

# S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

12th Floor  
"UB City" Canberra Block  
No. 24, Vittal Mallya Road  
Bengaluru - 560 001, India  
Tel : +91 80 6648 9000

## INDEPENDENT AUDITOR'S REPORT

To the Members of Tata Power Solar Systems Limited

### Report on the Audit of the Ind AS Financial Statements

#### Opinion

We have audited the accompanying Ind AS financial statements of Tata Power Solar Systems Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended and notes to the Ind AS financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, its loss including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

#### Basis for Opinion

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

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

The Company's Board of Directors is responsible for the other information. The other information comprises the Board's Report but does not include Ind AS financial statements and our auditor's report thereon.

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

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

#### Responsibility of Management for Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting



# **S.R. BATLIBOI & ASSOCIATES LLP**

Chartered Accountants

Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

- Identify and assess the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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



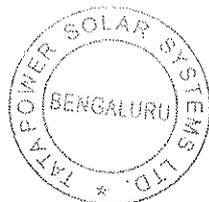
# **S.R. BATLIBOI & ASSOCIATES LLP**

Chartered Accountants

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

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

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
  - (d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
  - (e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act;
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
  - (g) In our opinion, the managerial remuneration for the year ended March 31, 2021 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;
  - (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements – Refer Note 32 to the Ind AS financial statements;
    - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 20 and 22 to the Ind AS financial statements;

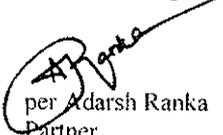


# S.R. BATLIBOI & ASSOCIATES LLP

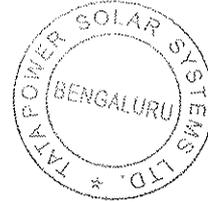
Chartered Accountants

- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For S.R. Batliboi & Associates LLP  
Chartered Accountants  
ICAI Firm Registration Number: 101049W/E300004

  
per Adarsh Ranka  
Partner

Membership Number: 209567  
UDIN: 21209567AAAAABT9020  
Place: Bengaluru  
Date: April 20, 2021



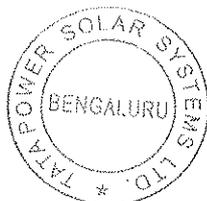
# **S.R. BATLIBOI & ASSOCIATES LLP**

Chartered Accountants

**Annexure I referred to in clause I of paragraph on the report on other legal and regulatory requirements of our report of even date**

**Re: Tata Power Solar System Limited**

- i) a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.  
  
b) All fixed assets have not been physically verified by the management during the year but there is a regular program of verification which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.  
  
c) According to the information and explanations given to us by the management, the title deeds of the immovable properties included in property plant and equipment are held in the name of the Company.
- ii) The management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies were noticed on such physical verification.
- iii) According to the information and explanation given to us by the management, the Company has granted loans to one Company covered in the register maintained under section 189 of the Companies Act, 2013.
  - a) In our opinion and according to information and explanations given to us by the management, the terms and conditions of the grant of such loans are not prejudicial to the Company's interest.
  - b) In the case of loans granted to the companies listed in the register maintained under section 189 of the Act, the borrowers have been regular in the repayment of the principal and payment of interest wherever required.
  - c) There are no amounts of loans granted to companies, firms or other parties listed in the register maintained under section 189 of the Companies Act, 2013 which are overdue for more than ninety days.
- iv) In our opinion and according to the information and explanations given to us, provisions of section 185 and 186 of the Companies Act 2013 in respect of loans to directors including entities in which they are interested and in respect of loans and advances given, investments made and, guarantees, and securities given have been complied with by the Company.
- v) The Company has not accepted deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, related to the manufacture and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.
- vii) a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, duty of custom, value added tax, goods and services tax, cess and other statutory dues applicable to it.



# S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

b) According to the information and explanations given to us by the management, no undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, duty of custom, value added tax, cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

c) According to the records of the Company, the dues outstanding of income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, goods and services tax and cess on account of any dispute, are as follows:

Name of the statute	Nature of dues	Amount of Demand (Rs. In Lakhs)	Period for which amounts relates to	Forum where dispute is pending	Amount paid (Rs. In Lakhs)	Amount unpaid (Rs. In Lakhs)
Income Tax Act, 1961	Income Tax	1,629.70	FY 2003-04	Income Tax Appellate Tribunal	1,629.70	-
Income Tax Act, 1961	Income Tax	580.60	FY 2007-08	Commissioner Income Tax (Appeals)	580.60	-
Income Tax Act, 1961	Income Tax	719.91	FY 2010-11	Income Tax Appellate Tribunal	719.91	-
Income Tax Act, 1961	Income Tax	140.63	FY 2011-12	Income Tax Appellate Tribunal	140.63	-
Rajasthan VAT Act, 2003	Rajasthan VAT	3,806.72	FY 2013-14, FY 2014-15 and FY 2015-16	Rajasthan Tax Board	208.74	3,597.98

viii) In our opinion and according to the information and explanations given to us by the management, the Company has not defaulted in repayment of loans or borrowing to a financial institution, bank or government or dues to debenture holders.

ix) According to the information and explanations given to us by the management, the Company has not raised any money way of initial public offer / further public offer / debt instruments and term loans hence, reporting under clause (ix) is not applicable to the Company and hence not commented upon.

x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given to us by the management, we report that no material fraud by the Company or no material fraud on the Company by the officers and employees of the Company has been noticed or reported during the year.

xi) According to the information and explanations given by the management, the managerial remuneration has been paid/provided by the company to its directors in accordance with provisions of section 197 read with Schedule V of the Act.

xii) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company and hence not commented upon.



## **S.R. BATLIBOI & ASSOCIATES LLP**

Chartered Accountants

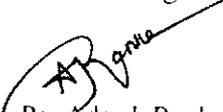
xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 188 and section 177 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the company and, not commented upon.

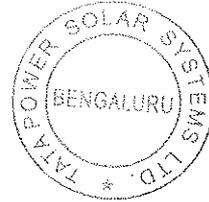
xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.

xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For S.R.Batliboi & Associates LLP  
Chartered Accountants  
ICAI firm registration number: 101049W/E300004

  
Per Adarsh Ranka  
Partner

Membership number: 209567  
UDIN: 21209567AAAABT9020  
Place: Bengaluru  
Date: April 20, 2021



# **S.R. BATLIBOI & ASSOCIATES LLP**

Chartered Accountants

## **Annexure 2 to the Independent auditor's report of even date on the Ind AS financial statements of Tata Power Solar System Limited**

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

We have audited the internal financial controls over financial reporting of Tata Power Solar System Limited ('the Company') as of March 31, 2021 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

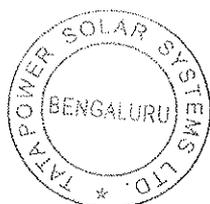
The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial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

#### **Auditor's Responsibility**

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

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

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



# S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

## Meaning of Internal Financial Controls Over Financial Reporting With Reference to these Financial Statements

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

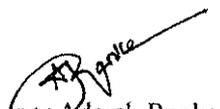
## Inherent Limitations of Internal Financial Controls Over Financial Reporting with reference to these Ind AS Financial Statements

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

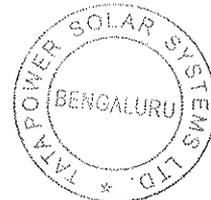
## Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting with reference to these financial statements and such internal financial controls over financial reporting with reference to these financial statements were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For S.R. Batliboi & Associates LLP  
ICAI firm registration number: 101049W/E300004  
Chartered Accountants

  
per Adarsh Ranka  
Partner

Membership Number: 209567  
UDIN: 21209567AAAABT9020  
Place: Bengaluru  
Date: April 20, 2021



		₹ in Lakhs		
Particulars		Note	As at March 31, 2021	As at March 31, 2020
<b>A</b>	<b>ASSETS</b>			
1	<b>Non-current assets</b>			
	(a) Property, plant and equipment	4	35,384.60	17,301.58
	(b) Capital work-in-progress		466.79	98.22
	(c) Intangible assets	5	34.60	164.41
	(d) Financial assets			
	(i) Investment in subsidiary	6	100.00	100.00
	(ii) Trade receivables	9	21,783.48	3,027.64
	(iii) Loans	12	476.42	377.39
	(iv) Other financial assets	13	267.05	-
	(e) Non-current tax assets (net)	14	4,387.54	2,703.28
	(f) Deferred tax assets (net)	31	11,820.36	-
	(g) Other non-current assets	15	1.80	1.80
	<b>Total non-current assets</b>		<b>74,722.64</b>	<b>23,774.32</b>
2	<b>Current assets</b>			
	(a) Inventories	7	41,568.91	29,501.70
	(b) Financial assets			
	(i) Investments	8	-	3,621.28
	(ii) Trade receivables	9	3,33,725.00	95,947.32
	(iii) Unbilled Revenue		4,150.97	1,423.26
	(iv) Cash and cash equivalents	10	13,997.52	4,160.65
	(v) Balances with bank other than (iv) above	11	-	4,000.00
	(vi) Loans	12	336.99	324.34
	(vii) Other financial assets	13	16.72	16,064.98
	(c) Other current assets	15	37,489.80	21,124.41
	<b>Total current assets</b>		<b>4,31,285.91</b>	<b>1,76,167.94</b>
	<b>Total assets (1+2)</b>		<b>5,06,008.55</b>	<b>1,99,942.26</b>
<b>B</b>	<b>EQUITY AND LIABILITIES</b>			
1	<b>Equity</b>			
	(a) Equity share capital	16	22,977.57	22,977.57
	(b) Other equity	17	39,364.71	46,201.77
	<b>Total equity</b>		<b>62,342.28</b>	<b>69,179.34</b>
	<b>Liabilities</b>			
2	<b>Non-current liabilities</b>			
	(a) Financial liabilities			
	(i) Borrowings	18	11,000.00	-
	(b) Provisions	22	9,644.66	7,985.99
	(c) Non-current tax liabilities (net)	21	302.66	302.66
	(d) Deferred tax liabilities (net)		-	3,242.58
	(e) Other non-current liabilities	23	1,214.75	1,214.75
	<b>Total non-current liabilities</b>		<b>22,162.07</b>	<b>12,746.98</b>
3	<b>Current liabilities</b>			
	(a) Financial liabilities			
	(i) Borrowings	18	82,382.82	4.01
	(ii) Trade payables			
	(a) Total outstanding dues of micro enterprises and small enterprises	19	4,676.29	2,298.31
	(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	19	2,08,162.99	61,753.77
	(iii) Other financial liabilities	20	28,124.50	1,016.34
	(b) Current tax liabilities (net)	21	4,430.69	-
	(c) Provisions	22	7,159.15	1,970.92
	(d) Other current liabilities	23	86,567.76	50,973.59
	<b>Total current liabilities</b>		<b>4,21,504.20</b>	<b>1,18,016.94</b>
	<b>Total equity and liabilities (1+2+3)</b>		<b>5,06,008.55</b>	<b>1,99,942.26</b>

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For S.R.Baliboi & Associates LLP  
ICAI Firm Registration Number: 101049W/E300004  
Chartered Accountants

per Anand Ranka  
Partner  
Membership Number:209567



Place : Bengaluru  
Date : April 20, 2021

For and on behalf of the Board of Directors of  
Tata Power Solar Systems Limited

Ashish Khanna, Director  
DIN: 06699527

Mahesh D Paranjpe  
Chief Executive Officer

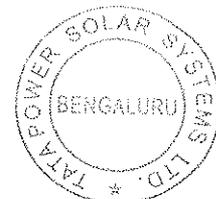
Jeraz E. Mahemosh  
Company Secretary

Place : Mumbai  
Date : April 20, 2021

Anand Agarwal, Director

Anand Agarwal, Director  
DIN: 06398370

Aditya Gupta  
Chief Financial Officer



Tata Power Solar Systems Limited  
Statement of Profit and Loss for the year ended March 31, 2021  
CIN: U40106MH1989PLC330738

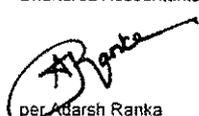
₹ in Lakhs

Particulars	Note	For the year ended March 31, 2021	For the year ended March 31, 2020
I Revenue from operations	24	5,11,891.34	2,14,070.09
II Other income	25	2,424.36	2,540.21
III Total income (I + II)		5,14,315.70	2,16,610.30
IV Expenses			
Cost of materials consumed (including sub-contracting cost of Rs.28,349.39 Lakhs (March 31,2020 : Rs. 17,151.81 Lakhs)		4,33,840.88	1,56,222.89
(Increase)/ decrease in inventories of finished goods and work-in-progress		126.62	(1,300.66)
Employee benefits expenses	26	12,530.34	12,844.66
Finance costs	27	8,053.87	3,954.48
Depreciation and amortisation expenses	28	2,498.21	1,764.87
Other expenses	29	34,815.25	27,429.15
V Total expenses		4,91,865.17	2,00,915.39
VI Profit before tax (III- V)		22,450.53	15,694.91
VII Tax expenses			
Current tax (including MAT)		7,316.86	3,427.26
Deferred tax		(5,706.30)	-
Total tax expenses		1,610.56	3,427.26
VIII Profit for the period (VI-VII)		20,839.97	12,267.65
IX Other comprehensive income			
<u>Items that will not be reclassified to profit / (loss)</u>			
(i) Remeasurements of the defined benefit liabilities / (asset)		191.14	(172.59)
(ii) Income tax relating to items that will not be reclassified to profit / (loss)		48.11	(60.31)
<u>Items that may be reclassified to profit or (loss)</u>			
(i) Net movement on cash flow hedges		(37,176.69)	12,883.72
(ii) Income tax relating to items that will may be reclassified to profit / (loss)		(9,356.63)	3,242.58
Total other comprehensive income ((i) - (ii))		(27,677.03)	9,528.86
X Total comprehensive income for the period (VIII + IX)		(6,837.06)	21,796.51
XI Earnings per equity share (₹) :	35		
Basic		90.70	53.39
Diluted		90.70	53.39

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For S.R.Batliloi & Associates LLP  
ICAI Firm Registration Number: 101049W/ E300004  
Chartered Accountants

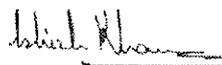
  
per Adarsh Ranka  
Partner

Membership Number:209567



Place : Bengaluru  
Date: April 20, 2021

For and on behalf of the Board of Directors of  
Tata Power Solar Systems Limited



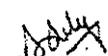
Ashish Khanna, Director  
DIN: 06699527



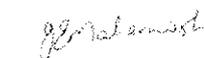
Anand Agarwal, Director  
DIN: 06398370



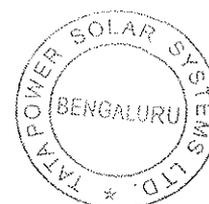
Mahesh D Paranjpe  
Chief Executive Officer



Aditya Gupta  
Chief Financial Officer



Jeraz E. Mahernosh  
Company Secretary

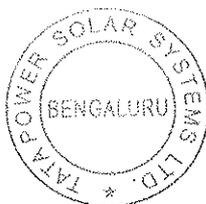


Place : Mumbai  
Date: April 20, 2021

Tata Power Solar Systems Limited  
Statement of Cash flow for the year ended March 31, 2021  
CIN: U40106MH1989PLC330738

₹ in Lakhs

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
<b>Cash flows from operating activities</b>		
Profit / (loss) before tax	22,450.53	15,694.91
Adjustments for:		
Finance costs recognised in profit or loss	8,053.87	3,954.48
Interest income recognised in profit or loss	(2,407.86)	(336.38)
Loss/ (Gain) on disposal of property, plant and equipment	5.49	0.63
Impairment of financial assets	(619.38)	1,289.83
Bad debts	186.22	27.43
Depreciation and amortisation expense	2,498.21	1,764.87
Provision for warranty	2,649.57	1,044.62
Liabilities Written back	-	-
(Gain)/loss on sale of current investments	(12.90)	(498.15)
	<b>32,803.75</b>	<b>22,942.24</b>
Movements in working capital:		
Adjustments for (increase) / decrease in operating assets:		
Inventories	(12,067.21)	(5,110.40)
Trade receivables	(2,56,100.36)	84,554.30
Current Loans	(12.65)	(46.03)
Other current assets	(16,365.39)	(2,519.66)
Non-current loans	(99.03)	(6.72)
Other non-current assets	(267.05)	12.04
Unbilled revenue	(2,727.71)	1,128.78
Movement in operating assets	(2,87,639.40)	78,012.31
Adjustments for increase / (decrease) in operating liabilities:		
Trade payables	1,48,787.21	(21,557.36)
Other current liabilities	35,594.17	24,256.29
Short-term provisions	2,729.80	(3,811.74)
Long-term provisions	1,658.67	2,326.84
Other financial liabilities - Current	159.60	24.57
Movement in operating liabilities	1,88,929.45	1,238.60
Cash generated from operations	<b>(65,906.20)</b>	<b>1,02,193.15</b>
Income taxes paid	(4,618.55)	(3,099.56)
<b>Net cash (used in)/ generated from operating activities</b>	<b>(70,524.75)</b>	<b>99,093.59</b>
<b>Cash flows from investing activities</b>		
Purchase of current investments	-	(51,000.00)
Proceeds from sale of current investments	3,634.18	47,876.87
Interest received	2,422.12	308.71
Payments for property, plant and equipment (including capital advances)	(13,129.13)	(1,084.56)
Payments for intangible assets	-	(40.74)
Proceeds from disposal of property, plant and equipment	6.54	2.78
Loan given to related parties	(26,801.85)	(10,507.28)
Loan repaid by related parties	26,801.85	10,507.28
Investments in bank deposits (net)	4,000.00	(4,000.00)
<b>Net cash (used in)/ generated from investing activities</b>	<b>(3,066.29)</b>	<b>(7,936.94)</b>



<b>Cash flows from financing activities</b>		
Proceeds from borrowings	44,668.61	(46,150.10)
Loan taken from related parties	86,982.00	47,446.46
Loan repaid to related parties	(35,998.80)	(55,947.46)
Interest paid	(13,950.90)	(8,486.55)
<b>Net cash (used in)/ generated from financing activities</b>	<b>81,700.91</b>	<b>(63,137.65)</b>
<b>Net increase in cash and cash equivalents</b>	<b>8,109.87</b>	<b>28,019.00</b>
Cash and cash equivalents at the beginning of the year	4,160.65	(23,858.35)
<b>Cash and cash equivalents at the end of the year</b>	<b>12,270.52</b>	<b>4,160.65</b>

<b>Cash and Cash Equivalents include :</b>	<b>As at</b>	<b>As at</b>
	<b>March 31, 2021</b>	<b>March 31, 2020</b>
Cash on Hand		
Balances with banks		
In current accounts	13,197.52	1,875.65
In Deposit Accounts (with original maturity three months or less)	800.00	2,285.00
Bank Overdraft	(1,727.00)	-
	<b>12,270.52</b>	<b>4,160.65</b>

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For S.R. Batliboi & Associates LLP

ICAI Firm Registration Number: 101049W/ E300004

Chartered Accountants

For and on behalf of the Board of Directors of

Tata Power Solar Systems Limited

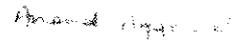


per Adarsh Ranka  
Partner

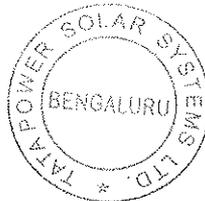
Membership Number: 209567



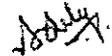
Ashish Khanna, Director  
DIN:06699527



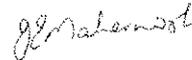
Anand Agarwal, Director  
DIN: 06398370




Mahesh D Paranjpe  
Chief Executive Officer



Aditya Gupta  
Chief Financial Officer



Jeraz E. Mahemosh  
Company Secretary

Place : Bengaluru  
Date: April 20, 2021

Place : Mumbai  
Date: April 20, 2021

Tata Power Solar Systems Limited  
Statement of changes in equity for the year ended March 31, 2021  
CIN: U40106MH1989PLC330738

	₹ in Lakhs
a. Equity share capital	
As at April 1, 2019	22,977.57
As at March 31, 2020	22,977.57
As at April 1, 2020	22,977.57
As at March 31, 2021	22,977.57

b. Other Equity

Particulars	Reserves and Surplus					Item of Other Comprehensive Income	Total other equity
	Securities premium (Refer note 17.1)	General reserve (Refer note 17.2)	Capital redemption Reserve (Refer note 17.3)	Deemed equity (Refer note 17.4)	Retained earnings (Refer note 17.5)	Effective portion of cash flow hedge Reserve (Refer note 17.6)	
As at April 1, 2019	14,587.09	4,735.00	2,295.00	1,261.87	1,526.30	-	24,405.26
Profit / (Loss) for the period	-	-	-	-	12,267.65	-	12,267.65
Other comprehensive Income / (expense) arising from remeasurements of the defined benefit liabilities / (asset) (net of tax)	-	-	-	-	(112.28)	9,641.14	9,528.86
<b>As at March 31, 2020</b>	<b>14,587.09</b>	<b>4,735.00</b>	<b>2,295.00</b>	<b>1,261.87</b>	<b>13,681.67</b>	<b>9,641.14</b>	<b>46,201.77</b>
As at April 1, 2020	14,587.09	4,735.00	2,295.00	1,261.87	13,681.67	9,641.14	46,201.77
Profit / (Loss) for the Period	-	-	-	-	20,839.97	-	20,839.97
Other comprehensive Income / (expense) (net of tax)	-	-	-	-	143.03	(27,820.06)	(27,677.03)
<b>As at March 31, 2021</b>	<b>14,587.09</b>	<b>4,735.00</b>	<b>2,295.00</b>	<b>1,261.87</b>	<b>34,664.67</b>	<b>(18,178.92)</b>	<b>39,364.71</b>

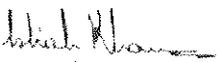
The accompanying notes are an integral part of the financial statements

As per our report of even date  
For and on behalf of the Board of Directors of Tata Power Solar Systems Limited

For S.R. Batliboi & Associates LLP  
ICAI Firm Registration Number: 101049W/E300004  
Chartered Accountants

  
per Anandh Ranka  
Partner  
Membership Number: 209567

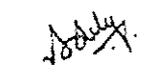
For and on behalf of the Board of Directors of  
Tata Power Solar Systems Limited

  
Ashish Khanna, Director  
DIN: 05699527

  
Anand Agarwal, Director  
DIN: 06398370



  
Mahesh D Paranje  
Chief Executive Officer

  
Aditya Gupta  
Chief Financial Officer

  
Jeraz E. Manemosh  
Company Secretary

Place: Bengaluru  
Date: April 20, 2021

Place: Mumbai  
Date: April 20, 2021



**Tata Power Solar Systems Limited**  
**Notes to the financial statements for the year ended March 31, 2021**  
**CIN: U40106MH1989PLC330738**

**1 Corporate information**

Tata Power Solar Systems Limited ('the Company' or "TPSSL") is a manufacturer of solar photo-voltaic cells and modules as well as in the Engineering, Procurement and Construction (EPC) in the solar energy market, wherein the manufactured cells/modules are utilised. The Company is a wholly owned subsidiary of The Tata Power Company Limited.

**2 Significant Accounting Policies**

**2.1 Statement of compliance**

The financial statements has been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 read with section 133 of the Companies Act, 2013 (the Act) (as amended from time to time).

**2.2 Basis of preparation and presentation**

This financial statement has been reported in Rs. Lakhs, except for information pertaining to number of shares and earnings per share information.

The financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities (refer accounting policy regarding financial instruments) which have been measured at fair value.

The functional and presentation currency of the Company is Indian Rupee ("Rs") which is the currency of the primary economic environment in which the Company operates.

**2.3 Other Significant Accounting Policies**

**2.3.1 Current versus non-current classification**

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

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

All other assets are classified as non-current.

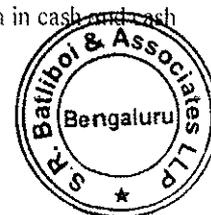
A liability is current when:

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

The Company classifies all other liabilities as non-current.

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

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



### **2.3.2 Non-current assets held for sale**

Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset (or disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such asset (or disposal group) and its sale is highly probable. The management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets (and disposal groups) classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell.

### **2.3.3 Foreign currencies**

In preparing the financial statements, 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 period, 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.

Exchange differences on monetary items are recognised in profit or loss in the period in which they arise except for:

- exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;

exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to profit or loss on repayment of the monetary items.

### **2.3.4 Fair value measurement of financial instruments**

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date using valuation techniques.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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

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

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

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

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



**Tata Power Solar Systems Limited**  
**Notes to the financial statements for the year ended March 31, 2021**  
**CIN: U40106MH1989PLC330738**

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

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

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

**2.3.5 Financial instruments**

Financial assets and financial liabilities are recognised when the Company becomes a party to the contract embodying the related financial instruments. All financial assets, financial liabilities and financial guarantee contracts are initially measured at transaction cost and where such values are different from the fair value, at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit and loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability. Transaction costs directly attributable to the acquisition of financial assets and financial liabilities at fair value through profit and loss are immediately recognised in the Statement of profit and loss. In case of interest free or concession loans/debentures/preference shares given to subsidiaries, associates and joint ventures, the excess of the actual amount of the loan over initial measure at fair value is accounted as an equity investment.

Investment in equity instruments issued by subsidiaries, associates and joint ventures are measured at cost less impairment.

Investment in preference shares/ debentures of the subsidiaries are treated as equity instruments if the same are convertible into equity shares or are redeemable out of the proceeds of equity instruments issued for the purpose of redemption of such investments. Investment in preference shares/ debentures not meeting the aforesaid conditions are classified as debt instruments at amortised cost.

**Effective interest method**

The effective interest method is a method of calculating the amortised cost of a financial instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts future cash receipts or payments through the expected life of the financial instrument, or where appropriate, a shorter period.

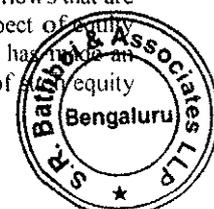
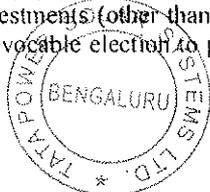
**(a) Financial assets**

**Financial assets at amortised cost**

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model whose objective is to hold these assets in order 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.

**Financial assets measured at fair value**

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows or to sell these financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The Company in respect of equity investments (other than in subsidiaries, associates and joint ventures) which are not held for trading has made an irrevocable election to present in other comprehensive income subsequent changes in the fair value of equity



**Tata Power Solar Systems Limited**  
**Notes to the financial statements for the year ended March 31, 2021**  
**CIN: U40106MH1989PLC330738**

instruments. Such an election is made by the Company on an instrument by instrument basis at the time of initial recognition of such equity investments.

Financial asset not measured at amortised cost or at fair value through other comprehensive income is carried at fair value through the statement of profit and loss.

For financial assets maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

#### Impairment of financial assets

Loss allowance for expected credit losses is recognised for financial assets measured at amortised cost and fair value through the statement of profit and loss.

The Company recognises impairment loss on trade receivables using expected credit loss model, which involves use of provision matrix constructed on the basis of historical credit loss experience as permitted under Ind AS 109 – Impairment loss on investments.

For financial assets whose credit risk has not significantly increased since initial recognition, loss allowance equal to twelve months expected credit losses is recognised. Loss allowance equal to the lifetime expected credit losses is recognised if the credit risk on the financial instruments has significantly increased since initial recognition.

#### De-recognition of financial assets

The Company de-recognises a financial asset only when the contractual rights to the cash flows from the financial asset expire, or it transfers the financial asset and the transfer qualifies for de-recognition under Ind AS 109.

If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the assets and an associated liability for amounts it may have to pay.

If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On de-recognition of a financial asset in its entirety, the difference between the carrying amount measured at the date of de-recognition and the consideration received is recognised in statement of profit or loss.

#### (b) Financial liabilities and equity instruments

##### Classification as debt or equity

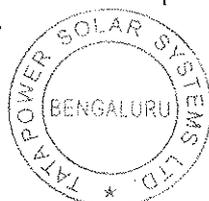
Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

##### Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

##### Financial Liabilities

Financial liabilities are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost, using the effective interest rate method where the time value of money is significant. Interest bearing bank loans, overdrafts and issued debt are initially measured at fair value and are subsequently measured at amortised cost using the effective interest rate method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in the statement of profit and loss.



**Tata Power Solar Systems Limited**  
**Notes to the financial statements for the year ended March 31, 2021**  
**CIN: U40106MH1989PLC330738**

For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

a. Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee.

b. De-recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

c. Off-setting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

**2.3.6 Derivative financial instruments**

The Company enters into a variety of derivative financial instruments to manage its exposure to foreign exchange rate risks by way of foreign exchange forward contracts.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss, except for the effective portion of cash flow hedges, which is recognised in OCI and later reclassified to profit or loss when the hedge item affects profit or loss or treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability.

Derivatives embedded in non-derivative host contracts that are not financial assets within the scope of Ind AS 109 are treated as separate derivatives when their risks and characteristics are not closely related to those of the host contracts and the host contracts are not measured at FVTPL.

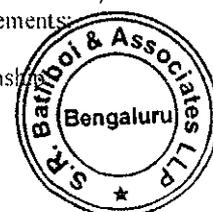
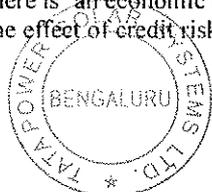
For the purpose of hedge accounting, hedges are classified as:

- ▶ Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment
- ▶ Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment
- ▶ Hedges of a net investment in a foreign operation

At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship to which the Company wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge.

The documentation includes identification of the hedging instrument, the hedged item, the nature of the risk being hedged, and how the Company will assess whether the hedging relationship meets the hedge effectiveness requirements (including the analysis of sources of hedge ineffectiveness and how the hedge ratio is determined). A hedging relationship qualifies for hedge accounting if it meets all of the following effectiveness requirements:

- There is 'an economic relationship' between the hedged item and the hedging instrument.
- The effect of credit risk does not 'dominate the value changes' that result from that economic relationship.



**Tata Power Solar Systems Limited**  
**Notes to the financial statements for the year ended March 31, 2021**  
**CIN: U40106MH1989PLC330738**

• The hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Company actually hedges and the quantity of the hedging instrument that the Company actually uses to hedge that quantity of hedged item.

Hedges that meet the strict criteria for hedge accounting are accounted for, as described below:

**(i) Fair value hedges**

The change in the fair value of a hedging instrument is recognised in the statement of profit and loss as finance costs. The change in the fair value of the hedged item attributable to the risk hedged is recorded as part of the carrying value of the hedged item and is also recognised in the statement of profit and loss as finance costs.

**(ii) Cash flow hedges**

The effective portion of the gain or loss on the hedging instrument is recognised in OCI in the Effective portion of cash flow hedges, while any ineffective portion is recognised immediately in the statement of profit and loss. The Effective portion of cash flow hedges is adjusted to the lower of the cumulative gain or loss on the hedging instrument and the cumulative change in fair value of the hedged item.

The Company uses forward currency contracts as hedges of its exposure to foreign currency risk in forecast transactions and firm commitments. The ineffective portion relating to foreign currency contracts is recognised in finance costs.

The amounts accumulated in OCI are accounted for, depending on the nature of the underlying hedged transaction. If the hedged transaction subsequently results in the recognition of a non-financial item, the amount accumulated in equity is removed from the separate component of equity and included in the initial cost or other carrying amount of the hedged asset or liability. This is not a reclassification adjustment and will not be recognised in OCI for the period. This also applies where the hedged forecast transaction of a non-financial asset or non-financial liability subsequently becomes a firm commitment for which fair value hedge accounting is applied.

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

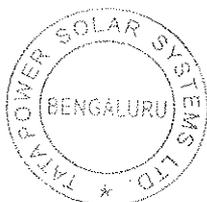
If cash flow hedge accounting is discontinued, the amount that has been accumulated in OCI must remain in accumulated OCI if the hedged future cash flows are still expected to occur. Otherwise, the amount will be immediately reclassified to profit or loss as a reclassification adjustment. After discontinuation, once the hedged cash flow occurs, any amount remaining in accumulated OCI must be accounted for depending on the nature of the underlying transaction as described above.

**(iii) Hedges of a net investment**

Hedges of a net investment in a foreign operation, including a hedge of a monetary item that is accounted for as part of the net investment, are accounted for in a way similar to cash flow hedges. Gains or losses on the hedging instrument relating to the effective portion of the hedge are recognised as OCI while any gains or losses relating to the ineffective portion are recognised in the statement of profit or loss. On disposal of the foreign operation, the cumulative value of any such gains or losses recorded in equity is reclassified to the statement of profit and loss (as a reclassification adjustment).

**2.3.7 Leases:**

At inception of contract, the Company assesses whether the Contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. At inception or on reassessment of a contract that contains a lease component, the Company allocates consideration in the contract to each lease component on the basis of their relative standalone price.



**Company as a lessee:**

i) Right-of-use Assets

The Company recognises right-of-use assets at the commencement date of the lease. 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, lease payments made at or before the commencement date less any lease incentives received and estimate of costs to dismantle. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

ii) Lease Liabilities:

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. In calculating the present value of lease payments, the Company generally uses its incremental borrowing rate at the lease commencement date if the discount 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. The carrying amount is remeasured when there is a change in future lease payments arising from a change in index or rate. 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 or a change in the assessment of an option to purchase the underlying asset.

iii) Short-term leases and leases of low-value assets:

The Company applies the short-term lease recognition exemption to its short-term leases. It also applies the lease of low-value assets recognition exemption that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

**3. Critical accounting estimates and judgements**

In the application of the Company's accounting policies, management of the Company is required to make judgements, estimates and assumptions about the carrying amounts 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 period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The areas involving critical estimates or judgements are: **3.1 Useful lives of Property, Plant and Equipment**

The Company reviews the estimated useful lives of property, plant and equipment at the end of each reporting period.

**3.2 Fair value measurements and valuation processes**

Some of the Company's assets and liabilities are measured at fair value for financial reporting purposes.

In estimating the fair value of an asset or a liability, the Company uses market-observable data to the extent it is available. Where level 1 inputs are not available, the Company engages third party qualified valuers to perform the valuation. The cross functional team of the Company works closely with the valuer to establish the appropriate valuation techniques and inputs to the model. The Chief Financial Officer reports the finding to the board of directors of the Company every quarter to explain the cause of fluctuations in the fair value of the assets and liabilities.



**Tata Power Solar Systems Limited**  
**Notes to the financial statements for the year ended March 31, 2021**  
**CIN: U40106MH1989PLC330738**

**3.3 Determination of percentage of completion**

The Company uses the proportionate completion method for recognition of revenue, accounting for unbilled revenue / unearned revenue and contract cost thereon for its turnkey contracts. The percentage of completion is measured by reference to the stage of the projects and contracts determined based on the proportion of contract costs incurred for work performed to date bear to the estimated total contract costs. Use of the proportionate completion method requires the Company to estimate the efforts or costs expended to date as a proportion of the total efforts or costs to be expended. Significant assumptions are required in determining the stage of completion, the extent of the contract cost incurred, the estimated total contract revenue and contract cost and the recoverability of the contracts. These estimates are based on events existing at the end of each reporting date.

3.4 Deferred tax asset is recognized only when and to the extent there is convincing evidence that the Company will have sufficient taxable profits in future against which such assets can be utilized. Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies, recent business performance and developments.

3.5 Refer note 39 as regards management judgements with regard to COVID – 19 pandemic.



Note - 4 : Property, plant and equipment

Accounting Policy

Property, plant and equipment is stated at cost less accumulated depreciation and accumulated impairment losses, if any. Cost includes purchase price (net of trade discount and rebates) and any directly attributable cost of bringing the asset to its working condition for its intended use and for qualifying assets, borrowing costs capitalised in accordance with Ind AS 23. Capital work in progress is stated at cost, net of accumulated impairment loss, if any. Other Indirect Expenses incurred relating to project, net of income earned during the project development stage prior to its intended use, are considered as pre-operative expenses and disclosed under Capital Work-in-Progress. When significant parts of plant and equipment are acquired to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in the statement of profit and loss as incurred.

Subsequent costs are included in the asset's carrying amount or recognised as separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.

Land and buildings held for use in the production or supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment loss. Freehold land is not depreciated.

Fixtures and equipment (including vehicles) are stated at cost less accumulated depreciation and accumulated impairment losses.

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Cost includes indirect costs and, for qualifying assets, borrowing costs capitalised in accordance with the Company's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

The Company identifies and determines cost of each component/ part of the asset separately, if the component/ part has a cost which is significant to the total cost of the asset having useful life that is materially different from that of the remaining asset. These components are depreciated over their useful lives, the remaining asset is depreciated over the life of the principal asset. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in the statement of profit or loss as and when incurred.

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

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 the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Estimated useful lives of the assets are as follows:

- Property, plant and equipment - The useful life is as prescribed in Schedule II to the Companies Act, 2013 except in respect of the following categories of assets, 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.:

- Plant and Machinery, Useful life ranging from 3 to 14 years
- In case of low value assets, i.e. assets individually costing less than Rs. 5,000/-, they are depreciated in full in the year of capitalisation

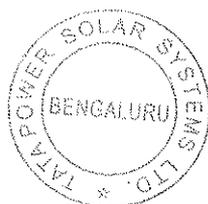
- Lease-hold improvements are amortised over the primary period of the lease.

Pro-rata depreciation is charged on assets purchased and / or sold during the year.

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

Refer Note 5 as regards accounting policy on impairment of property, plant and equipment.

Particulars	₹ in Lakhs							
	Land	Building	Plant and machinery	Leasehold improvements	Office equipment	Furniture and fixtures	Motor vehicles	Total
<b>Gross carrying value</b>								
As at April 1, 2019	7,456.80	7,275.46	23,452.17	20.84	1,664.36	826.14	57.67	40,753.44
Additions made during the year	-	129.18	542.71	-	253.88	7.88	0.80	934.45
Disposals/ adjustments during the year	-	-	(759.13)	-	(21.00)	(10.59)	-	(790.72)
As at March 31, 2020	7,456.80	7,404.64	23,235.75	20.84	1,897.24	823.43	58.47	40,897.17
Additions made during the period	-	430.46	19,624.55	-	356.45	52.00	-	20,463.46
Disposals/ adjustments during the period	-	-	(1,192.87)	-	(52.35)	(5.17)	(15.86)	(1,266.05)
As at March 31, 2021	7,456.80	7,835.10	41,667.63	20.84	2,201.34	870.26	42.61	60,094.58
<b>Accumulated depreciation</b>								
As at April 1, 2019	-	1,433.77	19,686.36	20.84	914.44	698.90	27.87	22,782.18
Depreciation expense for the year	-	466.11	817.65	-	260.51	40.96	15.50	1,600.72
Disposals/ adjustments for the year	-	-	(758.80)	-	(18.30)	(10.21)	-	(787.31)
As at March 31, 2020	-	1,899.88	19,745.21	20.84	1,156.65	729.65	43.37	23,595.59
Depreciation for the period	-	469.60	1,553.39	-	377.57	39.57	8.27	2,368.40
Disposals/ adjustments during the period	-	-	(1,188.13)	-	(49.21)	(5.17)	(11.51)	(1,254.02)
As at March 31, 2021	-	2,369.47	20,110.47	20.84	1,385.01	764.05	40.13	24,709.97
<b>Net Block As at March 31, 2021</b>	<b>7,456.80</b>	<b>5,445.63</b>	<b>21,557.16</b>	<b>-</b>	<b>816.33</b>	<b>106.21</b>	<b>2.48</b>	<b>35,384.60</b>
<b>Net Block As at March 31, 2020</b>	<b>7,456.80</b>	<b>5,504.76</b>	<b>3,490.54</b>	<b>-</b>	<b>740.59</b>	<b>93.78</b>	<b>15.10</b>	<b>17,301.58</b>



Accounting Policy

Intangible assets acquired separately

Intangible assets with finite 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. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

Derecognition of intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in the statement of profit and loss when the asset is derecognised.

Useful lives of intangible assets

Estimated useful lives of the intangible assets are as follows:

- Software purchased : 3 years

The estimated useful life of the intangible assets and the amortisation period are reviewed at the end of each financial year and the amortisation method is revised to reflect the changed pattern.

Impairment of Property, plant and equipment and intangible assets

As at the end of each accounting year, the Company reviews the carrying amounts of its Property, plant and equipment and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If such indication exists, the said assets are tested for impairment so as to determine the impairment loss, if any. Goodwill and the intangible assets with indefinite life are tested for impairment each year.

Impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount. Recoverable amount is determined:

- in the case of an individual asset, at the higher of the net selling price and the value in use; and
- in the case of a cash generating unit (a group of assets that generates identified, independent cash flows), at the higher of the cash generating unit's net selling price and the value in use.

(The amount of value in use is determined as the present value of estimated future cash flows from the continuing use of an asset and from its disposal at the end of its useful life. For this purpose, the discount rate (pre-tax) is determined based on the weighted average cost of capital of the company suitably adjusted for risks specified to the estimated cash flows of the asset).

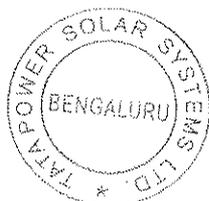
For this purpose, a cash generating unit is ascertained as the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

If recoverable amount of an asset (or cash generating unit) is estimated to be less than its carrying amount, such deficit is recognised immediately in the Statement of Profit and Loss as impairment loss and the carrying amount of the asset (or cash generating unit) is reduced to its recoverable amount.

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

Refer note 39 as regards management judgements with regard to COVID – 19 pandemic.

Particulars	Rs. in Lakhs		
	Software	Technical knowhow	Total
<u>Gross carrying value</u>			
As at April 1, 2019	846.17	907.39	1,753.56
Additions made during the year	40.74	-	40.74
Disposals/ adjustments during the year	-	(907.39)	(907.39)
As at March 31, 2020	886.91	-	886.91
Additions made during the period	-	-	-
Disposals/ adjustments during the period	-	-	-
As at March 31, 2021	886.91	-	886.91
<u>Accumulated amortisation</u>			
As at April 1, 2019	558.35	907.39	1,465.74
Amortisation expense for the year	164.15	-	164.15
Disposals/ adjustments for the year	-	(907.39)	(907.39)
As at March 31, 2020	722.50	-	722.50
Amortisation expense	129.81	-	129.81
Disposals/ adjustments during the year	-	-	-
As at March 31, 2021	852.31	-	852.31
Net Block As at March 31, 2021	34.60	-	34.60
Net Block As at March 31, 2020	164.41	-	164.41



Note - 6 Non-current investments

Particulars	₹ in Lakhs	
	As at March 31, 2021	As at March 31, 2020
(i) Investments in equity instruments at cost		
Unquoted investments (all fully paid)		
- Chirasthaayee Saurya Limited (wholly owned subsidiary) (1,000,000 shares of Rs. 10 each)	100.00	100.00
<b>Total</b>	<b>100.00</b>	<b>100.00</b>
Aggregate value of unquoted investments	100.00	100.00

Note - 6.1: Investment in equity instrument

The Company has incorporated a subsidiary Chirasthaayee Saurya Limited with total investment of Rs. 100 Lakhs in the form of equity as at March 31, 2021.

Note - 7: Inventories

Accounting Policy

Inventories are stated at the lower of cost and net realisable value. Costs of inventories are determined on a weighted average basis. Cost includes all charges in bringing the goods to the point of sale, including octroi and other levies, transit insurance and receiving charges. Work-in-progress and finished goods include appropriate proportion of overheads and, where applicable, excise duty. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

- ▶ Raw materials: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition
  - ▶ Finished goods and work in progress: cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity but excluding borrowing costs.
  - ▶ Traded goods: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.
- Initial cost of inventories includes the transfer of gains and losses on qualifying cash flow hedges, recognised in OCI, in respect of the purchases of raw materials.

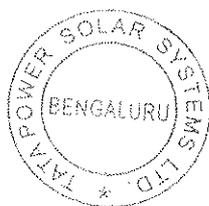
Particulars	₹ in Lakhs	
	As at March 31, 2021	As at March 31, 2020
(Lower of cost and net realisable value)		
Raw materials	31,678.97	19,780.41
Work-in-progress	641.79	398.74
Finished goods	8,277.08	8,646.75
Stores and spares	971.07	675.80
<b>Total</b>	<b>41,568.91</b>	<b>29,501.70</b>
Included above, goods-in-transit:		
Raw materials	2,303.43	2,850.71
Finished goods	3,780.81	3,091.11
<b>Total</b>	<b>6,084.24</b>	<b>5,941.82</b>

The cost of materials consumed include inventories and project related materials delivered at site recognised as an expense during the year was Rs. 405,491.49 Lakhs (for the year ended March 31, 2020: Rs. 139,071.08 Lakhs)

The Mode of valuation of Inventories has been stated above.

Note - 8: Current investments

Particulars	₹ in Lakhs			
	As at March 31, 2021		As at March 31, 2020	
	No. of Units	Amount	No. of Units	Amount
<b>Unquoted Investments in Mutual Funds</b>				
Baroda Liquid Fund Direct Growth	-	-	26,322	602.57
Tata Liquid Fund Direct Plan- Growth	-	-	19,230	602.30
BNP Paribas Liquid Fund Direct Growth	-	-	36,158	1,105.55
LIC Mutual Fund Liquid Fund- Direct Growth	-	-	36,374	1,310.86
<b>Total</b>				<b>3,621.28</b>
Aggregate value of unquoted current investments				3,621.28
Aggregate value provision for diminution in the value of current investments				-



Note - 9: Trade receivables

₹ in Lakhs

Particulars	As at March 31, 2021		As at March 31, 2020	
	Current	Non-current	Current	Non-current
Considered Good- Secured	-	-	-	-
Considered Good- Unsecured	3,35,150.31	21,783.48	96,898.09	3,027.64
Doubtful	3,650.62	117.97	10,696.67	455.10
Less: Allowance for doubtful debts (including expected credit loss allowance)	(5,075.93)	(117.97)	(11,647.44)	(455.10)
<b>Total</b>	<b>3,33,725.00</b>	<b>21,783.48</b>	<b>95,947.32</b>	<b>3,027.64</b>

Note - 9.1 :

The average credit period on sale of goods and services ranges between 60 to 90 days. No interest is normally charged on the trade receivable outstanding balances. Before accepting any new customer, the Company does a credit evaluation either through internal evaluations or through external analysts reports except in the case of Government funded projects and large Public Sector Undertakings (PSUs) which are considered to have high credit quality, to assess the potential customer's credit quality. In case of trade receivables where the credit period is more than 12 months, the Company had discounted its future cash flows to their present value using its incremental borrowing rate.

No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix for different categories of customers. The provision matrix takes into account historical credit loss experience and adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the days the receivables are due and the rates as given in the provision matrix. The provision matrix at the end of the reporting period is as follows:

Ageing

Particulars	Average Expected credit loss (%)
Within the credit period	0.30%
1-30 days past due	0.76%
31-60 days past due	0.99%
61-90 days past due	1.16%
91-120 days past due	1.44%
121-150 days past due	1.63%
151-180 days past due	1.91%
More than 180 days past due	2.48%

Age of receivables

Particulars	₹ in Lakhs	
	As at March 31, 2021	As at March 31, 2020
Within the credit period	2,93,751.79	72,738.11
1-30 days past due	19,038.23	8,045.72
31-60 days past due	17,830.17	3,869.48
61-90 days past due	12,909.46	2,437.50
91-120 days past due	1,655.38	3,212.37
121-150 days past due	1,492.89	1,526.39
151-180 days past due	6,909.03	1,575.68
More than 180 days past due	7,308.06	17,672.25

Movement in the allowance for doubtful receivables (including expected credit loss allowance)

Particulars	₹ in Lakhs	
	As at March 31, 2021	As at March 31, 2020
Balance at beginning of the year	950.78	1,597.21
Movement in expected credit loss allowance on trade receivables calculated at lifetime expected credit losses	474.53	(646.43)
Balance at end of the year	1,425.31	950.78

(b) Specific allowance for doubtful receivables

Particulars	₹ in Lakhs	
	As at March 31, 2021	As at March 31, 2020
Balance at beginning of the year	11,151.76	9,247.37
Add: Specific allowance on trade receivables	1,629.68	5,602.95
Less: Reversal of allowance on collection/written off	(9,012.85)	(3,698.56)
Balance at end of the year	3,768.59	11,151.76

The concentration of credit risk is limited due to the fact that the customer base is large and unrelated.

Refer note 39 as regards management judgements with regard to COVID - 19 pandemic.



Tata Power Solar Systems Limited  
Notes to the financial statements for the year ended March 31, 2021  
CIN: U40106MH1989PLC330738  
Note - 10: Cash and bank balances

**Accounting Policy**

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

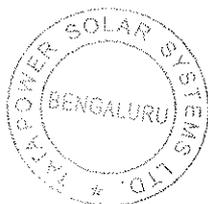
For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

Particulars	₹ in Lakhs	
	As at March 31, 2021	As at March 31, 2020
Balances with banks		
In Current Accounts	13,197.52	1,875.65
In Deposit Accounts (with original maturity three months or less)	800.00	2,285.00
<b>Cash and cash equivalents as per balance sheet</b>	<b>13,997.52</b>	<b>4,160.65</b>
Bank overdrafts	(1,727.00)	-
<b>Cash and cash equivalents as per statement of cashflows</b>	<b>12,270.52</b>	<b>4,160.65</b>

**Reconciliation of Liabilities from Financing Activities**

Particulars	As at March 31, 2020	Cash Flows		Non-cash Transactions	₹ in Lakhs
		Proceeds	Repayment		As at March 31, 2021
Non-current Borrowings (including Current Maturity of Non-current Borrowings)	-	15,000.00	-	-	15,000.00
Current Borrowings (excluding Bank Overdraft)	4.01	2,52,802.64	(1,72,150.83)	-	80,655.82
<b>Total</b>	<b>4.01</b>	<b>2,67,802.64</b>	<b>(1,72,150.83)</b>	<b>-</b>	<b>95,655.82</b>

Particulars	As at 1st April 30, 2019	Cash Flows		Non-cash Transactions	₹ in Lakhs
		Proceeds	Repayment		As at March 31, 2020
Current Borrowings (excluding Bank Overdraft)	54,655.10	1,97,305.79	(2,51,956.88)	-	4.01
<b>Total</b>	<b>54,655.10</b>	<b>1,97,305.79</b>	<b>(2,51,956.88)</b>	<b>-</b>	<b>4.01</b>



Note - 11: Other balances with banks

Particulars	₹ in Lakhs	
	As at March 31, 2021	As at March 31, 2020
In Deposit Accounts	-	4,000.00
<b>Total</b>	-	<b>4,000.00</b>

Note - 12: Loans

Particulars	₹ in Lakhs			
	As at March 31, 2021		As at March 31, 2020	
	Current	Non-current	Current	Non-current
<b>- At Amortised Cost</b>				
<b>Security Deposits</b>				
Considered Good- Unsecured	318.76	476.42	296.11	377.39
Considered Doubtful- Unsecured	542.95	37.84	471.92	37.84
	861.71	514.26	768.03	415.23
Less: Impairment loss on security deposits (Refer Note 12.1 below)	(542.95)	(37.84)	(471.92)	(37.84)
	318.76	476.42	296.11	377.39
<b>Loans to related parties</b>				
Considered Good- Secured	-	-	-	-
Considered Good- Unsecured	-	-	-	-
Having Significant Increase in Credit Risk	-	-	-	-
Credit Impaired	-	-	-	-
<b>Other Loans</b>				
Considered Good- Secured	-	-	-	-
Considered Good- Unsecured	18.23	-	28.23	-
Having Significant Increase in Credit Risk	-	-	-	-
Credit Impaired	-	-	-	-
<b>Total</b>	<b>336.99</b>	<b>476.42</b>	<b>324.34</b>	<b>377.39</b>

Note -12.1: Movement of Impairment loss on security deposits

Particulars	₹ in Lakhs	
	For the year ended March 31, 2021	For the year ended March 31, 2020
Balance at beginning of the year	509.76	477.90
Movement in impairment loss allowance on security deposits	71.03	33.50
Less: Reversal of allowance on collection	-	(1.64)
Balance at end of the year	580.79	509.76

Note - 12.2:

Loans and advances in the nature of loans given to Holding Company, Subsidiaries, Joint Ventures and Associates:

₹ in Lakhs

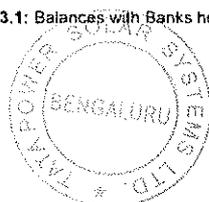
Name of the Company	Relationship	Amount outstanding as at the year end		Maximum Principal Amount Outstanding during the year (excluding interest accrued)	
		March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
		The Tata Power Company Limited	Holding Company	-	-
Chirasthaayee Saurya Limited	Subsidiary Company	-	-	25,620.00	300.00

The Inter- Corporate Deposit were provided to its holding company The Tata Power Company Limited and its subsidiary company Chirasthaayee Saurya Limited. The tenure of the loan was 90 days and it carries interest rate ranging from 3.41% to 8.4% p.a.

Note - 13: Other financial assets

Particulars	₹ in Lakhs			
	As at March 31, 2021		As at March 31, 2020	
	Current	Non-current	Current	Non-current
Unsecured, considered good				
Accruals				
Interest accrued on bank deposits	16.72	-	30.98	-
Others				
Balances with Banks:				
In Deposit Accounts(with maturity of more than twelve months) (Refer Note 13.1 below)	-	267.05	-	-
Other financial assets measured at fair value				
Derivative financial instruments carried at fair value	-	-	16,034.00	-
<b>Total</b>	<b>16.72</b>	<b>267.05</b>	<b>16,064.98</b>	<b>-</b>

Note 13.1: Balances with Banks held as Margin Money Deposits against Guarantees.



Note - 14: Current and non-current tax assets (net)

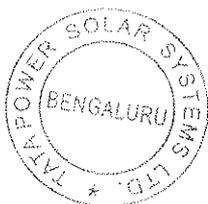
₹ in Lakhs

Particulars	As at March 31, 2021		As at March 31, 2020	
	Current	Non-current	Current	Non-current
Unsecured, considered good Tax assets	-	4,387.54	-	2,703.28
<b>Total</b>	-	<b>4,387.54</b>	-	<b>2,703.28</b>

Note - 15: Other current and non-current assets

₹ in Lakhs

Particulars	As at March 31, 2021		As at March 31, 2020	
	Current	Non-current	Current	Non-current
Unsecured, considered good				
Capital advances	-	-	-	-
Advances other than capital advances				
Advances to suppliers	14,065.32	-	5,002.24	-
Advance to employee	19.38	-	9.22	-
Others				
Balances with government authorities (other than income taxes)	21,487.82	1.80	15,905.97	1.80
Prepaid expenses	318.54	-	131.51	-
Other contract assets	1,571.51	-	-	-
Other receivables	27.23	-	75.47	-
<b>Total</b>	<b>37,489.80</b>	<b>1.80</b>	<b>21,124.41</b>	<b>1.80</b>



Note - 16: Equity share capital

Particulars	As at March 31, 2021		As at March 31, 2020	
	No. of shares	Rs. in Lakhs	No. of shares	Rs. in Lakhs
Authorised share capital: Equity shares of Rs 100/- each with voting rights	2,50,00,000	25,000.00	2,50,00,000	25,000.00
Issued, subscribed and fully paid: Equity shares of Rs 100/- each with voting rights	2,29,77,567	22,977.57	2,29,77,567	22,977.57
<b>Total</b>	<b>2,29,77,567</b>	<b>22,977.57</b>	<b>2,29,77,567</b>	<b>22,977.57</b>

(i) Reconciliation of the number of shares outstanding at the beginning and at the end of the year:

Particulars	No. of shares	Rs. in Lakhs
At April 1, 2019	2,29,77,567	22,977.57
Changes during the year	-	-
At March 31, 2020	2,29,77,567	22,977.57
Changes during the year	-	-
At March 31, 2021	2,29,77,567	22,977.57

(ii) Detail of the rights, preferences and restrictions attached to equity shares

Equity Shares

The Company has only one class of Equity Share, having a par value of Rs. 100/- Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amount. The distribution will be in proportion to number of equity shares held by the shareholders. The equity shares issued on conversion of the preference shares have pari-passu rights to the earlier issued equity shares.

(iii) Details of shares held by each shareholder holding more than 5% shares:

Particulars	As at March 31, 2021		As at March 31, 2020	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares with voting rights The Tata Power Company Limited, the Holding Company and its nominees	2,29,77,567	100%	2,29,77,567	100%

Note - 17: Other equity

Particulars	Securities premium	General reserve	Capital redemption Reserve	Deemed equity	Effective portion of cash flow hedge Reserve (Refer Note 3.2)	Retained earnings	₹ in Lakhs
							Total
As at April 1, 2019	14,587.00	4,735.00	2,295.00	1,261.87	-	1,526.30	24,405.26
Profit for the year	-	-	-	-	-	12,267.65	12,267.65
Other comprehensive Income / (expense) arising from remeasurements of the defined benefit liabilities / (asset) (net of tax)	-	-	-	-	9,641.14	(112.26)	9,528.86
<b>As at March 31, 2020</b>	<b>14,587.00</b>	<b>4,735.00</b>	<b>2,295.00</b>	<b>1,261.87</b>	<b>9,641.14</b>	<b>13,681.67</b>	<b>46,201.77</b>
Profit for the year	-	-	-	-	-	20,839.97	20,839.97
Other comprehensive Income / (expense) arising from remeasurements of the defined benefit liabilities / (asset) (net of tax)	-	-	-	-	(27,820.03)	143.03	(27,677.03)
<b>As at March 31, 2021</b>	<b>14,587.00</b>	<b>4,735.00</b>	<b>2,295.00</b>	<b>1,261.87</b>	<b>(18,178.92)</b>	<b>34,664.67</b>	<b>39,364.71</b>

Note - 17.1 : Securities Premium

Amounts received on issue of shares in excess of the par value has been classified as securities premium.

Note - 17.2 : General reserve

The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. There is no policy of regular transfer. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income items included in the general reserve will not be reclassified subsequently to profit or loss.

Note - 17.3 : Capital redemption Reserve

Any profit or loss on purchase, sale, issue or cancellation of the Company's own equity instruments is transferred to capital redemption reserve.

Note - 17.4 : Deemed equity

The deemed equity pertains to the accrued interest on the preference shares waived by the preference shareholders.

Note - 17.5 : Retained earnings

The amount can be distributed by the Company as dividend to its equity shareholders.

Note - 17.6 : Item of Other Comprehensive Income

The effective portion of the gain or loss on the hedging instrument is recognised in OCI in the cash flow hedge reserve. Amounts recognised in the effective portion of cash flow hedges is reclassified to the statement of profit and loss when the hedged item affects profit or loss.



**Note - 18.1: Non Current Borrowings**

₹ in Lakhs

Particulars	₹ in Lakhs	
	As at March 31, 2021	As at March 31, 2020
<b>A. Secured borrowings</b>		
(a) Term Loans from banks(Refer Note 18.2 below)	15,000.00	-
	15,000.00	-
Less: Current Maturities of long term borrowings	4,000.00	-
<b>Total</b>	<b>11,000.00</b>	<b>-</b>

**Note - 18.2: Term Loan**

Secured through a pari passu charge over all the present and future movable fixed assets with minimum asset cover of 1.25x of the loan sanctioned. The rate of interest ranges from 6.95% to 7.1%. Repayment terms include 6 months moratorium from the date of 1st disbursement, i.e., 1st November 2020, followed by 10 Equal Quarterly Instalments.

**Note - 18.3: Current Borrowings**

₹ in Lakhs

Particulars	₹ in Lakhs	
	As at March 31, 2021	As at March 31, 2020
<b>A. Secured borrowings</b>		
(a) Loans repayable on demand from banks		
Bank overdraft (Refer Note 18.4 below)	348.86	-
Cash Credit from Bank (Refer Note 18.5 below)	1,378.14	-
Short-term Loans (Refer Note 18.6 below)	23,410.88	4.01
<b>Total secured borrowings</b>	<b>25,137.88</b>	<b>4.01</b>
<b>B. Unsecured borrowings</b>		
(a) Other loans		
Buyers credit (Refer Note 18.7 below)	6,261.74	-
(b) From Related Parties (Refer Note 18.8 below and Note 36)	50,983.20	-
<b>Total unsecured borrowings</b>	<b>57,244.94</b>	<b>-</b>
<b>Total</b>	<b>82,382.82</b>	<b>4.01</b>

**Note - 18.4: Bank overdraft**

Secured through a pari passu charge by hypothecation of stores, raw materials, work-in-progress, finished goods and book debts.

**Note - 18.5: Cash Credit from Bank**

Secured Cash Credit from Bank is the short term facility for a period of 52 days with 6.66% interest charge.

**Note - 18.6: Working Capital Demand Loan**

Short term loan is the working capital demand loan facility provided by the banks secured through a pari passu charge on current assets of the company. This short term facility is provided for 7 to 90 days. The interests charges on such facilities ranges between 4.9% to 9.15%.

**Note - 18.7: Buyers credit**

Buyers credit are short term facilities provided for 30 to 90 days. The interest charge on the buyers credit ranges between 0.58% to 0.65%.

**Note - 18.8: Loans from Related parties**

Interest on short term loans from related ranges between 3.41% to 8.40%.

**Note - 19: Trade payables**

₹ in Lakhs

Particulars	As at March 31, 2021		As at March 31, 2020	
	Current	Non-current	Current	Non-current
Trade payable for goods and services				
- Total outstanding dues of micro enterprise and small enterprise (Refer Note 33)	4,676.29	-	2,298.31	-
- Total outstanding dues of creditors other than micro enterprise and small enterprise	2,08,162.99	-	61,753.77	-
<b>Total</b>	<b>2,12,839.28</b>	<b>-</b>	<b>64,052.08</b>	<b>-</b>

The average credit period for purchase of certain goods from is 30 to 90 days. No interest is charged on trade payables.



Note - 20: Other Financial Liabilities

₹ in Lakhs

Particulars	As at March 31, 2021		As at March 31, 2020	
	Current	Non-current	Current	Non-current
<b>Other financial liabilities measured at amortised cost</b>				
(a) Current Maturities of Long-term Debt	4,000.00	-	-	-
(b) Interest accrued (Refer Note 20.1 below)	278.18	-	0.01	-
(c) Interest on MSME (Refer Note 33)	326.29	-	68.54	-
(d) Creditors for capital supplies/services	8,562.37	-	859.47	-
(e) Trade / security deposits received	247.92	-	88.32	-
	<b>13,414.76</b>	<b>-</b>	<b>1,016.34</b>	<b>-</b>
<b>Other financial liabilities measured at fair value</b>				
Derivative financial instruments carried at fair value	14,709.74	-	-	-
	<b>14,709.74</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>28,124.50</b>	<b>-</b>	<b>1,016.34</b>	<b>-</b>

Note - 20.1: Interest accrued

The interest accrued includes interest accrued but not due on borrowings amounting to Rs. 278.18 Lakhs (As at March 31, 2020 - Rs. 0.01 Lakhs). Refer Note 18.2, Note 18.5, Note 18.6 and Note 18.7 for the terms of the interest rate on the borrowings

Note - 21: Current and non-current tax liabilities (net)

₹ in Lakhs

Particulars	As at March 31, 2021		As at March 31, 2020	
	Current	Non-current	Current	Non-current
Income tax payable	4,430.69	302.66	-	302.66
<b>Total</b>	<b>4,430.69</b>	<b>302.66</b>	<b>-</b>	<b>302.66</b>

Note - 22: Provisions

Accounting Policy

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

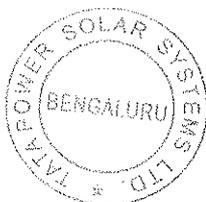
A provision for onerous contracts is recognised when the expected benefits to be derived by the Company from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Company recognises any impairment loss on the assets associated with that contract.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

Provisions and contingent liability are reviewed at each balance sheet.

Provision for warranty

Provisions for the expected cost of warranty obligations under local sale of goods legislation are recognised at the date of sale of the relevant products, at the management's best estimate of the expenditure required to settle the Company's obligation. These estimates are established using historical information on the nature, frequency and average cost of warranty claims and management estimates regarding possible future incidence based on corrective actions on product failures. The timing of outflows will vary as and when warranty claim will arise.



₹ in Lakhs

Particulars	As at March 31, 2021		As at March 31, 2020	
	Current	Non-current	Current	Non-current
(a) Provision for employee benefits				
Compensated absences (Refer Note 22.2)	67.34	1,463.53	212.04	1,312.84
Gratuity (Refer Note 22.2)	52.46	2,578.58	58.64	2,430.36
Post Employee Benefits (Refer Note 22.2)	-	3.28	-	-
Other defined benefit plan (Refer Note 22.2)	40.39	319.82	40.48	355.68
Other employee benefits (Refer Note 22.2)	39.80	187.34	24.51	197.48
(b) Other Provisions				
Warranty (Refer Note 22.1 below)	1,035.82	5,092.11	859.81	3,689.63
Rectification work (Refer Note 22.1 below)	199.80	-	449.80	-
Provision for foreseeable losses (Refer Note 22.1 below)	5,723.54	-	325.64	-
<b>Total</b>	<b>7,159.15</b>	<b>9,644.66</b>	<b>1,970.92</b>	<b>7,985.99</b>

**Note - 22.1: Provision for warranty and rectification work**

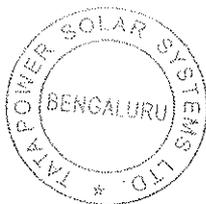
Particulars	As at March 31, 2021 (₹ in Lakhs)		As at March 31, 2020 (₹ in Lakhs)	
	Warranty Provision	Rectification work	Warranty Provision	Rectification work
Balance as at beginning of the year	4,549.44	449.80	3,864.64	1,339.63
Provision made during the year	2,649.57	-	1,044.62	-
Amounts incurred/utilized during the year	(1,071.08)	(250.00)	(359.82)	(889.83)
<b>Balance as at the end of the year</b>	<b>6,127.93</b>	<b>199.80</b>	<b>4,549.44</b>	<b>449.80</b>

Of the above the amounts expected to be incurred within a year amounts to Rs. 1,035.82 Lakhs (March 31, 2020 : Rs. 859.81 Lakhs). The warranty expenditure is expected to be incurred over the warranty life of the products as contracted, which varies from 10 to 25 years.

The provision for warranty claims represents the present value of the management's best estimate of the future outflow of economic benefits that will be required under the Company's obligations for warranties under sales of goods legislation. The estimate has been made on the basis of historical warranty trends and may vary as a result of new materials, altered manufacturing processes or other events affecting product quality.

The provision for rectification work relates to the estimated cost of work agreed to be carried out for the rectification of goods supplied to the customers. The amount is anticipated to be spent in the year 2021-22. These amounts have not been discounted for the purposes of measuring the provision for rectification work, because the effect is not material.

Provision for foreseeable loss represents loss provided for onerous contracts.



Note - 22.2: Employee benefit plan  
Refer note 26 as regards policy on employee benefits

(i) Defined Contribution plan

The Company makes provident fund and superannuation fund contribution which are defined contribution plans, for qualifying employees. Under the schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised Rs 531.99 Lakhs (for the year ended March 31, 2020 - Rs 530.41 Lakhs) for Provident Fund contributions, Rs. 79.66 Lakhs (year ended March 31, 2020 - Rs. 72.84 Lakhs) for Superannuation Fund contributions, included as a part of contribution to provident fund and other funds in Note 26 Employees Benefit Expenses. The Company recognised Rs. 1.68 Lakhs (for the year ended March 31, 2020 - Rs 0.79 Lakhs) for Employee State Insurance Scheme contributions, included as a part of staff welfare in Note 26 Employees Benefit Expenses. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

(ii) Defined benefit plans

The Company offers the following employee defined benefit schemes to its employees/ex-employees:

- Gratuity (included as a part of contribution to provident fund and other fund in Note 26 Employees Benefits Expense)
- Pension (post retirement benefits, to the erstwhile managing director (included as a part of Salary and Wages in Note 26 Employees Benefits Expense)
- Post-Employment Medical Benefits (post-employment health care benefits to superannuated employees in Note 26 Employees Benefits Expense)
- Ex-Gratia Death Benefit (granting ex-gratia in case of death during service in Note 26 Employees Benefits Expense)
- Retirement Gift (granting a pre-determined sum as retirement gift on superannuation of an employee in Note 26 Employees Benefits Expense)

**Investment Risk:**

The present value of defined benefit plan liability is calculated using a discount rate which is determined by reference to the prevailing market yields of Indian government securities as at the balance sheet date for the estimated term of the obligations.

**Interest Risk:**

A decrease in the yield of Indian government securities will increase the plan liability.

**Longevity Risk:**

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

**Salary Risk:**

The present value of the defined benefit plan liability is calculated by reference to the future salaries. In particular, there is a risk for the Company that any adverse salary growth can result in an increase in cost of providing these benefits to employees in future.

In respect of the plan, the most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out as at March 31, 2021 by professional actuary. The present value of the defined benefit obligation, and the related current service cost and paid service cost, were measured using the projected unit credit method.

The principal assumptions used for the purposes of the actuarial valuations were as follows:

Particulars	Valuation as at	
	March 31, 2021	March 31, 2020
Gratuity, compensated leave absences and pension:		
Discount rate (p.a.)	6.60%	6.50%
Expected rate of salary increase (p.a.)	Management - 7% Non Management - 5%	Management - 7% Non Management - 5%
Attrition (p.a.)	Management: 21-44 years - 6% 45 years and above - 2% Non Management: 0.5%	Management: 21-44 years - 6% 45 years and above - 2% Non Management: 0.5%
Expected return on plan assets (p.a.)	6.50%	6.50%
Pension increase rate (p.a.)	5%	5%
Mortality tables	Indian Assured Lives Mortality (06-08) Ult Table	Indian Assured Lives Mortality (06-08) Ult Table

- The discount rate is based on the prevailing market yields of Indian Government securities as at balance sheet date for the estimated term of the obligation.
- The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors.
- In order to protect the capital and optimize returns within acceptable risk parameters, the plan assets are maintained with an insurer managed fund and is well diversified.

Amounts recognised in statement of profit and loss in respect of these defined benefits plans are as follows:

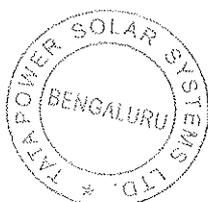
Particulars	₹ in Lakhs					
	Gratuity		Pension		Others benefits	
	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2021	For the year ended March 31, 2020
Current Service Cost	202.21	175.59	-	0.03	-	1.17
Past Service Cost	-	-	-	-	-	0.90
Past Service Cost - plan amendments	-	-	-	-	-	-
Net Interest expense	158.63	140.83	24.37	27.41	-	0.78
Immediate recognition of (gains)/losses - other long term employee benefit plans	-	-	-	-	-	-
<b>Components of defined benefit costs recognised in profit or loss</b>	<b>360.84</b>	<b>316.42</b>	<b>24.37</b>	<b>27.44</b>	<b>-</b>	<b>2.85</b>

Remeasurement on the net defined benefit liability:

Particulars	₹ in Lakhs					
	Gratuity		Pension		Others benefits	
	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2021	For the year ended March 31, 2020
Return on the net defined benefit liability	-	-	-	-	-	-
Return on plan assets excluding amounts included in interest cost/(income)	0.81	-	-	-	-	-
Actuarial (gains)/losses arising from changes in demographic assumptions	-	255.06	(2.29)	21.47	(0.04)	-
Actuarial (gains)/losses arising from changes in financial assumptions	(30.93)	(97.27)	-	(1.75)	-	-
Actuarial (gains)/losses arising from experience	(162.40)	-	0.39	(1.75)	3.32	(4.93)
Components of defined benefit costs recognised in other comprehensive income	<b>(192.52)</b>	<b>157.79</b>	<b>(1.90)</b>	<b>19.72</b>	<b>3.28</b>	<b>(4.93)</b>
<b>Total</b>	<b>168.32</b>	<b>474.21</b>	<b>22.47</b>	<b>47.16</b>	<b>3.28</b>	<b>(2.08)</b>

The current service cost and the net interest expense for the year are included in the 'Employee benefits expense' line item in the statement of profit and loss.

The remeasurement of the net defined benefit liability is included in other comprehensive income.



The amount included in the balance sheet arising from the entity's obligation in respect of its defined benefit plans is as follows:

Particulars	₹ in Lakhs					
	Gratuity		Pension		Others benefits	
	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2021	For the year ended March 31, 2020
Present value of funded defined benefit obligation	2,546.31	2,505.14	376.07	396.16	3.28	-
Fair value of plan assets	(17.27)	(16.14)	-	-	-	-
Funded status	2,631.04	2,489.00	376.07	(396.16)	(3.28)	-
Net (liability) recognised in balance sheet	(2,631.04)	(2,489.00)	376.07	(396.16)	(3.28)	-
Current (liability)	(52.46)	(58.64)	(40.39)	(40.38)	-	-
Non-current (liability)	(2,578.58)	(2,430.36)	416.46	(355.78)	(3.28)	-
Estimated amount of contribution in the immediate next year	52.46	58.64	-	-	-	-

Movements in the present value of the defined benefit obligations are as follows:

Particulars	₹ in Lakhs					
	Gratuity		Pension		Others benefits	
	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2021	For the year ended March 31, 2020
Opening defined benefit obligations	2,505.14	1,957.58	396.16	391.65	-	9.70
Current service cost	202.21	175.58	-	0.03	-	1.17
Interest Cost	159.70	142.14	24.37	27.41	-	0.78
Acquisitions (credit)/cost	132.41	145.57	-	(0.10)	3.32	(7.62)
Actuarial (Gains)/losses arising from changes in demographic assumptions	-	3.33	-	-	-	-
Actuarial (Gains)/losses arising from changes in financial assumptions	(30.93)	251.73	(2.29)	21.47	(0.04)	-
Actuarial (Gains)/losses arising from experience assumptions	(162.40)	(97.27)	0.39	(1.75)	-	(4.93)
Past Service Cost, including losses (gains) on curtailment	-	-	-	-	-	0.90
Benefits paid directly by the Company	(139.32)	(9.49)	(42.55)	(42.55)	-	-
Benefits paid from plan assets	(18.50)	(64.01)	-	-	-	-
Closing defined benefit obligation	2,648.31	2,505.14	376.07	396.16	3.28	0.00

Movements in the fair value of the plan assets are as follows:

Particulars	₹ in Lakhs					
	Gratuity		Pension		Others benefits	
	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2021	For the year ended March 31, 2020
Opening fair value of plan assets	16.14	20.62	-	-	-	-
Interest income	1.08	1.31	-	-	-	-
Remeasurement gains/(losses)	-	-	-	-	-	-
Actual return on plan assets less interest on plan assets	(0.81)	-	-	-	-	-
Contribution from the employer	19.38	58.22	-	-	-	-
Contribution from plan participant	-	-	-	-	-	-
Benefits paid	(18.50)	(64.01)	-	-	-	-
Closing fair value of plan assets	17.27	16.14	-	-	-	-

The weighted average duration of the benefit obligation as at March 31, 2021 is 7.4 years.

#### Sensitivity Analysis

The following table summarizes the impact in percentage terms on the reported defined benefit obligation at the end of the reporting period arising on account changes in these three key parameters

Particulars	March 31, 2021	March 31, 2020
Discount rate		
Effect on DBO due to 0.5% increase in Discount Rate	(158.69)	(156.57)
Effect on DBO due to 0.5% decrease in Discount Rate	171.40	169.65
Pension/Salary increase rate		
Effect on DBO due to 0.5% increase in Pension Escalation Rate	171.34	169.42
Effect on DBO due to 0.5% decrease in Pension Escalation Rate	(160.01)	(157.72)
Medical Inflation Rate		
Effect on DBO due to 0.5% increase in Medical Inflation Rate	-	-
Effect on DBO due to 0.5% decrease in Medical Inflation Rate	-	-
Life expectancy		
Effect on DBO due to 1 year increase in longevity	26.93	27.73
Effect on DBO due to 1 year decrease in longevity	(26.57)	(27.40)

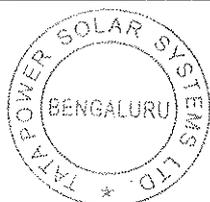
These sensitivities have been calculated to show the movement in defined benefit obligation in isolation and assuming there are no other changes in market conditions at the accounting date. There have been no changes from the previous periods in the methods and assumptions used in preparing the sensitivity analyses.

The expected maturity analysis of undiscounted defined benefit obligation is as follows:

Particulars	₹ in Lakhs					
	Gratuity		Pension		Others benefits	
	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2021	For the year ended March 31, 2020
Within 1 year	71.99	77.17	41.70	41.78	-	-
Between 1 - 2 years	97.92	73.22	41.76	42.02	0.14	-
Between 2 - 3 years	109.97	122.03	41.56	42.02	0.15	-
Between 3 - 4 years	199.81	112.50	41.08	41.75	0.15	-
Between 4 - 5 years	99.19	168.88	40.30	41.22	0.17	-
Beyond 5 years	1,635.32	1,333.05	179.81	187.93	1.04	-

Movement of Provision of Compensated Leave Absences

Particulars	₹ in Lakhs	
	March 31, 2021	March 31, 2020
Opening balance	1,524.88	1,113.94
Add: Expenses for the year	333.63	570.49
Less: Payment made during the year	(327.64)	(159.55)
Closing Balance	1,530.87	1,524.88
Expense recognised in Statement of Profit and Loss	333.63	570.49
Current portion of provision balance	67.34	212.04
Non-current portion of provision balance	1,463.53	1,312.84



Note - 23: Other current and non-current liabilities

₹ in Lakhs

Particulars	As at March 31, 2021		As at March 31, 2020	
	Current	Non-current	Current	Non-current
(a) Advances received from customers	26,310.80	-	28,028.37	-
(b) Government grant (Refer Note 23.1 below)	-	1,214.75	-	1,214.75
(c) Statutory dues (other than income taxes)	582.73	-	479.25	-
(d) Income received in advance (unearned revenue)	59,604.26	-	22,461.60	-
(e) Other liabilities	69.97	-	4.37	-
<b>Total</b>	<b>86,567.76</b>	<b>1,214.75</b>	<b>50,973.59</b>	<b>1,214.75</b>

Note - 23.1: Government grant

**Accounting Policy**

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

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Company recognises as expenses the related costs for which the grants are intended to compensate.

Specifically, government grants whose primary condition is that the Company should purchase, construct or otherwise acquire non-current assets are recognised as deferred revenue in the consolidated balance sheet and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

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

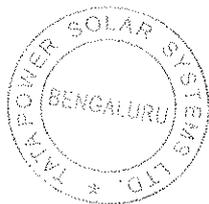
The benefit of a government loan at a below-market rate of interest is treated as a government grant, measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates.

**Movement in Government Grant**

₹ in Lakhs

Particulars	As at March 31, 2021	As at March 31, 2020
Balance at beginning of the year	1,214.75	1,126.21
Add: Received during the year	-	88.54
Less: Released to the statement of profit and loss	-	-
Balance at end of the year	1,214.75	1,214.75

The Company has received government grants in the form of import duty exemption on purchase of capital goods, to be used for production of items for exports, based on the terms of the Export Promotion Capital Goods (EPCG) scheme. The Company recognises an income from such grants based on meeting the export obligations as specified under the EPCG scheme.



**Tata Power Solar Systems Limited**  
**Notes to the financial statements for the year ended March 31, 2021**  
**CIN: U40106MH1989PLC330738**

**Note - 24: Revenue from operations**

**Accounting Policy**

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer.

Revenue from sale of goods is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the goods.

Revenues from turnkey contracts, which are generally time bound fixed price contracts, are recognised over the life of the contract using the proportionate completion method, with contract costs determining the degree of completion. Foreseeable losses on such contracts are recognised when probable.

Delayed payment charges and interest on delayed payments leviable as per the relevant contracts are recognised on actual realisation or accrued based on an assessment of certainty of realization supported by either an acknowledgement from customers or on receipt of favourable order from regulator / authorities.

Revenue on installation and commissioning contracts are recognized as per the terms of contract.

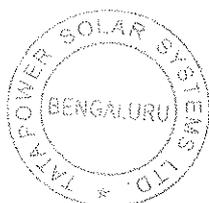
Revenues from maintenance contracts are recognised pro-rata over the period of the contract.

Refer Note 23.1 as regards policy on government grant.

		Rs. in Lakhs	
Particulars		For the year ended March 31, 2021	For the year ended March 31, 2020
(a)	Revenue from sale of goods and services	5,05,426.96	2,07,878.08
(b)	Revenue from rendering of maintenance services	5,608.01	5,222.31
(c)	Other operating revenue		
	- Sale of scrap	411.17	361.26
	- Sale of scrips for duty exemption	434.09	226.83
	- Miscellaneous Revenue	11.11	381.61
<b>Total</b>		<b>5,11,891.34</b>	<b>2,14,070.09</b>

The following table provides information about the company's revenue from contracts with customers:

		Rs. in Lakhs	
Particulars		For the year ended March 31, 2021	For the year ended March 31, 2020
Timing of revenue recognition (excluding other operating revenue)			
	Goods transferred at a point in time	29,335.03	28,535.62
	Services transferred over time	4,81,699.94	1,84,564.77
<b>Total</b>		<b>5,11,034.97</b>	<b>2,13,100.39</b>
	India	5,11,019.59	2,02,414.72
	Outside India	15.38	10,685.67
<b>Total</b>		<b>5,11,034.97</b>	<b>2,13,100.39</b>

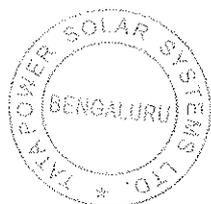


**Tata Power Solar Systems Limited**  
**Notes to the financial statements for the year ended March 31, 2021**  
**CIN: U40106MH1989PLC330738**

The following table provides information about contract assets and contract liabilities from contract with customers:

Particulars	Rs. in Lakhs	
	For the year ended March 31, 2021	For the year ended March 31, 2020
<b>Contract Assets</b>		
Recoverable from Customers		
Non-current	-	-
Current	4,150.97	1,423.26
<b>Total Contract Assets</b>	<b>4,150.97</b>	<b>1,423.26</b>
<b>Contract Liabilities</b>		
Advance from Customers		
Non-current	-	-
Current	26,310.80	28,028.37
Liabilities towards Customers		
Non-current	-	-
Current	59,604.26	22,461.60
<b>Total Contract Liabilities</b>	<b>85,915.06</b>	<b>50,489.97</b>
<b>Receivables</b>		
Trade Receivables (Gross)		
Non-current	21,901.45	3,482.74
Current	3,38,800.93	1,07,594.76
Unbilled Revenue		
Non-current	-	-
Current	4,150.97	1,423.26
(Less): Allowances for Doubtful Debts		
Non-current	(117.97)	(455.10)
Current	(5,075.93)	(11,647.44)
<b>Net Receivables</b>	<b>3,59,659.45</b>	<b>1,00,398.22</b>

Note: Contract asset is the right to consideration in exchange for goods or services transferred to the customer. Contract liability is the entity's obligation to transfer goods or services to a customer for which the entity has received consideration from the customer in advance. Contract assets are transferred to receivables when the rights become unconditional and contract liabilities are recognized as and when the performance obligation is satisfied.



Tata Power Solar Systems Limited  
Notes to the financial statements for the year ended March 31, 2021  
CIN: U40106MH1989PLC330738

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
<b>Opening Balance (excluding trade receivables and trade payables)</b>		
Recoverable from Customers	1,423.26	2,552.04
Liabilities towards Customers	50,489.97	26,241.52
Revenue recognised during the year from contracts	4,76,254.68	1,79,145.30
Revenue recognised during the year that was included in the opening contract liability	22,461.60	21,425.28
<b>Closing Balance (excluding trade receivables and trade payables)</b>		
Recoverable from Customers	4,150.97	1,423.26
Liabilities towards Customers	85,915.06	50,489.97

**Note -25 Other income**

**Accounting Policy**

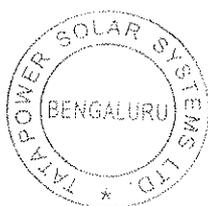
Interest Income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company 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.

Dividends

Dividend income is recognised when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

Refer note 2.3.5 as regards policy on fair valuation measurement with regard to Financial instruments.



**Tata Power Solar Systems Limited**  
**Notes to the financial statements for the year ended March 31, 2021**  
**CIN: U40106MH1989PLC330738**

₹ in Lakhs

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
(a) Interest income (Refer Note (i) below)	2,407.86	336.38
(b) Other non-operating income (net of expenses directly attributable to such income) (Refer Note (ii) below)	3.60	2.74
(c) Profit from Sale of Investments (Net)	12.90	498.15
(d) Net loss / (gain) on foreign currency transactions	-	1,702.94
<b>Total</b>	<b>2,424.36</b>	<b>2,540.21</b>
<b>Notes</b>		
(i) <b>Interest income comprises :</b>		
Interest on Inter Corporate Deposits (Refer Note 36)	1,179.65	14.26
Interest from banks on deposits	229.83	149.84
Interest on delays in customer payments	-	0.00
Interest on electricity deposits	-	16.05
Interest Income from Income-Tax Refund	37.00	155.53
Interest Income from Revenue Contracts (Refer Note 36)	961.22	-
Other Interest	0.16	0.70
<b>Total</b>	<b>2,407.86</b>	<b>336.38</b>
(ii) <b>Other non-operating income (net of expenses directly attributable to such income) :</b>		
Miscellaneous Income	3.60	2.74
<b>Total</b>	<b>3.60</b>	<b>2.74</b>
(iii) <b>Profit from sale/ fair valuation of investments (Net)</b>		
Current Investments	12.90	498.15
<b>Total</b>	<b>12.90</b>	<b>498.15</b>

**Note -26 Employee benefits expenses**

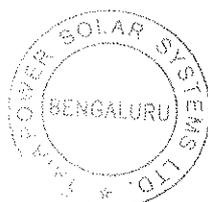
**Accounting Policy**

**Retirement and other employee benefits**

Retirement benefit in the form of provident fund, pension fund and superannuation fund are defined contribution scheme. The Company has no obligation, other than the contribution payable. The Company recognizes contribution payable to provident fund, pension fund and superannuation fund as expenditure, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet reporting date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

Accumulated leave, which is expected to be utilized within the next twelve months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end.



**Tata Power Solar Systems Limited**

**Notes to the financial statements for the year ended March 31, 2021**

**CIN: U40106MH1989PLC330738**

The Company presents the leave as a current liability in the balance sheet, to the extent it does not have an unconditional right to defer its settlement for twelve months after the reporting date.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method using actuarial valuation to be carried out at each balance sheet date.

In case of funded plans, the fair value of the plan assets is reduced from the gross obligation under the defined benefit plans to recognise the obligation on a net basis.

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

Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognises related restructuring costs

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

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

Particulars	₹ in Lakhs	
	For the year ended March 31, 2021	For the year ended March 31, 2020
(a) Salaries and wages	9,707.23	10,041.78
(b) Contribution to Provident Fund	432.34	427.00
(c) Contribution to Superannuation Fund	79.66	72.84
(d) Retiring Gratuities	360.84	337.96
(e) Compensated Absences	333.63	570.49
(f) Pension Scheme	124.02	130.85
(g) Staff welfare expenses	1,492.62	1,263.74
<b>Total</b>	<b>12,530.34</b>	<b>12,844.66</b>

**Note -27 Finance costs**

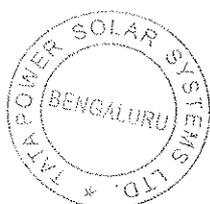
**Accounting Policy**

**Borrowing costs**

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

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



Tata Power Solar Systems Limited  
Notes to the financial statements for the year ended March 31, 2021  
CIN: U40106MH1989PLC330738

₹ in Lakhs

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
(a) Interest expense		
Interest on bank overdraft, related party borrowings and other borrowings	4,954.93	3,862.64
Interest on delayed payment of MSME vendor	257.75	68.54
(b) Other borrowing costs		
Bank charges	98.30	23.30
Other finance costs	2,742.89	-
<b>Total</b>	<b>8,053.87</b>	<b>3,954.48</b>

**Note -28: Depreciation and amortisation expenses**

Refer Note 4 and Note 5 as regards policy on property, plant and equipment and intangible assets.

₹ in Lakhs

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Depreciation of Property, Plant and equipment (Refer Note 4)	2,368.40	1,600.72
Amortisation of intangible assets (Refer Note 5)	129.81	164.15
<b>Total</b>	<b>2,498.21</b>	<b>1,764.87</b>



Tata Power Solar Systems Limited  
Notes to the financial statements for the year ended March 31, 2021  
CIN: U40106MH1989PLC330738

Note -29 Other expenses

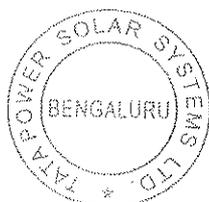
₹ in Lakhs

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Stores and spares consumed	841.01	928.83
Effluent processing charges	156.54	314.78
Power, fuel, water & oil consumed	1,576.49	1,744.87
Freight and handling charges	6,472.40	1,611.56
Rent including lease rentals	3,699.16	1,835.71
Repairs and maintenance - Buildings	373.07	22.62
Repairs and maintenance - Machinery	1,334.45	997.76
Repairs and maintenance - Others	642.10	251.81
Rates and taxes	137.15	325.53
Expenditure on corporate social responsibility (CSR) under section 135 of the Companies Act, 2013.	282.09	247.13
Insurance charges	746.78	316.54
Commission, discounts and rebates	861.27	170.29
Bad Debts	186.22	27.43
Impairment of financial assets (Refer Note 29.3 below)	(619.38)	1,289.83
Net loss / (gain) on foreign currency transactions	309.95	1,704.30
Loss on fixed assets written off	5.49	0.63
Provision for warranty	2,649.57	1,044.62
Legal and other professional costs (Refer Note 29.1 below)	1,390.78	1,636.12
Advertisement, promotion and selling expenses	315.72	855.78
Travelling expenses	1,225.46	1,243.68
Cost of service-outsourced	8,033.95	7,536.86
Director fees	8.85	2.00
Tata brand equity	1,182.14	535.24
Other general expenses	3,003.99	2,785.23
<b>Total</b>	<b>34,815.25</b>	<b>27,429.15</b>

Note-29.1: Payment to auditors included in legal and other professional costs  
(excluding applicable taxes)

₹ in Lakhs

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
(a) For Statutory Audit	33.00	21.80
(b) For Tax Audit	4.00	3.00
(c) For Other Services	13.00	5.00
(d) For reimbursement of expenses	3.22	4.72
<b>Total</b>	<b>53.22</b>	<b>34.52</b>



**Note-29.2: Corporate Social Responsibility Expenses**

₹ in Lakhs

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Amount required to be spent by the Company during the year	282.09	247.13
<b>Total</b>	<b>282.09</b>	<b>247.13</b>

₹ in Lakhs

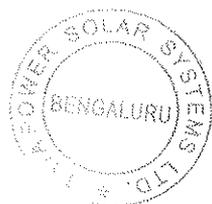
Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Amount spent during the year on:	In cash/bank	In cash/bank
(i) Construction / Acquisition of any asset	-	-
(ii) On purposes other than (i) above	282.09	247.13

Includes Rs. 282.09 lakhs contributed to Tata Power Community Development Trust.

**Note - 29.3: Impairment losses on financial assets and reversal of impairment on financial assets**

₹ in Lakhs

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Impairment loss allowance on trade receivables (Refer Note 9.1)	2,104.21	4,956.52
Impairment loss allowance on deposits (Refer Note 12.1)	71.03	33.50
	<b>2,175.24</b>	<b>4,990.02</b>
Reversal of impairment losses on deposits (Refer Note 12.1)	-	(1.64)
Reversal of impairment losses on trade receivables (Refer Note 9.1)	(9,012.84)	(3,698.56)
Allowances considered as bad debts during the year	6,218.22	-
<b>Total</b>	<b>(619.38)</b>	<b>1,289.82</b>



Note -30 Income Tax

Accounting Policy

Current income tax

Tax expense for the year comprises current and deferred tax. The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the statement of profit and loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Note- 30.1: Income Tax Expenses

Note- 30.1.1: Income taxes recognised in the statement of profit and loss

Particulars	₹ in Lakhs	
	For the year ended March 31, 2021	For the year ended March 31, 2020
<b>Current tax</b>		
In respect of the current year	7,316.86	3,411.34
In respect of the earlier years	-	15.92
<b>Deferred tax</b>		
In respect of the current year	(5,706.30)	-
In respect of the earlier years	-	-
Remeasurement of Deferred Tax on account of New Tax Regime (Net)	-	-
<b>Total income tax expense recognised in the current year</b>	<b>1,610.56</b>	<b>3,427.26</b>

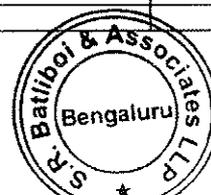
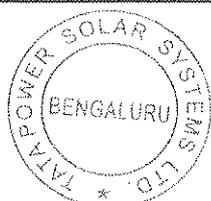
Note- 30.1.2: The income tax expense for the year can be reconciled to the accounting profit as follows:

Particulars	₹ in Lakhs	
	For the year ended March 31, 2021	For the year ended March 31, 2020
Profit before tax	22,450.53	15,694.91
Income tax expense calculated at 25.168% (2019-20: 34.944%)	5,650.35	5,484.43
Effect of income that is exempt from taxation	-	-
Effect of expenses that are not deductible in determining taxable profit	377.69	2,088.87
Unrecognized deferred tax asset as at the beginning of the year	(4,417.48)	-
Effect of concessions (other allowances)	-	(1,183.73)
Effect of unused tax losses and tax offsets not recognised as deferred tax assets	-	-
Unrecognized tax credit (MAT) utilised during the current year	-	(2,978.23)
Others (Income tax pertaining to earlier years)	-	15.92
<b>Income tax expense recognised in profit or loss</b>	<b>1,610.56</b>	<b>3,427.26</b>

Note- 30.1.3: Income tax recognised directly in other comprehensive income

Particulars	₹ in Lakhs	
	For the year ended March 31, 2021	For the year ended March 31, 2020
<b>Current tax</b>		
Remeasurement of defined benefit obligation	48.11	(60.31)
<b>Deferred tax</b>		
Derivative financial instruments designated and effective as hedging instruments carried at fair value	(9,356.63)	3,242.58
<b>Total income tax recognised in other comprehensive income</b>	<b>(9,308.52)</b>	<b>3,182.27</b>

Bifurcation of the income tax recognised in other comprehensive income into:	For the year ended March 31, 2021	For the year ended March 31, 2020
Items that will not be reclassified to profit or loss	48.11	(60.31)
Items that may be reclassified to profit or loss	(9,356.63)	3,242.58
	<b>(9,308.52)</b>	<b>3,182.27</b>



Note - 31: Deferred tax balance

Deferred tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying values of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of the taxable profit and is accounted for using the balance sheet liability model. Deferred tax liabilities are generally recognised for all the taxable temporary differences. In contrast, deferred assets are only recognised to the extent that is probable that future taxable profits will be available against which the temporary differences can be utilised.

Deferred income tax assets are recognized for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

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

Deferred tax assets include Minimum Alternative Tax ("MAT") paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognized as deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realized.

The following is the analysis of deferred tax assets/ (liabilities) presented in the balance sheet:

Particulars	₹ in Lakhs	
	As at March 31, 2021	As at March 31, 2020
Deferred tax assets	11,820.36	-
Deferred tax liabilities	-	-3,242.58
<b>Net Deferred Tax Asset/(Liability)</b>	<b>11,820.36</b>	<b>-3,242.58</b>

2020-21	₹ in Lakhs				
	Opening balance	Recognised in profit or loss	Recognised in other comprehensive income	Recognised directly in equity	Restated closing Balance (note 2)
<b>Deferred tax assets/ (liabilities) in relation to:</b>					
Difference in the written down value of fixed assets	(1,308.13)	(640.23)	-	-	(1,948.36)
Provisions for Employee benefits	1,324.38	(185.49)	-	-	1,138.89
Provisions for doubtful debts and advances	3,174.27	(1,720.89)	-	-	1,453.38
Provision for Warranty	1,145.00	397.28	-	-	1,542.28
Derivative financial instruments designated for hedging	(3,242.58)	-	9,356.63	-	6,114.05
Other disallowances	81.96	3,438.16	-	-	3,520.12
<b>Sub-Total</b>	<b>1,174.90</b>	<b>1,288.63</b>	<b>9,356.63</b>	<b>-</b>	<b>11,820.36</b>
Unabsorbed tax loss and depreciation	-	-	-	-	-
Minimum Alternate Tax Credit	-	-	-	-	-
Less: Adjustments (Refer Note below)	(4,417.48)	4,417.48	-	-	-
<b>Net Deferred Tax Asset / (Liability)</b>	<b>(3,242.58)</b>	<b>5,706.31</b>	<b>9,356.63</b>	<b>-</b>	<b>11,820.36</b>

2019-20	₹ in Lakhs					
	Opening balance	Recognised in profit or loss	Recognised in other comprehensive income	Recognised directly in equity	Closing balance	Restated closing Balance (note 2)
<b>Deferred tax assets/ (liabilities) in relation to:</b>						
Difference in the written down value of fixed assets	(1,154.06)	(661.98)	-	-	(1,816.04)	(1,308.13)
Provisions for Employee benefits	1,258.21	520.08	60.31	-	1,838.60	1,324.38
Provisions for doubtful debts and advances	3,617.07	789.68	-	-	4,406.75	3,174.27
Provision for Warranty	1,225.89	363.68	-	-	1,589.57	1,145.00
Derivative financial instruments designated for hedging	-	-	(3,242.58)	-	(3,242.58)	(3,242.58)
Other disallowances	380.65	(266.87)	-	-	113.78	81.96
<b>Sub-Total</b>	<b>5,327.76</b>	<b>744.59</b>	<b>(3,182.27)</b>	<b>-</b>	<b>2,890.08</b>	<b>1,174.90</b>
Unabsorbed tax loss and depreciation	-	-	-	-	-	-
Minimum Alternate Tax Credit	3,155.84	(3,155.84)	-	-	-	-
Less: Adjustments (Refer Note below)	(8,483.60)	2,411.25	(60.31)	-	(6,132.66)	(4,417.48)
<b>Net Deferred Tax Asset / (Liability)</b>	<b>-</b>	<b>-</b>	<b>(3,242.58)</b>	<b>-</b>	<b>(3,242.58)</b>	<b>(3,242.58)</b>

Notes

1. The Company has deferred tax assets relating to provision for doubtful debts and advances, employee benefits and certain other temporary differences which is partially offset by difference in the written down value of property, plant and equipment. In assessing the realization of deferred tax assets, the likelihood of whether it is more likely than not that some portion or all of the deferred tax assets will not be realized must be considered. The ultimate realization of deferred tax assets is dependent on the generation of future taxable income during the periods in which temporary difference become deductible. As the Company was in the process of establishing a trend of taxable profits and considering the absence of certainty of future taxable profits till previous year ended March 31, 2020, the Company had not recognised deferred tax asset of Rs.4,417.47 Lakhs. During the year ended March 31, 2021, based on its internal assessment, the company believes that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. The company has accordingly recognised deferred tax asset as at March 31, 2021.

2. The Company intends to elect to exercise the option permitted under section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019 during 2020-2021. Accordingly, the Deferred Tax as at March 31, 2020 and March 31, 2021 has been computed using the rates prescribed by Ordinance 2019.



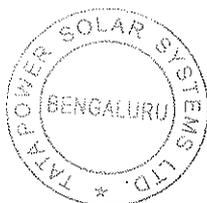
Note -32: Commitments and Contingent Liabilities (to the extent not provided for)

(i) Commitments		₹ in Lakhs	
Particulars	As at March 31, 2021	As at March 31, 2020	
(a) Estimated amounts of contracts remaining to be executed on capital account and not provided for Property, plant and equipment	1,481.36	390.60	
(b) Other commitments:			
(i) Vendor purchase commitments	18,922.61	1,52,821.43	
(ii) Export Commitments pertaining to EPCG benefits, considered as Government Grants that are required to be met by 2023 to 2026.	7,666.35	7,666.35	
(iii) The Company has committed to provide future post sale services for periods extending from 1 to 25 years	14,294.51	18,020.71	

(ii) Contingent Liabilities

Refer Note 22 as regards policy on provision and contingent liabilities.

Particulars		₹ in Lakhs	
Particulars	As at March 31, 2021	As at March 31, 2020	
(a) Claims against the Company not acknowledged as debts, in the nature of :			
(i) Income Tax demands, including penalty and interest due up to date of the order. These claims relate to demands made significantly pertaining to transfer pricing and other adjustments, which are being contested by the Company. These cases are pending at various forums with the respective authorities. Outflows, if any, arising out of the claims would depend upon the outcome of the decision of the appellate authority and the Company's right for future appeals before judiciary. No reimbursements are expected.	729.26	729.26	
(ii) Sales tax and VAT demands, including penalty and interest due up to the date of the order.			
- These claims relate to demands arising from the instances of non-filing of returns by vendors and Non payments of Karnataka VAT by the Local vendors to the Govt. Treasury.	-	130.27	
- These claims relates to demands arising from sale of Solar PV Module, Module Structure, Cable, Battery, Submersible Pumps, Motor Controller, Hardware etc. as 'Solar Pumping System' as an exempt goods. As per Authority in the schedules appended to Rajasthan VAT Act, there is no entry for 'Solar Pumping System' and hence the same is subjected to item-wise duty structure.	3,806.72	7,351.69	



Note -33: Disclosures required under section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

Particulars	₹ in Lakhs	
	As at March 31, 2021	As at March 31, 2020
(i) Principal amount remaining unpaid to any supplier as at the end of accounting year	4,676.29	2,298.31
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	326.29	68.54
(iii) The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond appointed day during each accounting year	-	-
(iv) The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	326.29	68.54
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	326.29	68.54
(vi) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the management.

**Note -34: Capital management**

The Company manages its capital to ensure that it will be able to continue as a going concern while maximising the return to stakeholders through equity and internal accumulations.

The capital structure of the Company consists of working capital debt (borrowings as detailed in notes 18 and 20 offset by cash and bank balances) and total equity of the Company.

The Company is not subject to any externally imposed capital requirements.

The Company's management reviews the capital structure of the Company on a need basis when planning any expansions and growth strategies.



**Note - 35: Earnings/ (Loss) Per Share**

**Accounting Policy**

Basic earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares outstanding during the period. Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

Particulars	in ₹	
	For the year ended March 31, 2021	For the year ended March 31, 2020
Basic earnings/ (loss) per share	90.70	53.39
Diluted earnings/ (loss) per share	90.70	53.39

**Note - 35.1: Basic Earnings/ (Loss) Per Share**

The earnings/(loss) and weighted average number of equity shares used in the calculation of basic earnings/ (loss) per share are as follows:

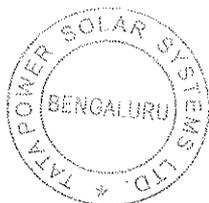
Particulars	₹ in Lakhs	
	For the year ended March 31, 2021	For the year ended March 31, 2020
Profit/ (loss) for the period attributable to Shareholders of the Company (₹ in Lakhs)	20,839.97	12,267.65
Earnings/ (loss) used in the calculation of basic earnings per share (₹ in Lakhs)	20,839.97	12,267.65
Weighted average number of equity shares for the purposes of basic earnings/ (loss) per share	2,29,77,567	2,29,77,567

**Note - 35.2 Diluted Earnings/ (Loss) Per Share**

The earnings/ (loss) and weighted average number of equity shares used in the calculation of diluted earnings/ (loss) per share are as follows:

Particulars	₹ in Lakhs	
	For the year ended March 31, 2021	For the year ended March 31, 2020
Profit/ (Loss) for the period attributable to Shareholders of the Company (₹ in Lakhs)	20,839.97	12,267.65
Earnings/ (Loss) used in the calculation of diluted earnings per share (₹ in Lakhs)	20,839.97	12,267.65
Weighted average number of equity shares for the purposes of diluted earnings/ (loss) per share	2,29,77,567	2,29,77,567

The Company does not have any outstanding equity instruments which are dilutive.



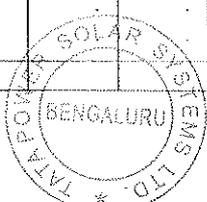
Note - 36: Related Party Disclosure

Note - 36.1: Names of Related parties and relationships:

Holding Company	The Tata Power Company Limited
Wholly Owned Subsidiary	Charsthaayee Saurya Limited
Fellow Subsidiaries	Tata Power Renewable Energy Limited Tata Power Deftu Distribution Limited Tata Power Trading Company Limited TP Renewable Microgrid Limited Poolavadi Windfarm Limited Rashon Power Limited Wahnan Renewable Energy Limited Coastal Gujarat Power Limited TP Kinnak Limited TP Kinnak Solar Limited TP Solapur Solar Limited
Associates of Holding Company	Tata Projects Limited
Joint Ventures of Holding Company	Powerlinks Transmission Limited Industrial Energy Limited
Promoters holding more than 20% in the Holding Company	Tata Sons Private Limited
Subsidiaries of Promoters holding more than 20% in the Holding Company	Tata Advanced Materials Limited Tata Consulting Engineers Limited Tata Capital Financial Services Limited Tata Consultancy Services Limited Tata Communications Limited Tata Housing Development Company Limited Tata International Limited Tata Communications Collaboration Services Private Limited Tata Elxsi Limited (w.e.f 1st August, 2020) Infiniti Retail Limited Tata AIG General Insurance Company Limited Tata Teleservices Limited
Joint Ventures of Promoters holding more than 20% in the Holding Company	Tata AIA Life Insurance Company Limited Tata Sky Limited
Key Management Personnel	Mr. Praveer Sinha - Chairman Mr. Ashish Khanna - Director (w.e.f 13.06.2020) Ms. Anjali Bansal - Director (upto 08.01.2021) Mr. Mahesh D Parange - Chief Executive Officer (w.e.f 13.06.2020) Mr. Anand Agarwal - Director Mr. Sureshbabu Chandra - Director (w.e.f 27.03.2020) Mr. Aditya Gupta - Chief Financial Officer (w.e.f 01.05.2020) Mr. Satish Gupta - Chief Financial Officer (upto 30.04.2020) Mr. Jeeva E. Maheshwari - Company Secretary (w.e.f 13.06.2020) Mr. Arney S. Nair - Company Secretary (upto 12.06.2020)

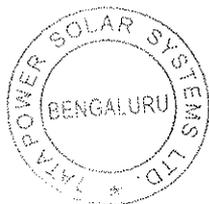
Note - 36.2: Transactions during the period

Particulars	₹ in Lakhs											
	Holding Company		Wholly Owned Subsidiary		Fellow Subsidiaries		Associates and Joint Ventures of Holding Company		Promoters holding more than 20% in the Holding Company		Subsidiaries & Joint Ventures of Promoters holding more than 20% in the Holding Company	
	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2021	For the year ended March 31, 2020
1) Sale of Materials												
Tata Power Renewable Energy Limited	-	-	-	-	1,40,270.97	43,134.26	-	-	-	-	-	-
Poolavadi Windfarm Limited	-	-	-	-	5,297.06	21,259.23	-	-	-	-	-	-
Tata Power Deftu Distribution Limited	-	-	-	-	-	5.88	-	-	-	-	-	-
Wahnan Renewable Energy Limited	-	-	-	-	1,243.11	978.26	-	-	-	-	-	-
The Tata Power Company Limited	8,116.55	-	-	-	-	-	-	-	-	-	-	-
TP Renewable Microgrid Limited	-	-	-	-	5,583.68	672.66	-	-	-	-	-	-
TP Solapur Solar Limited	-	-	-	-	3,774.15	-	-	-	-	-	-	-
TP Kinnak Limited	-	-	-	-	9,295.39	-	-	-	-	-	-	-
TP Kinnak Solar Limited	-	-	-	-	4,358.05	-	-	-	-	-	-	-
Tata Consultancy Services Limited	-	-	-	-	-	-	-	-	-	-	80.52	470.13
Tata Projects Limited	-	-	-	-	-	-	276.15	310.77	-	-	-	-
2) Services Rendered												
The Tata Power Company Limited	42.77	40.33	-	-	-	-	-	-	-	-	-	-
Charsthaayee Saurya Limited	-	-	274.10	261.05	-	-	-	-	-	-	-	-
Tata Power Renewable Energy Limited	-	-	-	-	2,034.23	1,972.78	-	-	-	-	-	-
Poolavadi Windfarm Limited	-	-	-	-	53.92	-	-	-	-	-	-	-
Tata Power Trading Company Limited	-	-	-	-	32.34	30.59	-	-	-	-	-	-
Tata Power Deftu Distribution Limited	-	-	-	-	8.79	6.97	-	-	-	-	-	-
Tata Consultancy Services Limited	-	-	-	-	-	-	-	-	-	-	2.13	9.15
TP Renewable Microgrid Limited	-	-	-	-	-	10.24	-	-	-	-	-	-
3) Services Received												
The Tata Power Company Limited	378.92	262.99	-	-	-	-	-	-	-	-	-	-
Tata Power Trading Company Limited	-	-	-	-	485.69	491.52	-	-	-	-	-	-
Tata Projects Limited	-	-	-	-	-	-	266.94	465.97	-	-	-	-
Tata Sons Private Limited	-	-	-	-	-	-	-	-	1,187.37	536.44	-	-
Tata Consulting Engineers Limited	-	-	-	-	-	-	-	-	-	-	276.58	108.42
Tata Capital Financial Services Limited	-	-	-	-	-	-	-	-	-	-	89.07	66.61
Tata Communications Limited	-	-	-	-	-	-	-	-	-	-	43.02	46.47
TATA AIA Life Insurance Company Limited	-	-	-	-	-	-	-	-	-	-	24.03	24.50
Tata AIG General Insurance Company Limited	-	-	-	-	-	-	-	-	-	-	940.50	-
Tata Elxsi Limited	-	-	-	-	-	-	-	-	-	-	78.68	-
Tata Communications Collaboration Services	-	-	-	-	-	-	-	-	-	-	3.30	-
Infiniti Retail Limited	-	-	-	-	-	-	-	-	-	-	1.51	-
Tata Teleservices Limited	-	-	-	-	-	-	-	-	-	-	9.04	10.28
4) Dividend Paid												
The Tata Power Company Limited	-	-	-	-	-	-	-	-	-	-	-	-



Particulars	Holding Company		Wholly Owned Subsidiary		Follow Subsidiaries		Associates and Joint Ventures of Holding Company		Promoters holding more than 20% in the Holding Company		Subsidiaries & Joint Ventures of Promoters holding more than 20% in the Holding Company	
	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2021	For the year ended March 31, 2020
5 Interest Paid												
The Tata Power Company Limited	1,913.34	6.58	-	-	-	-	-	-	-	-	-	-
Coastal Gujarat Power Limited	-	-	-	-	-	9.84	-	-	-	-	-	-
Wairhan Renewable Energy Limited	-	-	-	-	-	113.17	-	-	-	-	-	-
6 Interest Received												
Chrasithaayee Saurya Limited	-	-	1,179.65	1.71	-	-	-	-	-	-	-	-
The Tata Power Company Limited	-	12.55	-	-	-	-	-	-	-	-	-	-
Tata Power Renewables Energy Limited	-	-	-	-	894.72	-	-	-	-	-	-	-
TP Krunak Limited	-	-	-	-	66.50	-	-	-	-	-	-	-
7 Loan given during the year												
Chrasithaayee Saurya Limited	-	-	26,801.85	507.28	-	-	-	-	-	-	-	-
The Tata Power Company Limited	-	10,000.00	-	-	-	-	-	-	-	-	-	-
8 Loan taken during the year												
The Tata Power Company Limited	86,982.00	23,148.00	-	-	-	-	-	-	-	-	-	-
Coastal Gujarat Power Limited	-	-	-	-	-	20,000.00	-	-	-	-	-	-
Wairhan Renewable Energy Limited	-	-	-	-	-	4,298.46	-	-	-	-	-	-
9 Loan Repaid by the company												
The Tata Power Company Limited	35,996.60	23,148.00	-	-	-	-	-	-	-	-	-	-
Coastal Gujarat Power Limited	-	-	-	-	-	20,000.00	-	-	-	-	-	-
Wairhan Renewable Energy Limited	-	-	-	-	-	12,798.46	-	-	-	-	-	-
10 Loan Repaid to the company												
The Tata Power Company Limited	-	10,000.00	-	-	-	-	-	-	-	-	-	-
Chrasithaayee Saurya Limited	-	-	26,801.85	507.28	-	-	-	-	-	-	-	-

Sale of goods and services to related parties were made at the Company's usual list prices. Purchases were made and services were received at market price.



Note - 36.3: Compensation of key management personnel

Particulars	₹ in Lakhs	
	For the year ended March 31, 2021	For the year ended March 31, 2020
Short-term benefits (Refer Note below)	8.85	2.00

Note:

The Directors were paid only director's sitting fees during the year ended March 31, 2021 and March 31, 2020. The remuneration payable to key management personnel is determined by the nomination and remuneration committee having regard to the performance of individuals and market trends. For amounts incurred by the Company for the provision of key management personnel services that are provided by the Parent Company is disclosed in Note 36.2

Particulars	₹ in Lakhs	
	As at March 31, 2021	As at March 31, 2020
Balance Outstanding	-	1.00

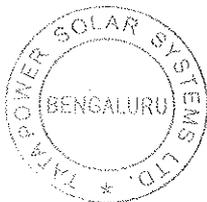
Note -36.4: Balances outstanding as at year end

1	Balance Receivable/(Payable) (net)	₹ in Lakhs	
		As at March 31, 2021	As at March 31, 2020
	The Tata Power Company Limited	5,306.83	25.04
	Tata Power Renewable Energy Limited	1,07,854.29	19,876.31
	Poolavadi Windfarm Ltd	5,941.83	7,078.47
	Tata Power Delhi Distribution Limited	24.75	25.62
	Tata Power Trading Company Limited	(7.98)	28.67
	TP Renewable Microgrid Limited	942.69	722.95
	Chirasthaayee Saurya Limited	26.64	25.27
	Coastal Gujarat Power Limited	-	(0.01)
	Mailton Power Limited	17.33	-
	Walwhan Renewables Energy Limited	1,446.42	926.61
	Industrial Energy Limited	3.70	1.53
	TP Solapur Solar Limited	807.11	-
	TP Kirmali Limited	10,266.85	-
	TP Kirmali Solar Limited	741.42	-
	Tata Projects Limited	289.16	341.37
	Tata AIA Life Insurance Company Limited	1,182.14	534.73
	Tata AIG General Insurance Company Limited	1.60	-
	Tata Capital Financial Services Limited	3.55	4.82
	Tata Communications Limited	(0.41)	(8.49)
	Tata Consulting Engineers Limited	(33.70)	(33.37)
	Tata International Limited	2.15	2.15
	Tata Consultancy Services Limited	452.79	617.19
	Tata Advanced Materials Limited	3.48	3.48
	Tata Teleservices Limited	-	(0.28)
	Tata Sky Limited	0.11	0.11
2	Advances Received/(Paid)		
	Tata Power Renewable Energy Limited	4.83	9,536.55
	Tata International Limited	4.11	4.11
	Tata Consultancy Services Limited	7.24	23.46
	Tata Housing Development Company Limited	2.60	2.60
	TATA AIA Life Insurance Company Limited	0.77	0.77
	Tata Projects Limited	6.93	6.93
3	Loan Balance outstanding (payable)/ receivable		
	The Tata Power Company Limited	(50,983.20)	-
4	Interest accrued outstanding (payable)/ receivable		
	The Tata Power Company Limited	(143.27)	-

The amounts outstanding are unsecured and will be settled in cash. No guarantees have been given or received. There have been no instances of amounts due to or due from related parties that have been written back or written off or otherwise provided for during the year.

Note - 36.5: Other transactions and balance outstanding

The Company had received an open Corporate Guarantee from The Tata Power Company Limited, the Parent Company, for a maximum borrowing of Rs. 60,000 Lakhs (as at March 31, 2020- Rs. 60,000 Lakhs) at any point in time. The Company has utilised the Corporate Guarantee given against various borrowings during the year with a maximum outstanding amounting to Rs. Nil (as at March 31, 2020- Rs. 35,000 Lakhs) at any point in time. The Corporate Guarantee utilized and outstanding as at March 31, 2021 is Rs. Nil (as at March 31, 2020- Rs. Nil).



Note -37: Financial Instruments

(i) Categories of financial instruments

The carrying value of financial instruments by categories as at March 31, 2021 and March 31, 2020 are as follows

Particulars	Carrying Value		Fair Value	
	As at	As at	As at	As at
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
<b>₹ in Lakhs</b>				
<b>Financial Assets</b>				
Measured at amortised cost				
Trade receivables	3,55,508.48	98,974.96	3,55,508.48	98,974.96
Cash and cash equivalents	13,997.52	4,160.65	13,997.52	4,160.65
Other bank balances	-	4,000.00	-	4,000.00
Unbilled revenue	4,150.97	1,423.26	4,150.97	1,423.26
Loans	813.41	701.73	813.41	701.73
Other financial assets	283.77	30.58	283.77	30.99
Measured at fair value through other comprehensive income (FVTOCI)				
Derivative assets in hedging relationship	-	12,883.72	-	12,883.72
Measured at fair value through profit or loss (FVTPL)				
Investments in mutual funds	-	3,621.28	-	3,621.28
Derivative assets not in hedging relationship	-	3,150.28	-	3,150.28
<b>Total assets</b>	<b>3,74,754.15</b>	<b>1,28,946.86</b>	<b>3,74,754.15</b>	<b>1,28,946.86</b>
<b>Financial Liabilities</b>				
Measured at amortised cost				
Borrowings	97,382.82	4.01	97,382.82	4.01
Trade payables	2,12,839.28	64,052.08	2,12,839.28	64,052.08
Other financial liabilities	9,414.76	1,016.34	9,414.76	1,016.34
Measured at fair value through other comprehensive income (FVTOCI)				
Derivative liabilities in hedging relationship	14,693.16	-	14,693.16	-
Measured at fair value through profit or loss (FVTPL)				
Derivative liabilities not in hedging relationship	16.58	-	16.58	-
<b>Total liabilities</b>	<b>3,34,346.60</b>	<b>65,072.43</b>	<b>3,34,346.60</b>	<b>65,072.43</b>

The Management assessed that the fair value of cash and cash equivalents, trade receivables, loans, borrowings, trade payables and other financial assets and liabilities approximate their carrying amounts largely due to the short term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair value/ amortised cost:

a) Long-term fixed-rate receivables/borrowings are evaluated by the Company based on parameters such as interest rates, individual creditworthiness of the customer and the risk characteristics of the financed project. Based on this evaluation, allowances are taken into account for the expected credit losses of these receivables.

b) Fair values of the Company's interest-bearing borrowings and loans are determined by using discounted cash flow (DCF) method using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. The own non-performance risk as at March 31, 2021 was assessed to be insignificant.

c) The Company enters into derivative financial instruments with various counterparties, principally financial institutions with investment grade credit ratings. Foreign exchange forward contracts and options are valued using valuation techniques, which employs the use of market observable inputs. The most frequently applied valuation techniques include forward pricing model, using present value calculations. The models incorporate various inputs including the credit quality of counterparties, foreign exchange spot and forward rates, yield curves of the respective currencies, currency basis spreads between the respective currencies, interest rate curves etc. As at March 31, 2021, the marked-to-market value of derivative asset positions is net of a credit valuation adjustment attributable to derivative counterparty default risk. The changes in counterparty credit risk had no material effect on the hedge effectiveness assessment for derivatives designated in hedge relationship and other financial instruments recognised at fair value.

(ii) Fair value hierarchy

Some of the Company's financial assets and financial liabilities are measured at fair value at the end of the reporting period.

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consists of the following three levels:

**Quoted prices in active market (Level 1):** Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities. This includes quoted equity instruments, government securities and quoted borrowings (fixed rate) that have quoted price.

**Valuation techniques with observable inputs (Level 2):** Inputs are other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices). This includes derivative financial instruments and unquoted floating and fixed rate borrowings.

**Valuation techniques with significant unobservable inputs (Level 3):** Inputs are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data. This includes unquoted equity shares and redeemable non-cumulative preference shares.

The following table gives information about how the fair values of these financial assets and financial liabilities are determined (in particular, the valuation technique(s) and inputs used).

Financial assets/(financial liabilities)	Fair Value as at (₹ in Lakhs)		Fair Value Hierarchy	Valuation Technique(s) and key inputs used
	March 31, 2021	March 31, 2020		
Investments in Mutual funds	-	3,621.28	Level 2	Valued based on market value of the fund after deducting its liabilities. The value of all units of a mutual fund portfolio are calculated on a daily basis, from this all expenses are then subtracted. The result is then divided by the total number of units the resultant value is the NAV.
Derivative financial instruments (Foreign currency forward contracts and Options)	(14,709.74)	16,034.00	Level 2	Discounted cash flow. Future cash flows are estimated based on forward exchange rates (from observable forward exchange rates at the end of the reporting period) and contract forward rates, discounted at a rate that reflects the credit risk of various counterparties.

(ii) Fair value of financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required)

The Management consider that the carrying amounts of financial assets and financial liabilities recognised in the financial statements approximate their fair values, hence no other disclosure have been made.



(iii) Capital Management and Gearing Ratio

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximize the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. From time to time, the Company reviews its policy related to dividend payment to shareholders, return capital to shareholders or fresh issue of shares. The Company monitors capital using gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings, less cash and cash equivalents, excluding discontinued operations as detailed in the notes below.

The Company's capital management is intended to create value for shareholders by facilitating the meeting of its long-term and short-term goals. Its Capital structure consists of net debt (borrowings as detailed in notes below) and total equity.

Gearing ratio

The gearing ratio at the end of the reporting period was as follows:

Particulars	As at	As at
	March 31, 2021	March 31, 2020
Debt (i)	97,382.82	4.01
Less: Cash and Bank balances (including cash and bank balances in a disposal Company held for sale)	13,997.52	8,160.65
Net debt	83,385.30	-8,156.64
Total Capital (ii)	62,342.26	69,179.34
Capital and net debt	1,45,727.58	61,022.70
Net debt to Total Capital plus net debt ratio (%)	57%	-13%

(i) Debt is defined as long-term borrowings (including current maturities) and short-term borrowings (excluding derivative, financial guarantee contracts and contingent considerations)

(ii) Equity is defined as Equity share capital, Unsecured perpetual securities and other equity including reserves and surplus.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2021 and March 31, 2020.

(iv) Financial risk management objectives and policies

The Company's treasury function provides services to the business, monitors and manages the financial risks relating to the operations of the Company through internal meetings with the key stakeholders to analyse exposures by degree of magnitude of risks. These risks include market risk (including currency risk), credit risk and liquidity risk.

The primary market risk to the Company is foreign exchange risk. The Company uses derivative financial instruments to mitigate foreign exchange related risk exposures. All derivative activities for risk management purposes are carried out by a team that has the appropriate skills, experience and supervision. It is the Company's policy that no trading in derivative for speculative purposes may be undertaken. The Management reviews and agrees policies for managing each of these risks.

(v) Market Risk

The Company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates (see note (vi) below). The company enters into a derivative financial instruments to manage its exposure to foreign currency risk, including:

- Forward foreign exchange contracts to hedge the exchange rate risk arising on the export of modules and import of cells/modules and capital goods.

Market risk exposures are measured using sensitivity analysis.

There has been no change to the Company's exposure to market risks or the manner in which these risks are being managed and measured.

(vi) Foreign Currency risk management

The Company undertakes transactions denominated in foreign currencies, consequently, exposures to exchange rate fluctuations arise. Exchange rate exposures are managed within approved policy parameters utilising forward foreign exchange contracts.

The carrying amounts of the company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period.

Currency	Liabilities at		Assets as at	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
JPY	1.41	1.49	-	-
USD	73,055.50	7,819.82	106.85	106.85
EURO	4,359.49	221.06	-	-
GBP	-	6.32	-	-

Note: Assets includes trade receivables and Liabilities include trade payable and Creditors for capital supplies/services

(vii)(a) Foreign Currency sensitivity analysis

The Company is mainly exposed to the USD, Euro, GBP and JPY currencies.

Sensitivity analysis is computed based on the changes in income and expenditure in foreign currency upon conversion in the functional currency, due to exchange rate fluctuation between previous reporting period and the current reporting period.

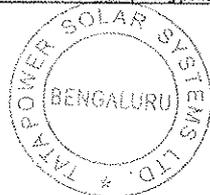
The following table details the Company's sensitivity to a Re. 1 increase and decrease against the relevant foreign currencies. A positive number below indicates an increase in profit or equity where the Re. strengthens against the relevant currency and vice versa.

Particulars	Currency JPY Impact (Rs. in Lakhs)	
	For the year ended March 31, 2021	For the year ended March 31, 2020
Impact on profit or loss for the year	(3.24)	(3.73)
Impact on total equity as at the end of the reporting period	(3.24)	(3.73)

Particulars	Currency USD Impact (Rs. in Lakhs)	
	For the year ended March 31, 2021	For the year ended March 31, 2020
Impact on profit or loss for the year	999.15	102.10
Impact on total equity as at the end of the reporting period	999.15	102.10

Particulars	Currency Euro Impact (Rs. in Lakhs)	
	For the year ended March 31, 2021	For the year ended March 31, 2020
Impact on profit or loss for the year	50.82	2.67
Impact on total equity as at the end of the reporting period	50.82	2.67

Particulars	Currency GBP Impact (Rs. in Lakhs)	
	For the year ended March 31, 2021	For the year ended March 31, 2020
Impact on profit or loss for the year	-	0.07
Impact on total equity as at the end of the reporting period	-	0.07



(vi)(b) Derivative financial instruments

It is the policy of the Company to enter into forward foreign exchange contracts to cover specific foreign currency payments within 90% to 100% of the exposure generated. The Company also enters into forward foreign exchange contracts to manage the risk associated with anticipated purchase transactions. Adjustments are made to the initial carrying amounts of non-financial hedged items when anticipated sale or purchase transaction takes place.

The following table gives details in respect of outstanding foreign exchange forward and option contracts

31st March, 2021					
Category	Currency	Buy/ Sell	Foreign Currency (Rs. in Lakhs)	Nominal Value (Rs. in Lakhs)	Fair Value assets (liabilities) (Rs. in Lakhs)
Forward contracts	USD	Buy	8,939.50	2,08,000.02	(14,709.74)

31st March, 2020					
Category	Currency	Buy/ Sell	Foreign Currency (Rs. in Lakhs)	Nominal Value (Rs. in Lakhs)	Fair Value assets (liabilities) (Rs. in Lakhs)
Forward contracts	USD	Buy	3,824.77	2,68,932.61	10,503.66
Option contracts	USD	Buy	2,297.90	1,73,588.84	5,530.34

(vii) Interest rate risk management

Interest rate risk is the risk that the future cash flows of warranty provisions will fluctuate because of changes in market interest rates.

The Company's borrowings are primarily short-term, which do not expose it to significant interest rate risk.

(viii) Credit risk management

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to financial loss. Credit risk arises from cash held with banks and financial institutions, as well as credit exposure to clients, including outstanding accounts receivable. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors. The company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities including loans and other financial instruments.

Particulars	31st March, 2021	31st March, 2020
Trade Receivables	3,55,508.48	98,974.96
Loans	813.41	701.73
Other Financial assets	283.77	30.98
Unbilled Revenue	4,150.97	1,423.26
<b>Total</b>	<b>3,60,756.63</b>	<b>1,01,130.93</b>

Trade and other receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment.

The following table gives details in respect of revenues generated from top customer and top 5 customers.

Particulars	Rs. in Lakhs	
	For the year ended March 31, 2021	For the year ended March 31, 2020
Revenue from top customer	1,53,368.90	75,851.05
Revenue from second top customer	1,48,649.59	23,908.72
Revenue from top 5 customers	3,78,022.33	1,44,185.08

Two customers accounted for 63% of the revenue for the year ended March 31, 2021 and two customer accounted for more than 47% of the revenue for the year ended March 31, 2020.

The following table gives details in respect of receivables due from top customer and top 5 customers.

Particulars	Rs. in Lakhs	
	For the year ended March 31, 2021	For the year ended March 31, 2020
Receivable from top customer	1,15,398.55	19,876.31
Receivable from second top customer	87,371.30	14,481.63
Receivable from top 5 customers	2,79,372.51	62,127.05

Two customers accounted for 56% of the receivables as at March 31, 2021 and two customer accounted for more than 30% of the receivables as at March 31, 2020.

(ix) Liquidity risk management

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company's principal sources of liquidity are cash and cash equivalents, working capital borrowings, the cash flow that is generated from operations and proceeds of maturing financial assets. The Company believes that the working capital, including the available unutilised borrowing limits is sufficient to meet its current requirements. Accordingly, no liquidity risk is perceived.

The following table details the Company's expected maturity for its non-derivative financial assets

Particulars	As at March 31, 2021			As at March 31, 2020		
	Less than 1 year	1-5 years	More than 5 years	Less than 1 year	1-5 years	More than 5 years
Cash and cash equivalents	13,997.52	-	-	4,160.65	-	-
Other bank balances	-	-	-	4,000.00	-	-
Trade receivables	3,41,575.65	22,195.77	-	95,947.32	3,027.64	-
Unbilled revenue	4,150.97	-	-	1,423.26	-	-
Investments	-	-	100.00	3,621.28	-	100.00
Loans	336.99	476.42	-	324.34	377.39	-
Other financial assets	16.72	267.05	-	30.98	-	-
Derivative assets	-	-	-	16,034.00	-	-
<b>Total</b>	<b>3,60,077.85</b>	<b>22,939.24</b>	<b>100.00</b>	<b>1,26,541.83</b>	<b>3,405.03</b>	<b>100.00</b>



Tata Power Solar Systems Limited

Notes to the financial statements for the year ended March 31, 2021

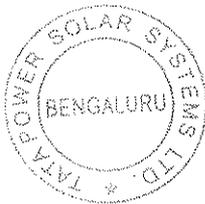
CIN: U40106MH1989PLC330738

The table below provides details regarding the contractual maturities of financial liabilities as at March 31, 2021

Particulars	Rs. in Lakhs				
	Upto 1 year	1 to 5 years	5+ years	Total	Carrying Amount
<b>Financial Liabilities</b>					
Accounts payable and acceptances (non-interest bearing)	2,12,839.28	-	-	2,12,839.28	2,12,839.28
Borrowings and interest thereon	97,661.00	-	-	97,661.00	97,661.00
Future interest	965.47	782.11	-	1,747.57	965.47
Other financial liabilities	9,136.58	-	-	9,136.58	9,136.58
Derivative liabilities	14,709.74	-	-	14,709.74	14,709.74

The table below provides details regarding the contractual maturities of financial liabilities as at March 31, 2020

Particulars	Rs. in Lakhs				
	Upto 1 year	1 to 5 years	5+ years	Total	Carrying Amount
<b>Financial Liabilities</b>					
Accounts payable and acceptances (non-interest bearing)	64,052.08	-	-	64,052.08	64,052.08
Borrowings and interest thereon	4.02	-	-	4.02	4.02
Other financial liabilities	1,016.33	-	-	1,016.33	1,016.33
Derivative liabilities	-	-	-	-	-



**Tata Power Solar Systems Limited**

**Notes to the financial statements for the year ended March 31, 2021**

**CIN: U40106MH1989PLC330738**

**Note -38: Segment Information**

The Company is a manufacturer of solar photo-voltaic cells and modules as well as in the Engineering, Procurement and Construction (EPC) in the solar energy market, wherein the manufactured cells/modules are utilised. The Company is currently predominantly operating in a single geography i.e. India, with the total of exports being less than 10% of total revenues.

Based on the "management approach" as defined in Ind-AS 108 - Operating Segments, the Chief Operating Decision Marker (CODM) evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by the overall business segment, i.e. the performance of the EPC projects.

As the allocation of resources and profitability of the business is evaluated by the CODM on an overall basis, with evaluation into individual categories to understand the reasons for variations, no separate segments have been identified. Accordingly no additional disclosure has been made for the segmental revenue, segmental results and the segmental assets and liabilities.

**Note -39: Impact of Covid-19**

The Company has taken into account all the possible impacts of COVID-19 in preparation of these financial statements, including but not limited to its assessment of, liquidity and going concern assumption, recoverable values of its financial and non-financial assets, impact on revenue recognition owing to changes in cost budgets of revenue contracts and impact on effectiveness of its hedges. The Company has carried out this assessment based on available internal and external sources of information upto the date of approval of standalone financial statements and believes that the impact of COVID-19 is not material to these financial statements and expects to recover the carrying amount of its assets. The impact of COVID-19 on the financial statements may differ from that estimated as at the date of approval of these financial statements owing to the nature and duration of COVID-19.

**Note -40:** The Board of Directors of the Company at its meeting held on 12th August, 2020 has approved the Composite Scheme of Arrangement for the merger of the Company with The Tata Power Company Limited (Holding Company). The scheme is subject to requisite statutory/regulatory approvals including approval of the jurisdictional National Company Law Tribunal.

**Note -41: Recent pronouncements**

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

**Balance Sheet:**

- Lease liabilities should be separately disclosed under the head 'financial liabilities', duly distinguished as current or non-current.
- Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.
- Specified format for disclosure of shareholding of promoters.
- Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.
- If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
- Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.

**Statement of profit and loss:**

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

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



**Tata Power Solar Systems Limited**  
**Notes to the financial statements for the year ended March 31, 2021**  
**CIN: U40106MH1989PLC330738**

**Note -42:** As at March 31, 2021, the Company has Good and Service tax recoverable recorded under balances with government authorities (Note 15) amounting to Rs. 11,387.52 Lakhs ( As at March 31, 2020 - Rs. 13,638.99 Lakhs). The Company based on its assessment believes that the aforesaid is fully recoverable and accordingly no provision is required.

**Note -43: Significant Events after the Reporting Period**

There were no significant adjusting events that occurred subsequent to the reporting period other than the events disclosed in the relevant notes.

**Note -44:**

The Code on Social Security 2020 has been notified in the Official Gazette on September 29, 2020. The effective date from which the changes are applicable is yet to be notified and the rules are yet to be framed. Impact if any of the change will be assessed and accounted in the period in which said Code becomes effective and the rules framed thereunder are notified.

**Note -45: Approval of financial statements**

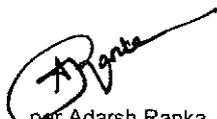
The financial statements were approved for issue by the Board of Directors on April 20, 2021.

**Note -46:** The Company is a wholly owned subsidiary of Tata Power Company Limited and accordingly is exempted from the preparation of consolidated financial statements in term of Ministry of Corporate Affair Notification dated October 14, 2014.

**Note -47:** The previous year's figures have been regrouped/ reclassified, wherever necessary to conform to current year's classification.

As per our report of even date

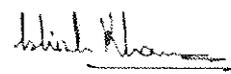
For S.R.Batliloi & Associates LLP  
ICAI Firm Registration Number: 101049W/ E300004  
Chartered Accountants



per Adarsh Ranka  
Partner  
Membership Number: 209567



For and on behalf of the Board of Directors of  
Tata Power Solar Systems Limited



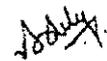
Ashish Khanna, Director  
DIN: 06699527



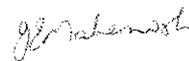
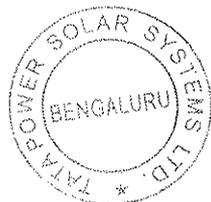
Anand Agarwal, Director  
DIN: 06398370



Mahesh D Paranjpe  
Chief Executive Officer



Aditya Gupta  
Chief Financial Officer



Jeraz E. Mahernosh  
Company Secretary

Place : Bengaluru  
Date: April 20, 2021

Place: Mumbai  
Date: April 20, 2021