WAAREE ENERGIES LIMITED
Special Purpose Consolidated Balance Sheet as at March 31, 2021

(Rs. in Millions)

Particulars	Note No.	As at March 31, 2021
Assets		
Non-current assets		
Property, plant and equipment	2 (a)	2,230.65
Capital work-in-progress	2 (a)	13.19
Right of use assets	2 (b)	480.84
Investment property	2 (c)	3.48
Other intangible assets	2 (d)	62.14
Intangible assets under development	2 (d)	15.19
Goodwill on consolidation	2 (e)	70.31
Financial assets		
Investments	3	820.00
Trade receivables	4	51.66
Security deposits	5	48.29
Other financial assets	6	345.00
Income tax assets (net)	7	37.97
Other non-current assets	8	933.02
Total non-current assets		**5,111.73**
Current assets		
Inventories	9	3,680.02
Financial assets		
Investments	10	334.44
Trade receivables	11	1,182.42
Cash and cash equivalents	12	128.20
Bank balances other than cash and cash equivalents	13	973.88
Loans	14	479.25
Other financial assets	15	248.53
Other current assets	16	672.08
Total current assets		**7,698.82**
Total Assets		**12,810.55**
Equity and Liabilities		
Equity		
Equity share capital	17	1,971.38
Other equity	18	1,479.80
Equity attributable to owners		**3,451.18**
Non controlling interest		401.72
Total equity		**3,852.90**
Liabilities		
Non-current liabilities		
Financial liabilities		
Borrowings	19	1,971.29
Lease liabilities	20	443.70
Long term provisions	21	325.50
Deferred tax liabilities (net)	22	40.72
Other non-current liabilities	23	13.89
Total non-current liabilities		**2,795.11**
Current liabilities		
Financial liabilities		
Borrowings	24	547.32
Lease liabilities	25	59.33
Trade payables	26	
Total outstanding dues of micro enterprises and small enterprises		117.22
Total outstanding dues of creditors other than micro enterprises and small enterprises		4,255.47
Other financial liabilities	27	464.74
Provisions	28	140.39
Other current liabilities	29	578.07
Total current liabilities		**6,162.54**
Total Equity and Liabilities		**12,810.55**

Notes 1 to 55 form an integral part of the Special Purpose Consolidated Financial Statements

In terms of our report of even date

Shah Gupta & Co.
Chartered Accountants
Firm Registration No. 109574W

sd/-

Vipul K Choksi
Partner
Membership No. 37606
UDIN: 21037606AAAADA3715
Place: Mumbai
Date: 17th September, 2021

For and on behalf of the Board

sd/-
Chairman & Managing Director
(DIN 00293668)

sd/-
Hitesh Mehta
Director & CFO
(DIN 00207506)

sd/-
Kirankumar Jain
Company Secretary
ACS 35444

Place: Mumbai
Date: 17th September, 2021

WAAREE ENERGIES LIMITED

Special Purpose Consolidated Statement of Profit and Loss for the year ended March 31, 2021

(Rs. in Millions)

Particulars	Note No.	Year Ended March 31, 2021
Income		
Revenue from operations	30	19,527.76
Other income	31	405.94
Total income		**19,933.70**
Expenses		
Cost of materials consumed	32	12,619.09
Purchases of stock-in-trade	33	4,226.26
Changes in inventories of finished goods (including stock-in-trade) and work-in-progress	34	(730.81)
Other manufacturing and EPC project expenses	35	544.72
Employee benefits expense	36	480.92
Sales, administration and other expenses	37	1,539.06
Finance costs	38	296.59
Depreciation and amortization expense	39	285.40
Total expenses		**19,261.22**
Profit before share of profit or loss of Associate and tax		**672.48**
Add/(Less) : Exceptional Items	40	40.56
Share of Profit/(loss) of Associate		-
Profit before tax		**713.04**
Tax expenses	22	
Current tax		213.69
Tax for earlier years		8.27
Mat Credit Entitlement		(2.65)
Deferred tax		18.55
Profit for the year		**475.19**
Other Comprehensive Income		
Items that will not be reclassified to profit or loss		
- Gain / (loss) on fair value of defined benefit plans as per actuarial valuation		1.61
- Fair value changes on derivatives designated as cashflow hedge		-
- Income tax effect on above		(0.36)
		1.25
Total Comprehensive Income for the year (after tax)		**476.44**
Net Profit/(loss) attributable to :		
- Owners		485.08
- Non-controlling interest		(9.89)
Other Comprehensive Income attributable to :		
- Owners		(1.17)
- Non-controlling interest		0.09
Total Comprehensive Income attributable to :		
- Owners		486.24
- Non controlling interest		(9.80)
Earnings per equity share: (Nominal value of Rs. 10/- each) - Basic & Diluted	41	2.46

Notes 1 to 55 form an integral part of the Special Purpose Consolidated Financial Statements

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Kirankumar Jain
Company Secretary
ACS 35444

Place: Mumbai
Date: 17th September, 2021

WAAREE ENERGIES LIMITED

Special Purpose Consolidated Statement of Changes in Equity for the year ended March 31, 2021

Equity share capital

Particulars	No. of shares	(Rs in Millions)
As at March 31, 2020	**19,71,38,492**	**1,971.38**
Issue of equity shares	-	-
As at March 31, 2021	**19,71,38,492**	**1,971.38**

Other equity **(Rs. in Millions)**

Particulars	Debenture Redemption Reserve	Foreign Currency Translation Reserve	Capital Reserve on consolidation	Retained Earnings	Other Comprehensive Income	Total
Balance as at March 31,2020	**58.50**	**(1.43)**	**4.40**	**956.75**	**(0.86)**	**1,017.36**
Creation of debenture redemption reserve	187.50	-	-	(187.50)	-	-
Transfer to retained earnings on redemption of debentures	(58.50)	-	-	58.50	-	-
Adjustment towards Business Combination as per IND AS 103	-	-	-	(23.80)	-	(23.80)
Total Comprehensive Income for the year	-	-	-	485.08	1.17	486.24
Balance as at March 31,2021	**187.50**	**(1.43)**	**4.40**	**1,289.02**	**0.31**	**1,479.80**

Notes 1 to 55 form an integral part of the Special Purpose Consolidated Financial Statements

In terms of our report of even date

Shah Gupta & Co.
Chartered Accountants
Firm Registration No. 109574W

sd/-
Vipul K Choksi

Partner
UDIN: 21037606AAAADA3715
Place: Mumbai
Date: 17th September, 2021

For and on behalf of the Board

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Hitesh Mehta
Director & CFO
(DIN 00207506)

sd/-
Kirankumar Jain
Company Secretary
ACS 35444

Place: Mumbai
Date: 17th September, 2021

WAAREE ENERGIES LIMITED

Special Purpose Consolidated Statement of Cash Flow for the year ended March 31, 2021

(Rs. in Millions)

Particulars	**Year Ended March 31, 2021**
A. Cash flow from operating activities :	
Profit before tax	672.48
Add/ (less) : Adjustments for	
Depreciation and amortisation	285.40
Interest expense	225.33
Remeasurement of defined benefit plans	1.61
Fair value changes on derivatives designated as cashflow hedge	-
Interest income	(172.97)
(Profit)/loss on disposal of property, plant and equipment	(2.38)
Provision for impairment of assets	-
Capital-work-in-progress written off	0.53
Profit on sale of subsidiary	(10.16)
Profit on disposal of current investment	(0.57)
Profit on change in fair value of investment	(3.14)
Provision for doubtful advance	2.75
Provision for doubtful deposit	10.50
Provision for warranty	72.31
Allowance for credit losses on financial assets	17.27
Operating profit before working capital changes	1,098.97
Add/ (less) : Adjustments for change in working capital	
(Increase) / decrease in inventory	(986.47)
(Increase) / decrease in trade receivables	208.94
(Increase) / decrease in other current financial assets	204.00
(Increase) / decrease in other current assets	(83.52)
(Increase) / decrease in security deposits	(27.18)
Increase / (decrease) in provision	(0.31)
Increase / (decrease) in trade payables	834.68
Increase / (decrease) in other current financial liabilities	(55.71)
Increase / (decrease) in other current liabilities	(341.79)
Cash generated from operations	851.62
Add/ (less) : Exceptional items	40.56
	892.18
Add/ (less) : Direct taxes paid	(214.73)
Net cash inflow from operating activities	**677.45**
B. Cash flow from investing activities :	
Acquisition of property, plant and equipment / intangible assets	(748.61)
Capital work in progress / Intangible asset under development	(327.24)
Investment in subsidiary	(18.74)
Fixed deposits with Banks	(504.20)
Proceeds from sale of property, plant and equipment	49.19
Sale proceeds from sale of non current Investments	0.00
Proceeds from sale of Subsidiary	2.38
Sale proceeds from sale of mutual fund units	208.00
Slump sale consideration	(20.93)
Purchase of current investment	(504.17)
Loans received back (Net)	92.25
Capital advances paid	(903.11)
Interest received	172.97
Net cash inflow / (outflow) from investing activities	**(2,502.22)**
C. Cash flow from financing activities :	
Proceeds / (Repayment) of borrowings (net)	1,650.50
Repayment of lease liabilities	188.35
Interest paid	(225.33)
Net cash inflow / (outflow) from financing activities	**1,613.52**
Net increase / (decrease) in cash and cash equivalents (A+B+C)	(211.25)
Add: Cash and cash equivalents at the beginning of year	339.45
Add: On acquisition of subsidiary	-
Cash and cash equivalents at the end of year	**128.20**

Components of cash and cash equivalents considered only for the purpose of cash flow statement

Particulars	**As at March 31, 2021**
Cash on hand	0.16
Balance with banks	63.00
Fixed deposit with original maturity of less than 3 months	65.04
	128.20

Notes :

1. Statement of cash flows has been prepared under the indirect method as set out in the Ind AS 7 "Statement of Cash Flows" as specified in the Companies (Indian Accounting Standards) Rules, 2015.
2. Previous year's figures have been regrouped/reclassified wherever applicable.

As per our attached report of even date
Shah Gupta & Co.
Chartered Accountants
Firm Registration No. 109574W

sd/-
Vipul K Choksi
Partner

UDIN: 21037606AAAADA3715
Place: Mumbai
Date: 17th September, 2021

For and on behalf of the Board

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Chairman & Managing Director
(DIN 00293668)

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Director & CFO
(DIN 00207506)

sd/-
Kirankumar Jain
Company Secretary
ACS 35444

Place: Mumbai
Date: 17th September, 2021

WAAREE ENERGIES LIMITED

Note 1 :

Notes to the Special Purpose Consolidated Financial Statement - Significant Accounting Policies

A. Group Background

Waaree Energies Limited (the 'Company') registered in India under Companies Act 1956, was incorporated in January 1990. The Company and its subsidiaries (collectively referred to as the 'Group') are primarily engaged in the business of manufacture of Solar Photo-voltaic Modules, setting up of Projects in solar space and sale of electricity. The registered office of the Company is located at 602, 6th Floor, Western Edge - I, Western Express Highway, Borivali (East), Mumbai, Maharashtra - 400066, India with manufacturing plants located at Nandigram, Vapi and Surat.

B. Significant Accounting Policies

I. Basis of Preparation and Presentation

Statement of Compliance

The Special Purpose Consolidated Balance sheet as at March 31, 2021, the Special Purpose Consolidated Statement of Profit and Loss (including other comprehensive income), the Special Purpose Consolidated Statement of Changes in Equity and the Special Purpose Consolidated Cash Flow Statement, for the year ended March 31, 2021, the summary of significant accounting policies and other explanatory information (Collectively, the "Special Purpose Consolidated financial statements / information"). The comparative financial information has not been included in these Special Purpose Consolidated financial statements.

The Special Purpose Consolidated Ind AS financial statements has been prepared by the management of the Company for the purpose of preparation of Restated Consolidated Financial statements for inclusion in the Draft red herring prospectus (DRHP) in connection with proposed initial public offering ('IPO') of its equity shares, comprising an offer for sale of such equity shares by certain shareholders and fresh issue of equity share (the "Proposed Offer") under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended, (the "SEBI ICDR Regulations") and the relevant provisions of the Companies Act, 2013 (the "Act").

The Company prepared its Special Purpose Consolidated financial statements in accordance with Generally Accepted Accounting Principles (GAAP) in India and complied with the accounting standards (Previous GAAP) as notified under Section 133 of the Companies Act, 2013 read together with Rule 7 of the Companies (Accounts) Rules, 2014, to the extent applicable, and the presentation requirements of the Companies Act, 2013. The Company has elected to present the financial information of all the years in these Special Purpose Consolidated Financial Statements, as per the Indian Accounting Standards ('Ind AS') notified under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 as amended and relevant provisions of the Companies Act, 2013 but do not contain corresponding figures of previous period.

Opening balances for the purpose of these Special Purpose Ind AS financial statements have been drawn from Special Purpose Ind AS financial statements prepared for the year ended 31 March, 2019 after giving effect to Ind AS 116 – Leases. All the Indian Accounting Standards issued and notified by the Ministry of Corporate Affairs under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) till Consolidated Ind AS financial statements as authorized have been considered in preparing the Special Purpose Consolidated Ind AS financial statements.

These Special Purpose Consolidated Ind AS Financial Statements are approved for issue by the Board of Directors on 17th September, 2021.

II. Basis of Consolidation

The Consolidated Financial Statements incorporate the financial statements of the Company and entities controlled by the Company and its subsidiaries. Control is achieved where the Company:

a) has power over the investee

b) is exposed to, or has rights, to variable returns from its involvement with the investee; and

c) has the ability to use its power to affect its returns

The Company reassess whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above. Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit and loss and other comprehensive income from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Consolidation procedure:

Subsidiary

a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.

b) In case of foreign subsidiaries, being non-integral foreign operations, revenue items are consolidated at the average rate prevailing during the year. All assets and liabilities are converted at rates prevailing at the end of the year. Any exchange difference arising on consolidation is recognised in the Foreign Currency Translation Reserve.

c) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.

d) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.
When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

The Special Purpose Consolidated Financial Information of the Group include subsidiaries as stated in Financial statements

Associates

a) The Group's investments in its associate are accounted for using the equity method. Under the equity method, the investment in an associate is initially recognised at cost. Goodwill relating to the associate is included in the carrying amount of the investment and is not tested for impairment individually. The statement of profit and loss reflects the Group's share of the results of operations of the associate .The aggregate of the

Group’s share of profit or loss of an associates shown on the face of the statement of profit and loss.

b) If an entity’s share of losses of an associate equals or exceeds its interest in the associate(which includes any long term interest that, in substance, form part of the Group’s net investment in the associate), the entity discontinues recognising its share of further losses.

c) Upon loss of significant influence over the associate, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate upon loss of significant influence and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss."

The Special Purpose Consolidated Financial Information of the Group include Associates as stated in financial statements.

III. Summary of Significant Accounting Policies

The Special Purpose Financial Information have been prepared in accordance with the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

a) Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

b) Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

c) Level 3 inputs are unobservable inputs for the asset or liability.

Current & Non-Current Classification

The Group presents assets and liabilities in the balance sheet based on current / non-current classification.

An asset is classified as current when it satisfies any of the following criteria:

a) it is expected to be realised in, or is intended for sale or consumption in, the Group's normal operating cycle.

b) it is held primarily for the purpose of being traded;

c) it is expected to be realised within 12 months after the reporting date; or

d) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

All other assets are classified as non-current.

A liability is classified as current when it satisfies any of the following criteria:

a) it is expected to be settled in the Company's normal operating cycle;

b) it is held primarily for the purpose of being traded;

c) it is due to be settled within 12 months after the reporting date; or the Group does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

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

1. Business Combination

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition related costs are recognised in Consolidated Statement of Profit and Loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value at the acquisition date, except that:

a) deferred tax assets or liabilities and liabilities or assets related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 Income Taxes and Ind AS 19 Employee Benefits respectively;

b) liabilities or equity instruments related to share based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with Ind AS 102 Share-based Payments at the acquisition date; and

c) assets (or disposal groups) that are classified as held for sale in accordance with Ind AS 105 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that Standard.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed.

If the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer’s previously held interest in the acquiree (if any), the excess, after reassessment, is recognised in capital reserve through other comprehensive income or directly depending on whether there exists clear evidence of the underlying reason for classifying the business combination as a bargain purchase.

When the consideration transferred by the Group in a business combination includes a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value and included as part of the consideration transferred in a business combination. Changes in fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with corresponding adjustments against Goodwill/capital reserve. Measurement period adjustments are adjustments that arise from additional information obtained during the ‘measurement period’ (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Other contingent consideration is remeasured to fair value at subsequent reporting dates with changes in fair value recognised in profit or loss

When a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date (i.e. the date when the Group obtains control) and the resulting gain or loss, if any, is recognised in the Consolidated Statement of Profit and Loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognized in other comprehensive income are reclassified to profit or loss where such treatment would be appropriate if that interest were disposed of.

Business combinations involving entities or businesses under common control are accounted for using the pooling of interest method.

2. Goodwill

Goodwill is initially recognised and measured as set out above.

Goodwill is not amortised but is reviewed for impairment at least annually. For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units or groups of cash-generating units that is expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognized in the Consolidated Statement of Profit and Loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

The Group’s policy for goodwill arising on the acquisition of an associate is described in consolidation procedure above.

3. Revenue Recognition

A. Sale of Goods

The Group recognises revenue when control over the promised goods or services is transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

The Group has generally concluded that it is the principal in its revenue arrangements as it typically controls the goods or services before transferring them to the customer Revenue is adjusted for variable consideration such as discounts, rebates, refunds, credits, price concessions, incentives, or other similar items in a contract when they are highly probable to be provided. The amount of revenue excludes any amount collected on behalf of third parties.

The Group recognises revenue generally at the point in time when the products are delivered to customer or when it is delivered to a carrier for export sale, which is when the control over product is transferred to the customer. In contracts where freight is arranged by the Group and recovered from the customers, the same is treated as a separate performance obligation and revenue is recognised when such freight services are rendered.

In revenue arrangements with multiple performance obligations, the Group accounts for individual products and services separately if they are distinct – i.e. if a product or service is separately identifiable from other items in the arrangement and if a customer can benefit from it. The consideration is allocated between separate products and services in the arrangement based on their stand-alone selling prices. Revenue from sale of by products are included in revenue.

B. Construction contracts

When the outcome of a construction contract can be estimated reliably, revenue and costs are recognised by reference to the stage of completion of the contract activity at the end of the reporting period, measured based on the proportion of contract costs incurred for work performed to date relative to the estimated total contract costs, except where this would not be representative of the stage of completion. Variations in contract work, claims and incentives payments are included to the extent that the amount can be measured reliably and its receipt is considered probable.

When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised to the extent of contract cost incurred that it is probable will be recoverable. Contract costs are recognised as an expense in the period in which they are incurred.

When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

C. Sale of Electricity

Revenue from contracts with customers is recognised when control of the goods (power) or services is transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for transferring promised goods or services having regard to the terms of the Power Purchase Agreements, relevant tariff regulations and the tariff orders by the regulator, as applicable, and contracts for services.

Contract balances

1. Contract assets

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

2. Trade receivables

A receivable is recognised when the goods are delivered and to the extent that it has an unconditional contractual right to receive cash or other financial assets (i.e., only the passage of time is required before payment of the consideration is due).

3. Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract including Advance received from Customer

4. Refund liabilities

A refund liability is the obligation to refund some or all of the consideration received (or receivable) from the customer and is measured at the amount the Company ultimately expects it will have to return to the customer including volume rebates and discounts. The Company updates its estimates of refund liabilities at the end of each reporting period.

D. Dividend and interest income

Dividend income from investments is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably).

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

E. Property, Plant and Equipment

The cost of property, plant and equipment comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, including relevant borrowing costs for qualifying assets and any expected costs of decommissioning. Expenditure incurred after the property, plant and equipment have been put into operation, such as repairs and maintenance, are charged to the Statement of Profit and Loss in the year in which the costs are incurred. Major shut-down and overhaul expenditure is capitalised as the activities undertaken improves the economic benefits expected to arise from the asset.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in Statement of Profit and Loss.
Assets in the course of construction are capitalised in the assets under Capital work in progress. At the point when an asset is operating at management's intended use, the cost of construction is transferred to the appropriate category of property, plant and equipment and depreciation commences. Costs associated with the commissioning of an asset and any obligatory decommissioning costs are capitalised where the asset is available for use but incapable of operating at normal levels until a year of commissioning has been completed. Revenue (net of cost) generated from production during the trial period is capitalised.

Property, plant and equipment except freehold land held for use in the production, supply or administrative purposes, are stated in the consolidated balance sheet at cost less accumulated depreciation and accumulated impairment losses, if any.

The Group has elected to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements on transition to Ind AS measured as per the previous GAAP and use that as its deemed cost as at the date of transition.

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. 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 as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of following categories of assets located in India, in whose case the life of the assets has been assessed as under based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.

Class of Assets	**Years**
Plant and Machinery	5 to 10 Years

When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. Freehold land and leasehold land where the lease is convertible to freehold land under lease agreements at future dates at no additional cost, are not depreciated.

Major overhaul costs are depreciated over the estimated life of the economic benefit derived from the overhaul. The carrying amount of the remaining previous overhaul cost is charged to the Statement of Profit and Loss if the next overhaul is undertaken earlier than the previously estimated life of the economic benefit.

The Group reviews the residual value, useful lives and depreciation method annually and, if expectations differ from previous estimates, the change is accounted for as a change in accounting estimate on a prospective basis.

F. Intangible Assets

Intangible assets with finite and infinite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives

Useful lives of intangible assets

Estimated useful lives of the intangible assets are as follows:

Class of Assets	**Years**
Solar Power Plant	25 years
Computer Software	4 years

G. Investment Property

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition. In determining the amount of derecognition from the derecognition of investment properties the Group considers the effects of variable consideration, existence of a significant financing component, non-cash consideration, and consideration payable to the buyer (if any).

Fair value as disclosed in notes are determined based on valuations derived by an Independent valuer.

H. Borrowing Cost

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.

All other borrowing costs are recognised in the Consolidated Statement of Profit and Loss in the year in which they are incurred.

I. Inventories

Inventories are stated at the lower of cost and net realisable value.

Cost of raw materials include cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost of finished goods and work in progress include cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity but excluding borrowing costs. Cost of traded goods include purchase cost and inward freight.
Costs of inventories are determined on weighted average basis. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

At each physical verification of inventory carried from time to time, provision for obsolete, slow moving and defective inventory is charged through profit and loss account. Adjustments for deficit and surplus inventory is also provided for at the time of physical verification.

J. Service Concession arrangements

Revenue

Revenue is measured at the fair value of consideration received or receivable. Revenue from power generation business is accounted on the basis of billings to the power off takers and includes unbilled revenue accrued upto the end of accounting year. Power off takers are billed as per tariff rate, agreed in purchase power agreement. Operating or service revenue is recognised in the period in which services are rendered by the Group."

Financial assets

The Group recognises a financial asset arising from a service concession arrangement when it has an unconditional contractual right to receive cash or another financial asset from or at the discertion of the grantor for the construction. Such financial assets are measured at fair value at initial recognition and classification as loans and receivables. Subsequent to initial recognition, the financial asset are measured at amortised cost.

Intangible assets

The Group recognises an intangible asset arising from a service concession arrangement when it has right to charge for usage of the concession infrastructure. An intangible asset received as consideration for providing construction services in service concession arrangement is measured at cost, less accumulated amortisation and accumulated impairment losses, if any. Internal technical team or user assess the useful lives of intangible asset. Management believes that assigned useful lives of 24 years - 25 years of solar power projects are reasonable.

Determination of fair value

The fair value of intangible assets is determined by contract price paid for construction of solar power project.

K. Leases

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

The Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of use assets representing the right to use the underlying assets.

Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received.
The recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term is as follows:

Class of Assets	**Years**
Factory Premises	3 to 11 Years
Office Premises	10 to 11 Years

Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term.

In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Short-term leases

The Group applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option.

L. Employee Benefit Expenses

a) Short term employee benefits:

A liability is recognised for benefits accruing to employees in respect of wages and salaries in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service. Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

b) Long term employee benefits:

Liabilities recognised in respect of long term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Group in respect of services provided by employees up to the reporting date. The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

c) Retirement benefit costs and termination benefits:

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

d) Defined contribution plans:

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions. Payments made to state managed retirement benefit plans are accounted for as payments to defined contribution plans where the Group's obligations under the plans are equivalent to those arising in a defined contribution retirement benefit plan.

e) Defined benefit plans:

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurements comprising actuarial gains and losses, the effect of the asset ceiling (if applicable) and the return on plan assets (excluding interest) are recognised immediately in the balance sheet with a charge or credit to other comprehensive income in the period in which they occur. Remeasurements recognised in other comprehensive income are not reclassified. Actuarial valuations are being carried out at the end of each annual reporting period for defined benefit plans.

The retirement benefit obligation recognised in the consolidated balance sheet represents the deficit or surplus in the Group's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

The Group pays gratuity to the employees whoever has completed five years of service with the Group at the time of resignation/ superannuation. The gratuity is paid @ 15 days salary for each completed year of service as per the Payment of Gratuity Act, 1972.

M. Government Grant

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

Government grants are recognised in the Consolidated Statement of Profit and Loss on a systematic basis over the years in which the Group recognises as expenses the related costs for which the grants are intended to compensate or when performance obligations are met.

N. Financial Instruments

Financial assets and financial liabilities are recognised when an entity becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are 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 Statement of Profit and Loss (FVTPL)) 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 Consolidated Statement of Profit and Loss.

1. **Financial assets**

   a) **Recognition and initial measurement**

      A financial asset is initially recognised at fair value and, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. Purchases and sales of financial assets are recognised on the trade date, which is the date on which the Group becomes a party to the contractual provisions of the instrument.

   b) **Classification of financial assets**

      Financial assets are classified, at initial recognition and subsequently measured at amortised cost, fair value through other comprehensive income (OCI) and fair value through profit and loss.

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

      a) The asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. A debt instrument is classified as FVTOCI only if it meets both of the following conditions and is not recognised at FVTPL;

      b) The asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and

      c) 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.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the Other Comprehensive Income (OCI). However, the Group recognises interest income, impairment losses & reversals and foreign exchange gain or loss in the Consolidated Statement of Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to Consolidated Statement of Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVTPL. For all other equity instruments, the Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group makes such election on an instrument-by -instrument basis. The classification is made on initial recognition and is irrevocable.

If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to Consolidated Statement of Profit and Loss, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the Consolidated Statement of Profit and Loss.

All other financial assets are classified as measured at FVTPL.

In addition, on initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVTOCI as at FVTPL if doing so eliminates or significantly reduces and accounting mismatch that would otherwise arise.

Financial assets at FVTPL are measured at fair value at the end of each reporting year, with any gains and losses arising on remeasurement recognised in consolidated statement of profit and loss. The net gain or loss recognised in consolidated statement of profit and loss incorporates any dividend or interest earned on the financial asset and is included in the other income' line item. Dividend on financial assets at FVTPL is recognised when:

a) The Group's right to receive the dividends is established,

b) It is probable that the economic benefits associated with the dividends will flow to the entity,

c) The dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

d) Derecognition of financial assets

   The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

e) Impairment

The Group applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, debt instruments at FVTOCI, lease receivables, trade receivables, and other contractual rights to receive cash or other financial asset, and financial guarantees not designated as at FVTPL.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Group estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

The Group measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life-time expected credit losses and represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

If the Group measured loss allowance for a financial instrument at lifetime expected credit loss model in the previous year, but determines at the end of a reporting year that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous year, The Group again measures the loss allowance based on 12-month expected credit losses.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Group uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115, The Group always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Group has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

The impairment requirements for the recognition and measurement of a loss allowance are equally applied to debt instruments at FVTOCI except that the loss allowance is recognised in other comprehensive income and is not reduced from the carrying amount in the balance sheet. The Group has performed sensitivity analysis on the assumptions used and based on current indicators of future economic conditions, the Group expects to recover the carrying amount of these assets.

f) Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant year. The effective interest rate is the rate that exactly discounts estimated future cash receipts (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 debt instrument, or, where appropriate, a shorter year, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in the consolidated statement of profit and loss and is included in the ‘Other income’ line item.

2. Financial liabilities and equity instruments

a) Classification as debt or equity Debt and equity

Instruments issued by a group entity 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.

b) 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 Group are recognised at the proceeds received, net of direct issue costs. Repurchase of the Group's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in Consolidated Statement of Profit and Loss on the purchase, sale, issue or cancellation of the Group's own equity instruments.

c) Financial liabilities

Financial liabilities are classified as either financial liabilities ‘at FVTPL' or ‘other financial liabilities'.

Financial liabilities at FVTPL:

Financial liabilities are classified as at FVTPL when the financial liability is either held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading if:

i. It has been incurred principally for the purpose of repurchasing it in the near term; or

ii. on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or

iii. it is a derivative that is not designated and effective as a hedging instrument. A financial liability other than a financial liability held for trading may be designated as at FVTPL upon initial recognition if:

iv. such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;

v. the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Group’s documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or

vi. it forms part of a contract containing one or more embedded derivatives, and Ind AS 109 permits the entire combined contract to be designated as at FVTPL in accordance with Ind AS 109. Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in Consolidated Statement of Profit and Loss. The net gain or loss recognised in Consolidated Statement of Profit and Loss incorporates any interest paid on the financial liability and is included in the Consolidated Statement of Profit and Loss. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognised in OCI. The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the Consolidated Statement of Profit and Loss.

d) Other financial liabilities:

The Group enters into deferred payment arrangements (acceptances) whereby overseas lenders such as banks and other financial institutions make payments to supplier's banks for import of raw materials and property, plant and equipment. The banks and financial institutions are subsequently repaid by the Group at a later date providing working capital benefits. These arrangements are in the nature of credit extended in normal operating cycle and these arrangements for raw materials are recognised as Acceptances (under trade payables) and arrangements for property, plant and equipment are recognised as other financial liabilities. Interest borne by the Group on such arrangements is accounted as finance cost. Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

e) Impairment of Non-Financial Asset

At the end of each reporting year, the Company reviews the carrying amounts of its tangible assets and intangible 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). Where 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. Where 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.

f) Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The Board of directors of the Company has been identified as the Chief Operating Decision Maker which reviews and assesses the financial performance and makes the strategic decisions.

g) Taxes

Income tax expense represents the sum of the tax currently payable and deferred tax.

i. Current tax

Current tax is the amount of expected tax payable based on the taxable profit for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961.

ii. Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

The carrying amount of deferred tax assets is reviewed at the end of each reporting year and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

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.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as a deferred tax asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.

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

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

iii. Current and deferred tax for the year

Current and deferred tax are recognised in profit and loss, except when they are relating to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

O. Foreign Currency

The functional currency of the Company is determined on the basis of the primary economic environment in which it operates. The functional currency of the Company is Indian National Rupee (INR).

The transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting year, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

P. Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive), as a result of past events, and it is probable that an outflow of resources, that can be reliably estimated, will be required to settle such an obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Q. Onerous contracts

Present obligations arising under onerous contracts are recognised and measured as provisions. However, before a separate provision for an onerous contract is established, the Company recognises any write down that has occurred on assets dedicated to that contract. An onerous contract is considered to exist where the Company has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract. The unavoidable costs under a contract reflect the least net cost of exiting from the contract, which is the lower of the cost of fulfilling it and any compensation or penalties arising from failure to fulfil it. The cost of fulfilling a contract comprises the costs that relate directly to the contract (i.e., both incremental costs and an allocation of costs directly related to contract activities).

R. Cash and Cash Equivalent

Cash and cash equivalent in the Balance Sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to insignificant risk of changes in value.
For the purpose of the Statement of cash flows, cash and cash equivalent consists of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company’s cash management.

S. Earnings per Share

Basic earnings per share is computed by dividing the profit and loss after tax by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for treasury shares, bonus issue, bonus element in a rights issue to existing shareholders, share split and reverse share split (consolidation of shares).

Diluted earnings per share is computed by dividing the profit or loss after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive.

Key sources of estimation uncertainty

In the course of applying the policies outlined in all notes under section b above, the Company is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year, or in the year of the revision and future year, if the revision affects current and future year.

T. Key sources of estimation uncertainty

i) Useful lives of property, plant and equipment

Management reviews the useful lives of property, plant and equipment at least once a year. Such lives are dependent upon an assessment of both the technical lives of the assets and also their likely economic lives based on various internal and external factors including relative efficiency and operating costs. This reassessment may result in change in depreciation and amortisation expected in future periods. The useful lives of property, plant and equipment are reviewed at least once a year. Such lives are dependent upon an assessment of both the technical lives of the assets, and also their likely economic lives based on various internal and external factors including relative efficiency, the operating conditions of the asset, anticipated technological changes, historical trend of plant load factor, historical planned and scheduled maintenance. It is possible that the estimates made based on existing experience are different from the actual outcomes and could cause a material adjustment to the carrying amount of property, plant and equipment.

ii) Provisions and Contingencies:

In the normal course of business, contingent liabilities arise from litigations and claims. Potential liabilities that are possible but not probable of crystallising or are very difficult to quantify reliably are treated as contingent liabilities. Such contingent liabilities are disclosed in the notes but are not recognised. Potential liabilities that are remote are neither recognized nor disclosed as contingent liability. The management decides whether the matters needs to be classified as ‘remote,’ ‘possible’ or ‘probable’ based on expert advice, past judgements, terms of the contract, regulatory provisions etc.

iii) Fair value measurements:

When the fair values of financial assets or financial liabilities recorded or disclosed in the Consolidated Financial Statements cannot be measured based on quoted prices in active markets, their fair values are measured using valuation techniques including the Discounted Cash Flows 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. Judgements include consideration of inputs such as liquidity risk, credit risk and volatility.

iv) Income Taxes:

Significant judgements are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions. In assessing the realizability of deferred tax assets arising from unused tax credits, the management considers convincing evidence about availability of sufficient taxable income against which such unused tax credits can be utilized. The amount of the deferred income tax assets considered realizable, however, could change if estimates of future taxable income changes in the future.

v) Defined benefit plans:

The present value of defined benefit obligations are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual development in the future. These include the determination of the discount rate, future salary escalations and mortality rates etc. Due to the complexities involved in the valuation and its long term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

vi) Impairment of goodwill:

Determining whether goodwill is impaired requires an estimation of the ‘value in use’ of the cash-generating units to which goodwill has been allocated. In considering the value in use, the management has made assumptions relating to useful lives of the cash generating units, plant availability, and plant load factor, useful life of the asset, additional capacity and capital cost approval from the regulators, expected renewals / extension of power purchase agreement / implementation agreement, input cost escalations operational margins and discount rates. Any subsequent changes to the cash flows due to changes in the above mentioned factors could impact the carrying value of the goodwill.

vii) Expected credit loss:

The measurement of expected credit loss on financial assets is based on the evaluation of collectability and the management's judgement considering external and internal sources of information. A considerable amount of judgement is required in assessing the ultimate realization of the loans having regard to, the past collection history of each party and ongoing dealings with these parties, and assessment of their ability to pay the debt on designated dates.

APPLICABILITY OF NEW INDIAN ACCOUNTING STANDARDS ('IND AS'), AMENDMENTS AND INTERPRETATIONS

The Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2020, has notified the following major amendments, which became applicable with effect from 1st April, 2020.

Amendments to Ind AS 103- Business combinations

The Group has adopted the amendments to Ind AS 103 for the first time in the current year. The amendments clarify that while businesses usually have outputs, outputs are not required for an integrated set of activities and assets to qualify as a business. To be considered a business, an acquired set of activities and assets must include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create outputs.

The amendments remove the assessment of whether market participants are capable of replacing any missing inputs or processes and continuing to produce outputs. The amendments also introduce additional guidance that helps to determine whether a substantive process has been acquired.

The amendments introduce an optional concentration test that permits a simplified assessment of whether an acquired set of activities and assets is not a business. Under the optional concentration test, the acquired set of activities and assets is not a business if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar assets. The amendments are applied prospectively to all business combinations and asset acquisitions for which the acquisition date is on or after 1st April, 2020.

The adoption of these amendments has not had any impact on the disclosures or reported amounts in these financial statements.

Amendments to Ind AS 116 – Leases

The Group has adopted the amendments to Ind AS 116 for the first time in the current year. The amendments provide practical relief, subject to certain conditions, to lessees in accounting for rent concessions occurring as a direct consequence of COVID-19, by introducing a practical expedient to Ind AS 116. The practical expedient permits a lessee to elect not to assess whether a COVID-19-related rent concession is a lease modification. A lessee that makes this election shall account for any change in lease payments resulting from the COVID-19-related rent concession the same way it would account for the change applying Ind AS 116 if the change were not a lease modification.
The adoption of this amendments has not had any impact on the disclosures or reported amounts in these Consolidated Special Purpose Financial Information.

Amendment to Ind AS 1 and Ind AS 8 – Definition of "Material"

The Group has adopted the amendments to Ind AS 1 and Ind AS 8 for the first time in the current year. The amendments make the definition of material in Ind AS 1 easier to understand and are not intended to alter the underlying concept of materiality in Ind ASs. The concept of 'obscuring' material information with immaterial information has been included as part of the new definition. The threshold for materiality influencing users has been changed from 'could influence' to 'could reasonably be expected to influence'. The definition of material in Ind AS 8 has been replaced by a reference to the definition of material in Ind AS 1. In addition, the MCA amended other Standards that contain the definition of 'material' or refer to the term 'material' to ensure consistency.

The adoption of these amendments did not have any material impact on its evaluation of materiality in relation to the consolidated financial statements.

Note 2 (a) : Property, plant and equipment (Rs. in Millions)

Particulars	Leasehold Land	Land - Freehold	Factory Building	Building	Plant & Machinery	Electrical Installations	Computer & Printers	Office Equipments	Furniture & Fixture	Vehicles	Leasehold Improvements	Solar Power Plant*	Total	Capital Work in Progress*
Year Ended March 31, 2021														
Gross Carrying Amount														
Opening Gross Carrying Amount	-	59.01	61.45	4.32	1,112.57	37.62	31.14	11.72	20.82	25.50	52.74	252.65	1,669.54	373.13
Additions	-	-	-	46.23	48.17	-	0.60	1.73	0.88	5.62	-	1,171.31	1,274.53	326.70
Additions on Account of Slump Purchase	-	-	-	-	109.81	11.54	0.05	0.82	1.80	-	5.75	-	129.76	0.54
Disposals	-	-	-	-	(56.13)	-	(8.98)	(0.13)	(0.08)	-	-	-	(65.33)	(0.53)
Transfers*	-	-	-	-	-	-	-	-	-	-	-	-	-	(686.65)
Less : Adjustment on account of sale of subsidiary	-	-	-	-	-	-	(0.04)	(0.00)	-	-	-	-	(0.04)	-
Closing Gross Carrying Amount	**-**	**59.01**	**61.45**	**50.55**	**1,214.41**	**49.15**	**22.77**	**14.13**	**23.41**	**31.12**	**58.49**	**1,423.96**	**3,008.46**	**13.19**
Accumulated Depreciation														
Accumulated Depreciation as at April 1, 2020	-	-	21.73	0.23	424.13	12.02	24.39	6.69	8.92	11.05	37.54	15.32	562.02	-
Depreciation charge during the year	-	-	2.05	0.38	198.56	3.32	3.38	1.64	1.84	2.69	4.62	15.85	234.31	-
Disposals*	-	-	-	-	(9.51)	-	(8.98)	(0.02)	(0.01)	-	-	-	(18.52)	-
Less : Adjustment on account of sale of subsidiary	-	-	-	-	-	-	(0.00)	(0.00)	-	-	-	-	(0.00)	-
Closing Accumulated Depreciation	**-**	**-**	**23.78**	**0.61**	**613.18**	**15.34**	**18.79**	**8.30**	**10.74**	**13.73**	**42.15**	**31.18**	**777.81**	**-**
Net Carrying Amount	**-**	**59.01**	**37.67**	**49.94**	**601.24**	**33.81**	**3.98**	**5.83**	**12.66**	**17.39**	**16.33**	**1,392.78**	**2,230.65**	**13.19**

*** Reclassified on account of adoption of Ind AS 116**

Note 2 (b) : Right to use of Assets (Rs. in Millions)

Particulars	Leasehold Land	Factory Premises	Office Premises	Total
Year ended March 31, 2021				
Gross Carrying Amount				
Balance as at April, 1, 2020	25.26	233.75	87.25	346.26
Additions	-	229.75	-	229.75
Balance as at March 31, 2021	**25.26**	**463.50**	**87.25**	**576.01**
Accumulated Depreciation				
Balance as at April, 1, 2020	0.37	32.03	14.24	46.64
Depreciation charge during the year	0.37	33.75	14.41	48.53
Balance as at March 31, 2021	**0.74**	**65.78**	**28.65**	**95.17**
Net Carrying Amount as at March 31, 2021	**24.52**	**397.72**	**58.61**	**480.84**

Note 2 (c) : Investment property **(Rs. in Millions)**

Following are the changes in the carrying value of investment property for the year ended March 31, 2021:

Particulars	Land
Gross carrying value as at April 1, 2020	3.48
Additions	-
Deletion	-
Gross carrying value as at March 31, 2021	3.48
Accumulated depreciation as at April 1, 2020	-
Depreciation for the period	-
Accumulated depreciation as at March 31, 2021	-
Carrying value as at March 31, 2021	**3.48**

Following are the changes in the carrying value of investment property for the year ended March 31, 2021:

Particulars	Land
Gross carrying value as at April 1, 2020	3.48
Additions	-
Deletion	-
Gross carrying value as at March 31, 2021	3.48
Accumulated depreciation as at April 1, 2020	-
Depreciation for the period	-
Accumulated depreciation as at March 31, 2021	-
Carrying value as at March 31, 2021	**3.48**

i) Fair Value

Particulars	As at March 31, 2021
Investment Properties	2.32

Estimation of Fair value :

The fair value taken for the Year ended March 31, 2021 is based on the guideline rates prescribed by the Government of Tamilnadu. The fair value measurement is categorised in level 2 fair value hierarchy.

Note 2 (d) : Other intangible assets

Particulars	Solar Power Plant *	Computer Software	Total	Intangible Asset under development **
Year Ended March 31, 2021				
Gross Carrying Amount				
Opening Gross Carrying Amount	58.62	20.50	79.12	29.09
Additions	13.90	0.82	14.72	-
Transfers	-	-	-	(13.90)
Disposals / Adjustments	-	(6.06)	(6.06)	-
Closing Gross Carrying Amount	**72.52**	**15.25**	**87.78**	**15.19**
Accumulated Amortisation				
Opening Accumulated Amortisation	8.71	20.43	29.14	-
Amortisation Charge for the year	2.44	0.11	2.56	-
Disposals / Adjustments	-	(6.06)	(6.06)	-
Closing Accumulated Amortisation	**11.15**	**14.48**	**25.63**	**-**
Closing Net Carrying Amount	**61.37**	**0.77**	**62.14**	**15.19**

*The Solar Power Plants includes : 0.5 MW located in the state of Madhya pradesh awarded under tender and Power Purchase agreement (PPA) with State Electricity company.

**Intangible assets under development includes 400 KW Solar Roof top power plants at 16 different locations on Government Buildings / Institutions in the state of Delhi. The power purchase agreement (PPA) has been signed with various Government institutions.

Note 2 (e) Goodwill

(₹ in Millions)

Particulars	As at 31st March, 2021
At cost	56.31
On Acquisition	14.00
On cessation	-
Accumulated impairment	-
Carrying amount (I-II)	**70.31**

(Rs. in Millions)

Note 3 : Non Current Investments

Particulars	As at March 31, 2021
I. Investments valued at deemed cost	
Investment in equity shares	
Investment in associate	-
	-
Investment in preference shares	
Investment In other companies	720.00
	720.00
Investment in debentures	
Investment In other companies	100.00
	100.00
NSC Certificate	-
	820.00

Note 3.1 Detailed list of non-current investments

Particulars	As at March 31, 2021	
	Number	(Rs. in Millions)
I. Investments valued at cost, fully paid up, unquoted, unless otherwise stated		
a) Investments in equity shares:		
i) In associate		
Shalibhadra Energies Private Limited	2,778	0.03
Share of Loss in Associate	-	(0.03)
	2,778	**-**
b) Investments in preference shares:		
(i) Investment In other companies		
(Face value of ₹ 10 each)		
Waaree Renewables Private Limited	60,000	720.00
	60,000	**720.00**
c) Investments in compulsory convertible debentures:		
i) In other companies		
Taxus Infrastructure and Power Projects Private Limited	1,00,000	100.00
(Face value of ₹ 1000 each)	**1,00,000**	**100.00**

Particulars	As at March 31, 2021
Aggregate of non-current investments:	
Aggregate amount of quoted investments and market value thereof	-
Aggregate amount of unquoted investments	820.00
Aggregate amount of impairment in value of investments	-

WAAREE ENERGIES LIMITED

Notes to Special Purpose Consolidated Financial Statements for the year ended March 31, 2021

(Rs. in Millions)

Note 4 : Non Current Trade receivables

Particulars	As at March 31, 2021
Unsecured, considered good	51.66
	51.66

Note 5 : Security deposits

Particulars	As at March 31, 2021
Security deposits	48.29
	48.29

Security deposits stated above include deposits to :

Particulars	As at March 31, 2021
Relatives of director	19.00

Note 6 : Other Non Current financial assets

Particulars	As at March 31, 2021
Fixed deposits	330.44
Accrued Interest on Fixed Deposits	14.51
Others	0.05
	345.00

Note 7 : Income tax assets (net)

Particulars	As at March 31, 2021
Advance tax and TDS (net of provisions)	37.97
	37.97

Note 8 : Other non-current assets

Particulars	As at March 31, 2021
Capital advances	903.11
Deferred portion of financial assets carried at amortized cost	23.93
Other non current assets	5.98
	933.02

Note 9 : Inventories

(Valued at lower of cost or net realisable value)

Particulars	As at March 31, 2021
Raw Materials and components	2,404.95
(including goods-in-transit of Rs. 1517.84 millions)	
Packing Materials	5.24
Work-in-process	236.91
Finished Goods	1,005.00
(including goods-in-transit of Rs. 267.54 millions)	
Stock-in-trade	27.91
	3,680.02

(Rs. in Millions)

Note 10 : Current Investments

Particulars	As at March 31, 2021
Investment in mutual funds	
HDFC Liquid Fund	7.56
(No of Units : 1,882.205)	
HDFC Low Duration Fund	26.03
(No of Units : 5,78,340.395)	
Aditya Birla Sun life - Regular Plan Growth	80.50
(No of Units : 2,44,464.2782)	
Aditya Birla Sun life Money Manager Fund - Regular Plan Growth	100.95
(No of Units : 3,45,253.9024)	
HDFC Money Manager Fund - Regular Plan Growth	38.63
(No of Units : 8,802.2658)	
HDFC Money Manager Fund- Regular Plan Growth	80.77
(No of Units : 25,133.487)	
	334.44

Aggregate of current investments:

Particulars	As at March 31, 2021
Financial Assets measured at fair value through profit and loss	334.44

Note 11 : Current Trade receivables

Particulars	As at March 31, 2021
Secured considered good	60.07
Unsecured considered good	1,187.62
	1,247.70
Less: Allowance for expected credit loss	(65.28)
	1,182.42

Trade Receivable stated above include:

Particulars	As at March 31, 2021
(Unsecured, considered good)	
Companies / LLP where directors are interested	25.76

Note 12 : Cash and cash equivalents

Particulars	As at March 31, 2021
Balances with banks	
-In current account	63.00
Cash on Hand	0.16
Fixed deposits with banks with original maturity of less than three months*	65.04
	128.20

* Held as margin money

Note 13 : Bank balances other than cash and cash equivalents

Particulars	As at March 31, 2021
Fixed deposits with Banks	1,304.32
Less: Fixed deposit with original maturity of more than one year (refer note no. 6)	330.44
	973.88

Fixed deposits with banks includes

Particulars	As at March 31, 2021
Held as margin money or security against borrowings, guarantees, other commitments	1,255.97

Note 14 : Current Loans
(Unsecured, considered good)

Particulars	As at March 31, 2021
Considered good	
Loans to related parties	437.29
Loans to others	41.97
	479.25

Loans to related parties includes :

Particulars	As at March 31, 2021
Companies / LLP where directors are interested	437.29

Note 15 : Other Current financial assets

Unsecured, considered good

Particulars	As at March 31, 2021
Deposits	26.47
Less: Provision for doubtful deposits	(10.50)
	15.97
Accrued interest	16.02
Foreign currency forward and option contracts	-
Escrow account balances	0.02
Export incentive receivable	-
Government Grant receivables	11.86
Refund receivable from government authorities	49.54
Others Receivable	155.13
	248.53

Other Receivables includes :

Particulars	As at March 31, 2021
Other Receivables includes :	
Companies / LLP where directors are interested (Considered good)	9.38

Note 16 : Other current assets

Particulars	As at March 31, 2021
Advance to suppliers	219.82
Less: Allowance for doubtful advances	(8.68)
	211.14
Prepaid expenses	59.04
Balances with government authorities	400.73
Others	1.17
	672.08

Advance to suppliers includes :

Particulars	As at March 31, 2021
Companies / LLP where directors are interested	7.00

(Rs. in Millions)

Note 17 : Equity share capital

a. Details of authorised, issued and subscribed share capital

Particulars	As at March 31, 2021
Authorised capital	
50,00,00,000 equity shares of Rs. 10/- each	5,000.00
Issued capital, subscribed and paid up	
19,71,38,492 Equity Shares of Rs 10/- each	1,971.38
	1,971.38

b. Terms and conditions

The Company has only one class of equity shares having a face value of Rs. 10 per share. Each holder of equity share is entitled to one vote per share.

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

c. Shareholders having more than 5 % shareholding

Name of Shareholder	As at March 31, 2021	
	Number	Percentage
Mahavir Thermoequip Private Limited	5,78,26,867	29.33%
Bindiya K. Doshi	1,97,07,174	10.00%
Pankaj Chimanlal Doshi	1,92,51,967	9.77%
Binita H.Doshi	1,55,87,006	7.91%
Neepa V Doshi	1,51,89,901	7.71%
Hitesh C. Doshi	1,40,43,144	7.12%
Bina P. Doshi	-	0.00%
Viren C. Doshi	1,08,93,069	5.53%
Kirit C Doshi	1,01,31,844	5.14%

d. Reconciliation of number of shares

Particulars	As at March 31, 2021	
	Number	Rs. in Millions
Shares outstanding at the beginning of the year	19,71,38,492	1,971.38
Shares bought back during the year	-	-
Shares outstanding at the end of the year	**19,71,38,492**	**1,971.38**

e. Shares issued other than Cash

The aggregate number of equity share allotted as fully paid up by way of bonus shares in immediately preceding five years ended March 31, 2021 are 121,315,992 shares (Allotted during year ended March 31, 2018 is 12,13,15,992 shares)

WAAREE ENERGIES LIMITED

Notes to Special Purpose Consolidated Financial Statements for the year ended March 31, 2021

Note 18 : Other equity **(Rs. in Millions)**

Particulars	Debenture Redemption Reserve	Foreign Currency Translation Reserve	Capital Reserve on consolidation	Retained Earnings	Other Comprehensive Income	Total
Balance as at April 1, 2020	137.50	(0.74)	4.40	462.74	3.00	606.89
Adjustments during the year	-	(0.69)	-	-	-	(0.69)
Transfer to retained earnings on redemption of debentures	(79.00)	-	-	79.00	-	-
Impact on adoption of IND AS 116 (Refer Note 46)	-	-	-	(30.22)	-	(30.22)
Total Comprehensive Income for the year	-	-	-	445.23	(3.86)	441.37
Balance as at March 31, 2020	**58.50**	**(1.43)**	**4.40**	**956.75**	**(0.86)**	**1,017.36**
Creation of debenture redemption reserve	187.50	-	-	(187.50)	-	-
Transfer to retained earnings on redemption of debentures	(58.50)	-	-	58.50	-	-
Adjustment towards Business Combination as per IND AS 103	-	-	-	(23.80)	-	(23.80)
Total Comprehensive Income for the year	-	-	-	485.08	1.17	486.24
Balance as at March 31, 2021	**187.50**	**(1.43)**	**4.40**	**1,289.02**	**0.31**	**1,479.80**

Nature and Purpose of Reserves

Debenture redemption reserve

The Group is required to create a debenture redemption reserve out of the profits which are available for payment of dividend to be utilised for the purpose of redemption of debentures in accordance with the provisions of the Act.

Foreign currency translation reserve (FCTR)

The exchange differences arising from the translation of financial statements of foreign operations with functional currency other than Indian rupees is presented within equity in the FCTR.

Capital reserve

The Group recognizes profit or loss on purchase or cancellation (including forfeiture) of its own equity instruments to capital reserve.

Retained earnings

Retained earnings represents surplus/accumulated earnings of the Company and are available for distribution to shareholders

Other Comprehensive income

Other Comprehensive income consists of remeasurement gains/ (loss) on defined benefit plans and fair value changes on derivatives designated as cashflow hedges.

(Rs. in Millions)

Note 19 : Borrowings

Particulars	As at March 31, 2021
Secured	
Non Convertible Debentures	
13.90% Non Convertible Debentures - Series A	350.00
Less:Unamortised transaction cost	(3.18)
Less: Current maturities of long term debt	(250.00)
	96.82
14.15% Non Convertible Debentures - Series B	400.00
Less:Unamortised transaction cost	(4.04)
Less: Current maturities of long term debt	-
	395.96
	492.78
Hire Purchase Loans	7.94
Less: Current maturities of long term debt	(2.71)
	5.23
Term Loan from others	1,157.96
Less:Unamortised transaction cost	(2.77)
Less: Current maturities of long term debt	(124.38)
	1,030.81
Unsecured	
Inter corporate deposits from related parties	(0.00)
Inter corporate deposits from others	442.47
	442.47
	1,971.29

Non Convertible Debentures includes(Secured)

13.90% Secured, Unlisted, Senior, Redeemable 350 Nos of Non-Convertible Debentures of face value Rs.1 million each aggregating to Rs.350 million (PY Rs. Nil million), secured by way of:

(i) First ranking pledge over the 51% shares of the Company held by Promoter group in terms of Pledge Agreement;

(ii) First ranking charge and hypothecation over proceeds from sale of Waneep Solar Private Limited's stake and Nagari Project (approximately 750 million);

(iii) First ranking charge and hypothecation over the Company's Designated Account and all amounts standing to the same, whether now or in the future, other than the DSR amount;

(iv) First ranking pledge over 100% sharers of the Waaree Renewables Private Limited (WRPL) held by promoters;

(v) Corporate Guarantee from WRPL;

(vi) First and exclusive charge overall fixed assets & current assets of WRPL, including the WRPL Designated Account.

(vii) First ranking and exclusive charge on the DSR Amount;

(viii) Residual charge on all the fixed and current assets of the Company;

(ix) Demand Promissory Note and Letter of Continuity from the Company; and

(x) Personal Guarantees provided by the Promoters in favour of the Debenture Trustee.

The Debentures are redeemable in 3 quarterly instalments starting November 1, 2021.

(Rs. in Millions)

14.15% Secured, Unlisted, Senior, Redeemable 400 Nos of Non-Convertible Debentures of face value Rs.1 million each aggregating to Rs.400 million, are secured by way of:

(i) First ranking pledge over the 51% shares of the Company held by Promoter group in terms of Pledge Agreement;
(ii) First ranking charge and hypothecation over proceeds from sale of Waneep Solar Private Limited's stake and Nagari Project (approximately 750 million);
(iii) First ranking charge and hypothecation over the Company's Designated Account and all amounts standing to the same, whether now or in the future, other than the DSR amount;
(iv) First ranking pledge over 100% sharers of the Waaree Renewables Private Limited (WRPL) held by promoters;
(v) Corporate Guarantee from WRPL;
(vi) First and exclusive charge overall fixed assets & current assets of WRPL, including the WRPL Designated Account.
(vii) First ranking and exclusive charge on the DSR Amount;
(viii) Residual charge on all the fixed and current assets of the Company;
(ix) Demand Promissory Note and Letter of Continuity from the Company; and
(x) Personal Guarantees provided by the Promoters in favour of the Debenture Trustee.

The Debentures are redeemable in 4 quarterly instalments starting May 1, 2022.

Hire Purchase Loans (Secured)

Hire purchase Loan from Banks amounting to Rs. 7.94 millions which is secured by hypothecation of Vehicle financed. The said loan is repayable monthly in 36 to 60 equal instalments @ interest rate of 8.50 % p.a to 9.61 % p.a.

Term Loan from others includes (Secured)

(i) Loan from Indian Renewable Energy Development Agency Limited (IREDA) amounting to Rs.332.82 million. The loan has to be repaid in 20 quarterly instalments starting from September 30, 2019 and carries interest rate of 11.00% (PY 10.80%) per annum. The loan is primarily secured by hypothecation of all Movable Assets of 1 GW Solar PV Module Manufacturing plant at Village-Tumb, Tal-Umbergaon, Dist-Valsad, Gujarat and second charge on existing movable and immovable assets of the company. The loan is also collaterally secured by fixed deposit of Rs.78.00 million and personal guarantee by one of the Director and his relative.

(ii) Loan from Indian Renewable Energy Development Agency Limited (IREDA) amounting to Rs.51.97 million under the Modified Top up Loan Scheme to tide over fund crisis due to Coronavirus pandemic. The loan has to be repaid in 15 quarterly instalments starting from December 31, 2020 and carries interest rate of 11.00% per annum. The loan is primarily secured by extension of charges on the primary security / collateral security already held for the main loan i.e. hypothecation of all Movable Assets of 1 GW Solar PV Module Manufacturing plant at Village-Tumb, Tal-Umbergaon, Dist-Valsad, Gujarat and second charge on existing movable and immovable assets of the company and collaterally secured by fixed deposit of Rs.78.00 million and personal guarantee by one of the Director and his relative.

(iii) Loan from Indian Renewable Energy Development Agency Limited (IREDA) amounting to Rs.340.88 million. The loan has to be repaid in 48 quarterly instalments starting from December 31, 2020 and carries interest rate of 10.95% per annum. The loan is primarily secured by first charge on all the borrowers movables including machinery, machinery spares, tools and accessories pertaining to (12.5 MWp) solar PV Project at Polagam Taluk, karikal District, pondicherry and elsewhere both present & future.

(iii) Loan from Aditya Birla Finance Limited amounting to Rs.432.60 million. The loan has to be repaid in 53 quarterly instalments starting from June 30, 2022 and carries interest rate of 9.65% per annum. This facility is secured as follows:

1) First and exclusive charge on all the freehold and/or leasehold rights on all immovable properties/assets, project documentation (backed by any NOC required from the lessor for the purpose of this mortgage)
2) First and exclusive charge by way of hypothecation of all present and future movable assets, but not limited to plant, machinery, spares ,etc.
3) First and exclusive charge on current assets, including but not limited to book debts, operating cash flows, receivables, commissions, revenue of whatsoever in nature and where arising present or future
4) Pari-passu charge on intangibles not including goodwill, uncalled capital, bank account including but not limited to TRA & DSRA
5) Pari-passu charge and assignment by way of security all the rights, title, interest and benefits, claims and demand whatsoever in the project documents under all clearance, to extend permissible under applicable law, both present and future.
6) Pledge of shares upto 51% of total paid up share capital, held by majority of shareholder. The share to be pledge shall be free form any restrictive covenants/ lien or any other encumbrance under any contacts.

Intercorporate deposit (Unsecured)

Intercorporate deposits amounting to Rs. 442.47 millions are repayable after one year and carries interest from 9.25% p.a. To 10.75% p.a.

(Rs. in Millions)

Note 20 : Lease liabilities

Particulars	As at March 31, 2021
Lease liabilities	443.70
	443.70

Note 21 : Long term provisions

Particulars	As at March 31, 2021
Provision for warranty	304.00
Provision for employee benefits:	
Leave entitlement	20.78
Gratuity	0.72
	325.50

In pursuance of Ind AS 37 'Provisions, Contingent Liabilities and Assets', the provisions required have been incorporated in the books of accounts in the following manner

Particulars	As at March 31, 2021
Opening Balance	236.83
Additions during the year	72.31
Less: Utilisation during the year	(5.14)
Closing Balance	**304.00**

The provision for warranty represents the expected outflow of resources against claims for performance shortfall expected in future over the life of the guarantee assured.

Note 23 : Other non-current liabilities

Particulars	As at March 31, 2021
Deferred Government Grant	13.89
	13.89

Note 24 : Borrowings

Particulars	As at March 31, 2021
Loans repayable on demand	
Secured	
From Banks:-	
Cash credit facility	525.66
Unsecured	
Loan from Directors	0.02
Inter corporate deposits from others	21.64
	547.32

Secured loans

Working capital loan from Banks includes Cash credit facility under consortium banking arrangement from State Bank of India (Lead Bank), Bank of Maharashtra and IndusInd Bank amounting to Rs.525.66 millions is secured against:

i) Hypothecation of the entire current assets of the Company.

ii) Collaterally secured by mortgage of factory land & building & hypothecation of plant & machinery of the Company situated at plot no 231-236, SEZ, Surat.

iii)The said facility is also secured by corporate guarantee of Mahavir Thermoequip Pvt. Ltd and mortgage of personal property of relative of directors and personal guarantee of two directors of the Company. Cash credit facility carries interest rate : (a) State Bank of India - 6 Months MCLR + 2.75 % (b) Bank of Maharashtra - 1 year MCLR + 2.50 % (c) IndusInd Bank Ltd - 1 year MCLR + 1.30%.

Intercorporate deposit (Unsecured)

Intercorporate deposits amounting to Rs. 21.66 millions are Repayable on demand and carries interest from 10.75% p.a. to 16% p.a.

(Rs. in Millions)

Note 25 : Lease liabilities

Particulars	As at March 31, 2021
Lease liabilities	59.33
	59.33

Note 26 : Trade payables

Particulars	As at March 31, 2021
Total outstanding dues of micro enterprises and small enterprises	117.22
Total outstanding dues of creditors other than micro enterprises and small enterprises	4,255.47
	4,372.69

Note : The information regarding Micro Small and Medium Enterprises has been determined on the basis of information available with the Company .

Particulars	As at March 31, 2021
The principal amount remaining unpaid to any supplier as at the end of accounting year;	117.22
The interest due and remaining unpaid to any supplier as at the end of accounting year;	0.44
The amount of interest paid by the buyer in terms of Section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed date during each accounting year;	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed date during the year) but without adding the interest specified under the MSMED Act, 2006;The amount of interest due and payable for the period (where the principal has been paid but interest under the MSMED Act, 2006 not paid);	-
The amount of interest accrued and remaining unpaid at the end of accounting year; and	0.44
The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of MSMED Act, 2006.	-

Note 27 : Other financial liabilities

Particulars	As at March 31, 2021
Current maturities of long term debt	377.10
Interest accrued	17.16
Payables for capital goods	22.08
Other payables	48.41
	464.74

Note 28 : Provisions

Particulars	As at March 31, 2021
Provision for employee benefits:	
Leave entitlement	1.81
Provision for gratuity	0.02
Others:	
Provision for taxation (net of advance tax)	138.55
	140.39

Note 29 : Other current liabilities

Particulars	As at March 31, 2021
Advances from customers	522.94
Statutory dues payable	44.96
Deposits from dealer, franchisee etc.	0.35
Government Grant	9.79
Others	0.02
	578.07

WAAREE ENERGIES LIMITED

Notes to Special Purpose Consolidated Financial Statements for the year ended March 31, 2021

(Rs. in Millions)

Note 22 : Tax expenses

(a) Amounts recognised in Statement of Profit and Loss

Particulars	Year Ended March 31, 2021
Current tax expense (A)	
Current year	211.04
Short/(Excess) provision of earlier years (B)	
Tax for earlier years	8.84
Deferred tax expense (C)	
Origination and reversal of temporary differences	18.55
Tax expense recognised in the income statement (A+B+C)	**238.42**

(b) Amounts recognised in other comprehensive income

Particulars	Year Ended March 31, 2021		
	Before tax	Tax (expense)/ benefit	Net of tax
Items that will not be reclassified to profit or loss			
Remeasurements of the defined benefit plans	(1.61)	0.36	(1.25)
Fair value changes on derivatives designated as cashflow hedge	-	-	-
	(1.61)	**0.36**	**(1.25)**

(c) Reconciliation of effective tax rate

Particulars	Year Ended March 31, 2021
Profit before tax	713.04
Tax using the Company's domestic tax rate 25.168%	179.46
Tax effect of :	
Tax effect on non-deductible expenses	(17.09)
Tax effect of other income	49.80
Others	16.97
Adjustments recognised in current year in relation to the current tax of prior years	8.84
Tax expense as per Statement of Profit & Loss	**237.97**
Effective tax rate	33.374%

(d) Deferred tax liabilities (net)

Particulars	As at March 31, 2021
Deferred tax liabilities	
Property, plant and equipment's	-
Excess of capital expenditure allowed in income tax over expenditure debited to profit and loss account	91.63
	91.63
Deferred tax asset	
Property, Plant and Equipment's	25.17
Provision for doubtful debts/ advances	4.97
Provision for expected credit loss	16.43
Other Temporary differences	0.42
Provision for employee benefits	3.91
	50.91
	40.72

(Rs. in Millions)

Note 30 : Revenue from operations

Particulars	Year Ended March 31, 2021
Sale of products and services	
Sale of Solar Power Products	19,251.05
Sale of Services	104.88
Generation of Electricity from Renewal Sources	61.83
Other operating revenue	
Export incentives	43.96
Sale of scrap	30.22
Franchisee fees	35.84
	19,527.76

Note 31 : Other income

Particulars	Year Ended March 31, 2021
Interest income	172.97
Interest received on financial assets carried at amortised cost	2.15
Government Grant	38.15
Profit on foreign exchange fluctuation (net)	159.55
Profit on sale of property, plant and equipment	2.38
Profit on sale of current investment	0.57
Gain on change in fair value of investment	3.14
Profit on sale of subsidiary	10.16
Miscellaneous receipts	16.87
	405.94

Note 32 : Cost of materials consumed

Particulars	Year Ended March 31, 2021
Opening stocks	1,887.81
Add: Purchases	13,594.70
Less: Closing stocks	(2,404.95)
Less: Cost of raw materials sold to subsidiaries	(458.47)
	12,619.09

Note 33 : Purchases of stock-in-trade

Particulars	Year Ended March 31, 2021
Purchases	4,226.26
	4,226.26

Note 34 : Changes in inventories of finished goods (including stock-in-trade) and work-in-progress

Particulars	Year Ended March 31, 2021
Opening Inventory	
Traded Goods	233.37
Finished Goods	174.26
Work-In-Progress	131.37
	539.01
Closing Inventory	
Traded Goods	(27.91)
Finished Goods	(1,005.00)
Work-In-Progress	(236.91)
	(1,269.82)
	(730.81)

(Rs. in Millions)

Note 35 : Other manufacturing and EPC project expenses

Particulars	Year Ended March 31, 2021
Stores and spares consumed	35.92
Electricity charges	101.14
Labour charges	261.20
Job work charges	18.03
Repairs and Maintenance:-	
Repairs to machinery	2.94
Repairs to building	0.92
EPC project expenses	138.74
Less: Elimination of other manufacturing and EPC project expense for subsidiaries	(14.17)
	544.72

Note 36 : Employee benefits expense

Particulars	Year Ended March 31, 2021
Salaries and incentives	392.68
Directors remuneration	54.37
Contribution to PF and other funds	15.84
Staff welfare expenses	30.32
Less: Elimination of employee expense for subsidiaries	(12.30)
	480.92

Note 37 : Sales, administration and other expenses

Particulars	Year Ended March 31, 2021
Rent	7.05
Insurance	55.03
Rates and taxes	1.40
Legal and professional	88.62
Auditors remuneration	3.02
Travelling and conveyance	17.96
Warranty	72.31
Business promotion expenses	64.88
Commission	34.95
Packing materials expenses	175.29
Transportation freight, duty and handling charges	932.38
Provision for expected credit loss	17.27
Capital-work-in-progress written off	0.53
Corporate social responsibility expense	11.04
Miscellaneous expenses	95.80
Less: Elimination of other expense for subsidiaries	(38.48)
	1,539.06

Payment to Auditors :-

Particulars	Year Ended March 31, 2021
Audit fees	2.89
Tax matters	0.11
Other services	0.02
	3.02

(Rs. in Millions)

Note 38 : Finance costs

Particulars	Year Ended March 31, 2021
Interest expense	225.33
Interest expense on lease liability	21.74
Other borrowing costs	56.16
Less: Elimination of finance cost for subsidiaries	(6.64)
	296.59

Note 39 : Depreciation and amortization expense

Particulars	Year Ended March 31, 2021
Depreciation on property, plant and equipment	234.31
Depreciation on lease assets	48.53
Amortisation on intangible assets	2.56
	285.40

Note 40 : Exceptional Items

Particulars	Year Ended March 31, 2021
Gain on disposal of investment	40.56
	40.56

During the financial year 2018-19, holding company has disposed off its investments in the wholly owned subsidiary Waaneep Solar Private Limited for which profit were recognised as exceptional item in the year of sale. The Purchaser had withheld amount of Rs 326.17 million due to certain contingency involved. During the year the company has recognised Rs 40.56 millions out of the total amount as income based on settlement agreement.

Note 41 : Earnings per equity share:

Particulars	Year Ended March 31, 2021
Basic / Dilutive Earnings per Share	
Profit/(loss) attributable to equity shareholders	485.08
Weighted average number of equity shares (In Millions)	197.14
Basic Earnings Per Share	2.46
Face value per Share	10

Note 42 : Contingent Liabilities

a) Contingent liabilities

Particulars	As at March 31, 2021
Contingent liabilities not provided for:	
Claims against the parent company not acknowledged as debts	130.61
Disputed statutory liability of parent company	98.33
Guarantee given by bank on behalf of the parent company	483.42
Guarantee/indemnity given by parent company to others	786.66
Letter of credit outstanding of parent company	535.50
Inland/export bill discounting of parent company	1,770.56
	3,805.07

b) Contingent assets

During the FY 2018-19, the holding company has entered into Share Purchase Agreement and its amendment for sale of the investment in its wholly owned subsidiary "Waaneep Solar Private Limited". As per terms of the agreement Rs. 484.17 million is withheld by the buyer which will be remitted on closure of pending litigations and obligations in such subsidiary. The company has recognized Rs.40.56 million (PY Rs. 158.00 million) on the basis of certainty and balance amount of Rs. 251.07 million will be recognized as income on successful closure of such litigations and obligations which are contingent in nature. The company continue to disclose Rs 326.17 million as Contingent Assets.

c) Capital commitments

Particulars	As at March 31, 2021
Estimated amount of contracts remaining to be executed on capital account (net of advance)	1,052.64
	1,052.64

(₹ in Millions)

Note 43: Disclosure pursuant to Ind AS - 19 'Employee Benefit Expense'

[A] Post Employment Benefit Plans:
Defined Benefit Plans

The Group has the following defined benefit plans

Gratuity: In accordance with the applicable laws, the Group provides for gratuity, a defined benefit retirement plan ("The Gratuity Plan") covering eligible employees. The Gratuity Plan provides for a lump sum payment to vested employees on retirement (subject to completion of five years of continuous employment), death, incapacitation or termination of employment that are based on last drawn salary and tenure of employment. Liabilities with regard to the Gratuity Plan are determined by actuarial valuation on the reporting date and the Company makes contribution to the gratuity fund administered by life Insurance companies under their respective Group Gratuity schemes.

The disclosure in respect of the defined Gratuity Plan are given below:

Particulars	Defined Benefit Plans As at March 31, 2021
Present value of funded obligations	29.43
Fair value of plan assets	28.64
Net (asset)/ liability recognised	**0.79**

Movements in plan liabilities

Particulars	Year Ended March 31, 2021
Present value of obligation as at the beginning of the year:	24.45
Transfer from subsidiary	-
Current service cost	6.03
Interest cost/(income)	1.65
Actuarial (gain)/loss arising from changes in financial assumptions	0.00
Actuarial (gain)/loss arising from changes in demographic assumptions	-
Actuarial (gain)/loss arising from experience adjustments	(0.46)
Benefit payments	(2.29)
Total	**29.38**

Movements in plan assets

Particulars	Year Ended March 31, 2021
Present value of obligation as at the beginning of the year:	19.53
Interest cost/(income)	1.52
Return on plan assets excluding amounts included in net finance income/cost	(0.30)
Employer contributions	10.18
Benefit payments	(2.29)
Total	**28.64**

Statement of Profit and Loss

Expenses recognised in the Statement of Profit and Loss

Particulars	Year Ended March 31, 2021
Current service cost	6.03
Interest cost/ (income)	0.14
Total amount recognised in Statement of Profit and Loss	**6.16**

(₹ in Millions)

Note 43: Disclosure pursuant to Ind AS - 19 'Employee Benefit Expense' (Continued)

Remeasurement (gains)/ losses recognised in OCI

Particulars	Year Ended March 31, 2021
Return on plan assets excluding amounts included in net finance income/(cost)	0.30
Change in financial assumptions	0.00
Change in demographic assumptions	-
Experience gains/ (losses)	(0.46)
Total amount recognised in Other comprehensive income	**(0.16)**

Investment pattern for Fund as on

Category of Asset	As at March 31, 2021
Government of India Securities	0%
State Government Securities	0%
High quality corporate bonds	0%
Equity shares of listed companies	0%
Property	0%
Special Deposit Scheme	0%
Policy of insurance	100%
Bank Balance	0%
Other Investments	0%
Total	**100%**

Assumptions

With the objective of presenting the plan assets and plan liabilities of the defined benefits plans at their fair value on the balance sheet, assumptions under Ind AS 19 are set by reference to market conditions at the valuation date.

The significant actuarial assumptions were as follows:

Particulars	As at March 31, 2021
Discount rate	6.85%
Salary escalation rate	6.00%
Withdrawal Rates	5% at younger ages reducing to 1% at older ages
Normal retirement age (in years)	58
Mortality rate	Indian assured lives mortality (2012-14) ultimate

Sensitivity

The sensitivity of the overall plan liabilities to changes in the weighted key assumptions are:

Particulars	As at March 31, 2021 Increase/decrease in liability
Discount rate varied by 0.5%	
0.50%	27.09
-0.50%	30.24
Salary growth rate varied by 0.5%	
0.50%	29.85
-0.50%	27.33
Withdrawal rate (W.R.) varied by 10%	
W.R.* 110%	28.77
W.R.* 90%	28.51

The sensitivity analyses above have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period and may not be representative of the actual change. It is based on a change in the key assumption while holding all other assumptions constant. When calculating the sensitivity to the assumption, the same method used to calculate the liability recognised in the balance sheet has been applied. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared with the previous period.

(₹ in Millions)

Note 43: Disclosure pursuant to Ind AS - 19 'Employee Benefit Expense' (Continued)

The expected future cash flows as at March 31, 2021 is given below:

Expected contribution	As at March 31, 2021
Projected benefits payable in future years from the date of reporting	
1st following year	1.04
2nd following year	0.97
3rd following year	3.81
4th following year	2.98
5th following year	2.84
Years 6 to 10	7.99

[B] Other Long term employee benefits

Leave Encashment:

Particulars	Defined Benefit Plans
	As at March 31, 2021
Present value of unfunded obligations	22.54
Net (asset)/ liability recognised	**22.54**

Reconciliation of balances of Defined Benefit Obligations.

Particulars	Leave Encashment - Unfunded
	As at March 31, 2021
Defined obligations at the beginning of the year	18.73
Transfer from subsidiary	(1.18)
Transfer in/(out) obligation	4.34
Current service cost	1.19
Interest cost	-
Actuarial loss/(gain) due to change in financial assumptions	-
Actuarial loss/(gain) due to change in demographic assumptions	(1.46)
Actuarial loss/ (gain) due to experience adjustments	7.79
Benefits paid	(7.33)
Defined obligations at the end of the year	**22.08**

Amount recognised in Statement of Profit and Loss

Expenses recognised in the Statement of Profit and Loss :-

Particulars	Year Ended March 31, 2021
Current service cost	4.34
Past service cost and loss/(gain) on curtailments and settlement	7.79
Net interest cost	1.19
Net value of remeasurements on the obligation and plan assets	(1.46)
Total amount recognised in Statement of Profit and Loss	**11.86**

(₹ in Millions)

Note 43: Disclosure pursuant to Ind AS - 19 'Employee Benefit Expense' (Continued)

Remeasurement (gains)/ losses recognised in OCI

Particulars	Year Ended March 31, 2021
Due to change in demographic assumptions	-
Change in financial assumptions	-
Experience gains/(losses)	(1.46)
Total amount recognised in Other Comprehensive Income	**(1.46)**

Major Actuarial Assumptions

Particulars	As at March 31, 2021
Discount rate (%)	6.85%
Salary escalation/ inflation (%)	6.00%
Withdrawal rates	5% at younger ages reducing to 1% at older ages
Leave availment rate	3.00%
Leave encashment rate	0.00%

The expected future cash flows as at March 31, 2021 is given below:

Expected contribution	As at March 31, 2021
Projected benefits payable in future years from the date of reporting	
1st following year	1.64
2nd following year	1.49
3rd following year	1.71
4th following year	1.45
5th following year	1.66
Years 6 to 10	7.40

Sensitivity

The sensitivity of the overall plan liabilities to changes in the weighted key assumptions are:

Particulars	As at March 31, 2021 Increase/decrease in liability
Discount rate varied by 0.5%	
0.50%	20.34
-0.50%	22.55
Salary growth rate varied by 0.5%	
0.50%	22.55
-0.50%	20.33
Withdrawal rate (W.R.) varied by 10%	
W.R.* 110%	21.43
W.R.* 90%	21.36

The sensitivity analyses above have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period and may not be representative of the actual change. It is based on a change in the key assumption while holding all other assumptions constant. When calculating the sensitivity to the assumption, the same method used to calculate the liability recognised in the balance sheet has been applied. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared with the previous period.

[C] Current/ non-current classification

Particulars	As at March 31, 2021
Gratuity	
Current *	0.02
Non-current	0.72
	0.74
Leave entitlement (including sick leave)	
Current	1.81
Non-current	20.78
	22.59

* Positive amount denotes liability and negative amount denotes an asset

Note 44 : Segment Reporting

(i)The group has determined following reporting segments based on the information reviewed by Group's Chief Operating Decision Maker ("CODM"). As per CODM, the Company is engaged in the business of "Solar Photovoltaic Modules and EPC of Solar Power Plants". Based on the business activities during the financial year, the Company has identified the following business segments :

a) Solar Photovoltaic Modules and EPC of Solar Power Plants

b) Generation of Power.

(ii)The above business segment has been identified considering (a)the nature of products and services (b) the differing risk and returns (c) the internal organization and management structure, and (d) the internal financial reporting systems.

(Rs. in Millions)

Particulars	**Year Ended March 31, 2021**
A. Segment Revenue	
Solar Photovoltaic Modules and EPC of Solar Power Plants	19,465.95
Generation of Power	61.83
Total Revenue	**19,527.77**
B. Segment Results	
Solar Photovoltaic Modules and EPC of Solar Power Plants	826.35
Generation of Power	31.57
Less : Unallocable expenses	9.38
Less : Depreciation	285.40
Operating Profit	**563.14**
Less : Finance cost	296.59
Add : Other income	405.94
Profit before tax and exceptional items	**672.49**
Add : Exceptional expenses	40.56
Share of profit/(loss) of Associate	-
Profit before tax	**713.05**
Less : Tax expense (net)	237.85
Profit after tax	**475.20**

Particulars	**As at March 31, 2021**
C. Segments Assets	
Solar Photovoltaic Modules and EPC of Solar Power Plants	11,065.48
Generation of Power	1,727.86
Unallocated Assets	17.25
Total	**12,810.59**
D. Segments Liabilities	
Solar Photovoltaic Modules and EPC of Solar Power Plants	7,627.59
Generation of Power	1,322.97
Unallocated Liabilities	7.08
Total	**8,957.64**

(iii) Revenue from external customer outside India and assets located outside India are not disclosed separately as the internal monitoring is not done as per the CODM of the Company

(iv) Revenue from Holding company has total revenue of more than 10% from 2 of its customers. Revenue from customer one is Rs 2210.45 millions & Second customer is Rs 2747.563 millions

(Rs. in Millions)

Note 45 : Related Party disclosures

a. List of related parties

i) Key Managerial Persons

Mr. Hitesh Doshi	Chairman and Managing Director
Mr. Viren Doshi	Whole time Director
Mr. Hitesh Mehta	Whole time Director / CFO
Mrs. Binita Doshi	Non Executive Director
Mr. Samir Shah (Upto January 5, 2021)	Non Executive Director
Mr. Modesto Volpe	Non Executive Director
Mr. Jayesh Shah	Independent Director
Mr. Sujit Kumar Varma (from February 25, 2021)	Additional Director
Mr. Rajender Malla (from January 16, 2019)	Additional Director
Mr. Abhishek Pareek (from September 4, 2020 to June 29,2021)	Chief Financial Officer
Mr. Kiran Jain	Company Secretary

ii) Relative of Directors

Mr. Chimanlal Doshi

Ms. Rasila Doshi

Mr. Ankit H. Doshi

iii) Enterprises owned or significantly influenced by Key Management Personnel and / or their Relatives

Mahavir Thermoequip

Waaree Renewables Private Limited

Waaree Technologies Limited

Omntec Waaree ATG Private Limited

Waa Cables Private Limited (Subsidiary upto 16th December, 2020)

Sattva Investment Advisors Private Limited

Greentech Power Private Limited

Waaree ESS Private Limited

Waa Motors And Pumps Private Limited

Waaree Solar Thermal LLP

Waaree PV Power LLP (Formerly Sunmount Engineering LLP)

Waa Mall LLP

Waaree Surya Power LLP

Sterling & Wilson-Waaree Pvt Ltd

Jain Education and Empowerment Trust (JEET)

Shri Chimanlal Tribhuvandas Doshi Charitable Trust

iv) Associates

Shalibhadra Energies Private Limited

(Rs. in Millions)

b. Transactions with Related Parties :

Name of Party	Nature of Transaction	Year Ended March 31, 2021
Mr. Hitesh Doshi	Remuneration	20.03
Mr.Viren Doshi	Remuneration	12.98
Mr. Hitesh Mehta	Remuneration	20.28
Mr. Jayesh Shah	Director's sitting fees	0.35
Mr. Samir Shah	Director's sitting fees	0.25
Mr. Rajender Malla	Director's sitting fees	0.35
Mr. Kiran Jain	Salary	1.52
Mr. Abhishek Pareek	Salary	2.19
Mr. Chimanlal Doshi	Rent paid	13.20
	Reimbursement of Expenses	2.37
Ms. Rasila Doshi	Rent paid	6.60
	Reimbursement of Expenses	0.70
Mr. Ankit Doshi	Salary	1.18
Waaree Technologies Limited	Loan Granted	1.00
	Loan Received back	1.00
	Interest Income	0.06
Waaree ESS Private Limited	Sales	40.88
	Capital Sales	49.19
Waa Motors And Pumps Private Limited	Sales	2.16
Shalibhadra Energies Private Limited	Provision for diminution in investment	0.03
Waaree Renewables Private Limited	Slump Purchase	20.93
	Rent paid	2.44
	Purchases	1,992.44
	Job work charges	18.03
	Capital Advance given	669.39
	Sales	2,210.45
Waa Cables Private Limited	Purchases	0.15
Omntec Waaree ATG Private Limited	Purchases	178.77
Waaree Solar Thermal LLP	Purchases	0.88
Waaree PV Power LLP	Loan Granted	30.70
	Loan Received back	125.58
	Interest Income	9.78
	Capital Purchases	0.09
	Purchases	10.67
	Sales	225.62
Waaree Surya Power LLP	Purchases	35.79
	Sales	0.01
Jain Education and Empowerment Trust (JEET)	Corporate Social Responsibility Expense	6.22

(Rs. in Millions)

c. Balance Outstanding of Related Parties :

Name of Party	Receivable / Payable	As at March 31, 2020
Mr. Hitesh Doshi	Salary and Reimbursements Payable	0.53
Mr. Viren Doshi	Salary and Reimbursements Payable	2.19
Mr. Hitesh Mehta	Salary and Reimbursements Payable	0.87
Mr. Kiran Jain	Salary and Reimbursements Payable	0.10
Mr. Abhishek Pareek	Salary and Reimbursements Payable	0.25
Mr. Chimanlal Doshi	Security Deposits	13.00
	Trade Payables	2.37
Ms. Rasila Doshi	Security Deposits	6.00
	Trade Payables	0.78
Mr. Ankit Doshi	Salary and Reimbursements Payable	0.09
Waa Cables Private Limited	Trade Payables	0.05
	Other Receivables	0.28
Waaree Technologies Limited	Other Receivables	0.06
Shalibhadra Energies Private Limited	Trade Payables	0.81
Waaree Renewables Private Limited	Capital Advance	669.39
	Financial liability payable	24.96
	Investment in Convertible preference share	720.00
	Trade Payables	2.25
	Loan Receivables	437.29
Waaree ESS Private Limited	Trade Receivables	1.15
Waaree PV Power LLP	Other Receivables	9.05
	Trade Receivables	20.63
Waaree Surya Power LLP	Trade Receivables	3.98

Compensation to key Management personnel:

Particulars	For the year ended 31st March, 2021
1 Short-term benefits	20.28
2 Post-employment benefits	Nil
3 Sitting Fees	0.35
4 Commission to Directors	Nil

The above figures does not include provisions for gratuity, group mediclaim, group personal accident and compensated absences as the same is determined at the company level and is not possible to determine for select individuals.

WAAREE ENERGIES LIMITED

Notes to Special Purpose Consolidated Financial Statements for the year ended March 31, 2021

(₹ in Millions)

Note 46 : Leases

Effective April 1, 2019, the Company has adopted Ind AS 116, Leases, using modified retrospective approach. On adoption of the new standard IND AS 116 resulted in recognition of 'Right of Use' assets and a lease liability. The cumulative effect of applying the standard, has been debited to retained earnings. The effect of this adoption is insignificant on the profit before tax, profit for the period and earnings per share. Ind AS 116 will result in an increase in cash inflows from operating activities and an increase in cash outflows from financing activities on account of lease payments.

Following are the changes in the carrying value of right of use assets for the year ended March 31, 2021

Particulars	**Year Ended March 31, 2021**
Balance as at 1st April, 2020	299.63
Transition impact on adoption of Ind AS 116	-
Reclassified from property, plant and equipment on account of adoption of Ind AS 116	-
Addition	229.75
Deletion	-
Depreciation	48.53
Balance as at 31st March, 2021	**480.84**

The following is the break-up of current and non-current lease liabilities as at March 31, 2021

Particulars	**As at March 31, 2020**
Current lease liabilities	59.33
Non-Current lease liabilities	443.70
Total	**503.03**

The following is the movement in lease liabilities during the year ended March 31, 2021

Particulars	**Year Ended March 31, 2021**
Balance as at 1st April, 2020	314.68
Transition impact on adoption of Ind AS 116	-
Addition	230.50
Finance cost accrued during the period	21.74
Deletion	(0.75)
Payment of lease liabilities	63.14
Balance as at 31st March, 2021	**503.03**

The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2021 on an undiscounted basis :

Particulars	**Year Ended March 31, 2021**
- Less than one year	59.33
- Later than one year but not later than five years	293.60
- Later than five years	150.10
	503.03

Rental expense recorded for short-term leases for C Y was Rs 7.05 Million.

Note 47 : Disclosure regarding income from Engineering, Procurement and Construction Contracts

Particulars	**Year Ended March 31, 2021**
i) The amount of contract revenue recognised during the year of all contract in progress at year end	642.69
ii) The aggregate amount of cost incurred and recognised profits upto the close of the year of all contract in progress at year end	545.39
iii) The amount of advances received of all contract in progress at year end	-
iv) Amount due from customer of all contract in progress at year end	55.88
v) Amount due to customer of all contract in progress at year end	-

(₹ in Millions)

Note 48 : Disclosures with regards to section 186 of the Companies Act, 2013

For Investments, refer Note 3

For Corporate guarantees given, refer Note 42

For Loan given:

The Company has granted unsecured loan to certain parties for general corporate purpose

Particulars	Year ended March 31, 2021	
	Rate of Interest	Amount
Loans to others	0 to 12%	479.25

Note 49 A: Corporate Social Responsibility

Particulars	Year Ended March 31, 2021
Gross amount required to be spend by the company during the year	10.85
	10.85

Amount spent during the year on :-

Particulars	In Cash	Yet to be paid in cash
	March 31, 2021	March 31, 2020
a) Construction / acquisition of any assets	-	-
b) On purpose other than (a) above	11.04	-
Total	**11.05**	**-**

Note 49 B :

The holding company has entered into an EPC Agreement amounting to Rs. 251 million with Taxus Infrastructure and Power Projects Private Limited ("Taxus") in FY 2012-2013. From the total consideration payable by Taxus Rs.60.07 million is still outstanding as on March 31, 2021. The said amount is secured against, (1) Post Dated Cheques, (2) Pledge of Shares from Promoters of Taxus, (3) Personal Guarantee from Promoters of Taxus and (4) Demand Promissory Note.

The holding company has further invested Rs.100 million through compulsory convertible debentures mandatorily convertible into equity shares within a period of 65 months from the date of allotment. The Company exercised its option of converting debentures into equity shares on completion of period, but Taxus did not comply with the same. The holding company initiated Arbitration Proceedings inter alia for recovery of the trade receivable as well as the debenture amounts. The court appointed sole arbitrator. The matter was heard after arguments of both the sides and reserved the matter for passing award as on date. In view of the management, award would be in favour of the Company.

Waaree Energies Limited
Annexure VI
Notes to Special Purpose Consolidated Financial Statements for the year ended March 31, 2021

Note 49 C :- Note on Service concession arrangement

	Haet Energies (Solar Power Plant, Bid Pipliya)	INDRAPRASTHA POWER GENERATION CO. LTD	NASHIK SMART CITY
Parties	M/s Haet Energies MP Power Management Company Limited West Discom Central Discom	1) Waaree Energies Limited 2) Ramesh Nagar -SBV (Indraprastha Power Generation company Ltd) Government Organisation.	1. Nashik Mumnicipal Corporation 2. Waasang Solar One Private Limited
Period	25 Years	25 Years	25 Years
Commission Date	7th October 2014	22nd January 2019	5th January 2019
Tariff	As mutually Agreed between the Company and Third Party with written Intimation to MPPMCL and Commission	As mutually Agreed between the Company and Indraprastha Power Generation Co. Ltd - A govt og NCT of Delhi Undertking	As mutually agreed between Nashik Mumnicipal Corporation & Waasang Solar One Private Limited
Option to purchase			
Free power	Not Applicable	Not Applicable	Not Applicable

Obligation for overhaul:
Renewal /Termination options: NA

Classification of service concession arrangement in the Consolidated Financial Statements:

Particulars	As at 31st March, 2021
Gross Carrying Amt	7,59,76,653
Net Carrying Amt	6,46,84,549

(Rs. in Millions)

Note 50 : Financial instruments – Fair values and risk management

A. Accounting classification and fair values

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:
Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.
Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.
Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

Financial asset and liabilities as at 31st March 2021	Non Current	Current	Total	Routed through Profit & Loss				Routed through OCI				Carried at Amortised Cost	Total Amount
				Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total		
Financial assets													
Investments	820.00	334.44	1,154.44	334.44	-	-	334.44	-	-	-	-	820.00	1,154.44
Trade receivables	51.66	1,182.42	1,234.07									1,234.07	1,234.07
Security deposits	48.29	-	48.29	-	-	-	-	-	-	-	-	48.29	48.29
Other financial assets	345.00	248.53	593.53	-	-	-	-	-	-	-	-	593.53	593.53
Other Assets													
Cash and cash equivalents	-	128.20	128.20	-	-	-	-	-	-	-	-	128.20	128.20
Bank balances other than cash and cash equivalents	-	973.88	973.88	-	-	-	-	-	-	-	-	973.88	973.88
Loans	-	479.25	479.25	-	-	-	-	-	-	-	-	479.25	479.25
	1,264.94	**3,346.72**	**4,611.66**	**334.44**	**-**	**-**	**334.44**	**-**	**-**	**-**	**-**	**4,277.22**	**4,611.66**
Financial liabilities													
Borrowings	1,971.29	547.32	2,518.60	-	-	-	-	-	-	-	-	2,518.60	2,518.60
Lease liabilities	443.70	59.33	503.03	-	-	-	-	-	-	-	-	503.03	503.03
Trade payables	-	4,372.69	4,372.69	-	-	-	-	-	-	-	-	4,372.69	4,372.69
Other financial liabilities	-	464.74	464.74	-	-	-	-	-	-	-	-	464.74	464.74
	2,414.99	**5,444.08**	**7,859.07**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**7,859.07**	**7,859.07**

(Rs. in Millions)

Note 50 : Financial instruments – Fair values and risk management (continued)

B. Financial Risk Management

B.i. Risk management framework

The Group's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Group's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance.

B.ii. Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's trade and other receivables, cash and cash equivalents and other bank balances. The maximum exposure to credit risk in case of all the financial instruments covered below is restricted to their respective carrying amount.

(a) Trade and other receivables from customers

Credit risk in respect of trade and other receivables is managed through credit approvals, establishing credit limits and monitoring the creditworthiness of customers to which the Group grants credit terms in the normal course of business.

The Group measures the expected credit loss of trade receivables based on historical trend, industry practices and the business environment in which the entity operates. The Group uses a provision matrix to compute the expected credit loss allowance for trade receivables. The provision matrix takes into account available external and internal credit risk factors such as credit ratings from credit rating agencies, financial condition, ageing of accounts receivable and the Group's historical experience for customers.

Ageing of Accounts receivables :

Particulars	As at March 31, 2021
Not Due	66.73
0 - 6 months	385.96
6 - 12 months	19.05
Beyond 12 months	762.34
Total	**1,234.08**

Financial Assets are considered to be of good quality and there is no significant increase in credit risk

The movement of the allowance for lifetime expected credit loss is stated below:

Particulars	As at March 31, 2021
Opening provision	48.00
Add : Additional provision made	17.27
Less : Provision reversed	-
Closing provisions	**65.28**

(b) Cash and cash equivalents and Other Bank Balances

The Group held cash and cash equivalents and other bank balances of Rs. 128.20 million at 31st March 2021. The cash and cash equivalents are held with bank with good credit ratings and financial institution counterparties with good market standing.

(Rs. in Millions)

Note 50 : Financial instruments – Fair values and risk management (continued)

B.iii. Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset.

Liquidity risk is managed by Group through effective fund management of the Group's short, medium and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves, banking facilities and other borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted.

Maturity Analysis of Significant Financial Liabilities

As at March 31, 2021	Total	On demand	Upto 6 Months	6-12 Months	More than 12 Months
Non-Current Borrowings	1,971.29	-	-	-	1,971.29
Borrowings	547.32	525.66	21.66	-	-
Lease liabilities	503.03	-	30.53	28.80	443.70
Trade payables	4,372.69	-	4,372.69	-	-
Other current financial liabilities	464.24	-	154.47	309.77	-

B.iv. Market risk

Market Risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk.

(Rs. in Millions)

Note 50 : Financial instruments – Fair values and risk management (continued)

B.iv.a Currency risk

The Group is exposed to currency risk on account of its operating and financing activities. The functional currency of the Group is Indian Rupee. Our exposure are mainly denominated in U.S. dollars and European dollars. The Group's business model incorporates assumptions on currency risks and ensures any exposure is covered through the normal business operations. This intent has been achieved in all years presented. The Group has put in place a Financial Risk Management Policy to identify the most effective and efficient ways of managing the currency risks.

Exposure to currency risk

The currency profile of financial assets and financial liabilities as at March 31, 2021 is given below:

As at March 31, 2021	Rs. in Millions	EURO	Rs. in Millions	USD	Rs. in Millions	RMB
Financial assets						
Trade receivables	-	-	149.31	2.04	-	-
Cash and cash equivalents	0.00	0.00	0.01	0.00	-	-
Net exposure for assets	**0.00**	**0.00**	**149.32**	**2.04**	**-**	**-**
Financial liabilities						
Trade Payables	-	-	1,762.07	24.12	-	-
Net exposure for liabilities	**-**	**-**	**1,762.07**	**24.12**	**-**	**-**
Net exposure (Assets - Liabilities)	**0.00**	**0.00**	**(1,612.75)**	**(22.08)**	**-**	**-**

Sensitivity analysis

A reasonably possible strengthening / (weakening) of the Indian Rupee against US dollars and European dollars at 31st March would have affected the measurement of financial instruments denominated in US dollars and affected profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases. In cases where the related foreign exchange fluctuation is capitalised to fixed assets or recognised directly in reserves, the impact indicated below may affect the Group's income statement over the remaining life of the related fixed assets or the remaining tenure of the borrowing respectively.

Impact of movement on Profit or (loss) and Equity :	Profit or (loss) and Equity	
Effect in INR (before tax)	**Strengthening**	**Weakening**
For the year ended March 31, 2021		
1% movement		
USD	16.13	(16.13)
EUR	(0.00)	0.00
RMB	-	-
	16.13	**(16.13)**

Derivative financial instruments

The Company holds derivative financial instruments such as foreign currency forward and option contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. The counter party for this contracts is generally a bank. This derivative financial instruments are valued based on quoted prices for similar assets and liabilities in active markets or inputs thar are directly or indirectly observable in the market place.

The details in respect of outstanding foreign currency forward and option contracts are as follows.

Particulars		As at March 31, 2021	
		USD	**₹ in Millions**
Forward contracts through Banks	Import	2.72	198.40
	Export	4.31	314.81
Option Contracts through Exchange	Import	3.50	255.64
	Export	3.00	219.12
		13.53	**987.98**

(Rs. in Millions)

Note 50 : Financial instruments – Fair values and risk management (continued)

B.iv.b Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group is exposed to interest rate risk through the impact of rate changes on interest-bearing liabilities and assets. The Group manages its interest rate risk by monitoring the movements in the market interest rates closely.

Exposure to interest rate risk

Group's interest rate risk arises primarily from borrowings. The interest rate profile of the Group's interest-bearing financial instruments is as follows.

Particulars	As at March 31, 2021
Total Borrowings	1,683.62
Total of Variable Rate Financial Liabilities	**1,683.62**

Cash flow sensitivity analysis for variable-rate instruments

The sensitivity analysis below have been determined based on the exposure to interest rates for financial instruments at the end of the reporting year and the stipulated change taking place at the beginning of the financial year and held constant throughout the reporting period in the case of instruments that have floating rates. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates :

Cash flow sensitivity (net)	**Profit or loss**	
INR	**50 bp increase**	**50 bp decrease**
March 31, 2021		
Variable-rate loan instruments	(8.42)	8.42
Cash flow sensitivity (net)	**(8.42)**	**8.42**

B.iv.c Other price risk

The Group invests its surplus funds in various Equity and debt instruments . These comprise of mainly liquid schemes of mutual funds (liquid investments), Equity shares, Debentures and fixed deposits. This investments are susceptible to market price risk, mainly arising from changes in the interest rates or market yields which may impact the return and value of such investments. However due to the very short tenor of the underlying portfolio in the liquid schemes, these do not pose any significant price risk.

Note 51 : Capital Management

The Group aims to manage its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise returns to its shareholders. Management monitors the return on capital as well as the debt equity ratio and make necessary adjustments in the capital structure for the development of the business. The capital structure of the Group is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day - to - day needs. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

Particulars	As at March 31, 2021
Total debts	2,905.69
Total equity	3,852.92
Total debts to equity ratio (Gearing ratio)	**0.75**

Note : For the purpose of computing debt to equity ratio, equity includes equity share capital and other equity and debt includes long term borrowings, short term borrowings and current maturities of long term borrowings.

WAAREE ENERGIES LIMITED

Notes to Special Purpose Consolidated Financial Statements for the year ended March 31, 2021

(Rs. in Millions)

Note 52 : Additional Information, as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as Subsidiary

Name of the Enterprise	Net Assets i.e. total assets minus total liabilities		Share in Profit & Loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	(Rs. in Millions)	As % of consolidated profit & loss	(Rs. in Millions)	As % of consolidated profit & loss	(Rs. in Millions)	As % of consolidated profit & loss	(Rs. in Millions)
For the year ended March 31,2021								
Parent								
Waaree Energy Limited	54.30%	2,091.99	92.49%	448.64	91.18%	1.07	92.48%	449.70
Subsidiaries								
Indian								
Blue Rays Solar Private Limited	10.89%	419.71	6.27%	30.39	0.00%	-	6.25%	30.39
Waa Cables Private Limited (Upto 17th December 2020)	0.00%	-	1.85%	8.97	0.00%	-	1.84%	8.97
Saswata Solar Private Limited	19.13%	737.13	0.00%	(0.02)	0.00%	-	0.00%	(0.02)
Waaneep Solar One Private Limited	0.00%	(0.02)	-0.01%	(0.03)	0.00%	-	-0.01%	(0.03)
Sangam Renewables Limited	5.34%	205.63	-2.61%	(12.65)	0.00%	0.19	-2.56%	(12.46)
Sangam Solar One Private Limited	0.00%	0.10	0.00%	(0.00)	0.00%	-	0.00%	(0.00)
Sangam Solar Two Private Limited	0.00%	0.09	0.00%	-	0.00%	-	0.00%	-
Sangam Solar Three Private Limited	0.00%	0.08	0.00%	(0.02)	0.00%	-	0.00%	(0.02)
Sangam Solar Four Private Limited	0.00%	0.09	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
Waaree Power Private Limited	-0.09%	(3.62)	-0.02%	(0.08)	0.00%	-	-0.02%	(0.08)
Foreign								
Rasila International Pte Limited	0.00%	0.00	0.00%	-	0.00%	-	0.00%	-
Net Total		**3,451.18**		**475.19**		**1.25**		**476.45**
Minority Interest in all subsidiaries	10.43%	401.72	2.04%	9.89	0.00%	(0.09)	2.02%	9.80
Total	**100.00%**	**3,852.90**	**100.00%**	**485.08**	**91.18%**	**1.17**	**100.00%**	**486.25**

Note 53 : The list of subsidiaries and associates in the consolidated financial statements are as under :

Name of the Enterprise	Country of Incorporation	Proportion of Ownership Interest
		Year Ended March 31, 2021
Subsidiaries		
Blue Rays Solar Private Limited	India	100.00%
Waa Cables Private Limited (Upto 17th December 2020)	India	0.00%
Rasila International Pte Limited	Singapore	99.99%
Saswata Solar Private Limited	India	99.99%
Waaneep Solar One Private Limited	India	100.00%
Sangam Renewables Limited (from 14th May, 19)	India	54.28%
Waaree Power Private Limited (from 3rd January, 2020)	India	74.00%
Sangam Solar One Private Limited (from 14th February, 2020)	India	100.00%
Sangam Solar Two Private Limited (from 14th February, 2020)	India	100.00%
Sangam Solar Three Private Limited (from 14th February, 2020)	India	100.00%
Sangam Solar Four Private Limited (from 14th February, 2020)	India	100.00%
Step down Subsidiaries through Sangam Renewables Limited		
Sangam Rooftop Private Limited (from 14th May, 19)	India	100.00%
Waasang Solar Private Limited (from 14th May, 19)	India	100.00%
Waasang Solar One Private Limited (from 14th May, 19)	India	100.00%
Waacox Private Limited (from 14th May, 19)	India	51.00%
Waaree PV Technologies Private Limited (from 14th May, 19)	India	100.00%
Associate		
Shalibhadra Energies Private Limited	India	25.00%

Note*:

During the year for corporatisation of Saswata Solar LLP the capital has been reduced from 738.50 Mn to 0.10 Mn by converting the same to loan bearing interest @ 8 % p.a. Subsequently on April 16th 2021, Saswata Solar LLP has been converted to Saswata Solar Private Limited.

Note 54 : Subsequent Events: Subsequent to balance sheet date, on July 5, 2021, the Company has divested its 51% stake in Waacox Energy Private Limited to Aditya Birla Renewables Limited pursuant to the Shareholders Agreement dated July 10, 2018. Further on August 11, 2021, the Company has sold its 100% stake in Saswata Solar Private Limited vide the Board resolution dated August 11, 2021. The Company has incorporated a foreign company in USA named Waaree Solar Americas Inc on April 21, 2021.

Note 55 : Figures of the previous year have been regrouped, reclassified and/or rearranged wherever necessary.

In terms of our report of even date

Shah Gupta & Co.
Chartered Accountants
Firm Registration No. 109574W

sd/-
Vipul K Choksi
Partner
Membership No. 37606

UDIN: 21037606AAAADA3715
Place: Mumbai
Date: 17th September, 2021

For and on behalf of the Board

sd/-
Chairman & Managing Director
(DIN 00293668)

sd/-
Director & CFO
(DIN 00207506)

sd/-
Kirankumar Jain
Company Secretary
ACS 35444
Place: Mumbai
Date: 17th September, 2021