(₹ in Millions) Total
<b>Financial Assets</b>				
Cash and cash equivalents	-	-	27	27
Bank balances other than cash and cash equivalents	-	-	71	71
Investments	-	1,614	-	1,614
Trade Receivables	-	-	687	687
Loans	-	-	4,979	4,979
Fair Value of Derivatives	215	-	-	215
Other Financial assets	-	-	4,089	4,089
<b>Total</b>	<b>215</b>	<b>1,614</b>	<b>9,853</b>	<b>11,682</b>
<b>Financial Liabilities</b>				
Borrowings	-	-	29,220	29,220
Lease Liabilities	-	-	465	465
Trade Payables	-	-	57	57
Fair Value of Derivatives	26	-	-	26
Other Financial Liabilities	-	-	633	633
<b>Total</b>	<b>26</b>	<b>-</b>	<b>30,375</b>	<b>30,401</b>

#### Notes:

Fair value of financial assets and liabilities measured at amortised cost is not materially different from the fair value





33 Fair Value hierarchy :

Particulars		As at 30th September, 2022	
		Level 2	Total
<b>Assets</b>			
Investments		1,757	1,757
Fair value of Derivatives		1,551	1,551
<b>Total</b>		<b>3,308</b>	<b>3,308</b>
<b>Liabilities</b>			
Fair value of Derivatives		-	-
<b>Total</b>		<b>-</b>	<b>-</b>

Particulars		As at 31st March, 2022	
		Level 2	Total
<b>Assets</b>			
Investments		1,614	1,614
Fair value of Derivatives		215	215
<b>Total</b>		<b>1,829</b>	<b>1,829</b>
<b>Liabilities</b>			
Fair value of Derivatives		26	26
<b>Total</b>		<b>26</b>	<b>26</b>

**Note:**

(i) The fair values of investments in mutual fund units is based on the net asset value ("NAV").

(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.

34 Related party transactions

a. List of related parties and relationship

The Restricted Group - 2 entities have certain transactions with entities which are not covered under Restricted Group - 2 (Unrestricted Group entities).

Entities with control or significant influence over the Ultimate Deemed Holding Company	:	S. B. Adani Family Trust (SBAFT)
	:	Adani Trading Services LLP
	:	Adani Properties Private Limited
Ultimate Deemed Holding Company	:	Universal Trade and Investments Limited
	:	Adani Green Energy Limited
Immediate Holding Company of WSMPL	:	Parampiya Solar Energy Private Limited
Immediate Holding Company of ARERJL	:	Adani Green Energy Twenty Three Limited
Immediate Holding Company of KSPPL	:	Adani Green Energy Twenty Three Limited
Joint Venture of Deemed Holding Company	:	Adani Renewable Energy Park Rajasthan Limited
Unrestricted Group Entities (Including Fellow Subsidiaries and Entities under common control) (with whom transactions are done)	:	Gujarat Adani Institute Of Medical Sciences
	:	Adani Solar Energy Kutchh One Limited (Formerly known as Adani Green Energy One Limited)
	:	Adani Infrastructure Management Service Limited
	:	Adani Green Energy Six Limited
	:	Adani Green Energy (UP) Limited
	:	Adani Wind Energy Kutchh Six Limited (Formerly known as Adani Renewable Energy (GJ) Limited)
	:	Adani Renewable Energy Holding One Limited (Formerly known as Mahoba Solar UP Private Limited)
	:	Adani Wind Energy Kutchh Two Limited (Formerly known as Adani Renewable Energy (TN) Limited)
	:	Adani Solar Energy Four Limited (Formerly known as Kilaj Solar (Maharashtra) Private Limited)
	:	Adani Foundation
	:	Prayatna Developers Private Limited
	:	Adani Solar Energy Jodhpur Two Limited (Formerly known as Adani Green Energy Nineteen Limited)
	:	Adani Hybrid Energy Jaisalmer Four Limited (Formerly known as RSEPL Hybrid Power One limited)
	:	Adani Solar Energy RJ One Private Limited (Formerly known as SB Energy Six Private Limited)
	:	Adani Wind Energy Kutchh One Limited (Formerly known as Adani Green Energy (MP) Limited)
	:	Surajkiran Solar Technologies Private Limited
	:	KN Bijapura Solar Energy Private Limited
	:	Dinkar Technologies Private Limited
	:	Essel Gulbarga Solar Power Private Limited
	:	KN Indl Vijayapura Solar Energy Private Limited



Unrestricted Group Entities (including Fellow Subsidiaries and Entities under common control) (with whom transactions are done)	:	Surajkiran Renewable Resources Private Limited
	:	Adani Green Energy (Tamil Nadu) Limited
	:	Adani Hybrid Energy Jaisalmer One Limited (Formerly known as Adani Green Energy Eighteen Limited)
	:	Adani Renewable Energy (MH) Limited
	:	Adani Wind Energy Kutchh Four Limited (Formerly known as Adani Wind Energy (GJ) Limited)
	:	Adani Saur Urja (KA) Limited
	:	Adani Solar Energy Chitrakoot One Limited (Formerly known as Adani Wind Energy (TN) Limited)
	:	Wind Three Renergy Private Limited
	:	Adani Green Energy Two Limited
	:	Adani Wind Energy Kutchh Three Limited (Formerly known as Adani Green Energy Three Limited)
	:	Adani Renewable Energy Holding Four Limited (Formerly known as Adani Green Energy Four Limited)
	:	Adani Wind Energy Kutchh Five Limited (Formerly known as Adani Green Energy Five Limited)
	:	Adani Solar Energy KA Nine Private Limited (Formerly known as SBG Cleantech Projectco Five Private Limited)
	:	Adani Solar Energy AP Seven Private Limited (Formerly known as SB Energy Solar Private Limited)
	:	Adani Solar Energy AP Six Private Limited (Formerly known as SBG Cleantech Projectco Private Limited)
	:	Adani Solar Energy Jodhpur Three Private Limited (Formerly known as SB Energy One Private Limited)
	:	Kamuthi Solar Power Limited
	:	Gaya Solar (Bihar) Private Limited
	:	Adani Global DMCC
Key Management Personnel	:	<b>Wardha Solar (Maharashtra) Private Limited</b>
	:	Abhilash Mehta, Whole-time-Director
	:	Nagendra Pratap Singh, Director
	:	Unni Krishnan Gopal, Director (upto 30th March, 2022)
	:	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
	:	Vishal Sunil Kotecha, Company Secretary
	:	<b>Kodungal Solar Parks Private Limited</b>
	:	Ajay Purohit, Whole-time Director
	:	Devesh Rasanila, Director (w.e.f. 25th October, 2021)
	:	Nayana Gadhavi, Independent Director
	:	Krishnakumar Mishra (w.e.f. 21st October, 2019 upto 16th January, 2021)
	:	Raj Kumar Jain, Director
	:	Ajith Kannisseri, Director (upto 7th December, 2020)
	:	Kirti Joshi, Additional Director (w.e.f. 7th December, 2020)
	:	Ravi Kapoor, Independent Director (w.e.f. 31st March, 2021)
	:	Shashi Kant Ranjan, Chief Financial Officer
	:	<b>Adani Renewable Energy (RJ) Limited</b>
	:	Bhupendra Asawa, Whole-time Director
	:	Raj Kumar Jain, Director
	:	Sandip Adani, Director
	:	Udayan Sharma, Chief Financial Officer
	:	Nayana Gadhavi, Independent Director
	:	Sushama Oza, Independent Director

**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.

**Note:**

The names of the Unrestricted group entities 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 - 2 with the Unrestricted group entities during the existence of the related party relationship.





Notes to Combined Financial Statements as at and for the twelve months ended on 30th September, 2022

(` in Millions)

## 34b. Transactions with Related Parties

Particulars	For the twelve months ended 30th September, 2022					For the twelve months ended 30th September, 2021				
	Deemed Holding Company (including Immediate Holding)	Subsidiary Companies (Including Fellow)	Joint Venture of Deemed Holding Company	Entities under common control/ Associate entities	Key Management Personnel	Deemed Holding Company (including Immediate Holding)	Subsidiary Companies (Including Fellow)	Joint Venture of Deemed Holding Company	Entities under common control/ Associate entities	Key Management Personnel
Equity Share Capital Transfer To	-	-	-	-	-	977	-	-	-	-
Equity Share Capital Transfer From	-	-	-	-	-	-	-	-	977	-
Loan Given	-	1,269	-	-	-	1,638	-	-	3,840	-
Loan Received Back	-	130	-	-	-	2,777	-	-	-	-
Interest Income on Loan	-	475	-	-	-	141	-	-	188	-
Loan Taken	345	-	-	-	-	384	-	-	-	-
Loan Repaid Back	-	-	-	-	-	154	-	-	-	-
Interest Expense on Loan	493	-	-	-	-	455	-	-	-	-
Employee / Other Balances Transfer from	1	8	0	-	-	0	-	-	20	-
Employee / Other Balances Transfer to	3	0	0	-	-	11	-	-	2	-
Purchase of Goods	14	6	-	-	-	14	-	0	191	-
Receiving of Services	-	-	-	125	-	0	-	-	132	-
Purchase of Property, Plant and Equipments	-	1	-	-	-	-	-	-	-	-
Sale of Property, Plant and Equipments	-	5	-	-	-	6	0	-	0	-
Sale of Goods	1	23	-	-	-	7	0	3	42	-
Corporate Social Responsibility Expenses	-	-	-	28	-	-	-	-	10	-
Director Sitting Fees	-	-	-	-	0	-	-	-	-	0

## 34c. Balances With Related Parties

Particulars	As at 30th September, 2022					As at 31st March, 2022				
	Deemed Holding Company (including Immediate Holding)	Subsidiary Companies (Including Fellow)	Joint Venture of Deemed Holding Company	Entities under common control/ Associate entities	Key Management Personnel	Deemed Holding Company (including Immediate Holding)	Subsidiary Companies (Including Fellow)	Joint Venture of Deemed Holding Company	Entities under common control/ Associate entities	Key Management Personnel
Borrowings (Loan)	3,407	-	-	-	-	3,407	-	-	-	-
Loans Given	-	4,979	-	-	-	-	4,979	-	-	-
Interest Accrued and due receivable (Loan)	-	264	-	-	-	-	-	-	-	-
Interest Accrued but not due (Loan)	260	-	-	-	-	-	-	-	-	-
Accounts Payables (Inclusive of Capital Creditors)	16	5	-	34	-	47	-	-	17	-
Accounts Receivable (Inclusive of Advance for supply of goods and services)	-	-	-	-	-	21	140	-	6	-

Note:

Refer footnote 1 of Cash Flow Statement for conversion of accrued interest on ICD taken and given respectively from / to Unrestricted Group Entities in to the ICD balances as on reporting date as per the terms of Contract.





35 The Restricted Group - 2's activities during the period revolve around renewable power generation. Considering the nature of The Restricted Group - 2'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 - 2's entire revenues are from domestic sales, no separate geographical segment is disclosed.

**36 Contract balances:**

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

Particulars	(₹ in Millions)	
	As at 30th September, 2022	As at 31st March, 2022
Trade receivables (refer note 11)	141	225
Unbilled Revenue (refer note 11)	377	462

The unbilled revenue primarily relate to the Company's right to consideration for work completed but not billed at the reporting date.

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

Particulars	(₹ in Millions)	
	For the twelve months ended 30th September, 2022	For the twelve months ended 30th September, 2021
Revenue as per contracted price	4,857	5,034
<b>Adjustments</b>		
Discount on Prompt Payments	86	71
<b>Revenue from contract with customers</b>	<b>4,771</b>	<b>4,963</b>

The Restricted Group - 2 does not have any remaining performance obligation for sale of goods.

**37 Recent Pronouncements**

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. During six month period ended September 30, 2022, MCA has not notified any new standards or amendments to the existing standards applicable to the Group.

38 Based on the information available with the Restricted Group - 2 there is no transaction with struck off companies.

**39 Personnel Cost**

Entities forming part of Restricted Group - 2 does not have any employee. The operational management and administrative functions of the entities forming part of Restricted Group - 2 are being managed by Ultimate Holding Company.

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

The Restricted Group - 2 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.

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

**42 Approval of financial statements**

The financial statements were approved for issue by the board of directors on 16th December, 2022.

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

  
Anuj Jain  
Partner

Membership No. 119140


Place : Ahmedabad

Date : 16th December, 2022

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

  
Sagar R. Adani

Additional Director  
DIN: 07626229

  
Vneet S. Jaain

Additional Director  
DIN: 00053906

Place : Ahmedabad

Date : 16th December, 2022





## **Review Report on Unaudited Combined Interim Financial Statements**

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

1. We have reviewed the unaudited Combined Interim Financial Statements of the Restricted Group which consists of Wardha Solar (Maharashtra) Private Limited, Kodungal Solar Parks Private Limited and Adani Renewable Energy (RJ) Limited (each, referred to as "Restricted Entity" and collectively referred to as "Restricted Group") which comprises the combined balance sheet as at 30 September 2022, the combined statement of profit and loss (including other comprehensive income), the combined statement of cash flows and combined statements of changes in net parent investment for the half year ended 30 September 2022 and a summary of the significant accounting policies and other explanatory information (together hereinafter referred to as "Combined Interim Financial Statements"). All Restricted Group entities are subsidiaries of Adani Green Energy Twenty Three Limited ("AGE23L").
2. This Combined Interim Financial Statements, which is the responsibility of AGE23L's management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Combined Interim Financial Statements based on our review.
3. We conducted our review of the Combined Interim Financial Statements in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. Based on our review conducted and procedures performed as stated above, nothing has come to our attention that causes us to believe that the accompanying Combined Interim Financial Statements, prepared in accordance with applicable accounting standards and other recognized accounting practices and policies, has not disclosed the information required to be disclosed including the manner in which it is to be disclosed, or that it contains any material misstatement.







**DHARMESH PARIKH & CO LLP**  
**CHARTERED ACCOUNTANTS**  
[LLPIN: AAW-6517]

303/304, "Milestone"  
Nr. Drive-in-Cinema, Opp.T.V.Tower,  
Thaltej, Ahmedabad-380054  
Phone: 91-79-27474466  
Email: [info@dharmeshparikh.net](mailto:info@dharmeshparikh.net)  
Website: [www.dharmeshparikh.net](http://www.dharmeshparikh.net)

### **Review Report on Unaudited Combined Interim Financial Statements (Continued)**

5. These Combined Interim Financial Statements have been prepared by the AGE23L's management solely for the purpose of fulfilling the requirement of Offering Circular (OC) under clause 4.1. This report is issued solely for the aforementioned purpose and also for the purpose of upload on the website of the Company and the Stock Exchanges as may be applicable and accordingly may not be suitable for any other purpose, and should not be used, referred to or distributed for any other purpose or to any other party without our prior written consent. Further, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

Place: Ahmedabad  
Date: 16<sup>th</sup> December, 2022



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

**Anuj Jain**  
Partner  
Membership No. 119140  
UDIN – 22119140BFOSZP9944

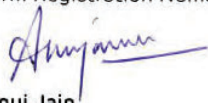
Particulars	Notes	As at 30th September, 2022 (₹ in Millions)	As at 31st March, 2022 (₹ in Millions)
<b>ASSETS</b>			
<b>Non - Current Assets</b>			
(a) Property, Plant and Equipment	4.1	25,901	26,337
(b) Right-of-Use Assets	4.2	871	846
(c) Capital Work-In-Progress	4.3	5	57
(d) Intangible Assets	4.4	0	0
(e) Financial Assets			
(i) Loans	5	4,979	4,979
(ii) Other Financial Assets	6	5,352	3,598
(f) Income Tax Assets (net)		35	26
(g) Other Non-current Assets	8	29	171
<b>Total Non-Current Assets</b>		<b>37,172</b>	<b>36,014</b>
<b>Current Assets</b>			
(a) Inventories	9	27	17
(b) Financial Assets			
(i) Investments	10	1,757	1,614
(ii) Trade Receivables	11	518	687
(iii) Cash and Cash Equivalents	12	252	27
(iv) Bank balances other than (iii) above	13	129	71
(v) Other Financial Assets	14	610	706
(c) Other Current Assets	15	36	23
<b>Total Current Assets</b>		<b>3,329</b>	<b>3,145</b>
<b>Total Assets</b>		<b>40,501</b>	<b>39,159</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Net Parent Investment	16	4,869	4,694
<b>Total Equity</b>		<b>4,869</b>	<b>4,694</b>
<b>LIABILITIES</b>			
<b>Non-current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	17	29,385	27,963
(ia) Lease Liabilities	29	454	423
(b) Deferred Tax Liabilities (net)	7	350	282
(c) Other Non-current Liabilities	18	3,535	3,606
<b>Total Non-Current Liabilities</b>		<b>33,724</b>	<b>32,274</b>
<b>Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	19	803	1,257
(ia) Lease Liabilities	29	43	42
(ii) Trade Payables	20		
i. Total outstanding dues of micro enterprises and small enterprises		1	12
ii. Total outstanding dues of creditors other than micro enterprises and small enterprises		61	44
(iii) Other Financial Liabilities	21	854	659
(b) Other Current Liabilities	22	146	177
<b>Total Current Liabilities</b>		<b>1,908</b>	<b>2,191</b>
<b>Total Liabilities</b>		<b>35,632</b>	<b>34,465</b>
<b>Total Equity and Liabilities</b>		<b>40,501</b>	<b>39,159</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

  
Anuj Jain

Partner


Membership No. 119140

Place : Ahmedabad

Date : 16th December, 2022



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

  
Sagar R. Adani  
Additional Director  
DIN: 07626229

  
Vneet S. Jaain  
Additional Director  
DIN: 00053906

Place : Ahmedabad

Date : 16th December, 2022



Particulars	Notes	For the six months ended 30th September, 2022 (₹ in Millions)	For the six months ended 30th September, 2021 (₹ in Millions)
<b>Income</b>			
Revenue from Operations	23	2,402	2,508
Other Income	24	469	392
<b>Total Income</b>		<b>2,871</b>	<b>2,900</b>
<b>Expenses</b>			
Purchase of Stock in Trade		11	29
Finance Costs	25	249	1,489
Depreciation and Amortisation Expenses	4.1, 4.2 and 4.4	493	486
Other Expenses	26	1,415	134
<b>Total Expenses</b>		<b>2,168</b>	<b>2,138</b>
<b>Profit before tax</b>		<b>703</b>	<b>762</b>
<b>Tax (Credit) / Charge:</b>	27		
Current Tax Charge / (Credit)		-	(1)
Deferred Tax Charge		184	193
<b>Total Tax Charge</b>		<b>184</b>	<b>192</b>
<b>Profit for the period</b>	<b>Total (A)</b>	<b>519</b>	<b>570</b>
<b>Other Comprehensive (Loss)</b>			
Items that will not be reclassified to profit & loss in subsequent periods:			
Items that will be reclassified to profit and loss in subsequent periods:			
Effective portion on (Loss) in a cash flow hedge, net		(460)	(244)
Add / Less: Income Tax effect		116	61
<b>Total Other Comprehensive (Loss), (net of tax)</b>	<b>Total (B)</b>	<b>(344)</b>	<b>(183)</b>
<b>Total Comprehensive Income for the period, (net of tax)</b>	<b>Total (A+B)</b>	<b>175</b>	<b>387</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

For and on behalf of the board of directors of

ADANI GREEN ENERGY TWENTY THREE LIMITED

Anuj Jain

Partner

Membership No. 119140



S.R.A.

Sagar R. Adani

Additional Director

DIN: 07626229

Vneet S. Jaain

Vneet S. Jaain

Additional Director

DIN: 00053906

Place : Ahmedabad

Date : 16th December, 2022

Place : Ahmedabad

Date : 16th December, 2022



	As at 31st March, 2022 (₹ in Millions)
Opening as at 1st April, 2021	4,074
Add: Profit for the year, net of tax	1,152
Add: Other Comprehensive (Loss) for the year, net of tax*	(532)
Closing as at 31st March, 2022	4,694
	As at 30th September, 2022 (₹ in Millions)
Opening as at 1st April, 2022	4,694
Add: Profit for the period, net of tax	519
Add: Other Comprehensive (Loss) for the period, net of tax*	(344)
Closing as at 30th September, 2022	4,869

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 - 2 of entities as at the respective period end and does not necessarily represent legal Share Capital for the purpose of the Restricted Group - 2.

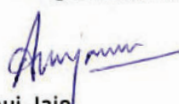
\* Other Comprehensive (Loss) consist of adjustments for changes in cash flow hedge reserve.

In terms of our report attached

For Dharmesh Parikh & Co LLP

Chartered Accountants

Firm Registration Number : 112054W/W100725

  
Anuj Jain

Partner

Membership No. 119140



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



Sagar R. Adani

Additional Director

DIN: 07626229



Vneet S. Jaain

Additional Director

DIN: 00053906

Place : Ahmedabad

Date : 16th December, 2022

Place : Ahmedabad

Date : 16th December, 2022



Particulars	For the six months ended 30th September, 2022 (₹ in Millions)	For the year ended 31st March, 2022 (₹ in Millions)
<b>(A) Cash flow from operating activities</b>		
Profit before tax	703	1,549
Adjustment to reconcile the Profit before tax to net cash flows:		
Interest Income	(446)	(748)
Net gain on sale/ fair valuation of investments through profit and loss	(22)	(27)
Loss on Sale / Discard of Property, Plant and Equipment	1	3
Foreign Exchange Fluctuation Loss / (Gain) (net)	1,265	(1)
Liability No Longer Required Written Off / (Back)	5	(23)
Income from Viability Gap Funding and Change in Law	(71)	(142)
Expense related to low value assets and short term leases	6	-
Depreciation and Amortisation Expenses	493	968
Finance Costs	249	3,002
Operating Profit before working capital changes	2,183	4,581
Working Capital Changes:		
(Increase) / Decrease in Operating Assets		
Other Non-Current Assets	-	0
Trade Receivables	169	(3)
Inventories	(10)	9
Other Current Assets	(19)	32
Other Current Financial Assets	1	1
Increase / (Decrease) in Operating Liabilities		
Trade Payables	6	6
Other Current Financial Liabilities	(0)	0
Other Current Liabilities	(31)	(4)
Net Working Capital Changes	116	41
Cash Generated from Operations	2,299	4,622
Less : Income Tax Paid (net)	(9)	(6)
Net Cash Generated from Operating Activities (A)	2,290	4,616
<b>(B) Cash flow from investing activities</b>		
Capital receipt on account of grants (net of acquisition of Property, Plant and Equipment and Intangible assets, capital advances and capital work-in-progress)	72	300
Proceeds from Sale / Discard of Property, Plant and Equipment	5	3
Margin Money / Fixed Deposit (Placed) / Withdrawn (net)	(290)	191
Loans given to Unrestricted Group Entities	-	(1,681)
Loans repaid by Unrestricted Group Entities	-	130
Investments in units of Mutual funds (net)	(122)	(221)
Interest received	406	226
Net cash (used in) Investing Activities (B)	71	(1,052)
<b>(C) Cash flow from financing activities</b>		
Repayment of Non-Current Borrowings	(380)	(900)
Repayment of Lease Liabilities	(40)	(55)
(Repayment) of / Proceeds from Current borrowings (net)	(510)	20
Finance Costs Paid	(1,206)	(2,610)
Net cash (used in) Financing Activities (C)	(2,136)	(3,545)
Net (decrease) in cash and cash equivalents (A)+(B)+(C)	225	19
Cash and cash equivalents at the beginning of the year	27	8
Cash and cash equivalents at the end of the period / year	252	27
Reconciliation of Cash and cash equivalents with the Balance Sheet:		
Cash and cash equivalents: (Refer Note 12)	252	27
	252	27





## Notes:

- 1 Accrued Interest for the period Nil (For the year ended 31st March, 2022 ₹ 345 Millions) and Nil (For the year ended 31st March, 2022 ₹ 396 Millions) on Inter Corporate Deposit ("ICD") taken and given respectively from / to Unrestricted Group entities, have been converted to the ICD balances as on reporting date as per the terms of the Contract.
- 2 Disclosure of changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes under Para 44A as set out in Ind AS 7 "Statement of Cash flows" under Companies (Indian Accounting Standards) Rules, 2017 (as amended) is as under.

Particulars	Note	As at 1st April, 2022	Net Cash Flows	Others	Changes in fair values (Including Exchange Rate Difference and Reclassifications)	As at 30th September, 2022
Non-Current borrowings (Including Current Maturities)	17 and 19	28,646	(380)	-	1,922	30,188
Current borrowings	19	510	(510)	-	-	-
Lease Liabilities	29	465	(40)	-	72	497
Interest Accrued	21	549	(1206)	-	1,494	837

Particulars	Note	As at 1st April, 2021	Net Cash Flows	Others	Changes in fair values (Including Exchange Rate Difference and Reclassifications)	As at 31st March, 2022
Non-Current borrowings (Including Current Maturities)	17 and 19	28,322	(965)	344	945	28,646
Current borrowings	19	490	20	-	0	510
Lease Liabilities	29	472	(55)	-	48	465
Interest Accrued	21	545	(2610)	(344)	2,958	549

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

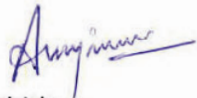
The notes referred above are an integral part of the Combined Financial Statements

In terms of our report attached

For Dharmesh Parikh & Co LLP

Chartered Accountants

Firm Registration Number : 112054W/W100725



Anuj Jain

Partner

Membership No. 119140

Place : Ahmedabad

Date : 16th December, 2022

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



Sagar R. Adani

Additional Director

DIN: 07626229

Place : Ahmedabad

Date : 16th December, 2022



Vneet S. Jaain

Additional Director

DIN: 00053906



## 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 - 2 entities which are all under the common control of the Ultimate Holding Company through its subsidiary (Adani Green Energy Twenty Three Limited) comprise of the following entities (refer note 34):-

<u>Entities forming part of Restricted Group - 2</u>	<u>Principal activity</u>	<u>Country of Incorporation</u>	<u>% Held by Holding Company</u>	
			<u>30th September, 2022</u>	<u>31st March, 2022</u>
Wardha Solar (Maharashtra) Private Limited	Solar Power Generation	India	100	100
Kodungal 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

Restricted Group - 2 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 - 2's results of operations, assets and liabilities and cash flows as at and for the period ended 30th September, 2022. 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 - 2 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 - 2 is held by the Holding Company. Earnings Per Share have not been presented in these Combined Financial Statements, as Restricted Group - 2 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 - 2.

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 - 2 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 represents the aggregate amount of Share Capital, Compulsory Convertible Preference Shares (Instrument entirely Equity in nature) and other equity of Restricted Group - 2 of entities as at the respective period end and does not necessarily represent legal Share Capital for the purpose of the Restricted Group - 2.

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 - 2.
- Eliminated in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the Restricted Group - 2.

These are Combined Financial Statements and may not be necessarily indicative of the financial performance, financial position and cash flows of the Restricted Group - 2 that would have occurred if it had operated as separate stand-alone entities during the year presented or the Restricted Group - 2's future performance. The Combined Financial Statements include the operation of entities in the Restricted Group - 2, 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 - 2 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 - 2'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.





**3 Significant accounting policies****a Property, plant and equipment****i. Recognition and measurement**

Property, plant and equipment are stated at acquisition cost grossed up with the amount of tax / duty benefits availed, less accumulated depreciation and accumulated impairment losses, if any.

Properties in the course of construction are carried at cost, less any recognised 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, 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.

When significant parts of plant and equipment are required to be replaced at intervals, the Restricted Group depreciates them separately based on their specific useful lives and they are accounted for as separate items (major components) of property, plant and equipment.

**ii. Subsequent measurement**

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Restricted Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred. Subsequent costs are depreciated over the residual life of the respective assets.

**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 part C of 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 and any significant part initially recognised 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 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 using Straight Line method 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 of any intangible asset are measured as the difference between net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

**c Capital Work in Progress**

Expenditure related to and incurred during implementation (net of incidental income) 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. Capital work in progress is stated at cost, net of accumulated impairment loss, if any.





**d Financial Instruments****Recognition and measurement**

A Financial Instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

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 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**

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis i.e. the date that the Restricted Group commits to purchase or sell the assets. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within a timeframe established by regulation or convention in the market place.

**Subsequent measurement**

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

**i) At amortised cost**

Financial assets that meet the following conditions are subsequently measured at amortised cost using effective interest method (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

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

The effective interest method is a method of calculating the amortised cost of financial assets and of allocating interest income over the relevant period.

The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and transaction costs and other premiums or discounts) through the expected life of the financial assets, or where appropriate, a shorter period, to the net carrying amount on initial recognition.

Interest is recognised on an effective interest basis for debt instruments other than those financial assets classified as at Fair Value through Profit and Loss (FVTPL).

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

A financial asset is measured at FVTOCI 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 or FVTOCI and are held for trading are measured at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset.

**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 Statement of Profit and Loss if such gain or loss would have otherwise been recognised in the 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 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.

The Restricted Group assesses at each Balance sheet date whether a financial asset or a Group of financial assets is impaired. Ind AS 109, 'Financial Instruments' requires expected credit losses to be measured through a loss allowance. The Restricted Group recognizes credit loss allowance using the lifetime expected credit loss model for trade receivables.

The Restricted Group's financial assets comprise of cash and cash equivalents, trade receivables, other bank balances, interest accrued on bank deposits, security deposits and other receivables. These assets are measured subsequently at amortised cost except for derivative assets which are measured at FVTPL.

**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****Initial recognition and measurement**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

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

The Restricted Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

**Subsequent measurement**

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

**(i) 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 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.

**(ii) Financial liabilities at FVTPL**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as FVTPL. Financial liabilities are classified as held for trading if these are incurred for the purpose of repurchasing in the near term.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability.

Fair Values are determined in the manner designed in note "r".





**(iii) 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 Statement of Profit and Loss.

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

The Restricted Group enters into a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks, including foreign exchange forward contracts, interest rate swaps, cross currency swaps, principal only swap and coupon only swap. Derivatives are initially measured at fair value. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are generally recognised in the Statement of Profit and Loss as Foreign Exchange (Gain) / Loss except those relating to borrowings, which are separately classified under Finance Cost and those pertaining to the effective portion of cash flow hedges, which is recognised in OCI and later reclassified to profit or loss when the hedge item affects profit or loss or treated as adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

**Embedded derivatives**

Derivatives embedded in non-derivative host contracts that are not financial assets within the scope of Ind AS 109 "Financial Instruments" except for the effective portion of cash flow hedges (refer note (h)) are treated as separate derivatives when their risks and characteristics are not closely related to those of the host contracts and the host contracts are not measured at FVTPL. These embedded derivatives are measured at fair value with changes in fair value recognised in profit and loss.

Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss category.

**g Inventories**

Inventories 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

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

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 and presentation currency**

These financial statements are presented in Indian Rupees (INR), which is also functional currency of entities forming part of Restricted Group.

**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 Statement of Profit and Loss except exchange differences on foreign currency borrowings relating to assets under construction, 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 Revenue recognition**

Revenue from contracts with customers is recognised when control of the goods or services are rendered 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.

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

**i) Revenue from power supply**

The Restricted Group's contracts in form of Power Purchase Agreements (PPA) entered with State Distribution Companies for the sale of electricity generally include one performance obligation. The Restricted Group has concluded that revenue from sale of electricity, net of discounts, if any, should be recognised at the point in time when electricity is transferred to the customer.

**ii) Sale of other goods**

Revenue from the sale of other 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) Late Payment Surcharge and interest on late payment for power supply are recognized on reasonable certainty to expect ultimate collection or otherwise based on actual collection, whichever is earlier.

**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.

**k 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 the Statement of Profit and Loss in the period in which they are incurred. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing cost.





**i Taxation**

Tax on Income comprises current and deferred tax. It is recognised in the Statement of Profit and Loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

**Current tax**

Tax on income for the current period is determined on the basis of estimated taxable income and tax credits computed in accordance with the provisions of the relevant tax laws and based on the expected outcome of assessments / appeals. Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current 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. Deferred tax liabilities are generally recognised for all taxable temporary differences except when the deferred tax liability arises at the time of transaction that affects neither the accounting profit or loss nor taxable profit or loss. Deferred tax assets are generally recognized for all deductible temporary differences, carry forward of unused tax credits and any unused tax losses, to the extent that it is probable that future taxable income will be available against which the deductible temporary differences and carry forward of unused tax credit and unused tax losses can be utilised, except when the deferred tax asset relating to temporary differences arising at the time of transaction that affects neither the accounting profit or loss nor the taxable profit or loss.

Deferred tax relating to items recognized outside the 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 equity as relevant.

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.

The Restricted Group offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

**m 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.

Contingent liabilities may arise from litigation, taxation and other claims against the Restricted Group. Where it is management's assessment that the outcome is uncertain or cannot be reliably quantified, the claims are disclosed as contingent liabilities unless the likelihood of an adverse outcome is remote.

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





**n Impairment of non-financial assets**

At the end of each reporting period, the Restricted Group reviews the carrying amounts of non-financial 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 adjusted.

The Restricted Group bases its impairment calculation on detailed budget and forecast calculations, which are prepared separately for each of the Restricted Group's cash-generating unit to which the individual assets are allocated. For longer periods, a long term growth rate is calculated and applied to project future cash flows. To estimate cash flow projections beyond periods covered by the most recent budget / forecasts, the Restricted Group estimates cash flow projections based on estimated growth rate.

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 the Statement of Profit and Loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in statement of profit or loss.

**o Leases**

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

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 are expensed on a straight-line basis over the lease term.

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.

**p 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 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,
- the effect of credit risk does not dominate the value changes that result from that economic relationship,

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 / hedging instruments is recognized in the cash flow hedging reserve being part of other comprehensive income. The Effective portion of cash flow hedges is adjusted to the lower of the cumulative gain or loss on the hedging instrument and the cumulative change in fair value of the hedged item.

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 Statement of Profit and Loss upon the occurrence of the underlying transaction.

For any other cash flow hedges, the amount accumulated in OCI is reclassified to profit or loss as reclassification adjustment in the same period or periods during which the hedged cash flows affect profit or loss.

**q 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.

**Other Bank deposits**

Margin money comprise of bank deposits restricted as to withdrawal or usage and are used to collateralize certain debt related obligations required under the Trust and Retention Account agreement entered with the various lenders and restricted under other arrangements. Margin money bank deposits are classified as current and non-current based on management expectation of the expiration date of the underlying restrictions.

**r Fair Value Measurement**

The Restricted Group measures financial instruments, such as, derivatives at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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

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

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Restricted Group's management determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

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

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

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

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

External valuers are involved for valuation of significant assets, such as unquoted financial assets and financial liabilities.

For the purpose of fair value disclosures, the Restricted Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.





**5 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, the cost of assets are presented at gross value and grants thereon are recognised as deferred revenue in the 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.

**3.1 Use of estimates and judgements**

The preparation of the Restricted Group's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the acRestricted Grouping disclosures including contingent liabilities. The estimates and associated assumptions are based on experience and other factors that management considers to be relevant. Actual results may significantly differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis by the management of the Restricted Group. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. 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 and judgements 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 power plant assets, in whose case the life of the assets has been estimated at 30 years for solar power generation projects 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, 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 judgment 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. The amount of the deferred income tax assets considered realisable could reduce if the estimates of the future taxable income are reduced.

**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 cash flows model. The recoverable amount is sensitive to the discount rate used for the discounted future cash flows model as well as the expected future cash-inflows.



**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 Restricted Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation based on the Restricted Group's past history and other factors at the end of each reporting period. In case of other financial assets, the Restricted Group applies general approach for recognition of impairment losses wherein the Restricted Group 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.

**vii) Identification of a lease**

Management assesses applicability of Ind AS 116 - 'Leases', for PPAs. In assessing the applicability, the management exercises judgement in relation to the underlying rights and risks related to operations of the plant, control over design of the plant etc., in concluding that the PPA do not meet the criteria for recognition as a lease.

**(viii) Government Grant**

Significant management judgment is required to determine the timing and extent of recognition of any grants received from Government. They can only be recognized upon reasonable assurance that the entity will comply with the conditions attached to the grant.





## 4.1 Property, Plant and Equipment

Particulars	As at 30th September, 2022	As at 31st March, 2022
<b>Net Carrying amount of:</b>		
Property, Plant and Equipment		
Land - Freehold	660	658
Building	392	412
Furniture and Fixtures	3	3
Computer Hardware	3	3
Office Equipments	26	10
Plant & Equipments	24,814	25,248
Vehicles	3	3
<b>Total</b>	<b>25,901</b>	<b>26,337</b>

Description of Assets	Land - Freehold	Building	Furniture and Fixtures	Computer Hardware	Office Equipments	Plant & Equipments	Vehicles	Total
<b>I. Cost</b>								
Balance as at 1st April, 2021	645	655	5	11	15	29,374	5	30,710
Additions during the year	13	19	0	0	7	288	1	328
Disposals during the year	-	(1)	(0)	-	-	(7)	-	(8)
<b>Balance as at 31st March, 2022</b>	<b>658</b>	<b>673</b>	<b>5</b>	<b>11</b>	<b>22</b>	<b>29,655</b>	<b>6</b>	<b>31,030</b>
Additions during the period	2	6	0	-	19	21	-	48
Disposals during the period	-	-	-	-	-	(6)	-	(6)
<b>Balance as at 30th September, 2022</b>	<b>660</b>	<b>679</b>	<b>5</b>	<b>11</b>	<b>41</b>	<b>29,670</b>	<b>6</b>	<b>31,072</b>
<b>II. Accumulated depreciation</b>								
Balance as at 1st April, 2021	-	209	2	7	9	3,514	2	3,743
Depreciation expense for the year	-	53	0	1	3	894	1	952
Disposals during the year	-	(1)	(0)	-	-	(1)	-	(2)
<b>Balance as at 31st March, 2022</b>	<b>-</b>	<b>261</b>	<b>2</b>	<b>8</b>	<b>12</b>	<b>4,407</b>	<b>3</b>	<b>4,693</b>
Depreciation expense for the period	-	26	0	0	3	450	0	479
Disposals during the period	-	-	-	-	-	(1)	-	(1)
<b>Balance as at 30th September, 2022</b>	<b>-</b>	<b>287</b>	<b>2</b>	<b>8</b>	<b>15</b>	<b>4,856</b>	<b>3</b>	<b>5,171</b>

Note:

(i) For charges created refer note 17 and 19.



## 4.2 Right-of-Use Assets (refer note 29)

Particulars	As at 30th September, 2022	As at 31st March, 2022
Net Carrying amount of:		
Lease hold land	871	846
<b>Total</b>	<b>871</b>	<b>846</b>

Description of Assets	Lease hold land	Total
<b>I. Cost</b>		
Balance as at 1st April, 2021	897	897
Addition during the year	-	-
Balance as at 31st March, 2022	897	897
Addition during the period	38	38
Balance as at 30th September, 2022	935	935
<b>II. Accumulated depreciation</b>		
Balance as at 1st April, 2021	34	34
Depreciation expense for the year	17	17
Balance as at 31st March, 2022	51	51
Depreciation expense for the period	13	13
Balance as at 30th September, 2022	64	64

## 4.3 Capital Work in Progress

	As at 30th September, 2022 (₹ in Millions)	As at 31st March, 2022 (₹ in Millions)
Capital Work-In-Progress (pertaining to Property, Plant and Equipment)	5	57
<b>Total</b>	<b>5</b>	<b>57</b>

## Note:

(i) For charges created refer note 17 and 19.

## a. Balance as at 30th September 2022

Capital Work In Progress	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Capital Inventories	5	0	0	0	5
	5	0	0	0	5

## b. Balance as at 31st March 2022

Capital Work In Progress	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Capital Inventories	50	4	3	0	57
	50	4	3	0	57

The Restricted Group-2 do not have any capital-work-in progress whose completion is overdue or has exceeded its cost compared to its original plan.



4.4 Intangible Assets

Particulars	(₹ in Millions)	
	As at 30th September, 2022	As at 31st March, 2022
Net Carrying amount of: Intangible assets		
Computer software	0	0
Total	0	0

Description of Assets	(₹ in Millions)	
	Computer software	Total
I. Cost		
Balance as at 1st April, 2021	2	2
Additions during the year	-	-
Balance as at 31st March, 2022	2	2
Additions during the period	-	-
Balance as at 30th September, 2022	2	2
II. Accumulated amortisation		
Balance as at 1st April, 2021	2	2
Amortisation expense for the year	0	0
Balance as at 31st March, 2022	2	2
Amortisation expense for the period	0	0
Balance as at 30th September, 2022	2	2





5 Non Current Loans

(Unsecured, considered good)

Loan to Unrestricted Group entities

	As at 30th September, 2022 (₹ in Millions)	As at 31st March, 2022 (₹ in Millions)
	4,979	4,979
<b>Total</b>	<b>4,979</b>	<b>4,979</b>

Notes:

- (i) Loans to Unrestricted Group Entities are receivable on mutually agreed terms with in a period of five years from the date of balance sheet and carry an interest rate ranging from 10.60% p.a. to 15.25% p.a.  
(ii) For balances with Unrestricted Group entities, refer note 34.  
(iii) For charges created refer note 17 and 19.  
(iv) Unpaid Interest at year end is added with the principal amount as per the terms of the agreement. Refer foot note 1 of Cashflow Statement.

6 Other Non-Current Financial Assets

Balances held as Margin Money (refer note (i) below)

Fair Value of Derivatives

Security Deposits

Claims Receivable (refer note (iii) below)

	As at 30th September, 2022 (₹ in Millions)	As at 31st March, 2022 (₹ in Millions)
	1,881	1,650
	1,551	215
	352	352
	1,568	1,381
<b>Total</b>	<b>5,352</b>	<b>3,598</b>

Notes:

- (i) Debt Service Reserve Account (DSRA) Deposits against Bonds which is expected to roll over after maturity of Bonds.  
(ii) For charges created refer note 17 and 19.  
(iii) Claims receivable Includes grants recognised as there are reasonable assurance that the Restricted Group will comply with the conditions attached to them and that the grants will be received.

7 Deferred Tax Liabilities (Net)

Deferred Tax Liabilities on

Difference between book base and tax base of Property, Plant and Equipment and Right of Use Assets / Lease liabilities

Gross Deferred Tax Liabilities

Deferred Tax Assets on

Unabsorbed depreciation

Gross Deferred Tax Assets

Net Deferred Tax Liabilities

	As at 30th September, 2022 (₹ in Millions)	As at 31st March, 2022 (₹ in Millions)
	606	565
	<b>606</b>	<b>565</b>
	256	283
	<b>256</b>	<b>283</b>
	<b>(350)</b>	<b>(282)</b>

Movement in Deferred Tax Liabilities (net) for the period ended 30th September 2022

Particulars	As at 1st April, 2022	Recognised in profit and Loss - Charge	Recognised in OCI - Credit	As at 30th September, 2022
<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 liabilities (Including impact of cash flow hedges)	565	157	(116)	606
	<b>565</b>	<b>157</b>	<b>(116)</b>	<b>606</b>
<b>Tax effect of items constituting deferred tax assets :</b>				
Unabsorbed depreciation	283	(27)	-	256
	<b>283</b>	<b>(27)</b>	<b>-</b>	<b>256</b>
<b>Net Deferred Tax Liabilities</b>	<b>(282)</b>	<b>(184)</b>	<b>116</b>	<b>(350)</b>

Movement in Deferred Tax Liabilities (net) for the Financial Year 2021-22

Particulars	As at 1st April, 2021	Recognised in profit and Loss - Charge	Recognised in OCI - Credit	As at 31st March, 2022
<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 liabilities (Including impact of cash flow hedges)	420	324	(179)	565
	<b>420</b>	<b>324</b>	<b>(179)</b>	<b>565</b>
<b>Tax effect of items constituting deferred tax assets :</b>				
Unabsorbed depreciation	366	(83)	-	283
Difference between book base and tax base of Property, Plant and Equipment and Right of Use Assets / Lease liabilities	(9)	9	-	-
	<b>357</b>	<b>(74)</b>	<b>-</b>	<b>283</b>
<b>Net Deferred Tax Liabilities</b>	<b>(63)</b>	<b>(398)</b>	<b>179</b>	<b>(282)</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.

8 Other Non-current Assets

Capital advances (refer note (ii) below)

Liquidated damages paid under protest (refer note 28)

Prepaid Expenses

	As at 30th September, 2022 (₹ in Millions)	As at 31st March, 2022 (₹ in Millions)
	0	142
	29	29
	0	0
<b>Total</b>	<b>29</b>	<b>171</b>

Notes:

- (i) For charges created refer note 17 and 19.  
(ii) For balances with Unrestricted Group entities, refer note 34.



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

Stores and spares

Note:

For charges created refer note 17 and 19.

	As at 30th September, 2022 (₹ in Millions)	As at 31st March, 2022 (₹ in Millions)
Total	27	17

10 Current Investments

Investment measured at FVTPL

Investment in Mutual Funds (Unquoted and fully paid)

Nil (As at 31st March, 2022 8,58,925 Units) of Birla Sun Life Cash Plus - Growth-Direct Plan  
38,60,856 Units (As at 31st March, 2022 3,76,696 Units) of Nippon India Overnight Fund -Direct Growth  
Nil (As at 31st March, 2022 2,33,377 Units) units Tata Overnight Fund -Direct Plan-Growth  
322 Units (As at 31st March, 2022 54,170 Units) of Kotak Liquid Direct Plan Growth  
2,404 Units (As at 31st March, 2022 2,403 Units) of HDFC Liquid Fund - Direct Plan - Growth  
Nil (As at 31st March, 2022 5,59,800 Units) of ICICI Prudential Liquid - Direct Plan - Growth  
2,40,632 Units (As at 31st March, 2022 2,84,139 Units) of Aditya Birla Overnight Fund Growth - Direct Plan  
13,220 Units (As at 31st March, 2022 9,001 Units) of SBI Overnight Fund Direct Growth  
5,74,048 Units (As at 31st March, 2022 20,68,176 Units) of ICICI Prudential Overnight Fund Direct Plan  
76,932 Units (As at 31st March, 2022 Nil) of HDFC Overnight Fund Direct Plan - Growth  
37,970 Units (As at 31st March, 2022 Nil) of Axis Overnight Fund Direct Growth

	As at 30th September, 2022 (₹ in Millions)	As at 31st March, 2022 (₹ in Millions)
	-	295
	451	43
	-	262
	1	233
	10	10
	-	177
	283	327
	47	31
	673	236
	248	-
	44	-
Total	1,757	1,614

Aggregate value of unquoted investments

Fair value of unquoted investments

Note:

For charges created refer note 17 and 19.

	1,757	1,614
	1,757	1,614

11 Trade Receivables

Secured, considered good

Unsecured, considered good (refer note 36)

Trade Receivables which have significant increase in credit risk

Trade Receivables - Credit impaired

Unbilled Revenue (refer note 36)

	As at 30th September, 2022 (₹ in Millions)	As at 31st March, 2022 (₹ in Millions)
	-	-
	141	225
	-	-
	-	-
	377	462
Total	518	687

Notes:

(i) For charges created refer note 17 and 19.

(ii) Expected Credit Loss (ECL)

Trade receivables of the Restricted Group are majorly from Central and State Electricity Distribution Companies (DISCOMs) which are Government entities with credit period of 30-45 days and from Unrestricted Group Entities and others. The Restricted Group is regularly receiving its dues from DISCOMs and others. Delayed payments carries interest as per the terms of agreements with related parties and DISCOMs. Accordingly in relation to these dues, the Restricted Group does not foresee any Credit Risk.

(iii) For balances with Unrestricted Group entities, refer note 34.

a. Balance as at 30th September, 2022

Sr No	Particulars	Unbilled Revenue	Not Due	Outstanding for following periods from due date of receipt					Total
				Less than 6 months	6 Months - 1 year	1-2 Years	2-3 Years	More than 3 years	
1	Undisputed Trade receivables - Considered good	377	110	25	0	1	2	3	518
2	Undisputed Trade receivables - which have significant increase in risk	-	-	-	-	-	-	-	-
3	Undisputed Trade receivables - credit impaired	-	-	-	-	-	-	-	-
4	Disputed Trade receivables - Considered good	-	-	-	-	-	-	-	-
5	Disputed Trade receivables - which have significant increase in risk	-	-	-	-	-	-	-	-
6	Disputed Trade receivables - credit impaired	-	-	-	-	-	-	-	-
7	Allowance for impairment	-	-	-	-	-	-	-	-





b. Balance as at 31st March 2022

Sr No	Particulars	Unbilled Revenue	Not Due	Outstanding for following periods from due date of receipt					Total
				Less than 6 months	6 Months - 1 year	1-2 Years	2-3 Years	More than 3 years	
1	Undisputed Trade receivables - Considered good	462	135	24	27	29	2	8	687
2	Undisputed Trade receivables - which have significant increase in risk	-	-	-	-	-	-	-	-
3	Undisputed Trade receivables - credit impaired	-	-	-	-	-	-	-	-
4	Disputed Trade receivables - Considered good	-	-	-	-	-	-	-	-
5	Disputed Trade receivables - which have significant increase in risk	-	-	-	-	-	-	-	-
6	Disputed Trade receivables - credit impaired	-	-	-	-	-	-	-	-
7	Allowance for impairment	-	-	-	-	-	-	-	-

12 Cash and Cash equivalents

Balances with banks  
In current accounts  
Fixed Deposits (with maturity for three months or less)

	As at 30th September, 2022 (₹ in Millions)	As at 31st March, 2022 (₹ in Millions)
	42	27
	210	-
<b>Total</b>	<b>252</b>	<b>27</b>

Note:

For charges created refer note 17 and 19.

13 Bank balance (other than Cash and Cash equivalents)

Balances held as Margin Money (refer note (ii) below)  
Fixed Deposits (with maturity for more than three months)

	As at 30th September, 2022 (₹ in Millions)	As at 31st March, 2022 (₹ in Millions)
	72	20
	57	51
<b>Total</b>	<b>129</b>	<b>71</b>

Notes:

(i) For charges created refer note 17 and 19.

(ii) Fixed Deposit / Margin Money is pledged / lien against Bond.

14 Other Current Financial Assets

Interest accrued but not due (refer note (ii) and (iv) below)  
Security deposit  
Fair Value of Derivative  
Claims receivable (refer note (iii) below)

	As at 30th September, 2022 (₹ in Millions)	As at 31st March, 2022 (₹ in Millions)
	272	231
	2	4
	46	-
	290	471
<b>Total</b>	<b>610</b>	<b>706</b>

Notes:

(i) For charges created refer note 17 and 19.

(ii) For conversion of Interest accrued on intercorporate deposit given to Unrestricted Group Entities, refer footnote 1 of Cash Flow Statement.

(iii) Claims receivable includes grants recognised as there are reasonable assurance that the Restricted Group will comply with the conditions attached to them and that the grants will be received.

(iv) For balances with Unrestricted Group entities, refer note 34.

15 Other Current Assets

Advance for supply of goods and services (refer note (ii) below)  
Balances with Government authorities  
Prepaid Expenses

	As at 30th September, 2022 (₹ in Millions)	As at 31st March, 2022 (₹ in Millions)
	8	12
	4	5
	24	6
<b>Total</b>	<b>36</b>	<b>23</b>

Notes:

(i) For charges created refer note 17 and 19.

(ii) For balances with Unrestricted Group entities, refer note 34.

16 Net Parent Investment

Opening Net Parent Investment  
Add : Profit for the year (net of tax)  
Add : Other Comprehensive (Loss) for the period / year (net of tax)  
Closing Net Parent Investment

	As at 30th September, 2022 (₹ in Millions)	As at 31st March, 2022 (₹ in Millions)
	4,694	4,074
	519	1,152
	(344)	(532)
<b>Total</b>	<b>4,869</b>	<b>4,694</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 - 2 of entities as at the respective period end and does not necessarily represent legal Share Capital for the purpose of the Restricted Group - 2.





17 Non - Current Borrowings  
(At amortised cost)

	As at 30th September, 2022 (₹ in Millions)	As at 31st March, 2022 (₹ in Millions)
Secured borrowings		
Senior Secured USD Bonds (refer note (i), (ii) and (iii) below)	25,978	24,556
Unsecured borrowings		
From Related Parties (refer note (iv) below and note 34)	3,407	3,407
<b>Total</b>	<b>29,385</b>	<b>27,963</b>

Notes:

The Security and repayment details for the balances as at 30th September, 2022

**Wardha Solar (Maharashtra) Private Limited**

(i) Bonds aggregating to ₹ 18,726 Millions (as at 31st March, 2022 ₹ 17,709 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 and further, secured / to be secured by pledge of 100% Equity shares held by 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 ₹ 836 Millions (As at 31st March, 2022 ₹ 791 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 instalments starting from Financial year 2019-20, due dates as per offering circular.

**Adani Renewable Energy (RJ) Limited**

(iii) Bonds aggregating to ₹ 7,493 Millions (As at 31st March, 2022 ₹ 7,086 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 Immediate 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 in 40 half yearly instalments starting from Financial year 2020-21.

(iv) Loans from Unrestricted group entities are repayable on mutually agreed terms with in a period of five years from the date of agreement and carry an interest rate of 15.25% p.a.

(v) The amount disclosed in security details is gross amount before adjustments towards unamortised cost.

(vi) Unpaid interest at year end is added with the principal amount as per the terms of the agreement. Refer Note 1 of Cashflow Statement.

18 Other Non-current Liabilities

	As at 30th September, 2022 (₹ in Millions)	As at 31st March, 2022 (₹ in Millions)
Deferred Revenue (refer note 3(s))	3,535	3,606
Other Payables	0	0
<b>Total</b>	<b>3,535</b>	<b>3,606</b>

19 Current Borrowings

	As at 30th September, 2022 (₹ in Millions)	As at 31st March, 2022 (₹ in Millions)
Secured borrowings		
From Banks (refer note (i), (ii) and (iii) below)	-	510
Current maturities of Non-current borrowings (refer note 17)	803	747
<b>Total</b>	<b>803</b>	<b>1,257</b>

Note:

**Wardha Solar (Maharashtra) Private Limited**

(i) Short Term Loan from a financial Institution aggregating to ₹ Nil (as at 31st March, 2022 ₹ 290 Millions) is secured by first charge on all present and future immovable assets, movable assets and current assets of the Company on paripassu basis and pledge over 100% of the equity share held by the Holding Company and first ranking paripassu charge over Escrow accounts, projects accounts and amount received by each issuer under respective PPA's from time to time and guaranteed by Adani Renewable Energy (RJ) Limited and Kodangal Solar Parks Private Limited. The same carries interest rate in a range of 5.66% p.a. to 7.75% p.a. and have been repaid during the year.

**Kodangal Solar Parks Private Limited**

(ii) Short Term Loan from a financial Institution aggregating to ₹ Nil (as at 31st March, 2022 ₹ 50 Millions) is secured by first charge on all present and future immovable assets, movable assets and current assets of the Company on paripassu basis, and the Security will be created and perfected in favour of the security trustee for the security parties including the bank except in deal of guarantee which will be entered between each issuer & the bank, paripassu pledge over 100% of the equity shared of each of the issuers to be created and perfected within 60 Days from the date of first disbursement. & Pledge will not be created on the Equity shares of issuers held by nominee shareholder, further clarified that the number of Shares pledge for each lender will not exceed the maximum cap stipulated under 30% as Stipulated section 19 of banking regulations act 1949, The same carries interest rate in a range of 5.66% p.a. to 7.75% p.a. and have been repaid during the year.

**Adani Renewable Energy (RJ) Limited**

(iii) Short Term Loan from a financial Institution aggregating to ₹ Nil (as at 31st March, 2022 ₹ 170 Millions) is secured by first charge on all present and future immovable assets, movable assets and current assets of the Company on paripassu basis and 100% of the equity shares held by the Holding Company and first ranking paripassu charge over Escrow accounts, projects accounts and amount received by each issuer under respective PPA's from time to time, and guaranteed by Wardha Solar (Maharashtra) Private Limited and Kodangal Solar Parks Private Limited. The same carries interest rate in a range of 5.66% p.a. to 7.75% p.a. and have been repaid during the year.



20 Trade Payables

Trade Payables

- Total outstanding dues of micro enterprises and small enterprises
- Total outstanding dues of creditors other than micro enterprises and small enterprises

	As at 30th September, 2022 (₹ in Millions)	As at 31st March, 2022 (₹ in Millions)
	1	12
	61	44
<b>Total</b>	<b>62</b>	<b>56</b>

a. Balance as at 30th September 2022

Sr No	Particulars	Not Due	Outstanding for following periods from due date of Payment				Total
			Less than 1 year	1-2 years	2-3 Years	More than 3 years	
1	MSME	1	-	-	-	-	1
2	Others	10	49	2	0	0	61
3	Disputed dues - MSME	-	-	-	-	-	-
4	Disputed dues - Others	-	-	-	-	-	-
	<b>Total</b>	<b>11</b>	<b>49</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>62</b>

b. Balance as at 31st March 2022

Sr No	Particulars	Not Due	Outstanding for following periods from due date of Payment				Total
			Less than 1 year	1-2 years	2-3 Years	More than 3 years	
1	MSME	12	-	-	-	-	12
2	Others	18	25	1	0	0	44
3	Disputed dues - MSME	-	-	-	-	-	-
4	Disputed dues - Others	-	-	-	-	-	-
	<b>Total</b>	<b>30</b>	<b>25</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>56</b>

Note:

For balance with Unrestricted Group, refer note 34.

21 Other Current Financial Liabilities

- Interest accrued but not due on borrowings#@
- Retention money payable
- Fair Value of Derivatives
- Capital creditors\*#

	As at 30th September, 2022 (₹ in Millions)	As at 31st March, 2022 (₹ in Millions)
	837	549
	2	3
	-	26
	15	81
<b>Total</b>	<b>854</b>	<b>659</b>

Notes:

#For balances with Unrestricted Group entities, refer note 34.

\* Capital creditors represents the amounts payable for purchase of Property, Plant and Equipment and Capital-Work-In-Progress.

@ For conversion of Interest accrued on intercorporate deposit taken from Unrestricted Group Entities refer footnote 1 of Cash Flow Statement.

22 Other Current Liabilities

- Statutory liabilities
- Advance From Customer (refer note below)
- Deferred Revenue (refer note 3(s))

	As at 30th September, 2022 (₹ in Millions)	As at 31st March, 2022 (₹ in Millions)
	1	34
	3	1
	142	142
<b>Total</b>	<b>146</b>	<b>177</b>

Note:

For balances with Unrestricted Group entities, refer note 34.

23 Revenue from Operations

Revenue from Contract with Customers (refer note 36)

- Revenue from Power Supply
- Revenue from Sale of Goods (refer note below)

Other operating Income

- Income from Viability Gap Funding and Change in Law

	For the six months ended 30th September, 2022 (₹ in Millions)	For the six months ended 30th September, 2021 (₹ in Millions)
	2,318	2,407
	13	30
	71	71
<b>Total</b>	<b>2,402</b>	<b>2,508</b>

Note:

For transaction with Unrestricted Group entities, refer note 34.

24 Other Income

- Interest Income (refer note (i) and (ii) below)
- Gain on sale/ fair valuation of investments through profit and loss (net) (refer note (ii) below)
- Sale of Scrap
- Liability No Longer Required Written Back
- Miscellaneous Income

	For the six months ended 30th September, 2022 (₹ in Millions)	For the six months ended 30th September, 2021 (₹ in Millions)
	446	368
	22	9
	-	1
	1	14
	-	0
<b>Total</b>	<b>469</b>	<b>392</b>

Notes:

(i) Interest income includes ₹ 265 Millions (For the six months ended 30th September, 2021 : ₹ 186 Millions) from intercorporate deposits and ₹ 79 Millions (For the six months ended 30th September, 2021 : ₹ 67 Millions) from Bank deposits.

(ii) Includes fair value gain amounting to ₹ 11 Million (As at 30th September, 2021 : ₹ 0 Million).

(iii) For transaction with Unrestricted Group entities, refer note 34.





25 Finance costs

(a) Interest Expenses on financial liabilities:

Interest on Loans, Bonds and Debentures (refer note below)  
Interest on Lease Liabilities

(b) Other borrowing costs:

(Gain) / Loss on Derivatives Contracts (Net)  
Bank Charges and Other Borrowing Costs

(c) Exchange difference regarded as an adjustment to borrowing cost

Note:

For transaction with Unrestricted Group entities, refer note 34.

	For the six months ended 30th September, 2022 (₹ in Millions)	For the six months ended 30th September, 2021 (₹ in Millions)
(a)	948	897
	30	24
	978	921
(b)	(1,315)	175
	2	2
(b)	(1,313)	177
	584	391
(c)	584	391
Total (a+b+c)	249	1,489

26 Other Expenses

Stores and Spare parts consumed  
Communication expenses  
Repairs, Operations and Maintenance  
Plant and Equipment (refer note 34)  
Others  
Expense related to low value assets and short term leases (refer note 29)  
Rates and Taxes  
Legal and Professional Expenses (refer note 34)  
Payment to Auditors  
Statutory Audit Fees  
Tax Audit Fees  
Others  
Travelling and Conveyance Expenses  
Insurance Expenses  
Loss on Sale / Discard of Property plant and equipment (net)  
Foreign Exchange Fluctuation and derivative loss  
Sundry balances written off  
Corporate Social Responsibility Expense (refer note 34)  
Miscellaneous Expenses

	For the six months ended 30th September, 2022 (₹ in Millions)	For the six months ended 30th September, 2021 (₹ in Millions)
	4	8
	1	1
	73	75
	0	0
	6	-
	0	2
	10	3
	0	1
	0	-
	-	0
	9	8
	16	19
	1	3
	1,265	-
	6	-
	20	-
	4	14
Total	1,415	134

27 Income Tax

The major components of income tax expense for the period ended 30th September, 2022 and 30th September, 2021 are:

Income Tax Expense:

Profit and Loss Section:

Current Tax:

Current Tax Charge  
Tax relating to earlier years

Deferred Tax:

In respect of current year origination and reversal of temporary differences

OCI Section:

Deferred Tax

	For the six months ended 30th September, 2022 (₹ in Millions)	For the six months ended 30th September, 2021 (₹ in Millions)
(a)	-	-
	-	-
(b)	184	193
	184	193
(c)	(116)	(61)
	(116)	(61)
Total (a+b+c)	68	131

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

Profit before tax as per Combined Statement of Profit and Loss

Income tax using the Restricted Group - 2's domestic tax rate 25.17% (as at 30th September, 2021 @ 25.17%)

Tax Effect of:

Deferred tax on Other Comprehensive Income

Change in estimate relating to prior years

Tax on permanent differences

Tax Expense for the year recognised in Combined Statement of Profit and Loss for the year

	For the six months ended 30th September, 2022 (₹ in Millions)	For the six months ended 30th September, 2021 (₹ in Millions)
	703	762
	177	192
	(116)	(61)
	3	1
	4	-
	68	131





**28 Contingent Liabilities and Commitments (to the extent not provided for) :**

**(i) Contingent Liabilities:**

(i) The Restricted Group - 2 has received demand for liquidation damages for various projects completed beyond the contractually agreed dates. The Restricted Group - 2 has filed appeal against such demands with appellant authorities. The management believes the reason for delay were not attributable to the Restricted Group - 2. The Restricted Group - 2 expects favourable outcome in this matter.

(ii) The Rajasthan Renewable Energy Corporation Limited ("RRECL") has demanded, that the Restricted Group - 2 deposit development charges of ₹ 1 Lakhs per MW each year (estimated exposure for the Restricted Group - 2 as at 30th September, 2022: ₹ 63 Millions (as at 31st March, 2022: ₹ 53 Millions) excluding interest, if any to the Rajasthan Renewable Energy Development Fund ("RREDF"), pursuant to Clause 22.5 of the Rajasthan Solar Policy, 2014 and subsequent revisions and clarifications that mandates solar power developers in Rajasthan to contribute to the RREDF in cases where the solar power projects are set up for sale of power to parties other than DISCOMs of Rajasthan.

As at 30th September, 2022 (₹ in Millions)	As at 31st March, 2022 (₹ in Millions)
--	--

29 29

63 53

**(ii) Commitments :**

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

Wardha Solar (Maharashtra) Private Limited  
Kodangal Solar Parks Private Limited  
Adani Renewable Energy (RJ) Limited

As at 30th September, 2022 (₹ in Millions)	As at 31st March, 2022 (₹ in Millions)
--	--

11 1

0 -

3 -

**Total 14 1**

**29 Leases**

The Restricted Group has elected exemption available under Ind AS 116 for short term leases and leases of low value. The lease payments associated are recognized as expense on a straight line basis over the lease term.

The Restricted Group has lease contracts for land used in its operations, with lease term of 25 to 30 years. The Restricted Group is restricted from assigning and subleasing the lease.

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

Particulars	(₹ in Millions)
Balance as at 1st April, 2021	472
Finance costs incurred during the year	48
Payments of Lease Liabilities	(55)
Balance as at 31st March, 2022	465
Finance costs incurred during the period	30
Other Adjustment	42
Payments of Lease Liabilities	(40)
Balance as at 30th September, 2022	497

**Classification of Lease Liabilities:**

Particulars	As at 30th September, 2022	As at 31st March, 2022
Current lease liabilities	43	42
Non-current lease liabilities	454	423

**Disclosure of expenses related to Leases:**

Particulars	For the six months ended 30th September, 2022	For the six months ended 30th September, 2021
Interest on lease liabilities	30	24
Depreciation expense on Right-of-use assets	13	8
Expense related to low value assets and short term leases	6	-

**30 Financial Instruments and Risk Review :**

The Restricted Group - 2'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 - 2. The Management ensures appropriate risk governance framework for the Restricted Group - 2 through appropriate policies and procedures and that risks are identified, measured and managed properly.

The Restricted Group - 2's financial liabilities comprise mainly of borrowings and interest accrued on the same, trade and other payables. The Restricted Group - 2's financial assets comprise mainly of investments, cash and cash equivalents, other balances with banks, loans, trade receivables and other receivables.

The Restricted Group - 2 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 - 2's exposure to the risk of changes in market interest rates relates primarily to the Restricted Group - 2'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 non current borrowings of Restricted Group - 2 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 - 2 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 - 2's operating and financing activities. The Restricted Group - 2 has hedged 100% of its foreign currency borrowings to that extent, the Restricted Group - 2 is not exposed to foreign currency risk.

Every 1% depreciation / appreciation in the exchange rate between the Indian rupee and U.S.dollar and other currencies on the exposure relating to foreign currency creditors and acceptances of \$ 0 million and EURO 0 million as on 30th September, 2022 and \$ 0 million and EURO 0 million as on 31st March, 2022, would have decreased/increased the Restricted Group - 2's profit for the year as follows :

	As at 30th September, 2022 (₹ in Millions)	As at 31st March, 2022 (₹ in Millions)
Impact on profit / (loss) for the period / year (before tax)	0	0

**iii) Price risk**

The Restricted Group - 2's exposure to price risk in investments in mutual funds and classified as fair value through profit or loss. The Restricted Group - 2'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 - 2 are from State and Central distribution Companies (DISCOM) which are Government entities and Unrestricted Group Entities and Others. The Restricted Group - 2 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 - 2 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 Unrestricted Group Entities, 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 - 2 will encounter difficulty in meeting the obligations associated with its financial liabilities. The Restricted Group - 2 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 - 2'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 - 2 expects to generate positive cash flows from operations in order to meet its external financial liabilities as they fall due. The Restricted Group - 2 has support from unrestricted Group entities to extend repayment terms of borrowings, if needed.

**Maturity profile of financial liabilities:**

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

						(₹ in Millions)
As at 30th September, 2022	Note	Less than 1 year	1 to 5 year	More than 5 Years	Total	
Borrowings*	17 and 19	811	6,651	23,000	30,462	
Lease Liabilities#	29	43	194	1,298	1,535	
Trade Payables	20	62	-	-	62	
Other Financial Liabilities	21	854	-	-	854	
						(₹ in Millions)
As at 31st March, 2022	Note	Less than 1 year	1 to 5 year	More than 5 Years	Total	
Borrowings*	17 and 19	1,258	6,125	21,794	29,177	
Lease Liabilities#	29	44	186	1,300	1,530	
Trade Payables	20	56	-	-	56	
Fair Value of Derivatives	21	26	-	-	26	
Other Financial Liabilities	21	633	-	-	633	

\* Gross of unamortised transaction costs

# Carrying value of Lease liabilities as on 30th September, 2022 is ₹ 497 millions (as at 31st March, 2022 ₹ 465 millions)





### Capital Management

The Restricted Group - 2'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 - 2's overall strategy remains unchanged from previous year.

The Restricted Group - 2 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 - 2's policy is to use current and non-current borrowings to meet anticipated funding requirements. The Restricted Group - 2 monitors capital on the basis of the net debt to equity ratio.

The Restricted Group - 2 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.

The Restricted Group - 2's capital management ensures 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.

Particulars	Note	As at 30th September, 2022 (₹ in Millions)	As at 31st March, 2022 (₹ in Millions)
Debt	17 and 19	30,188	29,220
Cash and cash equivalents and bank deposits (including DSRA and Current investments)	6, 10, 12 and 13	4,020	3,362
Net Debt (A)		26,168	25,858
Total Net Parent Investment (B)	16	4,869	4,694
Total Net Parent Investment and net Debt (C)=(A+B)		31,037	30,552
Net Debt to Equity (A/C)		84%	85%

### 31 Derivatives and Hedging

#### (i) Classification of derivatives

Derivatives are only used for economic hedging purposes and not as speculative investments. However, where derivatives do not meet the hedge accounting criteria, they are accounted for at fair value through profit or loss. Information about the derivatives used by the Restricted Group and outstanding as at the end of the financial year is provided below:

Particulars	Financial Assets		Financial Liabilities	
	As at 30th September, 2022	As at 31st March, 2022	As at 30th September, 2022	As at 31st March, 2022
Derivatives not designated as Hedging Instruments:	-	-	-	-
Derivatives designated as Hedging Instruments:	1,598	215	-	26
Forward contracts and Principal Only Swap	1,598	215	-	26

#### (ii) Hedging activities

##### Foreign Currency Risk

The Restricted Group-2 is exposed to various foreign currency risks as explained in note 30 above. The Restricted Group - 2 has hedged 100% of its foreign currency borrowings to that extent. The Restricted Group - 2 is not exposed to foreign currency risk.

All these hedges are accounted for as cash flow hedges.

##### Interest Rate Risk

The Restricted Group-2 is exposed to interest rate risks on floating rate borrowings as explained in note 30 above.

#### (iii) Hedge Effectiveness

There is an economic relationship between the hedged items and the hedging instruments as the terms of the hedge contracts match the terms of hedge items. The Restricted Group-2 has established a hedge ratio of 1:1 for the hedging relationships as the underlying risk of the foreign exchange and interest rate are identical to the hedged risk components. To test the hedge effectiveness, the Restricted Group-2 compares the changes in the fair value of the hedging instruments against the changes in fair value of the hedged items attributable to the hedged risks.

#### (iv) Source of Hedge ineffectiveness

In case of foreign currency risk and interest rate risk, the main source of hedge ineffectiveness is the effect of the counterparty and the Restricted Group-2's own credit risk on the fair value of hedge contracts, which is not reflected in the fair value of the hedged items. The effect of this is not expected to be material.

#### (v) Disclosures of effects of Cash Flow Hedge Accounting

##### Hedging instruments

The Restricted Group-2 has taken derivatives to hedge its borrowings and Interest accrued thereon.

Particulars	Less than 1 year	1 to 5 year	More than 5 Years	Total
<b>Forward contracts and Principal Only Swap</b>				
<u>As at 30th September, 2022</u>	1,242	27,055	-	28,297
<u>Nominal Amount</u>				
<u>As at 31st March, 2022</u>	1,175	25,586	-	26,761
<u>Nominal Amount</u>				





(vi) The effect of the cash flow hedge in the Statement of Profit and Loss is as follows:

Particulars	As at 30th September, 2022	As at 31st March, 2022
Cash flow Hedge Reserve at the beginning of the period / year	(528)	4
Total hedging (loss) recognised in OCI	(460)	(711)
Income tax on above	116	179
Ineffectiveness recognised in profit or loss	-	-
Cash flow Hedge Reserve at the end of the period / year	(872)	(528)

The Restricted Group-2 does not have any ineffective portion of hedge.

(vii) The outstanding position of derivative instruments is as under:

Nature	Purpose	As at 30th September, 2022		As at 31st March, 2022	
		(₹ in Millions)	Foreign Currency (USD in Million)	(₹ in Millions)	Foreign Currency (USD in Million)
Forward Contract	Hedging of Bond Interest accrued but not due	1,242	15	1,175	15
Principal only Swap	Hedging of Foreign Currency Bond Principal	27,055	333	25,586	338
	<b>Total</b>	<b>28,297</b>	<b>348</b>	<b>26,761</b>	<b>353</b>

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

		As at 30th September, 2022		As at 31st March, 2022	
Currency		(₹ in Millions)	Foreign Currency (USD in Million)	(₹ in Millions)	Foreign Currency (USD in Million)
Creditors and Acceptances	USD	37	0	35	0
Creditors and Acceptances	EURD	0	0	0	0
	<b>Total</b>	<b>37</b>	<b>0</b>	<b>35</b>	<b>0</b>

(Closing rate as at 30th September, 2022 : INR/USD-81.35, INR/EUR- 79.73 and as at 31st March, 2022 : INR/USD-75.79 and INR/EUR-84.22)

### 32 Fair Value Measurement :

a) The carrying value of financial instruments by categories as of 30th September, 2022 is as follows :

Particulars	FVTOCI	FVTPL	Amortised cost	(₹ in Millions) Total
<b>Financial Assets</b>				
Cash and cash equivalents	-	-	252	252
Bank balances other than cash and cash equivalents	-	-	129	129
Investments	-	1,757	-	1,757
Trade Receivables	-	-	518	518
Loans	-	-	4,979	4,979
Fair Value of Derivatives	1,551	-	-	1,551
Other Financial assets	-	-	4,412	4,412
<b>Total</b>	<b>1,551</b>	<b>1,757</b>	<b>10,290</b>	<b>13,598</b>
<b>Financial Liabilities</b>				
Borrowings	-	-	30,188	30,188
Lease Liabilities	-	-	497	497
Trade Payables	-	-	62	62
Fair Value of Derivatives	-	-	-	-
Other Financial Liabilities	-	-	854	854
<b>Total</b>	<b>-</b>	<b>-</b>	<b>31,601</b>	<b>31,601</b>

b) The carrying value of financial instruments by categories as of 31st March, 2022 is as follows :

Particulars	FVTOCI	FVTPL	Amortised cost	(₹ in Millions) Total
<b>Financial Assets</b>				
Cash and cash equivalents	-	-	27	27
Bank balances other than cash and cash equivalents	-	-	71	71
Investments	-	1,614	-	1,614
Trade Receivables	-	-	687	687
Loans	-	-	4,979	4,979
Fair Value of Derivatives	215	-	-	215
Other Financial assets	-	-	4,089	4,089
<b>Total</b>	<b>215</b>	<b>1,614</b>	<b>9,853</b>	<b>11,682</b>
<b>Financial Liabilities</b>				
Borrowings	-	-	29,220	29,220
Lease Liabilities	-	-	465	465
Trade Payables	-	-	57	57
Fair Value of Derivatives	26	-	-	26
Other Financial Liabilities	-	-	633	633
<b>Total</b>	<b>26</b>	<b>-</b>	<b>30,375</b>	<b>30,401</b>

#### Notes:

Fair value of financial assets and liabilities measured at amortised cost is not materially different from the fair value



33 Fair Value hierarchy :

		(₹ in Millions)	
		As at 30th September, 2022	
Particulars		Level 2	Total
<b>Assets</b>			
Investments		1,757	1,757
Fair value of Derivatives		1,551	1,551
<b>Total</b>		<b>3,308</b>	<b>3,308</b>
<b>Liabilities</b>			
Fair value of Derivatives		-	-
<b>Total</b>		<b>-</b>	<b>-</b>

		(₹ in Millions)	
		As at 31st March, 2022	
Particulars		Level 2	Total
<b>Assets</b>			
Investments		1,614	1,614
Fair value of Derivatives		215	215
<b>Total</b>		<b>1,829</b>	<b>1,829</b>
<b>Liabilities</b>			
Fair value of Derivatives		26	26
<b>Total</b>		<b>26</b>	<b>26</b>

**Note:**

(i) The fair values of investments in mutual fund units is based on the net asset value ('NAV').

(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.

34 Related party transactions

a. List of related parties and relationship

The Restricted Group - 2 entities have certain transactions with entities which are not covered under Restricted Group - 2 (Unrestricted Group entities).

Entities with control or significant influence over the Ultimate Deemed Holding Company	:	S. B. Adani Family Trust (SBAFT)
	:	Adani Trading Services LLP
	:	Adani Properties Private Limited
Ultimate Deemed Holding Company	:	Universal Trade and Investments Limited
	:	Adani Green Energy Limited
Immediate Holding Company of WSMPL	:	Parampujya Solar Energy Private Limited
Immediate Holding Company of ARERJL	:	Adani Green Energy Twenty Three Limited
Immediate Holding Company of KSPPL	:	Adani Green Energy Twenty Three Limited
Joint Venture of Deemed Holding Company	:	Adani Renewable Energy Park Rajasthan Limited
Unrestricted Group Entities (Including Fellow Subsidiaries and Entities under common control) (with whom transactions are done)	:	Gujarat Adani Institute Of Medical Sciences
	:	Adani Solar Energy Kutchh One Limited (Formerly known as Adani Green Energy One Limited)
	:	Adani Infrastructure Management Service Limited
	:	Adani Green Energy Six Limited
	:	Adani Green Energy (UP) Limited
	:	Adani Wind Energy Kutchh Six Limited (Formerly known as Adani Renewable Energy (GJ) Limited)
	:	Adani Renewable Energy Holding One Limited (Formerly known as Mahoba Solar UP Private Limited)
	:	Adani Wind Energy Kutchh Two Limited (Formerly known as Adani Renewable Energy (TN) Limited)
	:	Adani Solar Energy Four Limited (Formerly known as Kilaj Solar (Maharashtra) Private Limited)
	:	Adani Foundation
	:	Prayatna Developers Private Limited
	:	Adani Solar Energy Jodhpur Two Limited (Formerly known as Adani Green Energy Nineteen Limited)
	:	Adani Hybrid Energy Jaisalmer Four Limited (Formerly known as RSEPL Hybrid Power One limited)
	:	Adani Solar Energy RJ One Private Limited (Formerly known as SB Energy Six Private Limited)
	:	Adani Wind Energy Kutchh One Limited (Formerly known as Adani Green Energy (MP) Limited)
	:	Surajkiran Solar Technologies Private Limited
	:	KN Bijapura Solar Energy Private Limited
	:	Dinkar Technologies Private Limited
	:	Essel Gulbarga Solar Power Private Limited
	:	KN Indi Vijayapura Solar Energy Private Limited





Unrestricted Group Entities	:	Surajkiran Renewable Resources Private Limited
(Including Fellow Subsidiaries and	:	Adani Green Energy (Tamil Nadu) Limited
Entities under common control) (with	:	
whom transactions are done)	:	Adani Hybrid Energy Jaisalmer One Limited (Formerly known as Adani Green Energy Eighteen Limited)
	:	Adani Renewable Energy (MH) Limited
	:	Adani Wind Energy Kutchh Four Limited (Formerly known as Adani Wind Energy (GJ) Limited)
	:	Adani Saur Urja (KA) Limited
	:	Adani Solar Energy Chitrakoot One Limited (Formerly known as Adani Wind Energy (TN) Limited)
	:	Wind Three Renergy Private Limited
	:	Adani Green Energy Two Limited
	:	Adani Wind Energy Kutchh Three Limited (Formerly known as Adani Green Energy Three Limited)
	:	Adani Renewable Energy Holding Four Limited (Formerly known as Adani Green Energy Four Limited)
	:	Adani Wind Energy Kutchh Five Limited (Formerly known as Adani Green Energy Five Limited)
	:	Adani Solar Energy KA Nine Private Limited (Formerly known as SBG Cleantech Projectco Five Private Limited)
	:	Adani Solar Energy AP Seven Private Limited (Formerly known as SB Energy Solar Private Limited)
	:	Adani Solar Energy AP Six Private Limited (Formerly known as SBG Cleantech Projectco Private Limited)
	:	Adani Solar Energy Jodhpur Three Private Limited (Formerly known as SB Energy One Private Limited)
	:	Kamuthi Solar Power Limited
	:	Gaya Solar (Bihar) Private Limited
	:	Adani Global DMCC
Key Management Personnel	:	<b>Wardha Solar (Maharashtra) Private Limited</b>
	:	Abhilash Mehta, Whole-time-Director
	:	Nagendra Pratap Singh, Director
	:	Unni Krishnan Gopal, Director (upto 30th March, 2022)
	:	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
	:	Vishal Sunil Kotecha, Company Secretary
	:	<b>Kodangal Solar Parks Private Limited</b>
	:	Ajay Purohit, Whole-time Director
	:	Devesh Rasanía, Director (w.e.f. 25th October, 2021)
	:	Nayana Gadhave, Independent 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, Independent Director (w.e.f. 31st March, 2021)
	:	Shashi Kant Ranjan, Chief Financial Officer
	:	<b>Adani Renewable Energy (RJ) Limited</b>
	:	Bhupendra Asawa, Whole-time Director
	:	Raj Kumar Jain, Director
	:	Sandip Adani, Director
	:	Udayan Sharma, Chief Financial Officer
	:	Nayana Gadhave, Independent Director
	:	Sushama Oza, Independent Director

**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.

**Note:**

The names of the Unrestricted group entities 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 - 2 with the Unrestricted group entities during the existence of the related party relationship.





## Notes to Combined Financial Statements as at and for the period ended on 30th September, 2022

## 34b. Transactions with Related Parties

34b. Transactions with Related Parties		For the period ended 30th September, 2022						For the year ended 31st March, 2022				₹ in Millions
		Deemed Holding Company (including Immediate Holding)	Subsidiary Companies (including Fellow)	Joint Venture of Deemed Holding Company	Entities under common control/ Associate entities	Key Management Personnel	Deemed Holding Company (including Immediate Holding)	Subsidiary Companies (including Fellow)	Joint Venture of Deemed Holding Company	Entities under common control/ Associate entities	Key Management Personnel	
Particulars												
Loan Given		-	-	-	-	-	-	2,077	-	-	-	-
Loan Received Back		-	-	-	-	-	-	130	-	-	-	-
Interest Income on Loan		-	265	-	-	-	-	397	-	-	-	-
Loan Taken		-	-	-	-	-	345	-	-	-	-	-
Loan Repaid Back		-	-	-	-	-	154	-	-	-	-	-
Interest Expense on Loan		261	-	-	-	-	472	-	-	-	-	-
Employee / Other Balances Transfer from		1	8	0	-	-	0	0	-	-	-	-
Employee / Other Balances Transfer to		3	0	0	-	-	0	-	-	-	-	-
Purchase of Goods		0	6	-	-	-	21	4	-	-	-	-
Receiving of Services		-	-	-	62	-	0	-	-	126	-	-
Purchase of Property, Plant and Equipments		-	1	-	-	-	-	-	-	-	-	-
Sale of Property, Plant and Equipments		-	5	-	-	-	-	0	-	-	-	-
Sale of Goods		1	12	-	-	-	6	26	3	-	-	-
Corporate Social Responsibility Expenses		-	-	-	20	-	-	-	-	18	-	-
Director Sitting Fees		-	-	-	-	-	-	-	-	-	-	0

## 34c. Balances With Related Parties

Particulars	As at 30th September, 2022						As at 31st March, 2022			
	Deemed Holding Company (including Immediate Holding)	Subsidiary Companies (Including Fellow)	Joint Venture of Deemed Holding Company	Entities under common control/ Associate entities	Key Management Personnel	Deemed Holding Company (including Immediate Holding)	Subsidiary Companies (Including Fellow)	Joint Venture of Deemed Holding Company	Entities under common control/ Associate entities	Key Management Personnel
Borrowings (Loan)	3,407	-	-	-	-	3,407	-	-	-	-
Loans Given	-	4,979	-	-	-	-	4,979	-	-	-
Interest Accrued and due receivable (Loan)	-	264	-	-	-	-	-	-	-	-
Interest Accrued but not due (Loan)	260	-	-	-	-	-	-	-	-	-
Accounts Payables (Inclusive of Capital Creditors)	16	5	-	34	-	47	-	-	17	-
Accounts Receivable (Inclusive of Advance for supply of goods and services)	-	-	-	-	-	21	140	-	6	-

## Note:

Refer footnote 1 of Cash Flow Statement for conversion of accrued Interest on ICD taken and given respectively from / to Unrestricted Group Entities in to the ICD balances as on reporting date as per the terms of Contract.

35 The Restricted Group - 2's activities during the period revolve around renewable power generation. Considering the nature of The Restricted Group - 2'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 - 2's entire revenues are from domestic sales, no separate geographical segment is disclosed.

**36 Contract balances:**

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

Particulars	(₹ in Millions)	
	As at 30th September, 2022	As at 31st March, 2022
Trade receivables (refer note 11)	141	225
Unbilled Revenue (refer note 11)	377	462

The unbilled revenue primarily relate to the Company's right to consideration for work completed but not billed at the reporting date.

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

Particulars	(₹ in Millions)	
	For the six months ended 30th September, 2022	For the six months ended 30th September, 2021
Revenue as per contracted price	2,382	2,473
<b>Adjustments</b>		
Discount on Prompt Payments	51	36
<b>Revenue from contract with customers</b>	<b>2,331</b>	<b>2,437</b>

The Restricted Group - 2 does not have any remaining performance obligation for sale of goods.

**37 Recent Pronouncements**

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. During six month period ended September 30, 2022, MCA has not notified any new standards or amendments to the existing standards applicable to the Group.

38 Based on the information available with the Restricted Group - 2 there is no transaction with struck off companies.

**39 Personnel Cost**

Entities forming part of Restricted Group - 2 does not have any employee. The operational management and administrative functions of the entities forming part of Restricted Group - 2 are being managed by Ultimate Holding Company.

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

The Restricted Group - 2 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.

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

**42 Approval of financial statements**

The financial statements were approved for issue by the board of directors on 16th December, 2022.

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

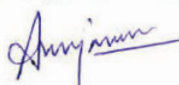
In terms of our report attached

For Dharmesh Parikh & Co LLP

Chartered Accountants

Firm Registration Number : 112054W/W100725

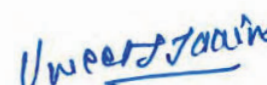
For and on behalf of the board of directors of  
ADANI GREEN ENERGY TWENTY THREE LIMITED



Anuj Jain  
Partner  
Membership No. 119140



Sagar R. Adani  
Additional Director  
DIN: 07626229



Vneet S. Jaain  
Additional Director  
DIN: 00053906

Place : Ahmedabad

Date : 16th December, 2022

Place : Ahmedabad

Date : 16th December, 2022

