



### *Independent Auditor's Report*

**To the Members of ADANI HYBRID ENERGY JAISALMER THREE LIMITED  
(Earlier Known As ADANI GREEN ENERGY NINE LIMITED)**

### **Report on the audit of the Standalone Financial Statements**

#### **Opinion**

We have audited the accompanying Standalone Financial Statements of **ADANI HYBRID ENERGY JAISALMER THREE LIMITED (Earlier Known As ADANI GREEN ENERGY NINE LIMITED)** ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2022, the Statement of Profit and Loss (including other comprehensive income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (herein after referred to as "Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March, 2022, the loss and total comprehensive loss, changes in equity and its cash flows for the year ended on that date.

#### **Basis for Opinion**

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

#### **Other Information**

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexure to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.



## **Independent Auditor's Report**

**To the Members of ADANI HYBRID ENERGY JAISALMER THREE LIMITED  
(Earlier Known As ADANI GREEN ENERGY NINE LIMITED) (Continue)**

### **Management's Responsibility for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the applicable Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

### **Auditor's Responsibility**

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

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 standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



## **Independent Auditor's Report**

### **To the Members of ADANI HYBRID ENERGY JAISALMER THREE LIMITED (Earlier Known As ADANI GREEN ENERGY NINE LIMITED) (Continue)**

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

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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.

## **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - b. In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c. The Balance Sheet, the Statement of Profit and Loss, the Statement of Cash Flows and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
  - d. In our opinion, the aforesaid Standalone Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended;



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**Independent Auditor's Report**

**To the Members of ADANI HYBRID ENERGY JAISALMER THREE LIMITED  
(Earlier Known As ADANI GREEN ENERGY NINE LIMITED) (Continue)**

- e. On the basis of the written representations received from the directors as on 31st March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164(2) of the Act;
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in 'Annexure B';
- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - A. The Company does not have any pending litigations which would impact its financial position;
  - B. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - C. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - D. (i) The management of the company has represented that, to the best of it's knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
  - (ii) The management of the company has represented that, that, to the best of it's knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
  - (iii) Based on such audit procedures that we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) contain any material mis-statement.





**Independent Auditor's Report**

**To the Members of ADANI HYBRID ENERGY JAISALMER THREE LIMITED  
(Earlier Known As ADANI GREEN ENERGY NINE LIMITED) (Continue)**

- E. The company has not declared or paid any dividend during the year.
- F. The Ministry of Corporate Affairs (MCA) has amended the Rule 3 of Companies (Accounts) rules, 2014 by way of notification dated 31<sup>st</sup> March, 2022. Accordingly requirement to have accounting software with a feature of recording audit trail is extended till 1<sup>st</sup> April, 2023. Therefore, nothing is required to be reported under this para for the year under review.

**3. With respect to the matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:**

According to the information and explanations given to us and on the basis of our examination of the records of the Company, managerial remuneration has not been paid /provided except for Director Sitting Fees. Accordingly, reporting under section 197(16) of the Act is not applicable.

Place: Ahmedabad  
Date: 23/04/2022

For, **SHAH DHANDHARIA & CO LLP**  
Chartered Accountants  
Firm Reg. No: 118707W/W100724

**Shubham Rohatgi** Digitally signed by  
Shubham Rohatgi  
Date: 2022.04.25  
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**Shubham Rohatgi**  
Partner  
Membership No. 183083  
UDIN – 22183083AHTZHE4120



**Annexure - A to the Independent Auditor's Report**  
**RE: ADANI HYBRID ENERGY JAISALMER THREE LIMITED**  
**(Earlier Known As ADANI GREEN ENERGY NINE LIMITED)**  
(Referred to in Paragraph 1 of our Report of even date.)

The Annexure referred to in our Independent Auditor's Report to the members of the Company on the Standalone Financial Statements for the year ended 31<sup>st</sup> March, 2022, we report that:

- (i). a) (A) According to the information and explanation given to us and the records produced to us for our verification, the company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (B) Based on our scrutiny of the company's books of account and other records and according to information and explanation received by us from the management, company does not have any intangible asset Accordingly, the provision of paragraph 3 (i)(a)(B) of order not applicable
- b) According to the information and explanation given to us and the records produced to us for our verification, the Company has a regular programme of physical verification of its Property, Plant and Equipment's by which all Property, Plant and Equipments are verified by the management in a phased manner over a period of three years. In accordance with this programme, certain Property, Plant and Equipment were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. Based on our verification, no material discrepancies were noticed on such verification.
- c) According to the information and explanation given to us and the records produced to us for our verification, the title deeds of all the immovable properties. (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the company.
- d) According to the information and explanation given to us and the records produced to us for our verification, the company does not revalue its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year. Accordingly, the provision of paragraph 3(i)(d) of the Order are not applicable.
- e) According to the information and explanation given to us and the records produced to us for our verification, no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder
- (ii). a) According to the information and explanation given to us and the records produced to us for our verification, the Company has a regular programme of physical verification of its inventory. In our opinion, the coverage and procedure of verification by management is appropriate. The discrepancies noticed on verification between the physical stock and the book records were not material and have been appropriately dealt with in the books of accounts.
- b). According to the information and explanation given to us and the records produced to us for our verification, the company has not been sanctioned working capital limits during the year ended 31st March, 2022. Accordingly the provisions of paragraph 3 (ii) (b) of the Order are not applicable



**Annexure - A to the Independent Auditor's Report**

**RE: ADANI HYBRID ENERGY JAISALMER THREE LIMITED**

**(Earlier Known As ADANI GREEN ENERGY NINE LIMITED) (Continue)**

(Referred to in Paragraph 1 of our Report of even date.)

- (iii). According to the information and explanation given to us and the records produced to us for our verification, the company has not made any investments in, provide any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly the provisions of paragraph 3 (iii) (a) to (f) of the Order are not applicable.
- (iv). In our opinion and according to information and explanations given to us and representations made by the Management, the Company has not granted any loans, given any guarantees or provided any securities to the parties covered under section 185 of the Act. Accordingly, compliance under section 185 of the Act is not applicable to the company. According to the information and explanations given to us, the Company is engaged in the business of providing infrastructural facilities and accordingly the provisions of Section 186 (except subsection (1) of Section 186) of the Act are not applicable to the Company. In our opinion, and according to the information and explanations given to us, the Company has not made investments referred in Section 186(1) of the Act.
- (v). In our opinion and according to the information and explanations given to us, the Company has not accepted deposits as per the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.
- (vi). In our opinion and according to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act for any of the products manufactured or services rendered by the Company. Accordingly, the provisions of clause 3(vi) of the Order are not applicable.
- (vii). a). According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including Income-Tax, Goods and Service Tax, and other material statutory dues have generally been regularly deposited during the year by the Company with the appropriate authorities.
- According to the information and explanations given to us, no undisputed amounts payable in respect of Income-Tax, Goods and Service Tax and other material statutory dues were in arrears as at 31 March 2022 for a year of more than six months from the date they became payable.
- b). According to the information and explanations given to us, there are no statutory dues as referred in sub clause(a) as at 31 March 2022, which have not been deposited with the appropriate authorities on account of any dispute.
- (viii). According to the information and explanations given to us and based on our examination of the records of the Company, the company has not surrendered or disclosed transactions as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961). Accordingly, the provisions of clause 3(viii) of the Order are not applicable to the Company.
- (ix). a). According to the information and explanations given to us and based on our examination of the records of the Company, the company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender. . However ICD interest has been capitalized to the principle amount as per ICD agreement entered between the parties.



**Annexure - A to the Independent Auditor's Report**

**RE: ADANI HYBRID ENERGY JAISALMER THREE LIMITED**

**(Earlier Known As ADANI GREEN ENERGY NINE LIMITED) (Continue)**

(Referred to in Paragraph 1 of our Report of even date.)

- b). According to the information and explanations given to us and on the basis of our audit procedures, we report that the company has not been declared wilful defaulter by any bank or financial institution or government or any government authority or any other lender.
- c). In our opinion and according to the information and explanations given to us, the company has utilized the money obtained by way of term loans during the year for the purposes for which they were obtained.
- d). According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the company, we report that no funds were raised on short-term basis by the company during the year under consideration. Accordingly, the provisions of clause 3(ix) (d) of the Order are not applicable to the Company.
- e). According to the information and explanations given to us and on an overall examination of the financial statements of the company, we report that the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- f). According to the information and explanations given to us and based on our examination of the records of the Company, the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- (x). a). According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the provisions of clause 3(x)(a) of the Order are not applicable to the Company
- b). According to the information and explanations given to us and on the basis of our examination of the records, the Company has not made any preferential allotment or private placement or not issued any fully or partly convertible debenture during the year under review. Accordingly, the provisions of paragraph 3(x)(b) of the Order are not applicable.
- (xi). a). During the course of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practice in India, and according to the information and explanation given to us, we have neither come across any instance of any fraud by the company or on the company by its officers or employees has been noticed or reported during the year.
- b). No report on any matter under sub-section (12) of section 143 of the Companies Act has been filed by us in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- c). As represented to us by the management, there are no whistle blower complaints received by the company during the year.
- (xii). In our opinion, the Company is not a Nidhi Company. Accordingly, the provisions of Clauses 3 (xii) (a) to (c) of the Order are not applicable.



**Annexure - A to the Independent Auditor's Report**

**RE: ADANI HYBRID ENERGY JAISALMER THREE LIMITED**

**(Earlier Known As ADANI GREEN ENERGY NINE LIMITED) (Continue)**

(Referred to in Paragraph 1 of our Report of even date.)

- (xiii). As per information and explanation given to us and on the basis of our examination of the records of the Company, all the transaction with related parties are in compliance with section 177 and 188 of Companies Act 2013, wherever applicable and all the details have been disclosed in Standalone Financial Statements as required by the applicable Indian Accounting Standards
- (xiv). a) According to the information and explanations given to us and on the basis of our examination of the records, we are of the opinion that the company has an internal audit system commensurate with the size and nature of its business.
- b) We have considered the internal audit reports of the company issued till date, for the year under audit.
- (xv). According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions, within the meaning of Section 192 of the Act, with directors or persons connected with them. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company.
- (xvi). a). In our opinion and according to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi) of the Order is not applicable to the Company.
- b). According to the information and explanations given to us and based on our examination of the records of the Company the company has not conducted any Non-Banking Financial or Housing Finance activities. Accordingly, paragraph 3(xvi)(b) of the Order is not applicable to the Company.
- c). In our opinion and according to the information and explanations given to us, the company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the provisions of paragraph 3(xvi) (c) & (d) of the Order is not applicable to the Company.
- (xvii). According to the information and explanations given to us and based on our examination of the records of the Company, the Company has incurred cash losses of Rs. 2 (In lakhs) and Rs 1 (In Lakhs) in immediate preceding financial year.
- (xviii). According to the information and explanations given to us, there is no resignation of the statutory auditors during the year in the company. Accordingly, paragraph 3(xviii) of the Order is not applicable to the Company.
- (xix). According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information which causes us to believe that any material uncertainty exists as on the date of the audit report that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a year of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a year of one year from the balance sheet date, will get discharged by the company as and when they fall due.



507, Abhijeet-1,  
Mithakhali Six Roads,  
Navrangpura, Ahmedabad - 380009  
Phone - 079-48901710  
Email: info@sdco.in Website: www.sdco.in

**SHAH DHANDHARIA & CO LLP**  
CHARTERED ACCOUNTANTS  
(LLPIN - AAW-6528)



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**Annexure - A to the Independent Auditor's Report**  
**RE: ADANI HYBRID ENERGY JAISALMER THREE LIMITED**  
**(Earlier Known As ADANI GREEN ENERGY NINE LIMITED) (Continue)**

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(Referred to in Paragraph 1 of our Report of even date.)

- (xx) According to the information and explanations given to us and based on our examination of the records of the Company, section 135 is not applicable on the company. Accordingly, paragraph 3(xx) of the Order is not applicable to the Company.

Place: Ahmedabad  
Date: 25/04/2022

For, **SHAH DHANDHARIA & CO LLP**  
Chartered Accountants  
Firm Reg. No: 118707W/W100724

**Shubham Rohatgi**  
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**Shubham Rohatgi**  
Partner  
Membership No. 183083  
UDIN - 22183083AHTZHE4120



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**Annexure – B to the Independent Auditor’s Report**

**RE: ADANI HYBRID ENERGY JAISALMER THREE LIMITED**  
**(Earlier Known As ADANI GREEN ENERGY NINE LIMITED)**

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(Referred to in Paragraph 2(f) of our Report of even date)

**Report on the Internal Financial Controls under Clause (i) of sub-section 3 of section 143 of the Companies Act 2013 (the act).**

**Opinion**

We have audited the internal financial controls over financial reporting of **ADANI HYBRID ENERGY JAISALMER THREE LIMITED** (“the Company”) as of 31<sup>st</sup> March, 2022 in conjunction with our audit of the Standalone Financial Statements of the company for the year ended on that date.

In our opinion the company has, in all material aspects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**Management’s Responsibilities for Internal Financial Controls**

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors’ Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the Guidance Note) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error.



**Annexure – B to the Independent Auditor's Report**

**RE: ADANI HYBRID ENERGY JAISALMER THREE LIMITED**

**(Earlier Known As ADANI GREEN ENERGY NINE LIMITED) (Continue)**

(Referred to in Paragraph 2(f) of our Report of even date)

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

**Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

Place: Ahmedabad  
Date: 25/04/2022

For, **SHAH DHANDHARIA & CO LLP**  
Chartered Accountants  
Firm Reg. No: 118707W/W100724

**Shubham Rohatgi**  
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Date: 2022.04.25  
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**Shubham Rohatgi**  
Partner  
Membership No. 183083  
UDIN -22183083AHTZHE4120

| Particulars  | Notes | As at<br>31st March, 2022<br>(₹ in Lakhs) | As at<br>31st March, 2021<br>(₹ in Lakhs) |
|--|-------|---|---|
| <b>ASSETS</b>  |       |   |   |
| <b>Non - Current Assets</b>  |       |   |   |
| (a) Property, Plant and Equipment  | 4.1   | 309                                       | 62  |
| (b) Right-of-use Assets  | 4.2   | 5,035                                     | 3,074                                     |
| (c) Capital Work-In-Progress   | 4.3   | 158,388                                   | 7,892                                     |
| (d) Financial Assets   |       |   |   |
| (i) Other Financial Assets   | 5     | 2,776                                     | 21  |
| (e) Income Tax Assets (net)  |       | 141                                       | 3   |
| (f) Other Non-current Assets   | 6     | 26,848                                    | 44,404                                    |
| <b>Total Non - Current Assets</b>  |       | <b>193,497</b>                            | <b>55,456</b>                             |
| <b>Current Assets</b>  |       |   |   |
| (a) Inventories  | 7     | 1   | -   |
| (b) Financial Assets   |       |   |   |
| (i) Investments  | 8     | 3,920                                     | -   |
| (ii) Trade Receivables   | 9     | 2,509                                     | -   |
| (iii) Cash and Cash Equivalents  | 10    | 722                                       | 48  |
| (iv) Bank balances other than (i) above  | 11    | 3   | 3   |
| (v) Other Financial Assets   | 12    | 90  | 0   |
| (c) Other Current Assets   | 13    | 41  | -   |
| <b>Total Current Assets</b>  |       | <b>7,286</b>                              | <b>51</b>                                 |
| <b>Total Assets</b>  |       | <b>200,783</b>                            | <b>55,507</b>                             |
| <b>EQUITY AND LIABILITIES</b>  |       |   |   |
| <b>Equity</b>  |       |   |   |
| (a) Equity Share Capital   | 14    | 1   | 1   |
| (b) Instruments entirely equity in nature  | 15    | 54,729                                    | -   |
| (c) Other Equity   | 16    | 1,188                                     | (39)                                      |
| <b>Total Equity</b>  |       | <b>55,918</b>                             | <b>(38)</b>                               |
| <b>Liabilities</b>   |       |   |   |
| <b>Non - Current Liabilities</b>   |       |   |   |
| (a) Financial Liabilities  |       |   |   |
| (i) Borrowings   | 17    | 111,220                                   | 51,445                                    |
| (ia) Lease liabilities   |       | 4,353                                     | 2,512                                     |
| (ii) Other Financial Liabilities   | 18    | 60  | -   |
| <b>Total Non - Current Liabilities</b>   |       | <b>115,633</b>                            | <b>53,957</b>                             |
| <b>Current Liabilities</b>   |       |   |   |
| (a) Financial Liabilities  |       |   |   |
| (i) Borrowings   | 19    | 2,655                                     | -   |
| (ia) Lease liabilities   |       | 405                                       | 89  |
| (ii) Trade Payables  | 20    |   |   |
| - Total outstanding dues of micro enterprises and small enterprises                      |       | -   | -   |
| - Total outstanding dues of creditors other than micro enterprises and small enterprises |       | 95  | 4   |
| (iii) Other Financial Liabilities  | 21    | 24,244                                    | 881                                       |
| (b) Other Current Liabilities  | 22    | 1,833                                     | 614                                       |
| <b>Total Current Liabilities</b>   |       | <b>29,232</b>                             | <b>1,588</b>                              |
| <b>Total Liabilities</b>   |       | <b>144,865</b>                            | <b>55,545</b>                             |
| <b>Total Equity and Liabilities</b>  |       | <b>200,783</b>                            | <b>55,507</b>                             |

The accompanying notes are an integral part of these financial statements

In terms of our report attached

For Shah Dhandharia & Co LLP

Chartered Accountants

Firm Registration Number : 118707W/W100724

Shubha  
Rohatgi  
Digitally signed  
by Shubham  
Rohatgi  
Date: 2022.04.25  
14:40:37 +05'30'

Shubham Rohatgi  
Partner  
Membership No. 183083

Place : Ahmedabad  
Date : 25th April 2022

For and on behalf of the board of directors of  
ADANI HYBRID ENERGY JAISALMER THREE LIMITED  
(Earlier known as ADANI GREEN ENERGY NINE LIMITED)

TARUN  
MATHUR  
R  
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by TARUN  
MATHUR  
Date: 2022.04.25  
10:11:54 +05'30'

Tarun Mathur  
Director  
DIN:- 08183404

BHUPENDRA  
ASAWA  
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by BHUPENDRA  
ASAWA  
Date: 2022.04.25  
10:12:15 +05'30'

Bhupendra Asawa  
Director  
DIN:- 08184892

Place : Ahmedabad  
Date : 25th April 2022

| Particulars  | Notes              | For the year ended<br>31st March, 2022<br>(₹ in Lakhs) | For the year ended<br>31st March, 2021<br>(₹ in Lakhs) |
|--|--------------------|--|--|
| <b>Income</b>  |                    |  |  |
| Revenue from Operations  |                    | -  | -  |
| Other Income   |                    | -  | -  |
| <b>Total Income</b>  |                    | -  | -  |
| <b>Expenses</b>  |                    |  |  |
| Depreciation and Amortisation Expenses   |                    | -  | 1  |
| Other Expenses   | 23                 | 2  | 0  |
| <b>Total Expenses</b>  |                    | <b>2</b>   | <b>1</b>   |
| <b>(Loss) before tax</b>   |                    | <b>(2)</b>   | <b>(1)</b>   |
| <b>Tax Charge:</b>   |                    |  |  |
| Current Tax  |                    | -  | -  |
| Deferred Tax   |                    | -  | -  |
| <b>Total Tax Charge</b>  |                    | <b>-</b>   | <b>-</b>   |
| <b>(Loss) for the year</b>   | <b>Total A</b>     | <b>(2)</b>   | <b>(1)</b>   |
| <b>Other Comprehensive Income / (Loss)</b>                                     |                    |  |  |
| Items that will not be reclassified to profit or loss in subsequent periods:   |                    | -  | -  |
| Items that will be reclassified to profit or loss in subsequent periods:       |                    |  |  |
| Effective portion of gain and loss on hedging instruments in a cash flow hedge |                    | 1,229  | (38)   |
| Add / Less: Income Tax effect  |                    | -  | -  |
| <b>Total Other Comprehensive Income / (Loss) (Net of Tax)</b>                  | <b>Total B</b>     | <b>1,229</b>   | <b>(38)</b>  |
| <b>Total comprehensive Income / (Loss) for the year (Net of Tax)</b>           | <b>Total (A+B)</b> | <b>1,227</b>   | <b>(39)</b>  |
| <b>Earnings Per Equity Share (EPS)</b>   | 31                 |  |  |
| (Face Value ₹ 10 Per Share)  |                    |  |  |
| <b>Basic and Diluted EPS (₹)</b>   |                    | <b>12,267.44</b>                                       | <b>(385.05)</b>  |

The accompanying notes are an integral part of these financial statements

In terms of our report attached

For Shah Dhandharia & Co LLP

Chartered Accountants

Firm Registration Number : 118707W/W100724

Shubha  
m Rohatgi  
Digitally signed  
by Shubham  
Rohatgi  
Date: 2022.04.25  
14:41:05 +05'30'

Shubham Rohatgi  
Partner  
Membership No. 183083

Place : Ahmedabad  
Date : 25th April 2022

For and on behalf of the board of directors of  
ADANI HYBRID ENERGY JAISALMER THREE LIMITED  
(Earlier known as ADANI GREEN ENERGY NINE LIMITED)

TARUN  
MATHUR  
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by TARUN  
MATHUR  
Date: 2022.04.25  
10:12:43 +05'30'

Tarun Mathur  
Director  
DIN:- 08183404

Place : Ahmedabad  
Date : 25th April 2022

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by BHUPENDRA  
ASAWA  
Date: 2022.04.25  
10:13:08 +05'30'

Bhupendra Asawa  
Director  
DIN:- 08184892



| Particulars                                    | Equity Share Capital |              | Unsecured Perpetual Securities | Other Equity      |                         | Total  |
|--|----------------------|--------------|--------------------------------|-------------------|-------------------------|--------|
|  | No. of Shares        | (₹ in Lakhs) |                                | Retained Earnings | Cash Flow Hedge Reserve |        |
| Balance as at 1st April, 2020                  | 10,000               | 1            | -                              | (0)               | -                       | 1      |
| Issued during the year                         | -                    | -            | -                              | -                 | -                       | -      |
| (Loss) for the year                            | -                    | -            | -                              | (1)               | -                       | (1)    |
| Other Comprehensive (loss), net of tax         | -                    | -            | -                              | -                 | (38)                    | (38)   |
| <b>Total Comprehensive (Loss) for the year</b> | -                    | -            | -                              | -                 | (38)                    | (38)   |
| Balance as at 31st March, 2021                 | 10,000               | 1            | -                              | (1)               | (38)                    | (38)   |
| Issued during the year                         | -                    | -            | 54,729                         | -                 | -                       | 54,729 |
| (Loss) for the year                            | -                    | -            | -                              | (2)               | -                       | (2)    |
| Other Comprehensive income, net of tax         | -                    | -            | -                              | -                 | 1,229                   | 1,229  |
| <b>Total Comprehensive Income for the year</b> | -                    | -            | -                              | -                 | 1,229                   | 1,229  |
| Balance as at 31st March, 2022                 | 10,000               | 1            | 54,729                         | (3)               | 1,191                   | 55,918 |

The accompanying notes are an integral part of these financial statements

In terms of our report attached

For Shah Dhandharia & Co LLP

Chartered Accountants

Firm Registration Number : 118707W/W100724

Shubham Rohatgi

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Shubham Rohatgi  
Date: 2022.04.25  
14:41:31 +05'30'

Shubham Rohatgi

Partner

Membership No. 183083

Place : Ahmedabad

Date : 25th April 2022

For and on behalf of the board of directors of

ADANI HYBRID ENERGY JAISALMER THREE LIMITED

(Earlier known as ADANI GREEN ENERGY NINE LIMITED)

TARUN MATHUR

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TARUN MATHUR  
Date: 2022.04.25  
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R

Tarun Mathur

Director

DIN:- 08183404

Place : Ahmedabad

Date : 25th April 2022

BHUPENDRA ASAWA

Digitally signed by  
BHUPENDRA ASAWA  
Date: 2022.04.25  
10:13:55 +05'30'

Bhupendra Asawa

Director

DIN:- 08184892

| Particulars   | For the year ended<br>31st March, 2022<br>(₹ in Lakhs) | For the year ended<br>31st March, 2021<br>(₹ in Lakhs) |
|---|--|--|
| <b>(A) Cash flow from operating activities</b>  |  |  |
| (Loss) before tax   | (2)  | (1)  |
| Adjustment to reconcile the Profit before tax to net cash flows:  |  |  |
| Depreciation and amortisation expenses  | -  | 1  |
| Unrealised Foreign Exchange Fluctuation Loss (net)  | 1  | -  |
| <b>Operating Profit before working capital changes</b>  | <b>(1)</b>   | <b>(0)</b>   |
| <b>Working Capital Changes</b>  |  |  |
| (Increase) / Decrease in Operating Assets   |  |  |
| Inventories   | (1)  |  |
| Trade Receivables   | (2,509)  |  |
| Other Current Assets  | (41)   | 0  |
| Other Financial Assets  | (89)   | -  |
| <b>Increase / (Decrease) in Operating Liabilities</b>   |  |  |
| Trade Payables  | 90   | 4  |
| Other Current Liabilities   | 1,218  | 614  |
| <b>Net Working Capital Changes</b>  | <b>(1,332)</b>   | <b>618</b>   |
| <b>Cash (used in) / generated from operations</b>   | <b>(1,333)</b>   | <b>618</b>   |
| Less : Income Tax Paid (net)  | (138)  | (3)  |
| <b>Net cash (used in) / generated from operating activities (A)</b>   | <b>(1,471)</b>   | <b>615</b>   |
| <b>(B) Cash flow from investing activities</b>  |  |  |
| Capital Expenditure on acquisition of Property, Plant and Equipment (including capital advances and capital work-in-progress) | (105,471)  | (48,580)   |
| Investments in units of Mutual Fund (net)   | (3,920)  | -  |
| <b>Net cash (used in) investing activities (B)</b>  | <b>(109,391)</b>                                       | <b>(48,580)</b>  |
| <b>(C) Cash flow from financing activities</b>  |  |  |
| Proceeds from Non - Current borrowings  | 117,523  | 52,953   |
| Repayment of Long-term borrowings   | (103)  | (922)  |
| Repayment of Lease liabilities  | (472)  | (672)  |
| Finance Costs Paid  | (5,412)  | (3,360)  |
| <b>Net cash generated from financing activities (C)</b>   | <b>111,536</b>   | <b>48,000</b>  |
| <b>Net increase in cash and cash equivalents (A)+(B)+(C)</b>  | <b>674</b>   | <b>35</b>  |
| <b>Cash and cash equivalents at the beginning of the year</b>   | <b>48</b>  | <b>13</b>  |
| <b>Cash and cash equivalents at the end of the year</b>   | <b>722</b>   | <b>48</b>  |
| Reconciliation of Cash and cash equivalents with the Balance Sheet:   |  |  |
| Cash and cash equivalents (refer note 10)   | 722  | 48   |
|   | <b>722</b>   | <b>48</b>  |

**Notes:**

- Accrued Interest for the year of ₹ 271 Lakhs (For the year ended 31st March, 2021 ₹ 1,256 Lakhs) on Inter Corporate Deposit ("ICD") taken from related parties and others, 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.

(₹ in Lakhs)

| Particulars  | At at<br>1st April, 2021 | Net Cash<br>Flows | New Lease<br>Contracts | Others | Changes in fair values<br>/ Accruals /<br>Conversion | As at<br>31st March, 2022 |
|--|--------------------------|-------------------|------------------------|--------|--|---------------------------|
| Non Current borrowings (refer note 17 and 19)              | 51,445                   | 117,420           | -                      | 271    | (55,261)   | 113,875                   |
| Lease Liabilities  | 2,601                    | (472)             | 2,135                  | -      | 494  | 4,758                     |
| Interest accrued but not due on borrowings (refer note 21) | 17                       | (5,412)           | -                      | (271)  | 5,907  | 241                       |

(₹ in Lakhs)

| Particulars  | At at<br>1st April, 2020 | Net Cash<br>Flows | New Lease<br>Contracts | Others  | Changes in fair<br>values/Accruals | As at<br>31st March, 2021 |
|--|--------------------------|-------------------|------------------------|---------|------------------------------------|---------------------------|
| Non Current borrowings (refer note 17 and 19)              | -                        | 53,288            | -                      | 1,256   | (3,099)                            | 51,445                    |
| Current borrowings (refer note 19)                         | 462                      | -                 | -                      | -       | (462)                              | -                         |
| Lease Liabilities  | -                        | (672)             | 3,273                  | -       | -                                  | 2,601                     |
| Interest accrued but not due on borrowings (refer note 21) | -                        | (3,360)           | -                      | (1,256) | 4,633                              | 17                        |

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

The accompanying notes are an integral part of these financial statements

In terms of our report attached

For Shah Dhandharia & Co LLP

Chartered Accountants

Firm Registration Number : 118707W/W100724

Shubham Rohatgi  
Digitally signed by Shubham Rohatgi  
Date: 2022.04.25 14:44:56 +05'30'

Shubham Rohatgi

Partner

Membership No. 183083

Place : Ahmedabad

Date : 25th April 2022

For and on behalf of the board of directors of  
ADANI HYBRID ENERGY JAISALMER THREE LIMITED  
(Earlier known as ADANI GREEN ENERGY NINE LIMITED)

TARUN MATHUR  
Digitally signed by TARUN MATHUR  
Date: 2022.04.25 10:14:30 +05'30'

Tarun Mathur  
Director  
DIN:- 08183404

BHUPENDRA ASAWA  
Digitally signed by BHUPENDRA ASAWA  
Date: 2022.04.25 10:14:50 +05'30'

Bhupendra Asawa  
Director  
DIN:- 08184892

Place : Ahmedabad

Date : 25th April 2022

**1 Corporate Information**

Adani Hybrid Energy Jaisalmer Three Limited (Earlier Known As Adani Green Energy Nine Limited) (the "Company" or "AHEJ3L") a public company domiciled in India and is incorporated under the provisions of the Companies Act, applicable in India. The registered office of the Company is located at "Adani Corporate House", Shantigram, Near Vaishno Devi Circle, S. G. Highway, Khodiyar, Ahmedabad-382421, Gujarat.

The financial statements were approved for issue in accordance with a resolution of the directors on 25th April, 2022.

**2 Basis of Preparation and presentation**

The standalone financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) read with section 133 of Companies Act, 2013 and presentation requirements of Division II of schedule III to the Companies Act, 2013 (as amended), on the historical cost basis except for certain financial instruments that are measured at fair values, as explained in the accounting policies below.

The financial statements are presented in INR (₹) (Indian Rupees) which is also company's functional currency and all values are rounded to the nearest lakh, except when otherwise indicated. Amounts less than ₹ 50,000 have been presented as "0".

The company has prepared the financial statements on the basis that it will continue to operate as a going concern.

**3 Significant accounting**

**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, any directly attributable cost of bringing the item to its working condition for its intended use. The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

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

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

When significant parts of plant and equipment are required to be replaced at intervals, the Company 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**

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 Company 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 for solar power plant and 25 years for wind power plant 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 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.

**c 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 Company 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.

**d 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 Company 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 FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

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

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

Financial assets which are not measured at amortised cost or FVOCI 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 Company 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 Company 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 Company 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 Company 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 Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate. The Company estimates cash flows by considering all contractual terms of the financial instrument through the expected life of that financial instrument.

The Company 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 Company recognizes credit loss allowance using the lifetime expected credit loss model for trade receivables.

The Company'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.

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

Debt and equity instruments issued by the Company 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 Company 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 Company'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 30.



### **(iii) Derecognition of financial liabilities**

The Company derecognises financial liabilities when, and only when, the Company'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 .

### **Financial guarantee contracts**

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value through profit or loss, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

### **Derivative Financial Instruments**

#### **Initial recognition and subsequent measurement**

The Company 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 basis 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.

## **f 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.

Net Realisable Value in respect of stores and spares is the estimated current procurement price in the ordinary course of the business.

## **g Current and non-current classification**

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

- Expected to be realised or intended to be sold or consumed in normal operating cycle or
- Held primarily for the purpose of trading or
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

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

The Company 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 Company has identified twelve months as its operating cycle.

**h Functional currency and presentation currency**

These financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency.

**Foreign currencies**

Transactions in foreign currencies are initially recorded by the Company 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 for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings.

**i 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.

**j 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 including Minimum Alternative Tax("MAT") 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 in the countries where the Company operates and generates taxable income.

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.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax for the year. The deferred tax asset is recognised for MAT credit available only to the extent that it is probable that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset, it is created by way of credit to the statement of profit and loss and shown as part of deferred tax asset.

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

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 Company offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to 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.

**k Earnings per share**

Basic earnings per share is computed by dividing the profit / (loss) (net off distribution on Unsecured Perpetual Securities whether declared or not) after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for the effects of dividend, interest and other charges relating to the dilutive potential equity shares by weighted average number of shares plus dilutive potential equity shares.

**l Provisions, Contingent Liabilities and Contingent Assets**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. 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 Company. 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 such contingent liabilities are disclosed in the notes but are not provided for in the financial statements. Although there can be no assurance regarding the

final outcome of the legal proceedings, the Company does not expect them to have a materially adverse impact on the Company's financial position.

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

A contingent liability recognised in a business combination is initially measured at its fair value. Subsequently, it is measured at the higher of the amount that would be recognised in accordance with the requirements for provisions above or the amount initially recognised less, when appropriate, cumulative amortisation recognised in accordance with the requirements for revenue recognition.

**m Impairment of non-financial assets**

At the end of each reporting period, the Company reviews the carrying amounts of non-financial assets, other than inventories and deferred tax assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company 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 Company bases its impairment calculation on detailed budget and forecast calculations, which are prepared separately for each of the Company'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 Company 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. Impairment loss recognised in respect of a CGU is allocated to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a pro rata basis.

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.

**n Leases**

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

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

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

The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or the cost of the right-of-use asset reflects that the Company 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 Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate. Subsequently, the lease liability is measured at amortised cost using the effective interest method.

**o Hedge Accounting**

The Company 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 Company 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 Company 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.

**p 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. Interest on these bank deposits is presented as investing cash flows.



#### **q Fair Value Measurement**

The Company 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 Company.

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

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

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

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

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

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 Company 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.

#### **3.1 Use of estimates and judgements**

The preparation of the Company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying 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 Company. 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 Company. 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 25 years for wind power generation and 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 some components identified during the year, depreciation on the same is provided based on the useful life of each such component based on technical assessment, if materially different from that of the main asset.

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

In estimating the fair value of financial assets and financial liabilities, the Company uses market observable data to the extent available. Where such Level 1 inputs are not available, the Company 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 Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation based on the company's past history and other factors at the end of each reporting period. In case of other financial assets, the Company applies general approach for recognition of impairment losses wherein the Company uses judgement in considering the probability of default upon initial recognition and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period.

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

The Company 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.

4.1 Property, Plant and Equipment

| (₹ in Lakhs)                         |                           |                           |
|--------------------------------------|---------------------------|---------------------------|
| Particulars                          | As at<br>31st March, 2022 | As at<br>31st March, 2021 |
| <b>Net Carrying Amount of:</b>       |                           |                           |
| <b>Property, Plant and Equipment</b> |                           |                           |
| Land- Free Hold                      | 233                       | -                         |
| Building                             | 33                        | 25                        |
| Computer Hardware                    | 25                        | 27                        |
| Office Equipment                     | 17                        | 10                        |
| Furnitures & Fixture                 | 1                         | -                         |
| <b>Total</b>                         | <b>309</b>                | <b>62</b>                 |

| (₹ in Lakhs)                          |                 |           |                   |                  |                      |            |
|---------------------------------------|-----------------|-----------|-------------------|------------------|----------------------|------------|
| Description of Assets                 | Tangible Assets |           |                   |                  |                      |            |
|                                       | Land- Free Hold | Building  | Computer Hardware | Office Equipment | Furnitures & Fixture | Total      |
| <b>I. Cost</b>                        |                 |           |                   |                  |                      |            |
| Balance as at 1st April, 2020         | -               | -         | -                 | -                | -                    | -          |
| Additions for the year                | -               | 29        | 30                | 10               | -                    | 69         |
| Disposals for the year                | -               | -         | -                 | -                | -                    | -          |
| <b>Balance as at 31st March, 2021</b> | -               | <b>29</b> | <b>30</b>         | <b>10</b>        | -                    | <b>69</b>  |
| Additions for the year                | 233             | 23        | 6                 | 10               | 1                    | 273        |
| Disposals for the year                | -               | -         | -                 | -                | -                    | -          |
| <b>Balance as at 31st March, 2022</b> | <b>233</b>      | <b>52</b> | <b>35</b>         | <b>20</b>        | <b>1</b>             | <b>342</b> |
| <b>II. Accumulated depreciation</b>   |                 |           |                   |                  |                      |            |
| Balance as at 1st April, 2020         | -               | -         | -                 | -                | -                    | -          |
| Depreciation expense for the year     | -               | 4         | 3                 | 0                | -                    | 7          |
| Disposals for the year                | -               | -         | -                 | -                | -                    | -          |
| <b>Balance as at 31st March, 2021</b> | -               | <b>4</b>  | <b>3</b>          | <b>0</b>         | -                    | <b>7</b>   |
| Depreciation expense for the year     | -               | 15        | 8                 | 3                | 0                    | 26         |
| Disposals for the year                | -               | -         | -                 | -                | -                    | -          |
| <b>Balance as at 31st March, 2022</b> | -               | <b>19</b> | <b>11</b>         | <b>3</b>         | <b>0</b>             | <b>33</b>  |

Notes:

- i) Depreciation of ₹ 26 Lakhs (as at 31st March, 2020 ₹ 7 Lakhs) relating to the project assets has been allocated to Capital work-in progress.  
ii) For charges created refer note 17.

4.2 Right of Use Asset

| (₹ in Lakhs)                    |                           |                           |
|---------------------------------|---------------------------|---------------------------|
| Net Carrying amount of:         | As at<br>31st March, 2022 | As at<br>31st March, 2021 |
| <b>Carrying amount of:</b>      |                           |                           |
| Lease Hold Land (refer note 26) | 5,035                     | 3,074                     |
| <b>Total</b>                    | <b>5,035</b>              | <b>3,074</b>              |

| (₹ in Lakhs)                          |                     |              |
|---------------------------------------|---------------------|--------------|
| Description of Assets                 | Right-of-use Assets | Total        |
| <b>I. Cost</b>                        |                     |              |
| Balance as at 1st April, 2020         | -                   | -            |
| Additions for the year                | 3,128               | 3,128        |
| <b>Balance as at 31st March, 2021</b> | <b>3,128</b>        | <b>3,128</b> |
| Additions for the year                | 2,135               | 2,135        |
| <b>Balance as at 31st March, 2022</b> | <b>5,263</b>        | <b>5,263</b> |
| <b>II. Accumulated Amortisation</b>   |                     |              |
| Balance as at 1st April, 2020         | -                   | -            |
| Amortisation expense for the year     | 54                  | 54           |
| <b>Balance as at 31st March, 2021</b> | <b>54</b>           | <b>54</b>    |
| Amortisation expense for the year     | 175                 | 175          |
| <b>Balance as at 31st March, 2022</b> | <b>229</b>          | <b>229</b>   |

Notes:

- (i) Depreciation ₹ 175 Lakhs (As at 31st March 2020 ₹ 54 Lakhs) relating to the project assets has been allocated to capital work in progress.  
ii) For charges created refer note 17.

4.3 Capital Work-In-Progress

| (₹ in Lakhs)   |                           |                           |
|--|---------------------------|---------------------------|
|  | As at<br>31st March, 2022 | As at<br>31st March, 2021 |
| Capital Work In Progress (pertaining to Plant and equipment) | 158,388                   | 7,892                     |
| <b>Total</b>   | <b>158,388</b>            | <b>7,892</b>              |

Notes:

- (i) For charges created refer note 17.  
(ii) CWIP Ageing Schedule:

a. 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 |                |
| Projects in progress           | 154,171                        | 3,672        | 545        | -                 | 158,388        |
| Projects temporarily suspended | -                              | -            | -          | -                 | -              |
| <b>Total</b>                   | <b>154,171</b>                 | <b>3,672</b> | <b>545</b> | <b>-</b>          | <b>158,388</b> |

b. Balance as at 31st March 2021

| 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 |              |
| Projects in progress           | 7,351                          | 541        | -         | -                 | 7,892        |
| Projects temporarily suspended | -                              | -          | -         | -                 | -            |
| <b>Total</b>                   | <b>7,351</b>                   | <b>541</b> | <b>-</b>  | <b>-</b>          | <b>7,892</b> |

**5 Other Non-current Financial Assets**

Fair Value of Derivatives (refer note 30)  
Security deposit

|              | As at<br>31st March, 2022<br>(₹ in Lakhs) | As at<br>31st March, 2021<br>(₹ in Lakhs) |
|--------------|---|---|
|              | 2,776                                     | 21  |
|              | 0   | 0   |
| <b>Total</b> | <b>2,776</b>                              | <b>21</b>                                 |

**Note:**

For charges created, refer note 17

**6 Other Non-current Assets**

Capital advances

|              | As at<br>31st March, 2022<br>(₹ in Lakhs) | As at<br>31st March, 2021<br>(₹ in Lakhs) |
|--------------|---|---|
|              | 26,848                                    | 44,404                                    |
| <b>Total</b> | <b>26,848</b>                             | <b>44,404</b>                             |

**Notes:**

- i) For balances with Related Parties refer note 32.
- ii) For charges created, refer note 17.

**7 Inventories**

(At lower of Cost or Net Realisable Value)

Stores and spares

|              | As at<br>31st March, 2022<br>(₹ in Lakhs) | As at<br>31st March, 2021<br>(₹ in Lakhs) |
|--------------|---|---|
|              | 1   | -   |
| <b>Total</b> | <b>1</b>                                  | <b>-</b>                                  |

**Note:**

For charges created, refer note 17

**8 Investments**

(Mandatorily Measured at FVTPL)

Investment in Mutual Funds (Unquoted and fully paid)

79,560 (As at 31st March, 2021 :- Nil) units of SBI Overnight Fund Direct Growth  
57,932 (As at 31st March, 2021 :- Nil) units of Aditya Birla Overnight Fund Growth -Direct Plan  
44,521 (As at 31st March, 2021 :- Nil) units of Axis Overnight Fund Direct Growth

|              | As at<br>31st March, 2022<br>(₹ in Lakhs) | As at<br>31st March, 2021<br>(₹ in Lakhs) |
|--------------|---|---|
|              | 2,754                                     | -   |
|              | 666                                       | -   |
|              | 500                                       | -   |
| <b>Total</b> | <b>3,920</b>                              | <b>-</b>                                  |

Aggregate value of unquoted investments

**Note:**

For charges created, refer note 17

**9 Trade Receivables**

Secured, considered good  
Unsecured, considered good (refer notes below and note 34)  
Trade Receivables which have significant increase in credit risk  
Trade Receivables - Credit impaired  
Less: Loss allowance for credit impaired  
Unbilled Receivables (refer note 34)

|              | As at<br>31st March, 2022<br>(₹ in Lakhs) | As at<br>31st March, 2021<br>(₹ in Lakhs) |
|--------------|---|---|
|              | -   | -   |
|              | 1   | -   |
|              | -   | -   |
|              | -   | -   |
|              | -   | -   |
|              | 2,508                                     | -   |
| <b>Total</b> | <b>2,509</b>                              | <b>-</b>                                  |

**Note:**

- (i) For charges created, refer note 17
- (ii) For balances with related parties refer note 32.
- (iii) **Expected Credit Loss (ECL)**

Trade receivables of the Company are from Central Electricity Distribution Company (DISCOM) and related party which is Government entity. The Company is regularly receiving its dues from DISCOM and related party. Delayed payments carries interest as per the terms of agreements with DISCOM. Trade receivables are majorly due for lesser than one year, accordingly in relation to these dues, the Company does not foresee any Credit Risk.

(iv) Ageing Schedule:

**a. Balance as at 31st March, 2022**

| As at 31st March, 2022 |  |          |         |  |                   |           |           |                   |       |
|------------------------|--|----------|---------|--|-------------------|-----------|-----------|-------------------|-------|
| Sr No                  | Particulars  | Unbilled | Not Due | Outstanding for following periods from due date of receipt |                   |           |           |                   |       |
|                        |  |          |         | Less than 6 months   | 6 Months - 1 year | 1-2 Years | 2-3 Years | More than 3 years | Total |
| 1                      | Undisputed Trade receivables - Considered good                         | 2,508    | -       | 1  | -                 | -         | -         | -                 | 2,509 |
| 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                           | -        | -       | -  | -                 | -         | -         | -                 | -     |

**10 Cash and Cash equivalents**

Balances with banks  
In current accounts

|              | As at<br>31st March, 2022<br>(₹ in Lakhs) | As at<br>31st March, 2021<br>(₹ in Lakhs) |
|--------------|---|---|
|              | 722                                       | 48  |
| <b>Total</b> | <b>722</b>                                | <b>48</b>                                 |

**Note :**

For charges created, refer note 17

**11 Bank balance (other than Cash and Cash equivalents)**

Balances held as Margin Money

|              | As at<br>31st March, 2022<br>(₹ in Lakhs) | As at<br>31st March, 2021<br>(₹ in Lakhs) |
|--------------|---|---|
|              | 3   | 3   |
| <b>Total</b> | <b>3</b>                                  | <b>3</b>                                  |

**Notes:**

- (i) Fixed Deposit / Margin Money is pledged / lien against credit facilities.
- (ii) For charges created, refer note 17

**12 Other Current Financial Assets**

Interest accrued but not due (refer notes below)  
Security deposit

|              | As at<br>31st March, 2022<br>(₹ in Lakhs) | As at<br>31st March, 2021<br>(₹ in Lakhs) |
|--------------|---|---|
|              | 0   | 0   |
|              | 90  | -   |
| <b>Total</b> | <b>90</b>                                 | <b>0</b>                                  |

**Note :**

- (i) For balances with Related Parties refer note 32
- (ii) For Conversion of Interest refer footnote 1 of Cash Flow Statement.

**13 Other Current Assets**

Advance for supply of goods and services (refer note (i) below)  
Prepaid Expenses

|              | As at<br>31st March, 2022<br>(₹ in Lakhs) | As at<br>31st March, 2021<br>(₹ in Lakhs) |
|--------------|---|---|
|              | 5   | -   |
|              | 36  | -   |
| <b>Total</b> | <b>41</b>                                 | <b>-</b>                                  |

**Notes:**

- (i) For balances with Related Parties refer note 32
- (ii) For charges created, refer note 17

**14 Equity Share Capital**

Authorised Share Capital  
10,000 (As at 31st March, 2021 - 10,000) Equity Shares of ₹ 10/- each

|              | As at<br>31st March, 2022<br>(₹ in Lakhs) | As at<br>31st March, 2021<br>(₹ in Lakhs) |
|--------------|---|---|
|              | 1   | 1   |
| <b>Total</b> | <b>1</b>                                  | <b>1</b>                                  |

Issued, Subscribed and fully paid-up Equity Shares  
10,000 (As at 31st March, 2021 - 10,000) Equity Shares of ₹ 10/- each

|              | As at<br>31st March, 2022<br>(₹ in Lakhs) | As at<br>31st March, 2021<br>(₹ in Lakhs) |
|--------------|---|---|
|              | 1   | 1   |
| <b>Total</b> | <b>1</b>                                  | <b>1</b>                                  |

**a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting year**  
**Equity Shares**

|                                    | As at<br>31st March, 2022 |              | As at<br>31st March, 2021 |              |
|------------------------------------|---------------------------|--------------|---------------------------|--------------|
|                                    | No. of Shares             | (₹ in Lakhs) | No. of Shares             | (₹ in Lakhs) |
| At the beginning of the year       | 10,000                    | -            | 10,000                    | 1            |
| Issued during the year             | -                         | -            | -                         | -            |
| Outstanding at the end of the year | <b>10,000</b>             | <b>1</b>     | <b>10,000</b>             | <b>1</b>     |



**b. Terms/rights attached to Equity Shares**

The Company has only one class of Equity Shares having par value of ₹ 10 per share. Each holder of Equity Shares is entitled to one vote per share. In the event of liquidation of the Company the holders of the Equity Shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of Equity Shares held by the share holders.

**c. Shares held by holding entity**

Out of Equity Shares issued by the Company, shares held by its holding entity is as under:

|   | As at<br>31st March, 2022<br>(₹ in Lakhs) | As at<br>31st March, 2021<br>(₹ in Lakhs) |
|---|---|---|
| Adani Renewable Energy Holding Three Limited, Holding Company (along with its nominees)<br>(Earlier known as Adani Renewable Energy Park (Gujarat) Limited)<br>10,000 (as at 31st March, 2021- 10,000) Equity Shares of ₹ 10 each | 1   | 1   |
| <b>Total</b>  | <b>1</b>                                  | <b>1</b>                                  |

**d. Details of shareholders holding more than 5% shares in the Company**

|  | As at<br>31st March, 2022 |                        | As at<br>31st March, 2021 |                        |
|--|---------------------------|------------------------|---------------------------|------------------------|
|  | No. Shares                | % holding in the class | No. Shares                | % holding in the class |
| <b>Equity shares of ₹ 10 each fully paid</b>   |                           |                        |                           |                        |
| Adani Renewable Energy Holding Three Limited<br>(Earlier known as Adani Renewable Energy Park (Gujarat) Limited) | 10,000                    | 100%                   | 10,000                    | 100%                   |
| Holding Company (along with its nominees)  |                           |                        |                           |                        |
| <b>Total</b>   | <b>10,000</b>             | <b>100%</b>            | <b>10,000</b>             | <b>100%</b>            |

**e. Details of shares held by promoters**

| Particulars  | As at 31st March, 2022 |                        |          | As at 31st March, 2021 |                        |          |
|--|------------------------|------------------------|----------|------------------------|------------------------|----------|
|  | No. of Shares          | % holding in the class | % Change | No. of Shares          | % holding in the class | % Change |
| Adani Renewable Energy Holding Three Limited<br>(Earlier known as Adani Renewable Energy Park (Gujarat) Limited) | 10,000                 | 100%                   | -        | 10,000                 | 100%                   | -        |
| <b>Total</b>   | <b>10,000</b>          | <b>100%</b>            | <b>-</b> | <b>10,000</b>          | <b>100%</b>            | <b>-</b> |

**15 Instruments entirely equity in nature**

**Unsecured Perpetual Security (refer below note)**

|   | As at<br>31st March, 2022<br>(₹ in Lakhs) | As at<br>31st March, 2021<br>(₹ in Lakhs) |
|---|---|---|
| At the beginning of the year              | -   | -   |
| Add: Issued during the year               | 54,729                                    | -   |
| Less: Redeemed during the year            | -   | -   |
| <b>Outstanding at the end of the year</b> | <b>54,729</b>                             | <b>-</b>                                  |

**Note:**

The Company has issued Unsecured Perpetual Debt to Adani Renewable Energy Holding Three Limited (Earlier known as Adani Renewable Energy Park (Gujarat) Limited). This debt is perpetual in nature with no maturity or redemption and is repayable only at the option of the borrower. The distribution on this debt is cumulative and at the discretion of the borrower at the rate of 10.60% p.a. where the borrower has an unconditional right to defer the same. As this debt is perpetual in nature and ranked senior only to the Share Capital of the borrower and the borrower does not have any redemption obligation, this is considered to be in the nature of equity instruments. This Unsecured Perpetual Debt have been presented as Instruments entirely equity in nature.

**16 Other Equity**

**Retained earnings (refer note (i) below)**

|                           | As at<br>31st March, 2022<br>(₹ in Lakhs) | As at<br>31st March, 2021<br>(₹ in Lakhs) |
|---------------------------|---|---|
| Opening Balance           | (1)                                       | (0)                                       |
| Add : (Loss) for the year | (2)                                       | (1)                                       |
| <b>Closing Balance</b>    | <b>(3)</b>                                | <b>(1)</b>                                |

**Cash Flow Hedge reserve (refer note (ii) below)**

|  | As at<br>31st March, 2022<br>(₹ in Lakhs) | As at<br>31st March, 2021<br>(₹ in Lakhs) |
|--|---|---|
| Opening Balance  | (38)                                      | -   |
| Add / Less: Effective portion of gain and loss on hedging instruments in a cash flow hedge | 1,229                                     | (38)                                      |
| <b>Closing Balance</b>   | <b>1,191</b>                              | <b>(38)</b>                               |

**Total (A+B)** **1,188** **(39)**

**Note :**

i) Retained earnings represents the amount that can be distributed by the Company as dividends considering the requirements of the Companies' Act, 2013.

ii) The cash flow hedging reserve represents the cumulative effective portion of gains or losses arising on changes in fair value of designated portion of hedging instruments entered into for cash flow hedges. The cumulative gain or loss arising on changes in fair value of the designated portion of the hedging instruments that are recognised and accumulated under the heading of cash flow hedging reserve will be reclassified to profit or loss only when the hedged transaction affects the profit or loss.

**17 Non Current Borrowings**  
(At amortised cost)

|   | As at<br>31st March, 2022<br>(₹ in Lakhs) | As at<br>31st March, 2021<br>(₹ in Lakhs) |
|---|---|---|
| <b>Secured borrowings</b>                           |   |   |
| Term Loan (refer note (i) below)                    |   |   |
| From Banks  | 91,229                                    | 9,100                                     |
| From Financial Institution                          | 19,653                                    | -   |
| <b>Unsecured Borrowings</b>                         |   |   |
| From Related Parties (refer note 32 and (ii) below) | 338                                       | 42,345                                    |
| <b>Total</b>  | <b>111,220</b>                            | <b>51,445</b>                             |

**Notes:**

**(a) Security details and Repayment schedule for the balances as at 31st March, 2022**

(i) Foreign Currency Loan from a Banks aggregating to ₹ 97,904 Lakhs (as at 31st March, 2021 ₹ 11,405 Lakhs) and Financial Institution aggregating to ₹ 20,105 Lakhs (as at 31st March, 2021 Nil Lakhs) are secured by first charge on immovable assets related to Projects, movable assets and current assets of the project book debts, Operating cashflow, receivables project accounts. Pledge over 100% equity shares of held by Sponsor. The same is payable in 6 structured Half yearly installments starting from financial year 2022-23 and carries interest rate in a range of 3.90% p.a. to 3.95% p.a.

(ii) Loans from related parties are repayable on mutually agreed terms within a period of five years from the date of agreement and carries an interest rate of 10.60%.

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

**18 Other Non - Current Financial Liabilities**

|   | As at<br>31st March, 2022<br>(₹ in Lakhs) | As at<br>31st March, 2021<br>(₹ in Lakhs) |
|---|---|---|
| Fair Value of Derivatives (refer note 30) | 60  | -   |
| <b>Total</b>                              | <b>60</b>                                 | <b>-</b>                                  |

**19 Current Borrowings**

|  | As at<br>31st March, 2022<br>(₹ in Lakhs) | As at<br>31st March, 2021<br>(₹ in Lakhs) |
|--|---|---|
| <b>Secured Borrowings</b>                      |   |   |
| Current maturities of Non - Current borrowings | 2,655                                     | -   |
| <b>Total</b>                                   | <b>2,655</b>                              | <b>-</b>                                  |

**Notes:**

(i) Security note for Current maturities of non current borrowings are covered in Non current borrowings schedule (refer footnote (i) of Note 17).

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

**20 Trade Payables**

|  | As at<br>31st March, 2022<br>(₹ in Lakhs) | As at<br>31st March, 2021<br>(₹ in Lakhs) |
|--|---|---|
| i. Total outstanding dues of micro enterprises and small enterprises (refer note 33)       | -   | -   |
| ii. Total outstanding dues of creditors other than micro enterprises and small enterprises | 95  | 4   |
| <b>Total</b>   | <b>95</b>                                 | <b>4</b>                                  |

**Notes:**

(i) For balances with related parties, refer note 32

(ii) Ageing schedule:

**a. 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                   | -         | -  | -         | -         | -                 | -         |
| 2     | Others                 | 95        | -  | -         | -         | -                 | 95        |
| 3     | Disputed dues - MSME   | -         | -  | -         | -         | -                 | -         |
| 4     | Disputed dues - Others | -         | -  | -         | -         | -                 | -         |
|       | <b>Total</b>           | <b>95</b> | -  | -         | -         | -                 | <b>95</b> |

**b. Balance as at 31st March 2021**

| 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                   | -        | -  | -         | -         | -                 | -        |
| 2     | Others                 | 4        | -  | -         | -         | -                 | 4        |
| 3     | Disputed dues - MSME   | -        | -  | -         | -         | -                 | -        |
| 4     | Disputed dues - Others | -        | -  | -         | -         | -                 | -        |
|       | <b>Total</b>           | <b>4</b> | -  | -         | -         | -                 | <b>4</b> |

**21 Other Current Financial Liabilities**

|   | As at<br>31st March, 2022<br>(₹ in Lakhs) | As at<br>31st March, 2021<br>(₹ in Lakhs) |
|---|---|---|
| Interest accrued but not due on borrowings (refer note (i) and (iii) below) | 241                                       | 17  |
| Retention money payable   | 3,758                                     | 95  |
| Capital creditors (refer note (ii) below and note 33)                       | 20,245                                    | 769                                       |
| <b>Total</b>  | <b>24,244</b>                             | <b>881</b>                                |

**Note :**

(i) For balances with related parties refer note 32

(ii) Capital creditors represents the amounts payable for purchase of Property, Plant and Equipment and Capital Work In Progress.

(iii) For Conversion of Interest refer footnote 1 of Cash Flow Statement.

**22 Other Current Liabilities**

|                        | As at<br>31st March, 2022<br>(₹ in Lakhs) | As at<br>31st March, 2021<br>(₹ in Lakhs) |
|------------------------|---|---|
| Statutory liabilities  | 138                                       | 614                                       |
| Advance from Customers | 1,695                                     | -   |
| <b>Total</b>           | <b>1,833</b>                              | <b>614</b>                                |

**23 Other Expenses**

|   | For the year ended<br>31st March, 2022<br>(₹ in Lakhs) | For the year ended<br>31st March, 2021<br>(₹ in Lakhs) |
|---|--|--|
| Legal and Professional Expenses         | 0  | 0  |
| Payment to Auditors                     |  |  |
| Statutory Audit Fees                    | 1  | 0  |
| Foreign Exchange Fluctuation Loss (net) | 1  | -  |
| <b>Total</b>                            | <b>2</b>   | <b>0</b>   |

**24 Income Tax**

The major components of income tax expense for the year ended 31st March, 2022 and 31st March, 2021 are:

**Income Tax Expense :**

| Particulars  | For the year ended<br>31st March, 2022<br>(₹ in Lakhs) | For the year ended<br>31st March, 2021<br>(₹ in Lakhs) |
|--|--|--|
| <b>Profit or Loss Section</b>  |  |  |
| <b>Current Tax:</b>  |  |  |
| Current Income Tax Charge  | -  | -  |
| <b>Total (a)</b>   | <b>-</b>   | <b>-</b>   |
| <b>Deferred Tax</b>  |  |  |
| In respect of current year origination and reversal of temporary differences |  |  |
| <b>Total (b)</b>   | <b>-</b>   | <b>-</b>   |
| <b>OCI section</b>   |  |  |
| Deferred tax related to items recognised in OCI during the year              |  |  |
| <b>Total (c)</b>   | <b>-</b>   | <b>-</b>   |
| <b>Total (a+b+c)</b>   | <b>-</b>   | <b>-</b>   |

| Particulars   | For the year ended<br>31st March, 2022<br>(₹ in Lakhs) | For the year ended<br>31st March, 2021<br>(₹ in Lakhs) |
|---|--|--|
| (Loss) before tax as per Statement of Profit and Loss                                       | (2)  | (1)  |
| Income tax using the company's domestic tax rate @ 25.17% (as at 31st March, 2021 @ 25.17%) | (1)  | (0)  |
| <b>Tax Effect of :</b>  |  |  |
| Income and Expenses not allowed under Income Tax  | 1  | 0  |
| <b>Tax recognised in statement of profit and loss at effective rate</b>                     | <b>-</b>   | <b>-</b>   |

## 25 Contingent Liabilities and Commitments :

### (i) Contingent Liabilities :

Based on the information available with the Company, there is no contingent liability as at the year ended 31st March, 2022 and at the year ended 31st March, 2021.

### (ii) Commitments :

|   | As at<br>31st March, 2022<br>(₹ in Lakhs) | As at<br>31st March, 2021<br>(₹ in Lakhs) |
|---|---|---|
| Commitment (estimated amount of contracts remaining to be executed on account and not provided for) | 26,142                                    | 142,016                                   |

## 26 Leases

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

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

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

The following is the movement in Lease liabilities

| Particulars                                | Amount in ₹ Lakhs |
|--|-------------------|
| Balance as at 1st April, 2020              | -                 |
| Finance costs incurred during the year     | 145               |
| Payments of Lease Liabilities              | (672)             |
| New lease contract entered during the year | 3,128             |
| Balance as at 31st March, 2021             | 2,601             |
| Finance costs incurred during the year     | 494               |
| Payments of Lease Liabilities              | (472)             |
| New lease contract entered during the year | 2,135             |
| Balance as at 31st March, 2022             | 4,758             |

### Line items of Balance Sheet:

| Particulars                   | As at<br>31st March, 2022 | As at<br>31st March, 2021 |
|-------------------------------|---------------------------|---------------------------|
| Current lease liabilities     | 405                       | 89                        |
| Non-current lease liabilities | 4,353                     | 2,512                     |

### Line items of Statement of Profit and Loss:

| Particulars   | For the year ended<br>31st March, 2022 | For the year ended<br>31st March, 2021 |
|---|--|--|
| Interest on lease liabilities (net of capitalisation)               | -                                      | -                                      |
| Depreciation expense on Right-of-use assets (net of capitalisation) | -                                      | -                                      |
| Low Value and Short Term Lease expenses                             | -                                      | -                                      |

## 27 Financial Instruments, Financial Risk and Capital Management :

The Company'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 the Company. The Management ensures appropriate risk governance framework for the Company through appropriate policies and procedures and that risks are identified, measured and managed in accordance with the Company's policies and risk.

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

The Company 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 Company's exposure to the risk of changes in market interest rates relates primarily to the Company's non current debt obligations with floating interest rates.

The Company manages its interest rate risk by having a mixed portfolio of fixed and variable rate loans and borrowings. The Company's borrowings from banks, Financial Institutions are at floating rate of interest and borrowings from related parties are at fixed rate of interest.

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.

In case of fluctuation in interest rates by 50 basis points and all other variable were held constant, the Company's profit for the year would increase or decrease as follows:

|   | For the year ended<br>31st March, 2022<br>(₹ in Lakhs) | For the year ended<br>31st March, 2021<br>(₹ in Lakhs) |
|---|--|--|
| Total Exposure of the Company to variable rate of borrowing | 118,009  | 11,405   |
| Impact on Profit / (Loss) before tax for the year           | 590  | 57   |

The year end balances are not necessarily representative of the average debt outstanding during the year.

**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 Company 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 Company's operating and financing activities. The Company need to hedge atleast 25% of its total exposure for 12 months as per the policy.

Every 1% point depreciation / appreciation in the exchange rate between the Indian rupee and U.S.dollar on the exposure of Nil as on 31st March, 2022 and Nil as on 31st March, 2021, would have decreased / increased the Company's loss for the year as follows :

|  | For the year ended<br>31st March, 2022<br>(₹ in Lakhs) | For the year ended<br>31st March, 2021<br>(₹ in Lakhs) |
|--|--|--|
| Impact on Profit before tax for the year | -  | -  |

**iii) Price risk**

The Company's exposure to price risk in the investment in mutual funds and classified in the balance sheet as fair value through profit or loss. The Company'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:**

Trade receivables of the Company are from Central Electricity Distribution Company (DISCOM) and related party which is Government entity. The Company is regularly receiving its dues from DISCOM and related party. Delayed payments carries interest as per the terms of agreements with DISCOM. Trade receivables are majorly due for lesser than one year, accordingly in relation to these dues, the Company does not foresee any Credit Risk.

**Other Financial Assets:**

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

**Liquidity risk**

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company 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 Company'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 Company is into recent stage of operations with most of the projects capitalised in the recent financial years. The Company expects to generate positive cash flows from operations in order to meet its external financial liabilities as they fall due. The Company has understanding from other group entities to extend repayment terms of borrowings as required.

**Maturity profile of financial liabilities :**

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

| (₹ in Lakhs)                |           |                  |             |                   |         |
|-----------------------------|-----------|------------------|-------------|-------------------|---------|
| As at 31st March, 2022      | Note      | Less than 1 year | 1 to 5 year | More than 5 Years | Total   |
| Borrowings                  | 17 and 19 | 2,655            | 115,692     | -                 | 118,347 |
| Lease Liabilities           |           | 428              | 2,203       | 16,484            | 19,115  |
| Trade Payables              | 20        | 95               | -           | -                 | 95      |
| Derivatives liabilities     | 18        | 60               | -           | -                 | 60      |
| Other Financial Liabilities | 21        | 24,244           | -           | -                 | 24,244  |
| (₹ in Lakhs)                |           |                  |             |                   |         |
| As at 31st March, 2021      | Note      | Less than 1 year | 1 to 5 year | More than 5 Years | Total   |
| Borrowings                  | 17 and 19 | -                | 53,750      | -                 | 53,750  |
| Lease Liabilities           |           | 187              | 1,307       | 10,688            | 12,182  |
| Trade Payables              | 20        | 4                | -           | -                 | 4       |
| Other Financial Liabilities | 21        | 881              | -           | -                 | 881     |



### Capital Management

The Company'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 Company's overall strategy remains unchanged from previous year.

The Company 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, and other Non Current / Current borrowings. The Company's policy is to use Current and Non Current borrowings to meet anticipated funding requirements. The Company monitors capital on the basis of the net debt to equity ratio.

The Company believes that it will be able to meet all its current liabilities and interest obligation on timely manner.

In Order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest bearing loans and borrowing in the current period. No changes were made in the objectives, policies or processes for managing capital during the years ended 31st March, 2022 and 31st March, 2021.

| Particulars  | Note         | For the year ended<br>31st March, 2022<br>(₹ in Lakhs) | For the year ended<br>31st March, 2021<br>(₹ in Lakhs) |
|--|--------------|--|--|
| Debt   | 17 and 19    | 113,875  | 51,445   |
| Cash and cash equivalents, Balance held as Margin Money (Including DSRA and Current Investments) | 8, 10 and 11 | 4,645  | 51   |
| Net debt (A)   |              | 109,230  | 51,394   |
| Total Equity (B)   | 14 and 16    | 55,918   | (38)   |
| Total capital C=(A+B)  |              | 165,148  | 51,357   |
| Net Debt to Equity ratio (A/C)   |              | 66%  | 100%   |

### 28 Fair Value Measurement :

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

(₹ in Lakhs)

| Particulars  | Fair Value through<br>Other<br>Comprehensive<br>income | Fair Value through<br>profit or loss | Amortised cost | Total          |
|--|--|--------------------------------------|----------------|----------------|
| <b>Financial Assets</b>                            |  |                                      |                |                |
| Investments  | -  | 3,920                                | -              | 3,920          |
| Trade Receivables                                  | -  | -                                    | 2,509          | 2,509          |
| Cash and Cash Equivalents                          | -  | -                                    | 722            | 722            |
| Bank balances other than cash and cash equivalents | -  | -                                    | 3              | 3              |
| Other Financial Assets                             | -  | -                                    | 90             | 90             |
| Derivative Assets                                  | 2,776  | -                                    | -              | 2,776          |
|  | <b>2,776</b>   | <b>3,920</b>                         | <b>3,324</b>   | <b>10,020</b>  |
| <b>Financial Liabilities</b>                       |  |                                      |                |                |
| Borrowings   | -  | -                                    | 113,875        | 113,875        |
| Lease Liabilities                                  | -  | -                                    | 4,758          | 4,758          |
| Trade Payables                                     | -  | -                                    | 95             | 95             |
| Derivative Liabilities                             | 60   | -                                    | -              | 60             |
| Other Financial Liabilities                        | -  | -                                    | 24,244         | 24,244         |
|  | <b>60</b>  | <b>-</b>                             | <b>142,972</b> | <b>143,032</b> |

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

(₹ in Lakhs)

| Particulars  | Fair Value through<br>Other<br>Comprehensive<br>income | Amortised cost | Total         |
|--|--|----------------|---------------|
| <b>Financial Assets</b>                            |  |                |               |
| Cash and Cash Equivalents                          | -  | 48             | 48            |
| Bank balances other than cash and cash equivalents | -  | 3              | 3             |
| Derivative Assets                                  | 21   | -              | 21            |
| Other Financial Assets                             | -  | 0              | 0             |
| <b>Total</b>                                       | <b>21</b>  | <b>51</b>      | <b>72</b>     |
| <b>Financial Liabilities</b>                       |  |                |               |
| Borrowings   | -  | 51,445         | 51,445        |
| Lease Liabilities                                  | -  | 2,601          | 2,601         |
| Trade Payables                                     | -  | 4              | 4             |
| Other Financial Liabilities                        | -  | 881            | 881           |
| <b>Total</b>                                       | <b>-</b>   | <b>54,931</b>  | <b>54,931</b> |

Notes:

- (i) Fair value of financial assets and liabilities measured at amortised cost is not materially different from its carrying value. Further, impact of time value of money is not significant for the financial instruments classified as current.
- (ii) Trade Receivables, cash and cash equivalents, Other bank balances, loans, other financial assets, current borrowings, trade payables and other current financial liabilities: Fair values approximate their carrying amounts largely due to short-term maturities of these instruments.

**29 Fair Value hierarchy :**

|                        |              | (₹ in Lakhs)           |              |                        |           |
|------------------------|--------------|------------------------|--------------|------------------------|-----------|
| Particulars            |              | As at 31st March, 2022 |              | As at 31st March, 2021 |           |
|                        |              | Level 2                | Total        | Level 2                | Total     |
| <b>Assets</b>          |              |                        |              |                        |           |
| Investments            |              | 3,920                  | 3,920        | -                      | -         |
| Derivative Assets      |              | 2,776                  | 2,776        | 21                     | 21        |
|                        | <b>Total</b> | <b>6,696</b>           | <b>6,696</b> | <b>21</b>              | <b>21</b> |
| <b>Liabilities</b>     |              |                        |              |                        |           |
| Derivative Liabilities |              | 60                     | 60           | -                      | -         |
|                        | <b>Total</b> | <b>60</b>              | <b>60</b>    | <b>-</b>               | <b>-</b>  |

**Notes:**

- (i) The fair values of investments in mutual fund units is based on the net asset value ('NAV') as stated by the issuers of these mutual fund units in the published statements as at Balance Sheet date. NAV represents the price at which the issuer will issue further units of mutual fund and the price at which issuers will redeem such units from the investors.
- (ii) The fair values of the derivative financial instruments has been determined using valuation techniques with market observable inputs as at reporting date. The models incorporate various inputs including the credit quality of counter-parties and foreign exchange rates.

### 30 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 Company and outstanding as at the end of the financial year is provided below:

| Particulars  | Other Financial Assets    |                           | Other Financial Liabilities |                           |
|--|---------------------------|---------------------------|-----------------------------|---------------------------|
|  | As at<br>31st March, 2022 | As at<br>31st March, 2021 | As at<br>31st March, 2022   | As at<br>31st March, 2021 |
| Derivatives not designated as Hedging Instruments: | -                         | -                         | -                           | -                         |
| Derivatives designated as Hedging Instruments:     | 2,776                     | 21                        | 60                          | -                         |
| Principal Only Swap                                | 2,776                     | 21                        | 60                          | -                         |

(₹ in Lakhs)

#### (ii) Hedging activities

##### Foreign Currency Risk

The Company is exposed to various foreign currency risks as explained in note 27 above. As per the Company's Foreign Currency & Interest Rate Risk Management Policy, the Company hedges at least 25% of its total exposure for 12 months.

All these hedges are accounted for as cash flow hedges.

##### Interest Rate Risk

The Company is exposed to interest rate risks on floating rate borrowings as explained in note 27 above.

Company hedges interest rate risk by taking interest rate swaps as per the Company's Interest Rate Risk Management Policy based on market conditions. The Company uses interest rate derivatives to hedge exposure to interest payments for floating rate borrowings denominated in foreign currencies.

All these hedges are accounted for as cash flow hedges.

#### (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 Company 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 Company 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 Company'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 Company has taken derivatives to hedge its borrowings and Interest accrued thereon.

| Particulars                   |                  |             |                   | (₹ in Lakhs) |
|-------------------------------|------------------|-------------|-------------------|--------------|
|                               | Less than 1 year | 1 to 5 year | More than 5 Years | Total        |
| <b>Cross currency Swap</b>    |                  |             |                   |              |
| <b>As at 31st March, 2022</b> |                  |             |                   |              |
| Nominal Amount                | -                | 118,009     | -                 | 118,009      |
| <b>As at 31st March, 2021</b> |                  |             |                   |              |
| Nominal Amount                | 11,405           | -           | -                 | 11,405       |

#### (vi) The effect of the cash flow hedge in the Statement of Profit or Loss and Other Comprehensive Income is as follows:

| Particulars   | Cross currency Swap       |                           |
|---|---------------------------|---------------------------|
|   | As at<br>31st March, 2022 | As at<br>31st March, 2021 |
| Cash flow Hedge Reserve at the beginning of the year                                      | (38)                      | -                         |
| Total hedging gain/(loss) recognised in OCI   | 1,229                     | (38)                      |
| Income tax on above   | -                         | -                         |
| Ineffectiveness recognised in profit or loss  | -                         | -                         |
| Line item in the statement of profit or loss that includes the recognised ineffectiveness | -                         | -                         |
| Amount reclassified from OCI to profit or loss  | -                         | -                         |
| Income tax on above   | -                         | -                         |
| Cash flow Hedge Reserve at the end of the year  | 1191                      | (38)                      |
| Line item in the statement of profit or loss that includes the reclassification adjust    | Finance Cost              |                           |

The Company does not have any ineffective portion of hedge.

The Company has taken various derivatives to hedge its loans. The outstanding position of derivative instruments is as under:

| Nature              | Purpose  | As at 31st March, 2022 |                                      | As at 31st March, 2021 |                                      |
|---------------------|--|------------------------|--------------------------------------|------------------------|--------------------------------------|
|                     |  | (₹ in Lakhs)           | Foreign Currency<br>(USD in Million) | (₹ in Lakhs)           | Foreign Currency<br>(USD in Million) |
| Cross currency Swap | Hedging of Foreign<br>Currency Loans Principal<br>& Interest | 118,009                | 156                                  | 11,405                 | 16                                   |
| <b>Total</b>        |  | <b>118,009</b>         | <b>156</b>                           | <b>11,405</b>          | <b>16</b>                            |

(Closing rate as at 31st March, 2022 : INR/USD-75.79 and as at 31st March, 2021 : INR/USD-73.11)

(viii) The impact of the hedging instruments on the Balance Sheet is as under

(₹ in Lakhs)

| Particulars  | Cross currency Swap       |                           |
|--|---------------------------|---------------------------|
|  | As at<br>31st March, 2022 | As at<br>31st March, 2021 |
| Nominal Amount   | 118,009                   | 11,405                    |
| Carrying Amount (net)  | 2,716                     | 21                        |
| Line item in the balance sheet that's includes Hedging Instruments                     | Other Financial Assets    |                           |
| Change in fair value used for measuring ineffectiveness for the period - Gain / (Loss) | 2,716                     | 21                        |

(₹ in Lakhs)

| Particulars   | Cross currency Swap       |                           |
|---|---------------------------|---------------------------|
|   | As at<br>31st March, 2022 | As at<br>31st March, 2021 |
| Balance in Cash flow hedge reserve as at the end of the year for continuing hedges (net of tax) | 1,191                     | (38)                      |
| Change in value of the hedged items used for measuring ineffectiveness for the year             | 2,716                     | 21                        |

31 Pursuant to the Indian Accounting Standard 33 – Earning per Share, the disclosure is as under:

|  | UOM | For the year ended<br>31st March, 2022 | For the year ended<br>31st March, 2021 |
|--|-----|--|--|
| <b>Basic and Diluted EPS</b>   |     |  |  |
| (Loss) attributable to equity shareholders                           | ₹   | 1,227                                  | (39)                                   |
| Weighted average number of equity shares outstanding during the year | No  | 10,000                                 | 10,000                                 |
| Nominal Value of equity share  | ₹   | 10                                     | 10                                     |
| Basic and Diluted EPS  | ₹   | 12,267.44                              | (385.05)                               |

32 Related party transactions

a. List of related parties and relationship

The Management has identified the following entities and individuals as related parties of the Company for the year ended 31st March, 2022 for the purpose of reporting as per Ind AS 24 - Related Party Disclosure which are as under:-

|   |   |  |
|---|---|--|
| <b>Entities with joint control of, or significant influence over, the Ultimate Deemed Holding Company</b> | : | S. B. Adani Family Trust (SBAFT)   |
|   | : | Adani Trading Services LLP   |
|   | : | Adani Properties Private Limited   |
| <b>Ultimate Deemed Holding Company</b>  | : | Adani Green Energy Limited   |
| <b>Immediate Holding Company</b>  | : | Adani Renewable Energy Holding Three Limited<br>(Earlier known as Adani Renewable Energy Park (Gujarat) Limited) |
| <b>Fellow Subsidiary (with whom transactions are done)</b>  | : | Adani Hybrid Energy Jaisalmer Two Limited (Formerly known as Adani Green Energy Seven Limited)                   |
|   | : | Adani Green Energy Six Limited   |
|   | : | Adani Hybrid Energy Jaisalmer Two Limited (Formerly known as Adani Green Energy Seven Limited)                   |
|   | : | Adani Wind Energy Kutchh One Limited (Formerly known as Adani Green Energy (MP) Limited)                         |
|   | : | Adani Infrastructure Management Service Limited  |
|   | : | Adani Enterprises Limited  |
| <b>Entities under common control (with whom transactions are done)</b>                                    | : | Adani Renewable Energy Holding One Limited (Formerly known as Mahoba Solar UP Private Limited)                   |
|   | : | Adani Hybrid Energy Jaisalmer One Limited (Formerly known as Adani Green Energy Eighteen Limited)                |
|   | : | Adani Hybrid Energy Jaisalmer Four Limited (Formerly known as RSEPL Hybrid Power One limited)                    |
| <b>Key Management Personnel</b>   | : | Mr. Tarun Mathur, Director   |
|   | : | Mr. Pankaj Jadhav, Director (upto 16th September, 2020)  |
|   | : | Mr. Bhupendra Asawa, Director  |
|   | : | Mr. Alok Chaturvedi, Additional Director (w.e.f. 16th September, 2020)   |

**Terms and conditions of transactions with related parties**

Outstanding balances of related parties at the year/period-end are unsecured. There have been no guarantees provided or received for any related party receivables or payables. Transaction entered into with related party are made on terms equivalent to those that prevail in arm's length transactions.

**Notes:**

The names of the related parties and nature of the relationships where control exists are disclosed irrespective of whether or not there have been transactions between the related parties. For others, the names and the nature of relationships is disclosed only when the transactions are entered into by the Company with the related parties during the existence of the related party relationship.

**32(a) Transactions with Related Parties**

(₹ in Lakhs)

| Particulars  | For the year ended 31st March, 2022                 |                      |                                  | For the year ended 31st March, 2021                 |                   |                                  |
|--|---|----------------------|----------------------------------|---|-------------------|----------------------------------|
|  | Holding Company<br>(Including Immediate<br>Holding) | Fellow<br>Subsidiary | Entities under<br>common control | Holding Company<br>(Including Immediate<br>Holding) | Fellow Subsidiary | Entities under<br>common control |
| Equity Share Capital   | -   | -                    | -                                | -   | -                 | -                                |
| Loan Taken   | 12,826  | -                    | -                                | 42,804  | -                 | -                                |
| Loan Repaid Back   | 103   | -                    | -                                | 922   | -                 | -                                |
| Loan Given   | 7   | -                    | -                                | -   | -                 | -                                |
| Loan Received Back   | 7   | -                    | -                                | -   | -                 | -                                |
| Interest Expense on Loan   | 271   | -                    | -                                | 1,332   | -                 | -                                |
| Interest Income on Loan  | 0   | -                    | -                                | -   | -                 | -                                |
| Conversion of Borrowings (Loan<br>Taken) to Perpetual Securities | 54,729  | -                    | -                                | -   | -                 | -                                |
| Receiving of Services  | 30  | 6,581                | 28                               | 58  | -                 | 113                              |
| Reimbursement of Expenses Paid<br>- Bank Charges                 | -   | -                    | -                                | -   | -                 | -                                |
| Purchase of Goods  | 131,085   | -                    | -                                | 3,453   | -                 | -                                |
| Sale of Power  | -   | -                    | 8,368                            | -   | -                 | -                                |
| Other Balances Transfer from                                     | 2   | -                    | -                                | -   | 22                | -                                |
| Other Balances Transfer To                                       | -   | 4                    | -                                | -   | 2                 | -                                |

**32(b) Balances With Related Parties**

(₹ in Lakhs)

| Particulars                          | As at 31st March, 2022                              |                      |                                  | As at 31st March, 2021                              |                   |                                  |
|--------------------------------------|---|----------------------|----------------------------------|---|-------------------|----------------------------------|
|                                      | Holding Company<br>(Including Immediate<br>Holding) | Fellow<br>Subsidiary | Entities under<br>common control | Holding Company<br>(Including Immediate<br>Holding) | Fellow Subsidiary | Entities under<br>common control |
| Borrowings (Loan)                    | 338   | -                    | -                                | 42,345  | -                 | -                                |
| Borrowings (Perpetual<br>Securities) | 54,729  | -                    | -                                | -   | -                 | -                                |
| Accounts Payable                     | -   | 867                  | 32                               | -   | 20                | 213                              |
| Accounts Receivable                  | 4,402   | -                    | 376                              | 44,251  | -                 | -                                |

**Note:**

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



| 33 Ratio Analysis :  | UoM            | For the year ended<br>31st March, 2022 | For the year ended<br>31st March, 2021 | % Variance   | Reason for Variance                                 |
|--|----------------|--|--|--------------|---|
| i) Current Ratio :   |                |  |  |              |   |
| Current Assets (a)   | (₹ in Lakhs)   | 7,286                                  | 51                                     |              |   |
| Current Liabilities (b)  | (₹ in Lakhs)   | 29,232                                 | 1,588                                  |              | Due to increase in capital creditors and borrowings |
| <b>Current Ratio (a/b)</b>   | <b>Times</b>   | <b>0</b>                               | <b>0</b>                               | <b>678%</b>  |   |
| a. Items included in Numerator for computing the above ratios: All types of finance and non finance current assets   |                |  |  |              |   |
| b. Items included in Denominator for computing the above ratios: All types of finance and non finance current liabilities  |                |  |  |              |   |
| ii) Debt-Equity Ratio:   |                |  |  |              |   |
| Total Debts (a)  | (₹ in Lakhs)   | 113,537                                | 9,100                                  |              |   |
| Shareholder's Equity (b)   | (₹ in Lakhs)   | 56,256                                 | 42,307                                 |              | Due to increase in capital creditors and borrowings |
| <b>Debt - Equity Ratio (a/b)</b>   | <b>Times</b>   | <b>2</b>                               | <b>0</b>                               | <b>838%</b>  |   |
| a. Items included in Numerator for computing the above ratios: Non current borrowings (Excluding Inter corporate deposit) (Including Current maturities of Non Current borrowings)   |                |  |  |              |   |
| b. Items included in Denominator for computing the above ratios: Total Equity + Sub-ordinate debts (Inter corporate deposit)   |                |  |  |              |   |
| iii) Debt Service coverage Ratio :   |                |  |  |              |   |
| Earnings available for Debt services (a)   | (₹ in Lakhs)   | (1)                                    | NA                                     |              |   |
| Interest + Installments (b)  | (₹ in Lakhs)   | 2,656                                  | NA                                     |              |   |
| <b>Debt Service coverage Ratio (a/b)</b>   | <b>Times</b>   | <b>(0)</b>                             | NA                                     | NA           |   |
| a. Items included in Numerator for computing the above ratios: Net Profit after taxes + Depreciation and Amortisation + Finance Cost + Foreign Exchange Gain/Loss  |                |  |  |              |   |
| b. Items included in Denominator for computing the above ratios: Interest on Long-Term external loans + Foreign Exchange Gain/Loss + Principal Scheduled Repayments of Long-Term external loans (Current maturities of Non Current borrowings) |                |  |  |              |   |
| iv) Return on Equity Ratio :   |                |  |  |              |   |
| Net Profit after Taxes (a)   | (₹ in Lakhs)   | (2)                                    | (1)                                    |              | Not applicable                                      |
| Equity Shareholder's Fund (b)  | (₹ in Lakhs)   | 49,281                                 | 21,154                                 |              |   |
| <b>Return on Equity Ratio (a/b)</b>  | <b>%</b>       | <b>0%</b>                              | <b>0%</b>                              | <b>(0)%</b>  |   |
| a. Items included in Numerator for computing the above ratios: Profit after tax  |                |  |  |              |   |
| b. Items included in Denominator for computing the above ratios: Average of Total Equity + Sub Ordinate debts (Inter corporate deposit)  |                |  |  |              |   |
| v) Inventory Turnover Ratio :  | Not Applicable |  |  |              |   |
| vi) Trade Receivables turnover Ratio :   | Not Applicable |  |  |              |   |
| vii) Trade Payables turnover Ratio :   |                |  |  |              |   |
| Annual Cost of Goods sold & Other expense (a)  | (₹ in Lakhs)   | 2                                      | 0                                      |              | Due to increase in accounts payable                 |
| Average Accounts Payable (b)   | (₹ in Lakhs)   | 50                                     | 2                                      |              |   |
| <b>Trade Payables turnover Ratio (a/b)</b>   | <b>Times</b>   | <b>0</b>                               | <b>0</b>                               | <b>(71)%</b> |   |
| a. Items included in Numerator for computing the above ratios: Total Costs of Goods sold + Other expense   |                |  |  |              |   |
| b. Items included in Denominator for computing the above ratios: Average Trade payables  |                |  |  |              |   |
| viii) Net Capital turnover Ratio :   | Not Applicable |  |  |              |   |
| ix) Net Profit Ratio :   | Not Applicable |  |  |              |   |
| x) Return on Capital Employed :  |                |  |  |              |   |
| Earnings before Interest and Taxes (a)   | (₹ in Lakhs)   | (2)                                    | (1)                                    |              | Due to increase in borrowing                        |
| Capital Employed (b)   | (₹ in Lakhs)   | 166,799                                | 9,063                                  |              |   |
| <b>Return on Capital Employed (a/b)</b>  | <b>%</b>       | <b>0%</b>                              | <b>0%</b>                              | <b>(87)%</b> |   |
| a. (i) Items included in Numerator for computing the above ratios: Profit before tax + Interest expense  |                |  |  |              |   |
| b. Items included in Denominator for computing the above ratios: Tangible net worth + Non current borrowings (Excluding Inter corporate deposit) (Including Current maturities of Non Current borrowings) + Deferred tax liability             |                |  |  |              |   |
| xi) Return on Investment :   | Not Applicable |  |  |              |   |

### 34 Due to micro, small and medium enterprises

Under the Micro Small and Medium Enterprises Development Act, 2006, (MSMED) which came in to force from 2nd October, 2006, certain disclosures are required to be made relating to Micro, Small and Medium enterprises. On the basis of the information and records available with management, outstanding dues to the Micro and Small enterprise as defined in the MSMED Act, 2006 are disclosed as below.

| Particulars   | As at<br>31st March, 2022<br>(₹ in Lakhs) | As at<br>31st March, 2021<br>(₹ in Lakhs) |
|---|---|---|
| Principal amount remaining unpaid to any supplier as at the year end.   | 603                                       | 117                                       |
| Interest due thereon  | -   | -   |
| Amount of interest paid by the company in terms of section 16 of the MSMED, along with the amount of the payment made to the supplier beyond the appointed day during the accounting year.  | -   | -   |
| Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year/period) but without adding the interest specified under the MSMED.  | -   | -   |
| Amount of interest accrued and remaining unpaid at the end of the accounting year.  | -   | -   |
| Amount of further interest remaining due and payable even in succeeding years.  | -   | -   |
| The disclosure in respect of the amount payable to enterprises which have provided goods and services to the company and which qualify under the definition of micro and small enterprises, as defined under Micro, Small and Medium Enterprises Development Act, 2006 has been made in the Financial statement as at 31st March, 2022 based on the information received and available with the entities of company. On the basis of such information, no interest is payable to any micro, small and medium enterprises. |   |   |

### 35 Contract balances:

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

| Particulars                      | As at<br>31st March, 2022<br>(₹ in Lakhs) | As at<br>31st March, 2021<br>(₹ in Lakhs) |
|----------------------------------|---|---|
| Trade receivables (refer note 9) | 1   | -   |
| Unbilled Revenue (refer note 9)  | 2,508                                     | -   |

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

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

**Reconciliation the amount of revenue recognised in the statement of profit and loss with the contracted price:** (₹ in Lakhs)

| Particulars                                 | For the year ended<br>31st March, 2022 | For the year ended<br>31st March, 2021 |
|---|--|--|
| Revenue as per contracted price             | -                                      | -                                      |
| <b>Adjustments</b>                          |  |  |
| Discounts on prompt payments                | -                                      | -                                      |
| <b>Revenue from contract with customers</b> | -                                      | -                                      |

The Company does not have any remaining performance obligation for sale of goods

### 36 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. On 23rd March, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from 1st April, 2022, as below:

#### Ind AS 16 – Property, Plant and Equipment

The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The effective date for adoption of this amendment is annual periods beginning on or after 1st April, 2022. The Company has evaluated the amendment and expect the amendment to have no impact in its financial statements.

#### Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets

The amendments specify that that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification and the Company does not expect the amendment to have any impact in its financial statements.

**37 Personnel Cost**

The Company does not have any employee. The operational management and administrative functions of the company are being managed by Ultimate Holding Company.

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

The Company evaluates events and transactions that occur subsequent to the balance sheet date but prior to approval of the financial statements to determine the necessity for recognition and/or reporting of any of these events and transactions in the financial statements. As of 25th April, 2022, there are no subsequent events to be recognized or reported that are not already disclosed.

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

**40 Approval of financial statements**

The financial statements were approved for issue by the board of directors on 25th April, 2022.

**The accompanying notes are an integral part of these financial statements**

**In terms of our report attached**

**For Shah Dhandharia & Co LLP**

**Chartered Accountants**

Firm Registration Number : 118707W/W100724

Shubham  
Rohatgi

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Shubham Rohatgi  
Date: 2022.04.25  
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**Shubham Rohatgi**

Partner

Membership No. 183083

**Place : Ahmedabad**

**Date : 25th April 2022**

**For and on behalf of the board of directors of**

**ADANI HYBRID ENERGY JAISALMER THREE LIMITED**

**(Earlier known as ADANI GREEN ENERGY NINE LIMITED)**

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**Tarun Mathur**

Director

DIN:- 08183404

**Place : Ahmedabad**

**Date : 25th April 2022**

BHUPEN  
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Date: 2022.04.25  
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**Bhupendra Asawa**

Director

DIN:- 08184892