WALWHAN RENEWABLE ENERGY LIMITED

NOTICE

NOTICE IS HEREBY GIVEN THAT THE TWELFTH ANNUAL GENERAL MEETING OF THE MEMBERS OF WALWHAN RENEWABLE ENERGY LIMITED will be held on Wednesday, 1st September 2021 at 2.30 p.m. through Video Conferencing ('VC') / Other Audio Visual Means ('OVAM'), to transact the following business:

Ordinary Business:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March 2021 together with the Reports of the Board of Directors and the Auditors thereon.

2. To receive, consider and adopt the Audited Consolidated Financial Statements of the Company for the financial year ended 31st March 2021 together with the Reports of the Auditors thereon.

3. To appoint a Director in place of Mr. Ashish Khanna (DIN: 06699527), who retires by rotation and, being eligible, offers himself for re-appointment.

Special Business:

4. Appointment of Mr. Seethapathy Chander (DIN: 02336635) as an Independent Director of the Company

To consider and, if thought fit, to pass, with or without modification, the following Resolution as an Ordinary Resolution:

"RESOLVED that Mr. Seethapathy Chander (DIN: 02336635), who was appointed as an Additional Director of the Company with effect from 12th July 2021 by the Board of Directors and who holds office upto the date of this Annual General Meeting of the Company under Section 161(1) of the Companies Act, 2013 ('the Act') and in respect of whom the Company has received a notice in writing under Section 160(1) of the Act from a Member proposing its candidature for the office of Director, be and is hereby appointed as a Director of the Company.

RESOLVED FURTHER that pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Act and the Rules made thereunder, as amended from time to time, read with Schedule IV to the Act, Mr. Seethapathy Chander (DIN: 02336635), a Non-Executive Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company, with effect from 12th July 2021 upto 11th July 2024."

5. Ratification of Cost Auditors' remuneration

To consider and, if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:

"RESOLVED that pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force) and the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, the Company hereby ratifies the remuneration of ₹ 0.45 lakh plus applicable taxes and out-of-pocket expenses, if any, incurred in connection with the audit, payable to M/s. HCB & Co. (Firm Registration No. 000525), who are appointed as Cost Auditors to conduct the audit of cost records maintained by the Company for the financial year 2021-22."

NOTES:

1. The relative Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ('the Act') in regard to the business as set out in Item Nos. 4 and 5 above and the relevant details of the Director seeking re-appointment as set out in Item Nos. 3 and 4 above as required under Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of

India, are annexed hereto.

2. In view of the global outbreak of COVID-19, the Ministry of Corporate Affairs (MCA), Government of India, has vide its General Circular Nos. 14/ 2020 dated 8th April 2020, 17/ 2020 dated 13th April 2020, in relation to "Clarification on passing of ordinary and special resolutions by companies under the Act and the rules made thereunder on account of the threat posed by Covid-19" and General Circular No. 20/2020 dated 5th May 2020 and General Circular No. 02/2021 dated 13th January 2021, in relation to "Clarification on holding of annual general meeting (AGM) through VC or OAVM (collectively referred to as "MCA Circulars") has permitted the holding of the AGM through VC/OAVM, without the physical presence of the Members at a common venue. In compliance with the applicable provisions of the Act (including any statutory modification or re-enactment thereof for the time being in force) read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (the "Rules"), as amended from time to time, read with the MCA Circulars the Twelfth AGM of the Company is being conducted.

3. PURSUANT TO THE PROVISIONS OF THE ACT, A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS/HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. SINCE THIS AGM IS BEING HELD PURSUANT TO THE MCA CIRCULARS THROUGH VC/OAVM, THE REQUIREMENT OF PHYSICAL ATTENDANCE OF MEMBERS HAS BEEN DISPENSED WITH. ACCORDINGLY, IN TERMS OF THE MCA CIRCULARS, THE FACILITY FOR APPOINTMENT OF PROXIES BY THE MEMBERS WILL NOT BE AVAILABLE FOR THIS AGM AND HENCE, THE PROXY FORM, ATTENDANCE SLIP AND ROUTE MAP OF AGM ARE NOT ANNEXED TO THIS NOTICE.

4. Pursuant to the MCA circulars, in view of the prevailing situation, owing to the difficulties involved in dispatching physical copies, the notice of the 12th AGM is being sent only by email to the members at their email addresses registered with the Company.

5. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act. The Members will be allowed to pose questions during the course of the Meeting. The queries can also be given in advance to the Company Secretary.

6. The Members can join the AGM through VC/OAVM facility which shall be kept open for the members 15 minutes before the scheduled time of the commencement of the Meeting by following the procedure as mentioned below in the Notice. The Company may close the window for joining the VC/OAVM facility 15 minutes after the scheduled time to start of the AGM.

   Instructions for members participating in the 12th AGM through VC/OAVM facility are as under:

   - Members may attend the AGM, by following the invitation link sent to their registered email ID. Members will be able to locate Meeting ID/Password/ and JOIN MEETING tab. By Clicking on JOIN MEETING they will be redirected to Meeting Room via browser or by running temporary application. Members are encouraged to join the Meeting through Laptops for better experience.

   - In case of Android/iphone connection, participants will be required to download and install the appropriate application as given in the mail to them. Application may be downloaded from Google Play Store/ App Store.

   - Further Members will be required to allow camera and use internet audio settings as and when asked while setting up the meeting on Mobile App.

   - Please note that participants connecting from mobile devices or tablets or through laptop connecting via mobile hotspot may experience audio/video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

   - The helpline number for joining the meeting through electronic mode will be provided in the meeting invitation which will be sent to the eligible applicants.

7. Corporate members are required to send its Board Resolution authorizing its representative to attend the AGM on its behalf.

8. Relevant documents referred to in the Notice and the accompanying Statement are open for inspection by the members at the Registered Office of the Company on all working days, during business hours up to the date of the Meeting.

By Order of the Board of Directors of
Walwhan Renewable Energy Limited

Santosh C.R
Company Secretary
ICSI Membership No. A20179

Mumbai, 17th July 2021

Registered Office:
C/o The Tata Power Company Limited,
Corporate Center B, 34 Sant Tukaram Road,
Carnac Bunder, Mumbai 400009

CIN: U40103MH2009PLC197021
Tel No.: 022-6717 1000
Email: walwhan_secretarial@tatapower.com
Website: https://www.tatapowerrenewables.com/wrel/about-us

EXPLANATORY STATEMENT

As required by Section 102 of the Companies Act, 2013 ('the Act'), the following Explanatory Statement sets out all material facts relating to the business mentioned under Item No.4 and 5 of the accompanying Notice.

Item No.4:

In terms of Section 149 of the Act read along with the Companies (Appointment and Qualifications of Directors) Rules, 2014 and subject to the approval of the members, the Board has appointed Mr. Seethapathy Chander as an Additional (Independent) Director of the Company for a period of three years from 12th July 2021.

Mr. Chander is a B. Tech. (Electrical) from IIT, Delhi and Specialist Diploma in Business Management in Human Resources. He started his career as Executive Trainee, NTPC in February 1977 and worked in transmission systems. He was responsible for commissioning of NTPC's first 400kV installations and introduction of new High Voltage Direct Current transmission technology in India. He has served in Asian Development Bank (ADB) for about 23 years from July 1992 to April 2015. During his tenure in ADB, he worked on energy policy, planning, portfolio management, investments, ICT infrastructure development, ADB's long-term strategy, private sector operations, public-private partnerships etc. Post his superannuation from ADB, he was Senior Advisor to the President of Asian Infrastructure Investment Bank and an honorary Senior Advisor to the Secretary General, World Energy Council. He was also an Independent Director on the Board of NTPC from June 2016 to June 2019. He is currently an Independent Director of Tata Power Solar Systems Limited and Poolavadi Windfarm Limited.

Mr. Seethapathy Chander has given declaration to the Board that he meets the criteria of independence as provided under Section 149(6) of the Act.

In terms of Section 161(1) of the Act, Mr. Seethapathy Chander holds office upto the date of the ensuing Annual General Meeting. A notice under Section 160(1) of the Act has been received from a Member signifying its intention to propose appointment of Mr. Seethapathy Chander as a Director.

In the opinion of the Board, Mr. Seethapathy Chander fulfil the conditions specified in the Act and the Rules made thereunder for appointment as Independent Director and he is independent of the management. The Directors are of the view that the appointment of Mr. Seethapathy Chander will be beneficial to the Company and that the Company should receive the benefits of his valuable experience and advice and commends his appointment for the approval of the members of the Company.

In compliance with the provisions of Section 149 of the Act read with Schedule IV to the Act, the appointment of Mr. Seethapathy Chander as Independent Director is now being placed before the Members for their approval. The terms and conditions of his appointment shall be open for inspection by the Members at the Registered Office during normal business hours on any working day of the Company.

Other than Mr. Seethapathy Chander, none of the Directors and Key Managerial Personnel (KMP) of the Company or their respective relatives are concerned or interested in the Resolution at Item No. 4 of the accompanying Notice.

Mr. Seethapathy Chander is not related to any other Director/KMP of the Company.

Item No.5:

Pursuant to Section 148 of the Act, the Company is required to have the audit of its cost records conducted by a cost accountant in practice. On the recommendation of the Audit Committee of Directors, the Board of Directors has approved the re-appointment of M/s. HCB & Co. as the Cost Auditors of the Company to conduct the audit of cost records maintained by the Company for the Financial Year 2021-22, at a remuneration of ₹ 0.45 lakh plus applicable taxes and reimbursement of out of pocket expenses, if any.

M/s HCB & Co. have furnished a certificate regarding their eligibility for appointment as Cost Auditors of the Company. They have vast experience in the field of cost audit and have conducted the audit of the cost records of the Company for previous years under the provisions of the Act.

The Board commends the resolution at Item No.5 of the accompanying Notice for ratification by the Members of the Company.

None of the Directors or KMP of the Company or their respective relatives are concerned or interested in the Resolution at Item No.5 of the accompanying Notice.

By Order of the Board of Directors of
Walwhan Renewable Energy Limited

Santosh C.R
Company Secretary
ICSI Membership No. A20179

Mumbai, 17th July 2021

Registered Office:
C/o The Tata Power Company Limited,
Corporate Center B, 34 Sant Tukaram Road,
Carnac Bunder, Mumbai 400009

CIN: U40103MH2009PLC197021
Tel No.: 022-6717 1000
Email: walwhan_secretarial@tatapower.com
Website: https://www.tatapowerrenewables.com/wrel/about-us

WALWHAN RENEWABLE ENERGY LIMITED

Details of the directors seeking re-appointment/appointment at the forthcoming AGM (in pursuance Secretarial Standard-2 on General Meetings)

Name of the Director	**Mr. Ashish Khanna**	**Mr. Seethapathy Chander**
Age	55 years	66 years
Date of Appointment	12th July 2018	12th July 2021
Relationship with other Directors and KMP of the Company	Nil	Nil
Qualification	Engineering Graduate and Master's in Management & Systems from IIT Delhi.	B. Tech. (Electrical) from IIT, Delhi and Specialist Diploma in Business Management in Human Resources
Directorship held in other companies (excluding foreign companies)	• Tata Power Renewable Energy Limited • Tata Power Solar Systems Limited • TP Saurya Limited • Walwhan Solar TN Limited • Walwhan Solar MP Limited • Walwhan Wind RJ Limited • Walwhan Solar PB Limited • TP Renewable Microgrid Limited • Supa Windfarm Limited	• Suncept Tech Private Limited • Tata Power Solar Systems Limited • Promont Amenities Private Limited • Prolearner Interactives Private Limited • Poolavadi Windfarm Limited
Committee position held in other companies*	**Corporate Social Responsibility Committee** *Member* • Walwhan Solar MP Limited • Walwhan Solar PB Limited • Walwhan Solar TN Limited • Walwhan Wind RJ Limited	**Audit Committee** *Chairman* • Tata Power Solar Systems Limited *Member* • Poolavadi Windfarm Limited **Nomination and Remuneration Committee** *Member* • Poolavadi Windfarm Limited **Corporate Social Responsibility Committee** *Member* • Tata Power Solar Systems Limited
Remuneration	Nil	Nil
No. of meetings of the Board attended during the year	5	N.A.
No. of shares held: **(a) Own** **(b) For other persons on a beneficial basis**	 Nil Nil	 Nil Nil

* Represents Chairmanships/Memberships of Audit Committee, Stakeholders Relationship Committee, Corporate Social Responsibility Committee and Nomination and Remuneration Committee of Indian companies

WALWHAN RENEWABLE ENERGY LIMITED

BOARD'S REPORT

To the Members,

The Directors hereby present to you the Twelfth Annual Report on the business and operations of your Company along with the Audited Financial Statements for the year ended 31st March 2021.

1. FINANCIAL RESULTS

(₹ crore)

	Consolidated		Standalone	
	FY21	FY20	FY21	FY20
(a) Net Sales/Income from Other Operations	1,189.75	1,202.66	374.21	396.13
(b) (Less) Operating Expenditure	141.26	132.19	45.09	47.57
(c) Operating Profit	**1,048.49**	**1070.47**	**329.12**	**348.56**
(d) Add: Other Income	44.18	21.81	179.82	153.82
(e) (Less): Finance Cost (including forex (gain)/loss on borrowings)	390.62	447.23	283.20	297.41
(f) Profit before Depreciation and Tax	**702.05**	**645.05**	**225.74**	**204.97**
(g) (Less): Depreciation/Amortisation/Impairment	287.56	294.76	93.62	93.59
(h) Profit (Loss) before Tax	**414.49**	**350.29**	**132.12**	**111.38**
(i) (Less) Add: Tax Expenses or Credit	94.57	167.53	24.30	86.31
(j) Net Profit/(Loss) after Tax	**319.92**	**182.76**	**107.82**	**25.07**
(k) Earnings Per Share (Basic and Diluted) (in ₹)	5.23	2.99	1.76	0.41

2. FINANCIAL PERFORMANCE AND THE STATE OF COMPANY'S AFFAIRS

2.1 CONSOLIDATED

On a consolidated basis, the operating revenue was at ₹ 1,189.75 crore in FY21, compared to ₹ 1,202.66 crore in FY20. The consolidated profit after tax (PAT) in FY21 was at ₹ 319.92 crore as compared to ₹ 182.76 crore in the previous year. The increase in PAT was mainly on account of higher other income and savings in finance cost and lower depreciation.

2.2 STANDALONE

On a standalone basis, the operating revenue stood at ₹ 374.21 crore in FY21, compared to ₹ 396.13 crore in FY20. PAT in FY21 was at ₹ 107.82 crore as compared to ₹ 25.07 crore in FY20. The increase in PAT was mainly on account of higher other income and savings in finance cost.

3. CREDIT RATING

As on 31st March 2021, your Company had the following credit ratings:

- Long term Loan rated by CRISIL - CRISIL AA/Stable
- Long term rating on Buyer's Credit by CRISIL - CRISIL AA/Stable
- Commercial paper rated by CARE - CARE A1+
- Long term/ short term bank facilities rated by CARE- CARE AA-; Stable/ CARE A1+
- Long term/ short term bank facilities backed by corporate guarantee provided by TPCL- CARE AA; Stable/ CARE A1+
- NCD backed by corporate guarantee provided by The Tata Power Company Limited rated by CARE- CARE AA; Stable

In January 2017, your Company issued NCDs aggregating to ₹ 1,200 crore for refinancing high cost bearing term loan for reduction of finance cost. These NCDs are listed on the National Stock Exchange of India Limited and the due date of repayment is 31st January 2022. The ISIN is INE296N08022 and Scrip Code is WREL22.

SBICAP Trustee Company Limited has been appointed as the Debenture Trustee. Their contact details are as under:

SBICAP Trustee Company Limited,
Apeejay House, 6th Floor, 3 Dinshaw Wachha Road,
Churchgate, Mumbai - 400 020
Tel No: +91 22 4302 5555 Fax No: +91 22 2204 0465
Email: priyanka.chavan@sbicaptrustee.com

4. DIVIDEND

During the FY21, the Board of Directors of your Company declared and paid Interim Dividend of ₹ 0.33 per equity share amounting to ₹ 20.17 crore.

5. OPERATIONAL PERFORMANCE

The operational performance of your Company for the year ended 31st March 2021 are as follows:

Name of the projects	Capacity (MW)	FY21			FY20		
		Plant availability (%)	PLF (%)	Net generation (MWH)	Plant availability (%)	PLF (%)	Net generation (MWH)
Panchpatti, Tamil Nadu	50	99.96	18.85	81,984	99.94	21.41	93,474
Iyermalai, Tamil Nadu	50	100.00	19.14	83,229	99.97	21.59	94,239
Kayathar, Tamil Nadu	49	99.93	19.23	81,932	99.98	20.66	88,300
Andhra Pradesh - 1	30	99.95	19.34	50,824	99.78	18.31	47,889
Andhra Pradesh - 2	70	99.97	17.30	1,06,068	98.43	16.43	1,00,382
Karnataka – 1	16	100.00	20.59	28,748	99.99	21.49	30,065
Karnataka – 2	34	99.77	18.92	56,031	99.99	19.00	56,504
Karnataka – 3	50	99.71	19.88	86,569	99.85	20.21	88,239
Rooftop	2	99.19	13.92	2,437	99.99	16.67	2,923

6. CURRENT BUSINESS ENVIRONMENT

The Government of India (GOI) with an intent to tap into the abundant indigenous renewable resources has set an ambitious target to achieve 175 GW energy from renewable resources by year 2022 with 100 GW through solar power, 60 GW from wind power, 10 GW from biomass power and 5 GW from small hydro power. The estimated cumulative solar and wind capacity by the end of Q3 of fiscal 2020-21 is 91 GW, comprising of 37 GW of solar and 38 GW of wind. Going by the current pace of development, it is unlikely that the 100 GW solar target will be breached by fiscal 2022. Centralized procurement of wind and solar power of larger unit sizes, by the central and state nodal agencies is encouraging lower tariffs that is making the sector competitive. Also, central procurement through NTPC Vidyut Vyapar Nigam, National Hydro Power Corporation and Solar Energy Corporation of India ("SECI") significantly reduces the risk of power off take and payment delays.

However, the enforcement of renewable purchase obligation targets would be critical. Policy initiatives by the Ministry of Power and the Ministry of New and Renewable Energy Sources, Government of India, towards instituting payment guarantee mechanism like mandatory opening of letter of credits by the distribution companies, time bound adoption of tariffs discovered through the bidding process, 100% compensation for the backed down energy, extending the period for land acquisition in the solar project till the commissioning date will help mitigate some of the risks in the utility scale solar bids. Renewable energy capacity additions are growing quickly owing to government push, transparent policies and competition amongst the developers. Fiscal 2021 saw award of 21.9 GW of solar capacity including manufacturing-based power procurement bids. Solar parks have eased the hurdles for developers to install solar power assets and, hence, offer an attractive proposition to develop solar power. Dedicated green energy corridors, particularly in the states of Rajasthan and Gujarat, are expected to facilitate evacuation from renewable projects giving a boost to interstate sale of renewable energy when completed.

The fall in renewable tariffs has significantly increased the competitiveness as the discovered tariffs have breached the ₹ 2/kWh barrier for standalone solar projects. This augurs well for renewable energy as it will improve affordability and off-take, leading to an increase in share in the overall power basket. Lowering of electricity tariff from renewable sources has come on the back of competitive module pricing, development in technology and enhanced renewable purchaser obligation ("RPO") targets. Increased scrutiny of compliance to RPO targets is seen from the Electricity Regulatory Commissions. The power industry is also moving towards making the renewable power non-intermittent with use of storage systems and by bundling it with thermal power. Hybrid wind and solar along with storage systems, either battery based, or Hydro Storage are alternatives being used or explored to supply power during the peak periods or round the clock supply, the year saw award of 3.9 GW of Hybrid or Hybrid + Storage Projects. Direct sale to commercial and industrial customers is increasing in select states with supportive open access policies/high Industrial tariffs, the preferred states being Maharashtra, Tamil Nadu, Uttar Pradesh.

The industry sees headwinds in the inability of the nodal agencies to tie up Power Supply Agreements with DISCOMs, cancellation of awarded projects in view of lower tariffs discovered in subsequent bids, imposition of basic customs duty (BCD) on modules from 1st April 2022, attempts by Govt of Andhra Pradesh to re-negotiate tariffs of the executed power purchase agreements, enhanced competition in obtaining connectivity and long-term open access for power evacuation, volatility in module pricing in view of the regulatory changes and enforcement of Approved List of Models and Manufacturers (ALMM) for Solar Project from 10th April 2021. The applicability of ALMM coupled with the imposition of BCD implicitly means domestic sourcing of solar modules for Government projects. It is noteworthy that despite the above head winds the sector continues to maintain its competitiveness.

On 24th March 2020, the Government of India ordered a countrywide lockdown to contain the spread of COVID-19 which has been declared as a pandemic by the World Health Organization (WHO). The lockdown notice exempted essential services of which the Company's operations were also considered a part of. Ministry of New and Renewable Energy (MNRE) has also clarified that renewable power plants must be allowed to be operated and all payments to the renewable developers should continue to be honoured by the Distribution companies.

Details of Generation Capacity:

As on 31st March 2021, your Company (including its subsidiaries) had generation capacity of 1,010 MW consisting of 864 MW of solar plants and 146 MW of wind plants.

State-wise capacities of the operating plants are as under:

States	Solar (MW)	Wind (MW)	Total (MW)
Andhra Pradesh	105	-	105
Bihar	40	-	40
Gujarat	50	-	50
Karnataka	117	-	117
Madhya Pradesh	130	-	130
Maharashtra	70	-	70
Punjab	36	-	36
Rajasthan	66	146	212
Tamil Nadu	249	-	249
Uttar Pradesh	1	-	1
Total	**864**	**146**	**1,010**

The break-up of operating plants of your Company and its subsidiaries are as under:

Name of the Company	State	Type	Capacity (MW)
Walwhan Renewable Energy Limited	Tamil Nadu	Solar	149
	Karnataka	Solar	100
	Andhra Pradesh	Solar	100
	Uttar Pradesh	Rooftop solar	1
	Rajasthan	Rooftop solar	1
Clean Sustainable Solar Energy Private Limited	Maharashtra	Solar	50
Dreisatz Mysolar24 Private Limited	Gujarat	Solar	15
MI Mysolar24 Private Limited	Gujarat	Solar	15
Northwest Energy Private Limited	Rajasthan	Solar	5
Walwhan Solar Energy GJ Limited	Gujarat	Solar	5
Walwhan Solar Raj Limited	Rajasthan	Solar	5
Walwhan Solar BH Limited	Bihar	Solar	40
Walwhan Solar MH Limited	Maharashtra	Solar	20
Walwhan Solar AP Limited	Andhra Pradesh	Solar	5
	Rajasthan	Solar	50
Walwhan Solar MP Limited	Madhya Pradesh	Solar	130
Walwhan Solar KA Limited	Karnataka	Solar	17
Walwhan Solar RJ Limited	Rajasthan	Solar	5
Walwhan Solar PB Limited	Punjab	Solar	36
Walwhan Solar TN Limited	Tamil Nadu	Solar	100
Walwhan Urja Anjar Limited	Gujarat	Solar	15
Walwhan Wind RJ Limited	Rajasthan	Wind	126
Walwhan Energy RJ Limited	Rajasthan	Wind	20
		Total:	**1,010**

The total generation and sales for FY21 and previous year is given below:

Particulars	Consolidated		Standalone	
	FY21	FY20	FY21	FY20
Gross Generation (MUs)	1,659.26	1,654.45	580.54	615.91
Net Sales (MUs)	1,645.30	1,640.49	577.82	611.83

7. SUBSIDIARIES/JOINT VENTURES/ASSOCIATES

As on 31st March 2021, your Company had 19 subsidiaries, details of which are as under:

Sr. No.	Name of the Company	% of shares held
1	Clean Sustainable Solar Energy Private Limited	100.00
2	Dreisatz Mysolar24 Private Limited	100.00 *
3	MI Mysolar24 Private Limited	100.00
4	Northwest Energy Private Limited	100.00 *
5	Solarsys Renewable Energy Private Limited	100.00
6	Walwhan Solar Energy GJ Limited	100.00 *
7	Walwhan Solar Raj Limited	100.00
8	Walwhan Solar BH Limited	100.00
9	Walwhan Solar MH Limited	100.00
10	Walwhan Solar AP Limited	100.00
11	Walwhan Solar MP Limited	100.00
12	Walwhan Solar KA Limited	100.00*
13	Walwhan Energy RJ Limited	100.00
14	Walwhan Solar RJ Limited	100.00
15	Walwhan Urja India Limited	100.00

16	Walwhan Solar PB Limited	100.00
17	Walwhan Solar TN Limited	100.00
18	Walwhan Wind RJ Limited	100.00
19	Walwhan Urja Anjar Limited	100.00

** Equity shares held through wholly owned subsidiaries*

A report on the performance and financial position of each of the subsidiaries has been provided in Form AOC-1 (Annexure-I).

Your Company did not have any joint venture or associate during the year under review.

8. RESERVES

The balance in various reserves of your Company for FY21 and the previous year are as follows:

(₹ crore)

Particulars	FY21	FY20
Securities premium	1,108.54	1,108.54
Retained earnings	240.04	152.00
Debenture Redemption Reserve	100.00	100.00
Equity contribution - Financial guarantee and financial instruments	3.94	3.94

Your Company proposes to retain the entire amount of ₹ 240.04 crore in the Statement of Profit and Loss without transferring any amount to the General Reserves.

9. REGULATORY AND LEGAL MATTERS

During the year under review, there were no significant and material orders passed by the regulators/courts/tribunals impacting the going concern status and Company's operations in future other than what is stated in the Financial Statements.

10. RISKS AND CONCERNS

Your Company is faced with risks of different varieties, all of which need different approaches for mitigation:

- Risks very specific to your Company due to the way its businesses/operations are structured.
- Risks common to several players in the sector and country.
- Disaster management and business continuity risks which are by nature, rare, but are events with dramatic impact.

The key risks and concerns facing the renewable energy sector in India are as follows:

- The poor financial health of state discoms continues to be a factor that impedes the growth of the sector.
- Slowdown in the pace of regulatory reforms in the country may affect renewables scale-up, revision of standard bidding documents, etc.
- Delays in land acquisition and other approvals remain an area of concern. Lack of water is another threat to the capacity addition plans.
- The availability of cost-effective capital for funding of new projects could be a cause of concern given banks' current exposure to power sector and stranded assets, which may result in NPAs.
- Falling prices of renewable energy.
- Change in medium/long term rate of interest of term loans.

11. RISK MANAGEMENT FRAMEWORK AND INTERNAL CONTROLS

Risk Management Framework

Based on the Risk Management Policy, a standardized Risk Management Process and System has been implemented in the Company. All risks have been classified into strategic, tactical and operational risks. Risk plans have been framed for all identified risks and uploaded in the system with mitigation actions, target dates and responsibility. This has enabled continuous tracking of status of mitigation action and monitoring of Risk Mitigation Completion Index (RMCI). The Senior Leadership team meets every quarter to review major strategic and tactical risks, identify new risks and assess the status of mitigation measures.

Internal Financial Controls and Systems

The Company has internal audit function which reviews the sustained effectiveness of Internal Financial Controls (IFC) by adopting a systematic approach to its work.

To fulfil the requirements of the Companies Act, 2013, the in-house internal audit team integrated IFC controls into Risk Control Matrix (RCMs) of enterprise processes. IFC controls were tested as part of approved annual internal audit plan.

On review of the internal audit observations and actions taken on audit observations, we can state that there are no adverse observations having material impact on financials, commercial implications or material non-compliances which have not been acted upon.

The Company continued the Control Self-Assessment (CSA) process, whereby responses of all process owners are used to assess the effectiveness of internal controls in each process. This supports CEO/CFO certifications for internal controls.

Legal firm 'Legasis' is assigned the task of mapping all legal compliances and updation of amendments for various statutory compliance in the online system called as Legatrix. This system has escalation mechanisms for non-compliances. Status of compliances are monitored by Compliance Management team and are reported and reviewed during periodic management review. The Chief Executive Officer (CEO) also furnishes a statutory compliance certificate to the Board.

12. SAFETY

Your Company follows safety policies and re-affirms its commitment to provide safe workplace and clean environment to its employees and to foster a safer, healthier and cleaner environment to the surrounding community as an integral part of its business philosophy and values.

Your Company makes all efforts to ensure conscientious observance of all National, State and other statutory requirements for maintaining a safe, healthy and pollution-free work environment.

Safety Statistics:

Sr. No.	Safety Parameters (Employees and contractors)	FY21	FY20
1	Fatality (Number)	0	0
2	LTIFR (Lost Time Injuries Frequency Rate per million man hours)	0	0
3	Total Injuries Frequency Rate (Number of Injuries per million man hours)	0	0
4	First aid cases (Number)	0	0

Your Company treats any safety incidents in any of its premises, of any of its employees, contractor/associate's employees or any third party with equal gravitas and is committed to taking the entire working environment and behaviour to the highest safety standards.

13. SUSTAINABILITY

Your Company has been conscious of its role as a sustainability steward and continuously works towards climate change abatement. It remains committed to the legacy of being a responsible organization and thus reinforces your Company's core values of leadership with care. The sustainability model of leadership with care aims at strengthening structures and processes for environmental performance, stronger engagement with community, customers and employees, by using enablers like new technology, benchmarking and going beyond compliance in key operational parameters.

The initiatives, under the aegis of the sustainability model of leadership with care are several well-planned projects that generate power from wind and solar energy sources, and an unflinching commitment towards biodiversity conservation and community development. Your Company will always strive to lead on the path towards growth with responsibility and commitment of generating electricity using cleaner sources of energy.

14.1 CARE FOR OUR COMMUNITY/COMMUNITY RELATIONS

Your Company believes firmly in making a positive impact on the community in the vicinity of its operations. Your Company has actively worked on thrust areas of CSR which are augmenting primary education system with emphasis on girl child education, building and strengthening healthcare facilities including safe drinking water, enhancing programs on livelihood and skill building, building social capital and infrastructure, integrated water resource management and nurturing sustainability for inclusive growth.

During the year, the CSR policy of your Company was aligned to the thrust areas and programs were rolled out across locations and mapped with Schedule VII of the Act with timelines and outcome indicators. The CSR policy has been uploaded on the website of your Company viz. www.tatapowerrenewables.com/wrel/policies.html.

During the year, your Company has reached to areas in and around Tamil Nadu, Karnataka, Andhra Pradesh, Maharashtra, Uttar Pradesh and Bihar. Your Company has ramped up CSR capabilities and operations across all locations by bringing robustness to systems and processes to ensure effective programs, which deliver long-term impact and bring changes to the community.

The mandatory spend of at least 2% of the average net profits of your Company made during the three immediately preceding financial years as per Section 135 of the Act was ₹ 2.51 crore. Your Company has spent the entire amount on various CSR initiatives for the benefit of the community. The Annual Report of CSR activities for FY21 is provided in Annexure-II.

14.2 CARE FOR OUR ENVIRONMENT

Your Company's renewable energy generation capacity does not consume fossil fuels and has no emissions. It aims to minimize the impact of its operations on the environment by acting responsibly towards the environment. Your Company addresses various aspects of resource conservation, energy efficiency and biodiversity.

15. DIRECTORS AND KEY MANAGERIAL PERSONNEL

During the year under review, Mr. Mahesh Paranjpe resigned from the Board of your Company with effect from 12th June 2020 due to organisational restructuring. The Board has placed on record its appreciation for the valuable contribution made by Mr. Paranjpe during his tenure as Executive Director and CEO of your Company.

Mr. Ashwinikumar Patil was appointed as the CEO of your Company with effect from 13th June 2020.

As at 31st March 2021, Mr. Sanjay Bhandarkar and Mr. Zarir Panthaky were the Independent Directors of your Company in terms of Section 149 of the Act. Your Company has received declarations from them confirming that they meet the criteria of independence as prescribed under the Act.

The Board is of the opinion that the Independent Directors of the Company possess requisite qualifications, experience and expertise and they hold highest standards of integrity. The Independent Directors have confirmed that they have registered their names in the data bank maintained with the Indian Institute of Corporate Affairs (IICA). In terms of Section 150 of the Act read with Rule 6(4) of the Companies (Appointment & Qualification of Directors) Rules, the Independent Directors are required to undertake online proficiency self-assessment test conducted by the IICA within a period of one year from the date of inclusion of their names in the data bank. Mr. Sanjay Bhandarkar has successfully qualified the online proficiency self-assessment test. Mr. Zarir Panthaky will take the online proficiency self-assessment test in due course.

In accordance with the requirements of the Act and your Company's Articles of Association, Mr. Ashish Khanna retires at the ensuing Annual General Meeting ('AGM') and being eligible, seeks re-appointment. The Board recommends her re-appointment.

In terms of Section 203 of the Act, the following were the Key Managerial Personnel (KMP) of your Company:

- Mr. Ashwinikumar Patil, CEO
- Mr. Behram Mehta, CFO
- Mr. Santosh C.R., Company Secretary

Board of Directors Meeting

Five meetings of the Board of Directors were held during the year on 28th April 2020, 13th June 2020, 16th July 2020, 16th October 2020 and 18th January 2021.

Attendance of Directors during FY21

Sr. No.	Name of the Director	Category of Directorship	No. of meetings attended	Attendance at AGM held on 10th September 2020
1	Mr. Ashish Khanna	Non-Independent, Non-Executive Director	5	Yes
2	Mrs. Anjali Kulkarni		5	Yes
3	Mr. Mahesh Paranjpe	Non-Independent, Executive Director	1	No*
4	Mr. Sanjay Bhandarkar	Independent, Non-Executive Director	5	No
5	Mr. Zarir Panthaky		5	Yes

* Resigned before the AGM.

A separate meeting of the Independent was held on 28th April 2020, which was attended by Mr. Sanjay Bhandarkar and Mr. Zarir Panthaky.

16. COMMITTEES OF THE BOARD

The Committees of the Board focus on certain specific areas and make informed decisions in line with the delegated authority.

Mandatory Committees:

As on 31st March 2021, the following mandatory Committees were constituted by the Board and they function according to their respective roles and defined scope:

- Audit Committee
- Nomination and Remuneration Committee (NRC)
- Corporate Social Responsibility (CSR) Committee

A. Audit Committee

The composition of the Audit Committee as on 31st March 2021 was as follows:

- Mr. Sanjay Bhandarkar, Chairman
- Mr. Zarir Panthaky, Member
- Mrs. Anjali Kulkarni, Member

All members are financially literate and bring in expertise in the fields of finance, accounting, strategy and management.

Audit Committee meetings were held during the year on 28th April 2020, 16th July 2020, 16th October 2020 and 18th January 2021. A separate meeting of the Audit Committee with Credit Rating Agency was held on 18th January 2021.

The attendance details of these meetings are as follows:

Sr. No.	Name of the Director	Category of Directorship	No. of meetings attended
1	Mr. Sanjay Bhandarkar	Independent, Non-Executive Director	5
2	Mr. Zarir Panthaky		5
3	Mrs. Anjali Kulkarni	Non-Independent, Non-Executive Director	5

The management is responsible for the Company's internal controls and the financial reporting process, while the Statutory Auditors are responsible for performing independent audits of the Company's financial statements for issuing reports based on such audits. The Board of Directors has entrusted this Committee with the responsibility of supervising these processes and thus ensure accurate and timely disclosures that maintain the transparency, integrity and quality of financial control and reporting.

The Board has adopted the Charter of this Committee to bring the terms of reference, role and scope in conformity with the provisions of Section 177(4) of the Act. The Charter specifies the composition, meetings, quorum, powers, roles and responsibilities, etc. of the Committee.

The Internal and Statutory Auditors of your Company discuss their audit findings and updates with the Audit Committee and submit their views directly to the Audit Committee. Separate discussions are held with the Internal Auditors to focus on compliance issues and to conduct detailed reviews of the processes and internal controls in your Company.

B. NRC

The composition of the NRC as on 31st March 2021 was as follows:

- Mr. Sanjay Bhandarkar, Chairman
- Mr. Zarir Panthaky, Member
- Mr. Ashish Khanna, Member

One meeting of the NRC were held during the year on 28th April 2020.

The attendance details of these meetings are as follows:

Sr. No.	Name of the Director	Category of Directorship	No. of meetings attended
1	Mr. Sanjay Bhandarkar	Independent, Non-Executive Director	1
2	Mr. Zarir Panthaky		1
3	Mr. Ashish Khanna	Non-Independent, Non-Executive Director	1

In terms of the provisions of Section 178(3) of the Act, the NRC is responsible for formulating the criteria for determining qualification, positive attributes and independence of Directors. The NRC is also responsible for recommending to the Board, a policy relating to the remuneration of the Directors, Key Managerial Personnel and other employees.

The Board has also adopted a Charter for the NRC which specifies its principles and objectives, composition, meetings, authority and powers, responsibilities, reporting, evaluation etc.

C. CSR Committee

The composition of the CSR Committee as on 31st March 2021 was as follows:

- Mr. Ashish Khanna, Chairman
- Mr. Sanjay Bhandarkar, Member
- Mrs. Anjali Kulkarni, Member

One meeting of the CSR Committee were held during the year on 22nd December 2020.

The attendance details of these meetings are as follows:

Sr. No.	Name of the Director	Category of Directorship	No. of meetings attended
1	Mr. Ashish Khanna	Non-Independent, Non-Executive Director	1
2	Mr. Sanjay Bhandarkar	Independent, Non-Executive Director	1
3	Mrs. Anjali Kulkarni	Non-Independent, Non-Executive Director	1

Your Company has adopted a CSR policy, which indicates the activities to be undertaken by your Company as specified in Schedule VII to the Act.

The broad terms of reference of the CSR Committee are as under:

a) Formulate and recommend to the Board, a CSR Policy which shall indicate the activities to be undertaken by your Company as specified in Schedule VII to the Act or by the rules thereto;
b) Recommend the amount of expenditure to be incurred on the activities referred to above; and
c) Monitor the CSR Policy from time to time.

Non-mandatory Committees:

The following are the non-mandatory Committee of the Board:

A. Finance Committee

The composition of the Finance Committee as on 31st March 2021 was as follows:

- Mr. Ashish Khanna, Chairman
- Mr. Sanjay Bhandarkar, Member

The role of this Committee is to *inter alia* approve change in operating instructions of your Company's Bank Accounts, to borrow money and avail the credit facilities from banks/financial institutions, to execute security documents, to extend corporate guarantees and to approve the terms and conditions of the shareholders loan.

17. ANNUAL EVALUATION OF BOARD PERFORMANCE AND PERFORMANCE OF ITS COMMITTEES AND INDIVIDUAL DIRECTORS

The Board of Directors has carried out an annual evaluation of its own performance, Board Committees and individual Directors, pursuant to the provisions of the Act. The performance of the Board was evaluated by the entire Board after seeking inputs from all the Directors on the basis of criteria such as the Board composition and structure, effectiveness of Board processes, information and functioning, etc. The performance of the Committees was evaluated after seeking inputs from the Committee members on the basis of criteria such as the composition of Committees, effectiveness of Committee meetings, etc.

In a separate meeting of Independent Directors held on 19th April 2021, performance of Non-Independent Directors, the Board as a whole and the Chairman of your Company after taking into account the views of Executive Directors and Non-Executive Directors, was evaluated. The Board and the NRC reviewed the performance of individual directors on the basis of criteria such as the contribution of the individual director to the Board and Committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc. In the Board meeting that followed the meeting of the Independent Directors and meeting of the NRC, the performance of the Board, its Committees, and individual Directors was also discussed. Performance evaluation of Independent Directors was done by the entire Board, excluding the Independent Director being evaluated.

Outcome of evaluation process

Based on inputs received from the members, it emerged that the Board had a good mix of competency, experience, qualifications and diversity. Each Board member contributed in his/her own manner to the collective wisdom of the Board, keeping in mind his/her own background and experience. There was active participation. Overall, the Board was functioning very well in a cohesive and interactive manner.

18. REMUNERATION POLICY FOR THE DIRECTORS, KEY MANAGERIAL PERSONNEL AND OTHER EMPLOYEES

In terms of the provisions of Section 178(3) of the Act, the NRC is responsible for formulating the criteria for determining qualification, attributes and independence of a Director. The NRC is also responsible for recommending to the Board a policy relating to the remuneration of the Directors, Key Managerial Personnel and other employees. In line with this requirement, the Board has adopted the Policy on Board Diversity and Director Attributes, which is provided in Annexure-III and Remuneration Policy for Directors, Key Managerial Personnel and other employees of your Company, which is provided in Annexure-IV.

19. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014, is provided in Annexure-V.

20. HUMAN RESOURCES

20.1 Manpower

As on 31st March 2021, the Company had 112 employees.

20.2 Capability development

Capability development is a key focus area for your Company, as it encompasses the overall development of an employee. Your Company has introduced an individual development plan for each employee and the same is covered and tracked through year round training for employee growth.

20.3 Talent management and succession planning

Your Company's talent management is linked to the business strategy by keeping the current talent retained and motivated to the utmost level. Right skill fitment is done keeping in mind both the performance and potential. Internal job postings are launched and intra-department, intra-location transfers and placements are done so that internal pool of most talented employees are being retained.

20.4 Industrial relations

Harmonious industrial relations are maintained across all sites.

20.5 Policy on prevention of sexual harassment of women

Your Company has zero tolerance for sexual harassment at the work place and has adopted a Policy on prevention, prohibition and redressal of sexual harassment in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made thereunder for prevention and redressal of complaints of sexual harassment at workplace. The Policy has set guidelines on the redressal and enquiry process that is to be followed by complainants and the Internal Complaints Committee (ICC) whilst dealing with issues related to sexual harassment at the work place towards any woman associates.

Your Company follows Tata Power's Policy on prevention of sexual harassment of women to ensure a free and fair inquiry process within defined timelines. All women associates (permanent, temporary, contractual and trainees) as well as any woman visiting the Company's office premises or women service providers are covered under this policy. Your Company has complied with provisions relating to constitution of ICC under the Sexual harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013.

The following is a summary of sexual harassment issues raised, attended and dispensed during FY21:

- No. of Complaints received: Nil
- No. of complaints disposed-off: Not Applicable
- No. of cases pending for more than 90 days: Not Applicable
- No. of workshops or awareness program against sexual harassment carried out: 2
- Nature of action taken by the employer or District Officer: Nil

21. PARTICULARS OF EMPLOYEES AND REMUNERATION

The details of employees of your Company, who are covered under the purview of Section 197 of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is provided in Annexure-VI.

The information required under Rule 5(2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is provided in the Annexure forming part of this Report. In terms of the first provision to section 136 of the Act, the report and accounts are being sent to the members excluding the aforesaid Annexure. Any Member interested in obtaining the same may write to the Company Secretary at the Registered Office of the Company. None of the employees listed in the said Annexure are related to any Director of the Company.

22. RELATED PARTY TRANSACTIONS

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. Your Company has formulated Related Party Transaction (RPT) Policy, framework and guidelines. The disclosure of material RPTs as required under Section 134(3)(h) read with Section 188(2) of the Act, in Form No. AOC-2 is provided in Annexure-VII. There are no materially significant RPTs made by your Company with Directors, KMP or other designated persons which may have a potential conflict with the interest of your Company at large.

23. DEPOSITS

As on 31st March 2021, your Company did not have any outstanding deposits. During the year, your Company did not accept any deposit. In view of this, the disclosure pursuant to Rule 8(5)(v) and (vi) is not applicable.

24. LOANS AND GUARANTEES, SECURITIES AND INVESTMENTS

Your Company, being an infrastructure Company, is exempt from the provisions as applicable to loans, guarantees and securities under Section 186 of the Act. The details of investments are provided in the schedules to the financial statements.

25. ANNUAL RETURN

Pursuant to the provisions of Section 134(3)(a) of the Act, the Annual Return of your Company for the year ended 31st March 2021 made under the provisions of Section 92(3) of the Act is available on https://www.tatapowerrenewables.com/wrel/annual-return.html.

26. AUDITORS

At the Ninth AGM of your Company held on 30th August 2018, the members had appointed M/s. SRBC & Co. LLP, Chartered Accountants (Firm Registration No. 324982E/E300003) as Statutory Auditors of your Company for a period of 4 years from the conclusion of the Ninth AGM till the conclusion of the Thirteenth AGM to be held in 2022.

27. AUDITORS' REPORT

The Auditors' Report including annexures thereto is self-explanatory and do not call for any further comments and explanations from the Board, as there are no qualifications or adverse remark by the Auditors in their report. There are no frauds reported by Auditors under Section 143(12) of the Act and therefore the disclosure under Section 134(3(ca) of the Act does not arise.

28. COST AUDITORS AND COST AUDIT REPORT

Your Company is required to maintain cost records as specified by the Central Government under Section 148(1) of the Act and accordingly such accounts and records are made and maintained.

The Board of your Company has re-appointed M/s. HCB & Co., Cost Accountants as Cost Auditors of your Company for FY 2021-22 at a remuneration of ₹ 0.45 lakh plus applicable taxes and out-of-pocket expenses, if any. As required under the Act, the remuneration payable to the Cost Auditor is required to be ratified by the members. Accordingly, a resolution seeking Members' ratification for the remuneration payable to M/s. HCB & Co., Cost Auditors is included at Item No.4 of the Notice convening the AGM.

The Cost Audit Report for FY21 is due for filing within six months from the end of FY21 i.e. by 30th September 2021.

29. SECRETARIAL AUDIT REPORT

M/s. Parikh & Associates, Company Secretaries, were appointed as Secretarial Auditors of your Company to conduct a Secretarial Audit of records and documents of the Company for FY21. The Secretarial Audit Report confirms that the Company has complied with the provisions of the Act, Rules, Regulations, and Guidelines and that there were no deviations or non-compliances.

The Secretarial Audit Report does not contain any qualification, reservation or adverse remark. The Secretarial Audit Report is provided in Annexure-VIII.

Your Company confirms compliance with the requirements of the Secretarial Standards on Meetings of the Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India.

30. VIGIL MECHANISM

Your Company believes in the conduct of the affairs of its constituents in a fair and transparent manner by adopting the highest standards of professionalism, honesty, integrity and ethical behaviour. In line with the Tata Code of Conduct (TCoC), any actual or potential violation, howsoever insignificant or perceived as such, would be a matter of serious concern for your Company. The role of the employees in pointing out such violations of the TCoC cannot be undermined.

Pursuant to Section 177(9) of the Act, a Whistle Blower Policy and Vigil Mechanism has been established for directors and employees to report to the management instances of unethical behaviour, actual or suspected, fraud or violation of the Company's code of conduct or ethics policy. The vigil mechanism provides a mechanism for employees of the Company to approach the Chairman of the Audit Committee of your Company for redressal. The said Policy is available on https://www.tatapowerrenewables.com/wrel/policies.html.

31. DIRECTORS' RESPONSIBILITY STATEMENT

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the internal auditors, statutory auditors, secretarial auditors and external consultants including audit of IFC for financial reporting by the statutory auditors and the reviews performed by management and the relevant Board Committees, including the Audit Committee, the Board is of the opinion that the Company's IFC were adequate and effective during FY21.

Accordingly, pursuant to Section 134(5) of the Act, the Board of Directors, to the best of its knowledge and ability, confirms that:

a) in the preparation of the annual accounts, the applicable accounting standards have been followed and that there are no material departures therefrom;

b) the Directors selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;

c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of the Company, for preventing and detecting fraud and other irregularities;

d) the Directors had prepared the annual accounts on a going concern basis;

e) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively;

f) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

32. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAS OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THIS REPORT

The world experienced significant disruption in operations due to coronavirus pandemic. The Company is in the business of providing essential services and hence there may not be much impact due to this pandemic including the utilization of installed capacity. The Company is however closely monitoring the developments, its operations, liquidity and capital resources and is actively working to minimize the impact of this unprecedented situation.

Except as disclosed elsewhere in this report, no material changes and commitments which could affect the Company's financial position have occurred between the end of the financial year of the Company and date of this report.

33. ACKNOWLEDGEMENTS

On behalf of the Directors of the Company, we would like to place on record our deep appreciation to our shareholders, customers, business partners, vendors, bankers, financial institutions and academic institutions for all the support rendered during the year.

The Directors are thankful to the Government of India, the various Ministries of the State Governments, the Central and State Electricity Regulatory authorities, communities in the neighbourhood of our operations and local authorities in areas where we are operational in India.

Finally, we appreciate and value the contribution made by all our employees and their families for making the Company what it is.

On behalf of the Board of Directors of
Walwhan Renewable Energy Limited

Ashish Khanna
Chairman
DIN: 06699527

Place: Mumbai
Date: 22nd April 2021

Annexure - I

Form AOC- 1

(Pursuant to first proviso to sub section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)
Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

(₹ crore)

Sr. No.	Name of Subsidiary	Reporting period for the subsidiary concerned	Share capital	Reserves & surplus (Incl. Non-controlling Interest)	Total assets	Total Liabilities (Excl. Share Capital & Reserves)	Net Assets	Investments (See note iv)	Turnover	Other income	Total Revenue	Profit before taxation	Provision for taxation	Profit after taxation	Proposed Dividend	% of shareholding #
1	Walwhan Solar AP Limited ('WSAPL')	31-Mar-21	20.37	127.35	394.77	247.04	147.73	1.36	69.69	9.03	78.73	25.90	6.27	19.62	8.78	100.00%
2	Walwhan Solar MP Limited	31-Mar-21	186.01	305.28	945.00	453.71	491.29	21.49	195.34	4.84	200.18	91.32	13.59	77.74	-	100.00%
3	Walwhan Energy RJ Limited	31-Mar-21	0.01	34.79	90.42	55.62	34.80	(0.00)	16.83	0.10	16.93	3.38	1.95	1.43	-	100.00%
4	Walwhan Solar PB Limited	31-Mar-21	96.01	44.84	247.61	106.77	140.84	1.19	41.86	0.11	41.97	16.85	2.90	13.95	-	100.00%
5	Walwhan Solar RJ Limited	31-Mar-21	7.50	(3.75)	26.54	22.79	3.75	0.85	4.60	0.03	4.63	0.32	(0.07)	0.25	-	100.00%
6	Walwhan Solar MH Limited	31-Mar-21	0.05	17.12	128.97	111.80	17.17	1.94	26.77	0.21	26.98	7.79	1.96	5.84	-	100.00%
7	Walwhan Wind RJ Limited	31-Mar-21	148.68	53.54	824.46	622.24	202.22	28.39	122.81	7.96	130.77	22.19	5.70	16.50	-	100.00%
8	Walwhan Solar KA Limited	31-Mar-21	0.01	4.37	120.26	115.88	4.38	2.02	22.92	0.07	22.99	5.31	1.34	3.97	6.61	100.00%
9	Walwhan Solar TN Limited	31-Mar-21	50.00	223.28	763.67	490.39	273.28	-	118.42	1.89	120.30	50.28	7.30	42.98	-	100.00%
10	Walwhan Solar BH Limited	31-Mar-21	30.51	115.75	300.14	153.89	146.25	0.72	53.21	3.72	56.93	29.56	7.20	22.36	-	100.00%
11	Clean Sustainable Solar Energy Private Limited	31-Mar-21	0.01	85.03	276.33	191.29	85.04	0.20	39.39	5.88	45.27	26.14	7.72	18.42	-	99.99%
12	Northwest Energy Private Limited	31-Mar-21	16.00	12.23	47.40	19.17	28.23	-	9.57	0.04	9.61	3.72	(0.85)	2.87	-	100.00% The Company (53%), WSAPL (47%)
13	Walwhan Urja Anjar Limited	31-Mar-21	14.28	17.09	129.87	98.49	31.38	2.57	29.81	0.58	30.39	5.77	2.63	3.15	-	100.00% The Company (74%), WUIL (26%)
14	Walwhan Solar Energy GJ Limited	31-Mar-21	23.60	3.93	46.58	19.06	27.53	0.84	8.83	0.62	9.45	1.89	0.84	2.74	4.44	74.00% WSAPL (49%), The Company (25%)
15	MI Mysolar24 Private Limited	31-Mar-21	1,805.00	20.54	107.71	69.12	38.59	0.23	22.91	0.74	23.65	7.84	2.84	5.00	-	100.00%
16	Solarsys Renewable Energy Private Limited ('SREPL')	31-Mar-21	0.50	11.71	23.46	11.25	12.21	-	-	20.05	20.05	18.58	2.05	16.53	1.28	100.00%
17	Dreisatz Mysolar24 Private Limited	31-Mar-21	16.76	15.00	99.14	68.07	31.08	0.16	22.47	1.19	23.66	5.53	0.68	4.85	18.92	100.00% The Company (4%), SREPL (96%)
18	Walwhan Solar RaJ Limited	31-Mar-21	2.88	31.51	48.36	13.98	34.38	-	10.13	0.03	10.16	4.42	1.40	3.01	-	100.00%
19	Walwhan Urja India Limited ('WUIL')	31-Mar-21	0.05	(1.30)	19.55	20.80	(1.25)	-	-	0.29	0.29	(1.19)	0.01	(1.20)	-	100.00%

Notes:

i) All the subsidiaries of the Company are registered in India.
ii) # % shareholding is based on effective equity shareholding.
iii) The financial statements of all companies are audited by M/s SRBC and Co. LLP
iv) Investments includes investment in equity shares and mutual funds.

On behalf of the Board of Directors of
Walwhan Renewable Energy Limited

Ashish Khanna
Chairman
DIN: 06699527

Date: 22nd April 2021
Place: Mumbai

Annexure-II

Annual Report on CSR Activities for FY 2020-21

1. Brief outline on CSR Policy of the Company

The Company is committed to ensure the social wellbeing of the communities in the vicinity of its business operations through Corporate Social Responsibility initiatives in six thrust areas. These are:

1. Augmenting Primary Education System with emphasis on girl child education.
2. Building and strengthening Healthcare Facilities including safe drinking water.
3. Enhancing Programs on Livelihood and Skill Building.
4. Building Social Capital and Infrastructure.
5. Integrated Water Resource Management.
6. Nurturing Sustainability for Inclusive Growth.

Major initiatives taken by Company in this year, were:

- Remedial Education interventions, Digital classrooms, Digital literacy programmes.
- Linkage of community with Govt Social Welfare Scheme.
- Village pond desilting and ground water recharging interventions.
- Primary Health Service Interventions and COVID sensitization to communities.
- Installation of solar powered roof top solutions in schools.
- Dhaaga centres for women training and employability and skill development.
- Providing support to specific needs during natural calamities and disaster.

2. Composition of CSR Committee: to be confirmed

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. Ashish Khanna	Chairman (Non-Executive Director)	1	1
2.	Mr. Sanjay Bhandarkar	Member (Independent Director)	1	1
3.	Mrs. Anjali Kulkarni	Member (Non-Executive Director)	1	1

3. **Provide the web-link where composition of CSR committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company**

https://www.tatapowerrenewables.com/wrel/pdf/compliances/Corporate%20Social%20Responisibility%20(CSR)%20Policy.pdf

4. **Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable**

Not Applicable

5. **Details of the amount available for set off in pursuance of sub-rule (3) of Rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any**

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (₹)	Amount required to be setoff for the financial year, if any (₹)
Nil	-	-	-

6. **Average net profit of the Company as per Section 135(5):** ₹ 1,25,63,54,654/-

7. **(a) Two percent of average net profit of the company as per Section 135(5):** ₹ 2,51,27,094/-

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Nil

(c) Amount required to be set off for the financial year, if any: Nil

(d) Total CSR obligation for the financial year (7a+7b-7c): ₹ 2,51,27,094/-

8. **(a) CSR amount spent or unspent for the financial year:**

Total Amount Spent for the Financial Year (in ₹)	Amount Unspent (₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
2,51,27,0943	-	-	-	-	-

(b) **Details of CSR amount spent against ongoing projects for the financial year:**

1.	2.	3.	4.	5.		6.	7.	8.	9.	10.	11.	
Sl. No.	Name of the Project	Item from the list of activities In Schedule VII to the Act	Local area (Yes/No)	Location of the project		Project duration	Amount allocated for the project (₹)	Amount spent in the current financial Year (₹)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (₹)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration number
	-	-	-	-	-	-	-	-	-	-	-	-
	Total	-	-	-		-	-	-	-	-	-	

(c) **Details of CSR amount spent against other than ongoing projects for the financial year:** Please refer Schedule 'A'

(d) **Amount spent in Administrative Overheads:** ₹ 90,844/-

(e) **Amount spent on Impact Assessment, if applicable:** Nil

(f) **Total amount spent for the Financial Year (8b+8c+8d+8e):** ₹ 2,51,27,094

(g) **Excess amount for set off, if any:**

Sl. No.	Particular	Amount (₹)
i	Two percent of average net profit of the company as per section 135(5)	2,51,27,094
ii	Total amount spent for the Financial Year	2,51,27,094
iii	Excess amount spent for the financial year [(ii)-(i)]	Nil
iv	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
v	Amount available for set off in succeeding financial years [(iii)-(iv)]	Nil

9. (a) **Details of Unspent CSR amount for the preceding three financial years:** Nil

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under Section 135(6) (₹)	Amount spent in the reporting Financial Year (₹)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding financial years (₹)
				Name of the Fund	Amount (₹)	Date of transfer	
-	-	-	-	-	-	-	-
	Total	-	-	-	-	-	-

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

(1) Sl. No.	(2) Project ID	(3) Name of the Project	(4) Financial Year in which the project was commenced	(5) Project duration	(6) Total amount Allocated for the project (₹)	(7) Amount spent on the project in the reporting Financial Year (₹)	(8) Cumulative amount spent at the end of reporting Financial Year (₹)	(9) Status of the project - Completed /Ongoing
-	-	-	-	-	-	-	-	-
	Total	-	-	-	-	-	-	-

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year

    (Asset-wise details)

    (a) Date of creation or acquisition of the capital asset(s): Nil
    (b) Amount of CSR spent for creation or acquisition of capital asset: Nil
    (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.: Nil
    (d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).: Nil

11. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per section 135(5).: Not Applicable

AGPatil

Ashwinikumar Patil
(Chief Executive Officer)

Ashish Khanna

Ashish Khanna
(Chairman - CSR Committee)

Date: 22nd April 2021
Place: Mumbai

Schedule 'A'

Details of CSR amount spent against other than ongoing projects for the financial year

(Refer Sr. No.8(c) of Annual Report on CSR Activities for FY 2020-21)

Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes /No)	Location of the project		Amount spent for the Project (₹)	Mode of implementation on - Direct (Yes/No)	Mode of implementation - Through implementing Agency	
				State	District			Name	CSR registration Number
1	Primary health service interventions and COVID sensitization to communities	Eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation and making available safe drinking water	Yes	Andhra Pradesh	Kurnool & Kadappa	1,45,179	No	Tata Power Community Development Trust	CSR00002946
2	Integrated water resource management and drinking water supply to community	Eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation and making available safe drinking water	Yes	Karnataka	Chitradurga	10,37,642	No	Tata Power Community Development Trust	CSR00002946
3	Providing support to specific needs during natural calamities and disaster	Rural development projects	No	Maharashtra	Raigad	12,74,045	No	Tata Power Community Development Trust	CSR00002946
4	Linkage with Government Social Welfare Scheme (including SHG and other vulnerable sections)	Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups	Yes	Karnataka	Chitradurga	2,47,800	No	Tata Power Community Development Trust	CSR00002946
5	Assessing community needs and resources	Rural development projects	Yes	Andhra Pradesh, Karnataka, Maharashtra, Tamil Nadu, Uttar Pradesh and Bihar	Kadappa, Chitradurga, Satara, Karur, Shahjahanpur and Gaya	9,00,000	No	Tata Power Community Development Trust	CSR00002946

Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes /No)	Location of the project		Amount spent for the Project (₹)	Mode of implementation - Direct (Yes/No)	Mode of implementation - Through implementing Agency	
				State	District			Name	CSR registration Number
6	Academic coaching and counseling up to primary level	Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects;	Yes	Karnataka	Chitradurga	4,27,135	No	Tata Power Community Development Trust	CSR00002946
7	Linkage with Government social welfare scheme (including SHG and other vulnerable sections)	Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups;	Yes	Karnataka	Chitradurga	5,66,636	No	Tata Power Community Development Trust	CSR00002946
8	Vocational centres for youth training, employability and skill development.	Promoting education, including special education and employment enchancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects	Yes	Karnataka	Chitradurga	8,55,090	No	Tata Power Community Development Trust	CSR00002946
9	Academic coaching and counseling up to primary level	Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects	Yes	Andhra Pradesh	Kurnool & YSR Kadappa	57,291	No	Tata Power Community Development Trust	CSR00002946

Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes /No)	Location of the project		Amount spent for the Project (₹)	Mode of implementation on - Direct (Yes/No)	Mode of implementation - Through implementing Agency	
				State	District			Name	CSR registration Number
10	Livelihood (Farm & Non-Farm) for farmers	Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water	Yes	Tamil Nadu	Trichy, Karur & Tirunelveli	4,23,745	No	Tata Power Community Development Trust	CSR00002946
11	Linkage with Govt Social Welfare Scheme (including SHG and other vulnerable sections)	Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups;	No	Maharashtra	Pune	57,066	No	Tata Power Community Development Trust	CSR00002946
12	Vocational Centres for youths training, employability and skill development.	Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects	No	Punjab	Bhatinda	10,13,000	No	Tata Power Community Development Trust	CSR00002946
13	Primary Health Service Interventions and COVID sensitization to communities.	Eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation and making available safe drinking water	Yes	Tamil Nadu	Tiruchirappalli, Tiruvannamalai	4,821	No	Tata Power Community Development Trust	CSR00002946

Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes /No)	Location of the project		Amount spent for the Project (₹)	Mode of implementation on - Direct (Yes/No)	Mode of implementation - Through implementing Agency	
				State	District			Name	CSR registration Number
14	Linkage with Govt Social Welfare Scheme (including SHG and other vulnerable sections)	Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups	Yes	Tamil Nadu	Trichy & Karur	2,47,800	No	Tata Power Community Development Trust	CSR00002946
15	Stakeholders Sensitization	Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects	No	Maharashtra	Mumbai	2,30,000	No	Tata Power Community Development Trust	CSR00002946
16	Provide support to specific needs during natural calamities and disaster.	Rural development projects	No	Maharashtra	Raigad	24,87,000	No	Tata Power Community Development Trust	CSR00002946
17	Skill Building and Awareness to community youth and woman	Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups	Yes	Karnataka	Chitradurga	1,46,23,000	No	Tata Power Community Development Trust	CSR00002946

Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes /No)	Location of the project		Amount spent for the Project (₹)	Mode of implementation - Direct (Yes/No)	Mode of implementation - Through implementing Agency	
				State	District			Name	CSR registration Number
18	Skill building and awareness to community youth and woman	Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups	No	Orissa	Cuttack	4,39,000	No	Tata Power Community Development Trust	CSR00002946
	Total					**2,50,36,250**			

Ashwinikumar Patil
(Chief Executive Officer)

Ashish Khanna
(Chairman - CSR Committee)

Date: 22nd April 2021
Place: Mumbai

Annexure-III

POLICY ON BOARD DIVERSITY & DIRECTOR ATTRIBUTES

(Ref: Board's Report, Section 18)

1. Objective

1.1 The Policy on Board Diversity ('the Policy') sets out the approach to diversity on the board of directors ('the Board') of Walwhan Renewable Energy Limited (the company).

1.2 The company recognises that diversity at board level is a necessary requirement in ensuring an effective board. A mix of executive, independent and other non-executive directors is one important facet of diverse attributes that the company desires. Further, a diverse board representing differences in the educational qualifications, knowledge, experience, gender, age, thought and perspective results in delivering a competitive advantage and a better appreciation of the interests of stakeholders. These differences should be balanced against the need for a cohesive, effective board. All board appointments shall be made on merit having regard to this policy.

2. Attributes of directors

The following attributes need to be considered in considering optimum board composition:

i) Gender diversity
Having at least one woman director on the Board with an aspiration to reach three women directors.

ii) Age
The average age of board members should be in the range of 40 - 60 years.

iii) Competency
The board should have a mix of members with different educational qualifications, knowledge and with adequate experience in finance, accounting, economics, legal and regulatory matters, the environment, green technologies, operations of the company's businesses, energy commodity markets and other disciplines related to the company's businesses.

iv) Independence
The independent directors should satisfy the requirements of the Companies Act, 2013 (the Act).

Additional Attributes

- The directors should not have any other pecuniary relationship with the company, its subsidiaries, associates or joint ventures and the company's promoters, besides sitting fees.
- The directors should not have any of their relatives (as defined in the Act and Rules made thereunder) as directors or employees or other stakeholders (other than with immaterial dealings) of the company, its subsidiaries, associates or joint ventures.
- The directors should maintain an arm's length relationship between themselves and the employees of the company, as also with the directors and employees of its subsidiaries, associates, joint ventures, promoters and stakeholders for whom the relationship with these entities is material.
- The directors should not be the subject of allegations of illegal or unethical behaviour, in their private or professional lives.
- The directors should have ability to devote sufficient time to the affairs of the Company.

3. Role of the Nomination and Remuneration Committee

3.1 The Nomination and Remuneration Committee ('the NRC') shall review and assess board composition whilst recommending the appointment or reappointment of independent directors.

4. Review of the Policy

4.1 The NRC will review this policy periodically and recommend revisions to the board for consideration.

Annexure - IV

REMUNERATION POLICY FOR NON-EXECUTIVE DIRECTORS, KEY MANAGERIAL PERSONNEL AND OTHER EMPLOYEES OF THE COMPANY

(Ref: Board's Report, Section 18)

The philosophy for remuneration of directors, Key Managerial Personnel ("KMP") and all other employees of Walwhan Renewable Energy Limited ("company") is based on the commitment of fostering a culture of leadership with trust. The remuneration policy is aligned to this philosophy.

This remuneration policy has been prepared pursuant to the provisions of Section 178(3) of the Companies Act, 2013 ("**Act**") and Clause 49(IV)(B)(1) of the Equity Listing Agreement ("**Listing Agreement**"). In case of any inconsistency between the provisions of law and this remuneration policy, the provisions of the law shall prevail and the company shall abide by the applicable law. While formulating this policy, the Nomination and Remuneration Committee ("**NRC**") has considered the factors laid down under Section 178(4) of the Act, which are as under:

"(a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;

(b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

(c) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals"

Key principles governing this remuneration policy are as follows:

- REMUNERATION FOR INDEPENDENT DIRECTORS AND NON-INDEPENDENT NON- EXECUTIVE DIRECTORS
  - Independent directors ("ID") and non-independent non-executive directors ("NED") may be paid sitting fees (for attending the meetings of the Board and of committees of which they may be members).
  - Within the parameters prescribed by law, the payment of sitting fees will be recommended by the NRC and approved by the Board.
  - Overall remuneration should be reasonable and sufficient to attract, retain and motivate directors aligned to the requirements of the company (taking into consideration the challenges faced by the company and its future growth imperatives).
  - Overall remuneration should be reflective of size of the company, complexity of the sector/ industry/ company's operations and the company's capacity to pay the remuneration.
  - Overall remuneration practices should be consistent with the recognized best practices.
  - Quantum of sitting fees may be subject to review on a periodic basis, as required.
  - In addition to the sitting fees, the company may pay to any director such fair and reasonable expenditure, as may have been incurred by the director while performing his/ her role as a director of the company. This could include reasonable expenditure incurred by the director for attending Board/ Board committee meetings, general meetings, court convened meetings, meetings with shareholders/ creditors/ management, site visits, induction and training (organized by the company for directors) and in obtaining professional advice from independent advisors in the furtherance of his/ her duties as a director.
- REMUNERATION FOR MANAGING DIRECTOR ("MD")/ EXECUTIVE DIRECTORS ("ED")/ KMP/ REST OF THE EMPLOYEES[1]

[1] Excludes employees covered by any long term settlements or specific term contracts. The remuneration for these employees would be driven by the respective long term settlements or contracts.

- The extent of overall remuneration should be sufficient to attract and retain talented and qualified individuals suitable for every role. Hence remuneration should be
  - Market competitive (market for every role is defined as companies from which the company attracts talent or companies to which the company loses talent)
  - Driven by the role played by the individual,
  - Reflective of size of the company, complexity of the sector/ industry/ company's operations and the company's capacity to pay,
  - Consistent with the recognized best practices and
  - Aligned to any regulatory requirements.
- In terms of remuneration mix or composition,
  - The remuneration mix for the MD/ EDs is as per the contract approved by the shareholders. In case of any change, the same would require the approval of the shareholders.
  - Basic/ fixed salary is provided to all employees to ensure that there is a steady income in line with their skills and experience.
  - In addition to the basic/ fixed salary, the company provides employees with certain perquisites, allowances and benefits to enable a certain level of lifestyle and to offer scope for savings and tax optimization, where possible. The company also provides all employees with a social security net (subject to limits) by covering medical expenses and hospitalization through re-imbursements or insurance cover and accidental death and dismemberment through personal accident insurance.
  - The company provides retirement benefits as applicable.
  - In addition to the basic/ fixed salary, benefits, perquisites and allowances as provided above, the company provides MD/ EDs such remuneration by way of an annual incentive remuneration/ performance linked bonus subject to the achievement of certain performance criteria and such other parameters as may be considered appropriate from time to time by the Board. An indicative list of factors that may be considered for determination of the extent of this component are:
    - Company performance on certain defined qualitative and quantitative parameters as may be decided by the Board from time to time,
    - Industry benchmarks of remuneration,
    - Performance of the individual.
  - The company provides the rest of the employees a performance linked bonus. The performance linked bonus would be driven by the outcome of the performance appraisal process and the performance of the company.

- REMUNERATION PAYABLE TO DIRECTOR FOR SERVICES RENDERED IN OTHER CAPACITY

  The remuneration payable to the Directors shall be inclusive of any remuneration payable for services rendered by such director in any other capacity unless:

  a) The services rendered are of a professional nature; and
  b) The NRC is of the opinion that the director possesses requisite qualification for the practice of the profession.

- POLICY IMPLEMENTATION

  The NRC is responsible for recommending the remuneration policy to the Board. The Board is responsible for approving and overseeing implementation of the remuneration policy.

Annexure-V

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

(Ref.: Board's Report, Section 19)

A. Conservation of energy

(i)	the steps taken or impact on conservation of energy	Your Company monitors auxiliary consumption at its plants and takes measures to reduce it through use of energy efficient appliances, prudent use of resources, natural ventilation, etc. Following are the initiatives taken by your Company for conservation of energy: a. Inverters with reactive compensation mode installed thereby savings in auxiliary power consumption at Madhya Pradesh and Maharashtra sites b. Solar powered streetlights are installed at Baramati, Gujarat sites optimizing import energy consumption. c. PLC based logic for controlling switching operation of Inverter room fans instead of continuous ON during day-time. This has helped in enhancing effective operation of ventilation system and conservation of energy.
(ii)	the steps taken by the company for utilising alternate sources of energy	Not Applicable
(iii)	the capital investment on energy conservation equipments	Not Applicable

B. Technology absorption

(i)	the efforts made towards technology absorption	Your Company ensures that its equipment vendors share their supplier details, design drawings and train Company's personnel in operation and maintenance of the equipment. The following technologies have been used by your Company: a. Unmanned Aerial Vehicles (UAV) for thermal imaging of solar assets. UAV based thermal imaging is a quick and speedy process of scanning the solar farm which gives bird's eye view of solar farm and with artificial intelligence even pin-points faulty locations. b. Identification of defects by thermal scanning of equipment thereby enhancing plant availability c. PV diagnostic tool for re-binning of modules. Variation of power output from each module varies with number of years of operation. Modules connected in series should operate at near-equal current output levels to reduce losses due to mismatch. Thereby binning the modules with near-equal current levels enhances the output of solar farm. d. Higher rated inverters (up to 3.125 MVA) to get better efficiencies and reduced aux consumption.

		e. Centralized Control Room for Monitoring of RE assets is under implementation. This will help in close monitoring of assets spread across 10 states and number of locations
(ii)	the benefits derived like product improvement, cost reduction, product development or import substitution	Not Applicable
(iii)	in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)	Not Applicable
a)	the details of technology imported	-
b)	the year of import	-
c)	whether the technology been fully absorbed	-
d)	if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and	-
(iv)	the expenditure incurred on Research and Development	Not Applicable

C. Foreign Exchange - Earnings and Outgo

The details of the foreign exchange of the Company for FY21 and the previous year are as follows:

(₹ crore)

Particulars	FY21	FY20
Foreign exchange earnings	-	-
Foreign exchange outflow mainly on account of:		
- Interest on foreign currency borrowings	-	-
- Purchase of capital equipment, components and spares and other miscellaneous expenses	0.03	-

Annexure - VI

DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

(Ref.: Board's Report, Section 21)

i) The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year:

Name of the Director	Ratio of Directors' remuneration to the median remuneration of the employees of the Company for the financial year
Mr. Ashish Khanna	N.A.
Mr. Sanjay Bhandarkar	N.A.
Mr. Zarir Panthaky	N.A.
Mrs. Anjali Kulkarni	N.A.
Mr. Mahesh Paranjpe (upto 12th June 2020)	1.92

ii) The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year:

Name of the Director and Key Managerial Personnel	Percentage increase in remuneration in the financial year
Mr. Ashish Khanna	N.A.
Mr. Sanjay Bhandarkar	N.A.
Mr. Zarir Panthaky	N.A.
Mrs. Anjali Kulkarni	N.A.
Mr. Mahesh Paranjpe	N.A.
Mr. Ashwinikumar Patil (CEO) w.e.f. 13th June 2020	N.A.
Mr. Behram Mehta (CFO)	13.00
Mr. Santosh C. R. (Company Secretary)	4.01

iii) The percentage increase in the median remuneration of employees in the financial year: -1.845%

iv) The number of permanent employees on the rolls of the Company: 112

v) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year, its comparison with the percentile increase in the managerial remuneration, justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

Average increase in remuneration of employees of the Company, the median increase was -1.845%

vi) Affirmation that the remuneration is as per the remuneration policy of the Company: It is affirmed that the remuneration is as per the 'Remuneration Policy for Directors, Key Managerial Personnel and other employees' adopted by the Company.

Annexure - VII

Form AOC-2

DISCLOSURE OF PARTICULARS OF CONTRACTS/ARRANGEMENTS ENTERED INTO BY THE COMPANY WITH RELATED PARTIES REFERRED TO IN SECTION 188(1) OF THE COMPANIES ACT, 2013 INCLUDING CERTAIN ARM'S LENGTH TRANSACTIONS UNDER THIRD PROVISO THERETO [PURSUANT TO CLAUSE (H) OF SUBSECTION 3 OF SECTION 134 OF THE ACT AND RULE 8(2) OF THE COMPANIES (ACCOUNTS) RULES, 2014

(Ref.: Board's Report, Section 22)

1. Details of contracts or arrangements or transactions not at arm's length basis: Nil

₹ crore

Name(s) of the related party and nature of relationship	Nature of contracts/arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Justification for entering into such contracts or arrangements or transactions	Date(s) of approval by the Board	Amount paid as advances, if any	Date on which the special resolution was passed in general meeting as required under first proviso to Section 188
NIL							

2. Details of material contracts or arrangement or transactions at arm's length basis:

₹ crore

Name(s) of the related party and nature of relationship	Nature of contracts/arrangements/ transactions	Duration of the contracts/ arrangements/transactions	Salient terms of the contracts or arrangements or transactions including the value, if any:	Date(s) of approval by the Board, if any:	Amount paid as advances, if any:
NIL					

On Behalf of the Board of Directors

Ashish Khanna
Chairman
DIN: 06699527

Date: 22nd April 2021
Place: Mumbai

PARIKH & ASSOCIATES
COMPANY SECRETARIES

Office

111, 11th Floor, Sai-Dwar CHS Ltd
Sab TV Lane, Opp Laxmi Industrial
Estate, Off Link Road, Above Shabari
Restaurant, Andheri (W), Mumbai : 400053
Tel No 26301232 / 26301233 / 26301240
Email: cs@parikhassociates.com
parikh.associates@rediffmail.com

FORM No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2021

(Pursuant to section 204 (1) of the Companies Act, 2013 and rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014)

To,
The Members,
Walwhan Renewable Energy Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Walwhan Renewable Energy Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company, the information to the extent provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representations made by the Management and considering the relaxations granted by The Ministry of Corporate Affairs warranted due to the spread of the COVID-19 pandemic, we hereby report that in our opinion, the Company has during the audit period covering the financial year ended on 31st March, 2021, generally complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records made available to us and maintained by the Company for the financial year ended on 31st March, 2021 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contract (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):

(a)The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; (Not applicable to the Company during the audit period)

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and amendments from time to time;

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and amendments from time to time; (Not applicable to the Company during the audit period);

(d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; (Not applicable to the Company during the audit period)

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;(Not applicable to the Company during the audit period)

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable to the Company during the audit period) and

(h)The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 and amendments from time to time; (Not applicable to the Company during the audit period)

(vi) Other laws applicable specifically to the Company namely:

a) The Electricity Act, 2003
b) The Indian Electricity Rules, 1956
c) The rules, regulations and applicable order(s) under the Central and State Electricity Regulatory Commissions/Authority
d) The Energy Conservation Act, 2001

We have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards issued by The Institute of Company Secretaries of India with respect to board and general meetings.

(ii) The Listing Agreements entered into by the Company with National Stock Exchange of India Limited read with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, standards etc. mentioned above.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Notice was given to all directors to schedule the Board Meetings. Agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Decisions at the Board Meetings were taken unanimously.

We further report that there are systems and processes in the Company commensurate with the size and operations of the Company to monitor compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period no events occurred which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines etc.

For Parikh & Associates
Company Secretaries

Mohammad Pillikandlu

Digitally signed by Mohammad Pillikandlu
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Date: 2021.04.19 11:55:19 +05'30'

Place: Mumbai
Date: April 19, 2021

Signature:

Mohammad Pillikandlu
Partner
FCS No: 10619 CP No: 14603
UDIN: F010619C000132840

This Report is to be read with our letter of even date which is annexed as Annexure A and Forms an integral part of this report.

'Annexure A'

To,
The Members,
Walwhan Renewable Energy Limited

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4. Where ever required, we have obtained the Management Representation about the Compliance of laws, rules and regulations and happening of events etc.

5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.

6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Parikh & Associates
Company Secretaries

Place: Mumbai
Date: April 19, 2021

Signature: Mohammad Pillikandlu

Digitally signed by Mohammad Pillikandlu
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Date: 2021.04.19 11:55:41 +05'30'

Mohammad Pillikandlu
Partner
FCS No: 10619 CP No: 14603
UDIN: F010619C000132840

S R B C & CO LLP
Chartered Accountants

12th Floor, The Ruby
29 Senapati Bapat Marg
Dadar (West)
Mumbai - 400 019, India
Tel: +91 22 6819 8000

INDEPENDENT AUDITOR'S REPORT

To the Members of Walwhan Renewable Energy Limited

Report on the Audit of the Standalone Ind AS Financial Statements

Opinion

We have audited the accompanying standalone Ind AS financial statements of Walwhan Renewable Energy Limited (Formerly known as Walwhan Renewable Energy Private Limited and Welspun Renewables Energy Private 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 standalone 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 standalone 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 profit 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 standalone 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 Standalone 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 standalone Ind AS financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone Ind AS financial statements for the financial year ended March 31, 2021. These matters were addressed in the context of our audit of the standalone Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For the matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matter described below to be the key audit matter to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone Ind AS financial statements section of our report, including in relation to this matter. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone Ind AS financial statements. The results of our audit procedures, including the procedures performed to address the matter below, provide the basis for our audit opinion on the accompanying standalone Ind AS financial statements.

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Key audit matter	How our audit addressed the key audit matter
Revenue recognition and recoverability of related accounts receivables (as described in note 38 and 39 of the standalone Ind AS financial statements)	
The Company sells power to various customers in accordance with the long-term Power Purchase Agreements (PPAs) entered with them. One of the customers has disputed, and is not making payment for, the Company's invoices for the electricity supplied in excess of 19% Capacity Utilisation Factor (CUF). Total amount of disputed dues for the customer is Rs. 55.06 crore including Rs. 1.11 crore recognised as revenue in the current year related to disputed dues. Another customer has requested for renegotiation of tariff agreed as per the PPA and is making partial payments of sales invoices raised by the Company. Total amount of disputed dues for the customer is Rs. 195.95 crore including Rs. 69.52 crore recognised as revenue in the current year related to disputed dues. Considering the above, there are significant delays in recovery of disputed dues. The Company has assessed and determined that contract is legally enforceable, and amount invoiced to and revenue recognized is in accordance with Ind AS 115 Revenue from Contracts with Customers. It has not recognised any expected credit loss (ECL) impairment allowance in respect of the above receivables. We focused on revenue recognition and recoverability of related receivables in respect of disputed dues, because they involve a high level of management judgement.	Our audit procedures included: • We considered the Company's accounting policies with respect to revenue in accordance with Ind AS 115 "Revenue from Contracts with Customers". • We tested controls over revenue recognition process through inspection of evidence of performance of these controls. • We read the executed PPAs with the customers and evaluated relevant clauses to understand management's assessment of the Company's rights vis-à-vis the customers, including terms related to units supplied and to be invoiced, rate applicable, payment and late payment surcharge in the PPAs. • We tested the invoices and the related supporting documents with respect to revenue recognized for energy units supplied and for rate agreed in PPAs. • With respect to matters in dispute, we obtained and read the correspondences with customers, case documents including petitions filed, grounds of appeal and respondent claims etc. We evaluated management's assessment of the expected outcome of the matters under dispute based on past precedents, advice of management experts and legal opinions. • We evaluated management's estimation of provision for expected credit loss including evaluation of assumptions and verification of computation. • We evaluated the disclosures relating to this matter in note 39 and 38 of the standalone Ind AS financial statements.

We have determined that there are no other key audit matters to communicate in our report.

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Other Information

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

Our opinion on the standalone 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 standalone Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such 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.

Responsibilities of Management for the Standalone 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 standalone 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 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 standalone 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 standalone 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 Standalone Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone 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 standalone 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 standalone 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

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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 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 standalone Ind AS financial statements, including the disclosures, and whether the standalone 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.

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 standalone 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;

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CHARTERED ACCOUNTANTS

(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 standalone 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 standalone Ind AS financial statements - Refer Note 36 to the standalone Ind AS financial statements;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

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

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

Agarwal

per Abhishek Agarwal
Partner
Membership Number: 112773
UDIN: 21112773AAAACI1804
Place of Signature: Mumbai
Date: April 19, 2021

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Annexure 1 referred to in paragraph 1 under the heading 'Report on Other Legal and Regulatory Requirements' of our report of even date

Re: Walwhan Renewable Energy Limited ('the Company')

(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 programme 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 by the management, the title deeds of 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. There was no inventory lying with third parties.

(iii) (a) The Company has granted loans to twenty companies covered in the register maintained under section 189 of the Companies Act, 2013. In our opinion and according to the information and explanations given to us, the terms and conditions of the grant of such loans are not prejudicial to the Company's interest.

(b) The Company has granted loans to twenty-one companies covered in the register maintained under section 189 of the Companies Act, 2013. The schedule of repayment of principal and payment of interest has been stipulated for the loans granted and the repayment/receipts are regular.

(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 of the Act 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. Further, since the Company is an Infrastructure company within the meaning of Schedule VI of the Companies Act, 2013, there are no loans, investments, guarantees, and securities given in respect of which provisions of section 186 of the Act are applicable and hence not commented upon.

(v) The Company has not accepted any 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 accounts 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 generation of power through renewable sources, 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

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(vii) (a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax and goods and service tax have generally been regularly deposited with the appropriate authorities though there have been delays in a few cases. The provisions relating to sales-tax, service tax, duty of custom, duty of excise, cess and value added tax are not applicable to the Company.

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, profession tax, employees' state insurance, income-tax and goods and service tax which were outstanding, at the year end, for a period of more than six months from the date they became payable The provisions relating to sales-tax, service tax, duty of custom, duty of excise, cess and value added tax are not applicable to the Company.

(c) According to the information and explanations given to us, there are no dues of provident fund, profession tax, employees' state insurance, income-tax, goods and service tax, which have not been deposited on account of any dispute. The provisions relating to sales-tax, service tax, duty of custom, duty of excise, cess and value added tax are not applicable to the Company.

(viii) In our opinion and according to the information and explanations given 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 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 by the management, we report that no fraud by the company or no 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 in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.

(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.

(xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 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.

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(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 B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

Agarwal

per Abhishek Agarwal
Partner
Membership Number: 112773
UDIN: 21112773AAAACI1804
Place of Signature: Mumbai
Date: April 19, 2021

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MUMBAI
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ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE IND AS FINANCIAL STATEMENTS OF WALWHAN RENEWABLE ENERGY 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 Walwhan Renewable Energy Limited (Formerly known as Walwhan Renewable Energy Private Limited and Welspun Renewables Energy Private Limited) ("the Company") as of March 31, 2021 in conjunction with our audit of the standalone 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 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, as amended ("the Act").

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these standalone Ind AS financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Act, 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 standalone Ind AS 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 over financial reporting with reference to these standalone Ind AS 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 standalone Ind AS 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 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 internal financial controls over financial reporting with reference to these standalone financial statements.

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Meaning of Internal Financial Controls Over Financial Reporting With Reference to these Standalone Ind AS Financial Statements

A company's internal financial control over financial reporting with reference to these standalone Ind AS financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting with reference to these standalone Ind AS 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 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 financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting with Reference to these Standalone Ind AS Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to these standalone Ind AS 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 standalone Ind AS financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these standalone Ind AS 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, adequate internal financial controls over financial reporting with reference to these standalone Ind AS financial statements and such internal financial controls over financial reporting with reference to these standalone Ind AS 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 on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

Agarwal

per Abhishek Agarwal
Partner
Membership Number: 112773
UDIN: 21112773AAAACI1804
Place of Signature: Mumbai
Date: April 19, 2021

S R B C & CO LLP MUMBAI CHARTERED ACCOUNTANTS

Walwhan Renewable Energy Limited
(Formerly known as Walwhan Renewable Energy Private Limited)
(Formerly known as Welspun Renewables Energy Private Limited)
Standalone Ind AS Balance Sheet as at 31st March, 2021

	Notes	As at 31st March, 2021 ₹ crore	As at 31st March, 2020 ₹ crore
ASSETS			
Non-current Assets			
(a) Property, Plant and Equipment	5	2,061.96	2,153.72
(b) Capital Work-in-Progress		11.74	2.56
(c) Other Intangible Assets	6	1.59	2.31
(d) Financial Assets			
(i) Investments in Subsidiaries	7	1,148.54	1,148.54
(ii) Trade Receivables	14	242.72	-
(iii) Loans	8	1,115.03	1,223.18
(iv) Other Financial Assets	9	104.51	95.38
(e) Non-current Tax Assets (Net)	10	12.07	30.16
(f) Other Non-current Assets	11	-	0.04
Total Non-current Assets		4,698.16	4,655.89
Current Assets			
(a) Inventories	12	4.10	4.06
(b) Financial Assets			
(i) Investments	13	7.97	69.03
(ii) Trade Receivables	14	200.36	511.34
(iii) Unbilled Revenue		39.59	39.97
(iv) Cash and Cash Equivalents	15a.	32.27	21.62
(v) Bank Balances other than (iv) above	15 b.	-	2.80
(vi) Loans	8	817.67	526.71
(vii) Other Financial Assets	9	143.77	128.18
(c) Other Current Assets	11	0.27	0.54
Total Current Assets		1,246.00	1,304.25
TOTAL ASSETS		**5,944.16**	**5,960.14**
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	16	611.36	611.36
(b) Other Equity	17	1,452.52	1,364.48
Total Equity		2,063.88	1,975.84
LIABILITIES			
Non-current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	18	1,736.83	3,062.76
(ii) Lease Liabilities	19	2.85	2.83
(b) Deferred Tax Liabilities (Net)	20	137.98	111.80
(c) Provisions	21	4.59	4.58
Total Non-current Liabilities		1,882.25	3,181.97

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S R B C & CO LLP ★ MUMBAI ★ CHARTERED ACCOUNTANTS

WALWHAN RENEWABLE ENERGY LIMITED ★

Walwhan Renewable Energy Limited
(Formerly known as Walwhan Renewable Energy Private Limited)
(Formerly known as Welspun Renewables Energy Private Limited)
Standalone Ind AS Balance Sheet as at 31st March, 2021

	Notes	As at 31st March, 2021 ₹ crore	As at 31st March, 2020 ₹ crore
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	22	603.17	586.56
(ii) Lease Liabilities	19	-	0.01
(iii) Trade Payables			
(a) Total outstanding dues of micro enterprises and small enterprises	34	0.12	0.28
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		13.97	12.67
(iv) Other Financial Liabilities	23	1,378.78	200.75
(b) Provisions	21	0.17	0.16
(c) Other Current Liabilities	24	1.82	1.90
Total Current Liabilities		1,998.03	802.33
TOTAL EQUITY AND LIABILITIES		**5,944.16**	**5,960.14**

See accompanying notes to the standalone Ind AS Financial Statements

As per our report of even date.

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration No: 324982E/E300003

per Abhishek Agarwal
Partner
Membership No. 112773

Mumbai, 19th April, 2021

For and on behalf of the Board of Directors

Ashwinikumar Patil
Chief Executive Officer

Ashish Khanna
Chairman
DIN 06699527

Behram Mehta
Chief Financial Officer

Santosh C.R.
Company Secretary

Mumbai, 19th April, 2021

Walwhan Renewable Energy Limited
(Formerly known as Walwhan Renewable Energy Private Limited)
(Formerly known as Welspun Renewables Energy Private Limited)
Statement of Ind AS Profit and Loss for the year ended 31st March, 2021

		Notes	For the year ended 31st March, 2021 ₹ crore	For the year ended 31st March, 2020 ₹ crore
I	Revenue from Operations	25	374.21	396.13
II	Other Income	26	179.82	153.82
III	**Total Income**		**554.03**	**549.95**
IV	**Expenses**			
	Employees Benefit Expense	27	12.14	16.31
	Finance Costs	28	283.20	297.41
	Depreciation and Amortisation Expenses	6	93.62	93.59
	Other Expenses	29	32.95	31.26
	Total Expenses		**421.91**	**438.57**
V	**Profit Before Tax**		**132.12**	**111.38**
VI	**Tax Expense/(Credit)**			
	Current Tax	30	1.69	(1.56)
	Deferred Tax	20	26.18	14.36
	Adjustment of tax relating to earlier period	20	(3.57)	-
	Remeasurement of deferred tax on account of new tax regime	20	-	73.51
			24.30	**86.31**
VII	**Profit after tax for the year**		**107.82**	**25.07**
VIII	**Other Comprehensive Income/(Expenses)**			
	Add/(Less):			
	(i) Items that will not be reclassified to profit or loss			
	(a) Remeasurement of the Defined Benefit Plans		0.39	(1.28)
			0.39	**(1.28)**
IX	**Total Comprehensive Income for the period (VII + VIII)**		**108.21**	**23.79**
X	**Basic and Diluted Earnings Per Equity Share (of ₹ 10/- each) (₹)**	31		
	(i) Basic (in INR)		1.76	0.41
	(ii) Diluted (in INR)		1.76	0.41

See accompanying notes to the standalone Ind AS Financial Statements

As per our report of even date.

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration No: 324982E/E300003

per Abhishek Agarwal
Partner
Membership No. 112773

Mumbai, 19th April, 2021

For and on behalf of the Board of Directors

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Chairman
DIN 06699527

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Santosh C.R.
Company Secretary

Mumbai, 19th April, 2021

S R B C & CO LLP ★ CHARTERED ACCOUNTANTS ★ MUMBAI

WALWHAN RENEWABLE ENERGY LIMITED

Walwhan Renewable Energy Limited
(Formerly known as Walwhan Renewable Energy Private Limited)
(Formerly known as Welspun Renewables Energy Private Limited)

Statement of Cash Flows for the year ended 31st March, 2021

₹ crore

		For the year ended 31st March, 2021		For the year ended 31st March, 2020	
A. Cash Flow from Operating Activities					
Profit before tax			132.12		111.38
Adjustments to reconcile Profit Before Tax to Net Cash Flows:					
Depreciation and Amortisation Expense		93.62		93.59	
Liability no longer required written back		(1.44)		(1.30)	
(Gain)/Loss on Disposal of Property, Plant and Equipment (Net)		(0.03)		(0.25)	
Interest income on unbilled revenue		(11.61)		(10.28)	
Dividend income		(13.11)		-	
Finance Cost		283.20		297.41	
Amortisation of deferred revenue		2.48		(3.95)	
Interest Income on Loans to related party		(149.31)		(137.90)	
Interest Income on Fixed Deposits		(0.23)		-	
Interest Income on income tax refund		(1.95)		(1.58)	
Gain on Sale/Fair Value of Current Investments measured at FVTPL		(0.97)	200.65	(0.75)	234.99
Working Capital Adjustments:					
Adjustments for (increase)/ decrease in Operating Assets:					
Inventories		(0.04)		0.24	
Trade Receivables		68.26		(232.19)	
Unbilled Revenue		0.38		(5.90)	
Other Current Assets		0.27		0.20	
Other Non-current Assets		0.04		-	
Other Financial Assets - Current		6.86		(8.46)	
Other Financial Assets - Non-Current		(0.02)		(0.11)	
Movement in Operating Asset			75.75		(246.22)
Adjustments for increase/ (decrease) in Operating Liabilities:					
Trade Payables		1.14		7.46	
Other Current Liabilities		(0.08)		0.80	
Current Provisions		0.01		0.05	
Non-current Provisions		0.40		(0.60)	
Movement in Operating Liability			1.47		7.71
Cash Flow from Operations			409.99		107.86
Income-tax Paid			19.97		(9.85)
Net Cash Flow from Operating Activities	A		429.96		98.01
B. Cash Flow from Investing Activities					
Capital expenditure on Property, Plant and Equipment			(4.83)		(7.56)
Proceeds from sale of Property, Plant and Equipment			4.03		1.23
Current investments not considered as cash and cash equivalents					
- Purchased			(428.03)		(400.08)
- Proceeds from sale			489.09		335.80
Inter-corporate deposits					
- Loan and advance given			(903.80)		(1,163.59)
- Loan and advance received back			720.58		846.52
Interest Income on Bank Deposits			0.23		-
Interest Received on Loans to related party			128.73		139.42
Interest income on income tax received			1.95		1.58
Dividend Received					
- Subsidiaries			13.11		-
Bank Balance not considered as Cash and Cash Equivalents (with					
- FD Created during the Year			-		(2.80)
-FD Matured during the Year			2.80		-
Net Cash Flow from/ (used in) Investing Activities	B		23.86		(249.48)

Walwhan Renewable Energy Limited
(Formerly known as Walwhan Renewable Energy Private Limited)
(Formerly known as Welspun Renewables Energy Private Limited)

Statement of Cash Flows for the year ended 31st March, 2021

		For the year ended 31st March, 2021	₹ crore For the year ended 31st March, 2020
C. Cash Flow from Financing Activities			
Proceeds from current borrowings issued as commercial paper		398.70	584.30
Repayment of current borrowings issued as commercial paper		(300.00)	(300.00)
Proceeds from Non-current Borrowings		-	200.19
Repayment of Non-current Borrowings		(161.76)	(284.15)
Proceeds from Current Borrowings		121.18	173.24
Repayment of Current Borrowings		(248.24)	-
Proceeds from current borrowings-related party		360.77	789.29
Repayment of current borrowings-related party		(323.69)	(716.33)
Finance Cost Paid		(269.72)	(274.99)
Payment of Lease Liabilities		(0.24)	-
Dividend Paid		(20.17)	-
Net Cash Flow from/(used in) Financing Activities	**C**	**(443.17)**	**171.55**
Net Increase in Cash and Cash Equivalents	**(A+B+C)**	**10.65**	**20.09**
Cash and Cash Equivalents as at 1st April (Opening Balance)		**21.62**	**1.53**
Cash and Cash Equivalents as at 31st March (Closing Balance)*		**32.27**	**21.62**
*** Cash and Cash Equivalents include:**			
(a) Balances with banks			
In current accounts		32.27	21.62
Cash and Cash Equivalents as per Standalone Ind AS Balance Sheet		**32.27**	**21.62**

As per our report of even date.

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration No: 324982E/E300003

per Abhishek Agarwal
Partner
Membership No. 112773

Mumbai, 19th April, 2021

For and on behalf of the Board of Directors

Ashwinikumar Patil
Chief Executive Officer

Ashish Khanna
Chairman
DIN 06699527

Behram Mehta
Chief Financial Officer

Santosh C.R.
Company Secretary

Mumbai, 19th April, 2021

S R B C & CO LLP * CHARTERED ACCOUNTANTS * MUMBAI

WALWHAN RENEWABLE ENERGY LIMITED

Walwhan Renewable Energy Limited
(Formerly known as Walwhan Renewable Energy Private Limited)
(Formerly known as Welspun Renewables Energy Private Limited)
Statement of Changes in Equity

A. Equity Share Capital ₹ crore

	No. of Shares	Amount
Balance as at 1st April, 2019	*61,13,55,942*	*611.36*
Issued during the year	-	-
Balance as at 31st March, 2020	***61,13,55,942***	***611.36***
Balance as at 1st April, 2020	61,13,55,942	611.36
Issued during the year	-	-
Balance as at 31st March, 2021	61,13,55,942	611.36

B. Other Equity ₹ crore

Description	Reserves and Surplus				Total
	Securities Premium	Debenture Redemption Reserve	Retained Earnings	Equity Contribution Financial guarantee	
Balance as at 1st April, 2019	*1,108.54*	*100.00*	*128.21*	*3.94*	*1,340.69*
Profit for the year	-	-	*25.07*	-	*25.07*
Profit for the year	-	-	*(1.28)*	-	*(1.28)*
Total Comprehensive Income	-	-	***23.79***	-	***23.79***
Balance as at 31st March, 2020	***1,108.54***	***100.00***	***152.00***	***3.94***	***1,364.48***
Balance as at 1st April, 2020	1,108.54	100.00	152.00	3.94	1,364.48
Profit for the year	-	-	107.82	-	107.82
Other Comprehensive Income for the year (Net of Tax)	-	-	0.39	-	0.39
Total Comprehensive Income	-	-	**108.21**	-	**108.21**
Dividend paid	-	-	(20.17)	-	(20.17)
Balance as at 31st March, 2021	**1,108.54**	**100.00**	**240.04**	**3.94**	**1,452.52**

See accompanying notes to the standalone Ind AS Financial Statements

As per our report of even date.

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration No: 324982E/E300003

per Abhishek Agarwal
Partner
Membership No. 112773

Mumbai, 19th April, 2021

For and on behalf of the Board of Directors

Ashwinikumar Patil
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Mumbai, 19th April, 2021

Walwhan Renewable Energy Limited
(Formerly known as Walwhan Renewable Energy Private Limited)
(Formerly known as Welspun Renewables Energy Private Limited)

Notes to the standalone Ind AS Financial Statements

1. Corporate Information:

Walwhan Renewable Energy Limited (formerly known as "Walwhan Renewable Energy Private Limited" and "Welspun Renewables Energy Private Limited") (the 'Company' or 'WREL') was incorporated on November 11, 2009 as subsidiary of Welspun Energy Private Limited. Subsequently in September 2016, Tata Power Renewables Energy Limited (a wholly owned subsidiary company of The Tata Power Company Limited) acquired the outstanding shares held by Welspun Energy Private Limited and Asian Development Bank, whereby the Company became a wholly owned subsidiary of Tata Power Renewable Energy Limited, as of September 14, 2016.

As part of business activities, the Company holds interest in its subsidiaries through which it operates a network of solar power plants and wind energy plants across India. The Company has operational assets of 414.74 MW.

The Company is a public limited company incorporated and domiciled in India and has its registered office at C/o The Tata Power Company Limited, Corporate Center B, 34 Sant Tukaram Road, Carnac Bunder Mumbai City - 400009.

The Company's 8% Compulsorily Redeemable Non-Convertible Debentures are listed on National Stock Exchange of India Ltd.

The financial statements were authorised for issue in accordance with a resolution of the Directors on 19th April, 2021.

2. Significant accounting policies

2.1 Statement of compliance

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

The accounting policies adopted are consistent with those of the previous financial year.

Certain changes to Ind AS have become applicable to the Company from the financial year beginning 1st April, 2020. However, their application did not have any material impact on the financial statements.

2.2 Basis of preparation and presentation

The financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured
a. derivative financial instruments,
b. certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments).
c. employee benefit expenses (Refer Note 27 for accounting policy)

Historical cost is the amount of cash or cash equivalents paid or the fair value of the consideration given to acquire assets at the time of their acquisition or the amount of proceeds received in exchange for the obligation, or at the amounts of cash or cash equivalents expected to be paid to satisfy the liability in the normal course of business.

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.

3. Other Significant Accounting Policies

3.1 Foreign Currencies

The functional currency of the Company is Indian rupee (₹).

Foreign currency transactions are recorded at exchange rates prevailing on the date of the transaction. Foreign currency denominated monetary assets and liabilities are translated at the exchange rate prevailing on the balance sheet date and exchange gains and losses arising on settlement and restatement are recognised in the statement of profit and loss.

Non-monetary assets and liabilities that are measured in terms of historical cost in foreign currencies are not retranslated.

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CHARTERED ACCOUNTANTS

WALWHAN RENEWABLE ENERGY LIMITED

3.2 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 year, or
- cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting year.

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 year, or
- there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting year.

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.

3.3 Financial Instruments

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

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the statement of profit and loss.

3.4 Financial Assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place.
All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

3.4.1 Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost using the effective interest method if these financial assets are held within a business 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.

3.4.2 Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition, the Company makes an irrevocable election on an instrument-by-instrument basis to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments, other than equity investment which are held for trading. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the 'Reserve for equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to profit or loss on disposal of the equity investment classified as FVTOCI.

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WALWHAN RENEWABLE ENERGY LIMITED *

3.4.3 Financial assets at fair value through profit or loss (FVTPL)

Investments in equity instruments are classified as at FVTPL, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading.

Other financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in statement of profit and loss.

3.4.4 Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

- the right to receive cash flows from the asset have expired, or

- the Company has transferred its right to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its right to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

3.4.5 Impairment of financial assets

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognises lifetime expected losses for all contract assets and / or all trade receivables provided that there is no financing component. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses dependent on whether the credit risk on the financial asset has increased significantly since initial recognition.

3.5.1 Classification as debt or equity

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

3.5.2 Equity Instruments

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

3.5.3 Financial liabilities

All financial liabilities are recognised initially at fair value and in case of financial liabilities at amortised cost, net of directly attributable transaction costs.

All financial liabilities are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in statement of profit and loss when the liabilities are derecognised as well as through the Effective Interest Rate (EIR) amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

3.5.4 Derecognition

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 derecognition 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.

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WALWHAN RENEWABLE ENERGY LIMITED

3.5.5 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. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

3.6 Derivative financial instruments

The Company enters into a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks, including foreign exchange forward contracts.

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 year. The resulting gain or loss is recognised in statement profit and loss immediately.

3.7 Reclassification of financial assets and liabilities

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting year following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

3.8 Offsetting 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.

3.9 Dividend distribution to equity shareholders of the Company

The Company recognises a liability to make dividend distributions to its equity holders when the distribution is authorised and the distribution is no longer at its discretion. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

In case of Interim Dividend, the liability is recognised on its declaration by the Board of Directors.

4. 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 year in which the estimate is revised if the revision affects only that year, or in the year of the revision and future years if the revision affects both current and future years. 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:

Estimation of defined benefit obligation - Note 21

Estimation of current tax and deferred tax expense- Note 20 and 30

Estimates and judgement are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

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WALWHAN RENEWABLE ENERGY LIMITED

Walwhan Renewable Energy Limited
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Notes to the standalone Ind AS Financial Statements

5. 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 the 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 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 and loss as 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 entity and the cost can be measured reliably.

Depreciation

Depreciation commences when an asset is ready for its intended use. Freehold land and assets held for sale are not depreciated.

Depreciation is recognised on the cost of assets (other than freehold land and properties under construction) less their residual values over their estimated 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. The Company, based on technical assessment made by technical expert and management estimate, depreciates certain items of building, plant and equipment over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Estimated useful lives of the assets are as follows:

Type of asset	Useful lives
Buildings	25 years
Plant and Equipment	25 years
Furniture and Fixtures	10 years
Office Equipment	5 years
Vehicles	10 years

Derecognition

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

Impairment

Impairment of tangible and intangible assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets.

When the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the individual assets. These budgets and forecast calculations generally cover a period of five years. For longer periods, project future cash flows are calculated after considering expected PLF (plant load factor) and cost inflation.

Impairment losses of tangible and intangible assets are recognised in the statement of profit and loss.

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WALWHAN RENEWABLE ENERGY LIMITED

5. Property, Plant and Equipment (*Contd.*)

5A. Owned Assets

₹ crore

Description	Freehold Land	Buildings	Plant and Equipment	Furniture and Fixtures	Office Equipment	Vehicles	Total
Cost							
Balance as at 1st April, 2020	83.59	30.42	2,394.69	0.25	1.24	0.08	2,510.29
Additions	0.18	0.52	2.32	0.01	0.08		3.11
Disposals (Refer note 4 below)	(0.35)	-	(3.65)			-	(4.00)
Balance as at 31st March, 2021	**83.42**	**30.94**	**2,393.36**	**0.26**	**1.32**	**0.08**	**2,509.40**
Accumulated depreciation and impairment							
Balance as at 1st April, 2020	-	4.29	355.11	0.11	0.82	0.02	360.33
Depreciation Expense	-	1.19	91.40	0.02	0.08	0.01	92.70
Eliminated on disposal of assets	-	-					-
Balance as at 31st March, 2021	-	**5.48**	**446.51**	**0.13**	**0.90**	**0.03**	**453.03**
Net carrying amount							
As at 31st March, 2021	**83.42**	**25.46**	**1,946.85**	**0.13**	**0.42**	**0.05**	**2,056.37**
As at 31st March, 2020	**83.59**	**26.13**	**2,039.58**	**0.14**	**0.42**	**0.06**	**2,149.96**

₹ crore

Description	Freehold Land	Buildings	Plant and Equipment	Furniture and Fixtures	Office Equipment	Vehicles	Total
Cost							
Balance as at 1st April, 2019	*83.74*	*30.35*	*2,394.20*	*0.25*	*1.13*	*0.09*	*2,509.77*
Additions	-	*0.07*	*1.45*	-	*0.11*		*1.63*
Disposals (Refer note 2 & 3 below)	*(0.15)*	-	*(0.96)*	-	-	*(0.01)*	*(1.12)*
Balance as at 31st March, 2020	***83.59***	***30.42***	***2,394.69***	***0.25***	***1.24***	***0.08***	***2,510.29***
Accumulated depreciation and impairment							
Balance as at 1st April, 2019	-	*3.11*	*263.89*	*0.09*	*0.74*	*0.02*	*267.83*
Depreciation Expense	-	*1.18*	*91.39*	*0.02*	*0.08*	-	*92.67*
Eliminated on disposal of assets	-	-	*(0.17)*	-	-		*(0.17)*
Balance as at 31st March, 2020	-	***4.29***	***355.11***	***0.11***	***0.82***	***0.02***	***360.33***
Net carrying amount							
As at 31st March, 2020	***83.59***	***26.13***	***2,039.58***	***0.14***	***0.42***	***0.06***	***2,149.96***
As at 31st March, 2019	***83.74***	***27.24***	***2,130.31***	***0.16***	***0.39***	***0.07***	***2,241.94***

Notes:

1. The above assets are pledged as security against borrowings, refer note 18.
2. During the previous year, the company had gain of ₹ 1.08 Crore on disposal of freehold land arising from compulsory acquisition of vacant land having gross block value of ₹ 0.15 crore by the National Highway Authority of India (NHAI) for a consideration of ₹ 1.23 crore.
3. In physical verification conducted during the previous year, the Company had identified certain items which were obsolete/ missing. The resultant carrying amount of those assets amounting INR 0.78 crore (Gross block of INR 0.92 Crore and accumulated depreciation of INR 0.14 Crore) had been charged to the statement of profit and loss for the previous year.
4. During the current year, the Company has written back old capital creditor amounting to ₹ 4.00 crores and adjusted the same from gross block.

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5B. Right of Use Assets (Refer Note 19)

₹ crore

Description	Land	Total
Cost		
Balance as on 1st April 2020	3.90	3.90
Additions during the year	1.98	1.98
Balance as at 31st March, 2021	5.88	5.88
Accumulated depreciation and impairment		
Balance as on 1st April 2020	0.14	0.14
Depreciation Expense	0.15	0.15
Balance as at 31st March, 2021	0.29	0.29
Net carrying amount		
As at 31st March, 2021	5.59	5.59
As at 31st March, 2020	3.76	3.76

₹ crore

Description	Land	Total
Cost		
Balance as on 1st April 2019	-	-
Transition impact of Ind AS 116	3.90	3.90
Additions during the year	-	-
Balance as at 31st March, 2020	3.90	3.90
Accumulated depreciation and impairment		
Balance as on 1st April 2019	-	-
Depreciation Expense	0.14	0.14
Balance as at 31st March, 2020	0.14	0.14
Net carrying amount		
As at 31st March, 2020	3.76	3.76
As at 1st April, 2019	-	-

Note : The above assets are pledged as security against borrowings, refer note 18.

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6. Intangible Assets

Accounting Policy

Intangible assets acquired separately

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses if any.

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 statement of profit and loss when the asset is derecognised.

Useful lives of intangible assets

Intangible assets with finite lives are amortised over the useful economic life on straight line basis and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Estimated useful lives of the intangible assets are as follows:

Type of asset	Useful lives
Computer Software	5 years

₹ crore

Description	Computer Software	Total
Cost		
Balance as at 1st April, 2020	3.86	3.86
Additions	0.05	0.05
Disposal	-	-
Balance as at 31st March, 2021	3.91	3.91
Accumulated amortisation and impairment		
Balance as at 1st April, 2020	1.55	1.55
Amortisation expense	0.77	0.77
Balance as at 31st March, 2021	2.32	2.32
Net carrying amount		
As at 31st March, 2021	**1.59**	**1.59**
As at 31st March, 2020	**2.31**	**2.31**

₹ crore

Description	Computer Software	Total
Cost		
Balance as at 1st April, 2019	-	-
Additions	3.86	3.86
Disposal	-	-
Balance as at 31st March, 2020	3.86	3.86
Accumulated amortisation and impairment		
Balance as at 1st April, 2019	-	-
Amortisation expense	0.77	0.77
Disposal	0.78	0.78
Balance as at 31st March, 2020	1.55	1.55
Net carrying amount		
As at 31st March, 2020	**2.31**	**2.31**
As at 31st March, 2019	**3.09**	**3.09**

Depreciation/Amortisation:

	For the year ended 31st March, 2021 ₹ crore	For the year ended 31st March, 2020 ₹ crore
Depreciation on Tangible Assets	92.70	92.67
Depreciation of Right of Use Assets	0.15	0.14
Amortisation on Intangible Assets	0.77	0.78
Total	93.62	93.59

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WALWHAN RENEWABLE ENERGY LIMITED

Walwhan Renewable Energy Limited
(Formerly known as Walwhan Renewable Energy Private Limited)
(Formerly known as Welspun Renewables Energy Private Limited)

Notes to the standalone Ind AS Financial Statements

7. Non-current Investments

Accounting Policy

Investment in subsidiaries are carried at cost less impairment, if any. The impairment of investment inn subsidiaries is measured using policy applicable to impairment of non-financial assets.

	As at 31st March, 2021 Quantity	As at 31st March, 2020 Quantity	Face Value (in ₹ unless stated otherwise)	As at 31st March, 2021 ₹ crore	As at 31st March, 2020 ₹ crore
I Investments carried at cost less accumulated impairment, if any					
(A) Investment in subsidiaries					
(i) Investment in Equity Shares fully paid-up					
Unquoted					
Walwhan Solar AP Limited	2,03,73,956	2,03,73,956	10	138.77	138.77
Walwhan Solar MP Limited	18,60,14,136	18,60,14,136	10	303.67	303.67
Walwhan Wind RJ Limited	14,35,29,800	14,35,29,800	10	210.53	210.53
Walwhan Solar PB Limited	9,60,10,000	9,60,10,000	10	96.01	96.01
Walwhan Solar TN Limited	5,00,00,000	5,00,00,000	10	50.00	50.00
Walwhan Urja Anjar Limited	1,05,69,050	1,05,69,050	10	48.75	48.75
Mi Mysolar 24 Private Limited @	1,80,50,000	1,80,50,000	10	22.99	22.99
Northwest Energy Private Limited	84,80,000	84,80,000	10	10.07	10.07
Walwhan Solar RJ Limited	75,00,000	75,00,000	10	7.50	7.50
Solarsys Renewable Energy Private Limited	5,00,000	5,00,000	10	4.64	4.64
Dreisatz Mysolar 24 Private Limited	6,94,400	6,94,400	10	0.89	0.89
Walwhan Solar MH Limited	50,000	50,000	10	0.05	0.05
Walwhan Energy RJ Limited	10,000	10000	10	0.01	0.01
Walwhan Solar BH Limited @	3,05,10,000	3,05,10,000	10	30.51	30.51
Clean Sustainable Solar Energy Private Limited	9,999	9,999	10	0.01	0.01
Walwhan Solar Energy GJ Limited	1,20,36,000	1,20,36,000	10	12.04	12.04
Walwhan Solar Raj Limited	28,74,000	28,74,000	10	22.51	22.51
Walwhan Urja India Limited	50,000	50,000	10	3.76	3.76
(i)(a) Initial recognition fair value impact of interest free loan to subsidiaries				185.83	185.83
(ii) Investment in others (Measured as at Fair Value Through Other Comprehensive Income)				*	
SVC Co-operative Bank Limited	25	25		*	*
				1,148.54	1,148.54
Aggregate Value of unquoted Investments				1,148.54	1,148.54

*The Total amount is ₹ 725/-

Notes :

(a) The company had given interest free loans to subsidiaries. In accordance with Ind AS 109, these loans were measured at fair value on initial recognition. Difference between nominal amount and fair value of loan is treated as additional investment in subsidiary.

@ Some of the investments in subsidiaries are pledged as security against borrowings. (Refer note 36)

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8. Loans
(Unsecured unless otherwise stated)

			As at 31st March, 2021 ₹ crore	*As at 31st March, 2020 ₹ crore*
Non-current - At Amortised Cost				
(i)	**Security Deposits**			
		Considered Good - Unsecured	0.41	*0.39*
		Credit Impaired	-	*0.05*
			0.41	*0.44*
	Less:	Impairment Allowance for bad and doubtful deposits	-	*0.05*
			0.41	*0.39*
(ii)	**Loans to Related Parties**			
		Considered Good - Unsecured [Refer Note 32]	1114.62	*1,222.79*
			1115.03	***1,223.18***
Current - At Amortised Cost				
(i)	**Security Deposits**			
	Considered Good - Unsecured		0.20	*5.46*
	Credit Impaired		-	-
			0.20	*5.46*
	Less:	Impairment Allowances for Bad and Doubtful Deposits	-	-
			0.20	*5.46*
(ii)	**Loans to Related Parties**			
	Considered Good - Unsecured [Refer Note 32]		817.47	*521.25*
			817.67	***526.71***

Notes : Interest rate of the related parties for current and non current loan varies between 3.84% to 11%.

Repayment terms: the principal of loans is receivable within 30 days to 18 years from the date of grant of loan along with interest.

Disclosure under Regulation 53(f) read together with Para A Schedule V of Securities Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements)Regulations, 2015.

Loans and advances in the nature of loans given to Ultimate Holding Company, Holding Company, Fellow Subsidiaries and Subsidiaries :

₹ crore

Name of company	**Relationship**	**Amount Outstanding as at year end**		**Maximum Principal Amount Outstanding during the year (excluding interest accrued)**	
		31st March, 2021	**31st March, 2020**	**31st March, 2021**	**31st March, 2020**
Tata Power Company Limited	Ultimate Holding	437.20	-	477.20	*95.00*
Tata Power Renewable Energy Limited	Holding	-	*42.50*	42.50	*200.00*
Tata Power Solar Systems Limited	Fellow Subsidiary	-	-	-	*27.79*
Poolawadi Windfarm Limited	Fellow Subsidiary	125.05	*50.00*	125.05	*50.00*
Northwest Energy Private Limited	Subsidiary	15.49	*20.51*	20.51	*25.28*
Clean Sustainable Solar Energy Private Limited	Subsidiary	166.01	*166.01*	166.01	*172.62*
Walwhan Solar BH Limited	Subsidiary	9.59	*8.64*	9.59	*8.64*
Walwhan Solar MH Limited	Subsidiary	92.34	*103.32*	103.32	*118.16*
Walwhan Solar AP Limited	Subsidiary	207.09	*228.69*	229.73	*265.12*
Walwhan Solar Raj Limited	Subsidiary	10.93	*16.57*	16.57	*22.54*
Walwhan Solar Energy GJ Limited	Subsidiary	-	*0.04*	0.04	*5.20*
Walwhan Solar MP Limited	Subsidiary	11.32	*11.32*	11.32	*11.32*
Walwhan Solar KA Limited	Subsidiary	98.49	*102.15*	102.15	*108.69*
Walwhan Energy RJ Limited	Subsidiary	48.19	*53.17*	53.17	*56.15*
Walwhan Solar RJ Limited	Subsidiary	20.26	*21.84*	21.84	*25.49*
Walwhan Urja India Limited	Subsidiary	16.58	*15.58*	16.58	*15.85*
Dreisatz Mysolar24 Private Limited	Subsidiary	-	-	-	-
MI Mysolar24 Private Limited	Subsidiary	0.80	-	0.80	*0.70*
Walwhan Solar PB Limited	Subsidiary	93.62	*115.85*	115.85	*143.32*
Walwhan Solar TN Limited	Subsidiary	406.18	*542.75*	547.29	*655.87*
Walwhan Wind RJ Limited	Subsidiary	163.93	*212.96*	261.39	*214.96*
Walwhan Urja Anjar Limited	Subsidiary	-	*8.84*	9.11	*47.47*
Solarsys Renewable Energy Private Limited	Subsidiary	9.02	*23.30*	23.49	*23.30*
		1,932.09	*1,744.04*		

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9. Other Financial Assets

	As at 31st March, 2021 ₹ crore	*As at 31st March, 2020 ₹ crore*
Non-current - At Amortised Cost		
(i) Deferred Revenue Asset	104.47	*95.34*
(ii) Others		
Unsecured, considered good		
In Deposit Accounts (with maturity more than twelve months)	0.04	*0.04*
	104.51	***95.38***
Current - At Amortised Cost		
(i) Accruals		
Unsecured, considered good		
Interest Accrued on Loans to Related Parties	135.29	*119.54*
	135.29	*119.54*
(ii) Others		
Unsecured, considered good		
Insurance Claims Receivable	-	*0.04*
Other Receivables	8.48	*8.60*
	8.48	*8.64*
	143.77	***128.18***

10. Tax Assets

	As at 31st March, 2021 ₹ crore	*As at 31st March, 2020 ₹ crore*
Non-current Tax Assets		
Advance Income-tax (Net)	12.07	*30.16*
	12.07	***30.16***

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Notes to the standalone Ind AS Financial Statements

11. Other Assets

	As at 31st March, 2021 ₹ crore	*As at 31st March, 2020 ₹ crore*
Non-current		
(i) Capital Advances		
Unsecured, considered good	-	*0.04*
Doubtful	-	*0.04*
	-	*0.08*
Less: Impairment Allowance for Bad and Doubtful Advances	-	*(0.04)*
	-	*0.04*
	-	***0.04***
Current		
(i) Balances with Government Authorities		
Unsecured, considered good, unless otherwise stated		
Advances	0.22	-
Goods and Service Tax Receivable	0.01	*0.01*
Doubtful	-	*0.22*
	0.23	*0.23*
(ii) Other Loans and Advances		
Unsecured, considered good, unless otherwise stated		
Advances to Vendors	0.01	*0.42*
Other Advances	0.03	*0.11*
Doubtful	-	*1.13*
	0.04	*1.66*
Less: Impairment Allowance for Bad and Doubtful Advances	-	*1.35*
	0.04	*0.31*
	0.27	***0.54***

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WALWHAN RENEWABLE ENERGY LIMITED

12. Inventories

Accounting Policy

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

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

- Cost of inventory includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.
- Costs of inventories are determined on weighted average basis.

Net realisable value represents the estimated selling price for inventories less all estimated cost of completion and costs necessary to make the sale.

Unserviceable/damaged stores and spares are identified and written down based on technical evaluation.

	As at 31st March, 2021 ₹ crore	*As at 31st March, 2020 ₹ crore*
Inventories (lower of cost and net realisable value)		
(a) Stores and Spares		
Stores and Spare Parts	4.09	*4.06*
(b) Loose Tools	0.01	-
	4.10	***4.06***

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Walwhan Renewable Energy Limited
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13. Current Investments

	As at 31st March, 2021 Quantity	*As at 31st March, 2020 Quantity*	As at 31st March, 2021 ₹ crore	*As at 31st March, 2020 ₹ crore*
(a) Investment in Mutual Funds (quoted)				
JM Mutual Fund- Direct Growth Option	-	*16,56,808.66*	-	9.00
SBI Mutual Fund	16,969.00	-	2.50	-
Nippon Mutual Fund	4,967.90	-	5.47	-
Aditya Birla Sun Life liquid Fund	-	*6,26,119.19*	-	20.01
Tata Mutual Fund Direct Plan - Growth	-	*63,881.43*	-	20.01
Invesco India Liquid fund- Direct plan growth	-	*73,333.72*	-	20.01
			7.97	**69.03**

Notes:

1. Aggregate Market Value of Quoted Investments	7.97	*69.03*
2. Aggregate Carrying Value of Quoted Investments	7.97	*69.03*
3. Aggregate Carrying Value of Unquoted Investments	-	-

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14. Trade Receivables

(Unsecured unless otherwise stated)
(At Amortised Cost)

	As at 31st March, 2021 ₹ crore	As at 31st March, 2020 ₹ crore
Non-current Trade Receivables		
Considered Good - Unsecured	242.72	-
	242.72	**-**
Current Trade Receivables		
Considered Good - Unsecured	200.36	511.34
Having Significant Increase in Credit Risk	-	-
Credit Impaired	1.76	1.76
	202.12	513.10
Less: Allowance for Doubtful Trade Receivables	1.76	1.76
	200.36	**511.34**

Age of receivables

	As at 31st March, 2021 ₹ crore	As at 31st March, 2020 ₹ crore
Within the credit period	38.74	46.69
1-90 days past due	66.49	72.25
91-182 days past due	33.99	75.48
More than 182 days past due	303.86	316.92
	443.08	**511.34**

14.1 The average credit period is 30 to 60 days in respect of receivables pertaining to sale of power. No interest is charged on trade receivables from date of receipt of invoice by customers till the end of the credit period defined in the Power Purchase Agreement (PPA). Thereafter, interest is charged at the rates prescribed under the PPA on the outstanding balance but this interest is recognised upon an assessment of certainty of realisation.

Movement in the allowance for doubtful trade receivables

	As at 31st March, 2021 ₹ crore	As at 31st March, 2020 ₹ crore
Balance at the beginning of the year	1.76	1.76
Add: Expected credit losses for the year	-	-
Add/(Less): Specific allowance on trade receivables for the year*	-	-
Balance at the end of the year	**1.76**	**1.76**

*The credit risk is very limited due to the fact that the customers are government entities. Considering this, terms of PPA and past history, the Company has concluded that no ECL allowance needs to be recognised for overdue receivables.

14.2 Trade Receivables

The carrying amounts of the trade receivables include receivables amounting to INR 46.18 crore *(31st March 2020: INR 173.24 crore)* from Tamilnadu Generation and Distribution Corporation Limited (TANGEDCO) , which are subject to a 'bill discounting arrangement'. Under this arrangement, the Company has transferred the relevant receivables to the banks in exchange of cash and is prevented from selling or pledging the receivables. The Cost of bill discounting is to the customer's account. However, the Company has retained late payment and credit risk. The Company therefore continues to recognise the transferred assets in their entirety in its financial statements. The amount repayable under the bills discounting arrangement is presented as unsecured borrowing having recourse to the Company and interest liability on amount of bill discounted is borne by the customer. The maturity period of the transfer is 6 to 9 months from the date of discounting (For bills discounted in the previous year amounting to INR 48.57 crore maturity date was 17th June, 2020, for bills discounted amounting to INR 124.67 crore maturity date was 5th September, 2020, both are repaid on time and for bills discounted in current year amounting to INR 46.18 crore, maturity date is 21st November, 2021).

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15a. Cash and Cash Equivalents

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. Cash and cash equivalents include balances with banks which are unrestricted for withdrawal and usage.

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.

	As at 31st March, 2021 ₹ crore	*As at 31st March, 2020 ₹ crore*
Balances with Banks:		
In Current Accounts	32.27	*21.62*
In Deposit Accounts (with original maturity less than three months)	-	-
Cash and Cash Equivalents as per Balance Sheet	**32.27**	***21.62***
Cash and Cash Equivalents as per Statement of Cash Flows	**32.27**	***21.62***

Reconciliation of liabilities from Financing Activities

Particulars	As at 31st March, 2020 ₹ crore	Cash flows Proceeds ₹ crore	Cash flows Repayment ₹ crore	Non-cash Transactions	As at 31st March, 2021 ₹ crore
Non-current Borrowings (including Current Maturity of Non-current Borrowings)	3,224.52	-	(161.76)	2.28	3,065.04
Current Borrowings (excluding Bank Overdraft)	586.56	880.65	(871.93)	7.89	603.17
Lease Liability	2.84		(0.24)	0.25	2.85
Total	**3,813.92**	**880.65**	**(1,033.93)**	**10.42**	**3,671.06**

Particulars	As at 31st March, 2019 ₹ crore	Cash flows Proceeds ₹ crore	Cash flows Repayment ₹ crore	Non-cash Transactions	As at 31st March, 2020 ₹ crore
Non-current Borrowings (including Current Maturity of Non-current Borrowings)	*3,308.79*	*200.19*	*(284.15)*	*(0.31)*	*3,224.52*
Current Borrowings (excluding Bank Overdraft)	*48.00*	*1,546.83*	*(1,016.33)*	*8.06*	*586.56*
Lease Liability	-		*(0.24)*	*3.08*	*2.84*
Total	***3,356.79***	***1,747.02***	***(1,300.72)***	***10.83***	***3,813.92***

15 b. Other Balances with Banks - At Amortised Cost

	As at 31st March, 2021 ₹ crore	*As at 31st March, 2020 ₹ crore*
(a) In Earmarked Accounts	-	*2.80*
	Nil	***2.80***

16. Share Capital

	As at 31st March, 2021		*As at 31st March, 2020*	
	Number	₹ crore	*Number*	*₹ crore*
Authorised				
Equity Shares of ₹ 10/- each	88,15,30,800	881.53	*88,15,30,800*	*881.53*
Compulsory Convertible Preference Share ("CCPS") of ₹ 45.4956 each	7,00,00,000	318.47	*7,00,00,000*	*318.47*
Compulsory Convertible Preference Share ("CCPS") of ₹ 10 each	50,00,00,000	500.00	*50,00,00,000*	*500.00*
		1,700.00		***1,700.00***
Issued				
Equity shares of ₹ 10 each	61,13,55,942	611.36	*61,13,55,942*	*611.36*
Subscribed and Paid-up				
Equity shares of ₹ 10 each	61,13,55,942	611.36	*61,13,55,942*	*611.36*
Total Issued, Subscribed and fully Paid-up Share Capital		**611.36**		***611.36***

(i) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

	As at 31st March, 2021		*As at 31st March, 2020*	
	Number	₹ crore	*Number*	*₹ crore*
Equity Shares				
At the beginning of the year	61,13,55,942	611.36	*61,13,55,942*	*611.36*
Issued during the year	-	-	-	-
Outstanding at the end of the year	61,13,55,942	**611.36**	*61,13,55,942*	**611.36**

There is no movement in the issued share capital during the year

(ii) Terms/rights attached to Equity Shares

The Company has issued only one class of Equity Shares having a par value of ₹ 10/- per share. Each holder of Equity Shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

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

(iii) Details of shareholders holding more than 5% shares in the Company and details of share held by the holding company & its subsidiaries

	As at 31st March, 2021		*As at 31st March, 2020*	
	Number	% Holding	*Number*	*% Holding*
Equity Shares of ₹ 10/- each fully paid				
Tata Power Renewable Energy Limited "TPREL" "the holding company" (including 6 equity shares held by nominee shareholders on behalf of TPREL)	61,13,55,942	100.00	*61,13,55,942*	*100.00*

(iv) Details of share held by the holding company & its subsidiaries

	As at 31st March, 2021	*As at 31st March, 2020*
	Number	*Number*
Equity Shares of ₹ 10/- each fully paid		
Tata Power Renewable Energy Limited "TPREL" "the holding company" (including 6 equity shares held by nominee shareholders on behalf of TPREL)	61,13,55,942	*61,13,55,942*

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WALWHAN RENEWABLE ENERGY LIMITED

Notes to the standalone Ind AS Financial Statements

17. Other Equity

	As at 31st March, 2021 ₹ crore	*As at 31st March, 2020 ₹ crore*
Securities Premium		
Opening Balance	1,108.54	*1,108.54*
Less: Movement during the year	-	-
Closing Balance	1,108.54	*1,108.54*
Debenture Redemption Reserve		
Opening Balance	100.00	*100.00*
Add: Amount transferred from Retained Earnings	-	-
Closing Balance	100.00	*100.00*
Retained Earnings		
Opening balance	152.00	*128.21*
Add: Profit for the year	107.82	*25.07*
Other Comprehensive Income/(Expense) arising from Remeasurement of Defined Benefit Obligation (Net of Tax)	0.39	*(1.28)*
Less: Other Appropriations:		
Payment of Dividend	20.17	-
	88.04	*23.79*
Closing Balance	240.04	*152.00*
Equity Contribution- Financial guarantee		
Opening Balance	3.94	*3.94*
Add: Movement during the year	-	-
Closing Balance	3.94	*3.94*
Total	**1,452.52**	***1,364.48***

Nature and purpose of reserves

Securities Premium

Securities Premium Reserve is used to record the premium on issue of shares and is utilised in accordance with the provisions of the Companies Act, 2013.

Debenture Redemption Reserve

The Company was required to create a Debenture Redemption Reserve out of the profits which are available for payment of dividend for the purpose of redemption of debentures. Pursuant to Companies (Share Capital and Debentures) Amendment Rules, 2019 dated 16th August, 2019, the Company is not required to create Debenture Redemption Reserve (DRR). Accordingly, the Company has not created DRR during the year and DRR created till previous years will be transferred to retained earnings on redemption of debentures.

Retained Earnings

Retained Earnings are the profits of the Company earned till date net of appropriations.

Equity Contribution on financial guarantee

Equity contribution on financial guarantee pertains to financial guarantee given by The Tata Power Company Limited for issue of Non Convertible Debentures in Walwhan Renewable Energy Limited (WREL). The amount taken on the basis of valuation for benefit given by The Tata Power Company Limited to WREL in the form of guarantee.

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WALWHAN RENEWABLE ENERGY LIMITED

Walwhan Renewable Energy Limited
(Formerly known as Walwhan Renewable Energy Private Limited)
(Formerly known as Welspun Renewables Energy Private Limited)

Notes to the standalone Ind AS Financial Statements

18. Non-current Borrowings

	As at 31st March, 2021		*As at 31st March, 2020*	
	Non-current	Current * Maturities	*Non-current*	*Current * Maturities*
	₹ crore	₹ crore	*₹ crore*	*₹ crore*
(i) Unsecured - At Amortised Cost				
Debentures				
Redeemable Non-Convertible Debentures	-	1198.80	*1,197.36*	-
	-	1,198.80	*1,197.36*	-
(ii) Secured - At Amortised Cost				
Term Loans				
From Banks	1,736.83	129.41	*1,865.40*	*161.76*
	1,736.83	129.41	*1,865.40*	*161.76*
Total	**1,736.83**	**1,328.21**	***3,062.76***	***161.76***

* Amount disclosed under Other Current Financial Liabilities (Refer Note 23)

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WALWHAN RENEWABLE ENERGY LIMITED

18 Non-current Borrowings *(Contd.)*

Security

Secured - at amortised cost

Term loan from banks

Details of security of outstanding secured borrowings as on March 31, 2021 are as follows:

(i) A First pari passu charge, by way of mortgage, on all Property, plant and equipment and current assets, both present and future, of the projects.

(ii) Charge over Escrow Account where cashflows of the Project and identified subsidiaries are proposed to be routed.

Unsecured - at amortised cost

(a) Non-Convertible Debentures

8% Compulsorily Redeemable Non Convertible Debentures are guaranteed by The Tata Power Company Limited.

Terms of Repayment

₹ crore

Particulars	Amount Outstanding as at 31st March, 2021	Financial Year						
		FY 21-22	FY 22-23	FY 23-24	FY 24-25	FY 25-26	FY 26-31	FY 31-32 and onwards
(i) Secured - At Amortised Cost								
Term Loans From Banks	1,872.13	129.41	129.41	129.41	129.41	129.41	647.05	578.03
	1,872.13	**129.41**	**129.41**	**129.41**	**129.41**	**129.41**	**647.05**	**578.03**
Less: Impact of recognition of borrowing at amortised cost using effective interest method under Ind AS	(5.89)							
	1,866.24							

Notes:

1. 8% Compulsorily Redeemable Non Convertible Debentures are guaranteed by The Tata Power Company Limited. Repayable in single bullet installment in January 2022 at an annual coupon of 8.00% p.a.
2. Term loan from State Bank of India at interest rate of 7.50% p.a repayable in quarterly installments.

19 Leased Liabilities

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 stand alone price.

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, as follows:

- Land - 25 years

The Company presents right-to-use assets that do not meet the definition of investment property in 'Property, plant and equipment'.

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.

The Company presents lease liabilities in 'Non-current Financial Liabilities and Current Financial Liabilities ' in the Balance Sheet.

iii) Short term leases and leases of low value of 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.

Lessee

The Company has lease contracts for land used in its operations. Leases of land generally have lease terms between 5 months to 27 years. Generally, the Company is restricted from assigning and subleasing the leased assets.

₹ crore

Amount recognised in the Statement of Profit and Loss	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Depreciation of Right-of-use assets	0.15	0.14
Interest on lease liabilities	0.25	0.25
Expenses related to short term leases	0.33	0.34
Expenses related to leases of low value assets, excluding short term leases of low value assets	-	-
Variable lease payments not included in measurement of lease liabilities	-	-

Refer Note 5 for additions to Right-Of-Use Assets and the carrying amount of Right-Of-Use Assets as at 31st March, 2021.

₹ crore

Amount recognised in the Statement of Cash Flows	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Total cash outflow of leases	0.24	0.25

Leased Liabilities	As at 31st March, 2021 ₹ crore	As at 31st March, 2020 ₹ crore
Non-current		
(i) Leased Liabilities	2.85	2.83
	2.85	2.83
Current		
(i) Leased Liabilities	-	0.01
	-	0.01

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WALWHAN RENEWABLE ENERGY LIMITED

Walwhan Renewable Energy Limited
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Notes to the standalone Ind AS Financial Statements

20. Deferred Tax

Deferred Tax Liability

	As at 31st March, 2021 ₹ crore	*As at 31st March, 2020 ₹ crore*
Deferred Tax Assets	-	-
Deferred Tax Liabilities	137.98	*111.80*
Net Deferred Tax Assets/(Liabilities)	**(137.98)**	***(111.80)***

2020-21	Opening Balance	Recognised in Profit or Loss	Closing Balance
Deferred Tax Liabilities in relation to:			
Property, Plant and Equipment	87.80	32.11	119.91
Deferred revenue - Ind AS 115	24.00	(5.93)	18.07
	111.80	**26.18**	**137.98**
Net Deferred Tax Liabilities	**(111.80)**	**(26.18)**	**(137.98)**

2019-20	Opening Balance	Recognised in Profit or Loss	Closing Balance
Deferred Tax Assets in relation to:			
MAT Credit Entitlement	*64.26*	*(64.26)*	-
	64.26	***(64.26)***	-
Deferred Tax Liabilities in relation to:			
Property, Plant and Equipment	*70.10*	*17.70*	*87.80*
Deferred revenue - Ind AS 115	*18.09*	*5.91*	*24.00*
	88.19	***23.61***	***111.80***
Net Deferred Tax Liabilities	***(23.93)***	***(87.87)***	***(111.80)***

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WALWHAN RENEWABLE ENERGY LIMITED

21. 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 the Company will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

Present obligations arising under onerous contracts are recognised and measured as provisions with charge to statement of profit and loss. An onerous contract is considered to exist where the Company has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract.

Defined contribution plans
Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

If the contribution payable to the plan for service received before the balance sheet 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.

Defined benefits plans

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method. Remeasurements, 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 other comprehensive income (OCI) in the period in which they occur. Remeasurements are not reclassified to statement of profit and loss in subsequent periods. Past service costs are recognised in statement of profit and 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.

The cost of the defined benefit gratuity plan and other post-employment medical benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds. The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

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

Other employee benefits
A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of current employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other non-current employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

	As at 31st March, 2021 ₹ crore	*As at 31st March, 2020 ₹ crore*
Non-current		
Provision for Employee Benefits		
Compensated Absences	1.32	*1.22*
Gratuity (Net) [Refer Note 21 (2.3)]	2.80	*2.84*
Post-Employment Medical Benefits [Refer Note 21 (2.3)]	0.25	*0.28*
Other Defined Benefit Plans [Refer Note 21 (2.3)]	0.16	*0.18*
Other Employee Benefits [Refer Note 21 (2.3)]	0.06	*0.06*
	4.59	***4.58***
Current		
Provision for Employee Benefits		
Compensated Absences	0.05	*0.04*
Gratuity (Net) [Refer Note 21 (2.3)]	0.10	*0.10*
Other Defined Benefit Plans [Refer Note 21 (2.3)]	0.02	*0.02*
Total	**0.17**	*0.16*

Notes:

Provision for employee benefits includes provision for gratuity, post-employment, medical benefits, pension (including Director pension), ex-gratia death benefit and retirement gift.

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21. Provisions *(Contd.)*

Employee benefit plan

1. Defined Contribution plan

The Company makes Provident Fund and Superannuation Fund contributions to defined contribution plans for eligible employees. Under the schemes, the Company is required to contribute a specified percentage of the payroll costs. The provident fund contributions as specified under the law are paid to the Government approved provident fund trust or statutory provident fund authorities. The Company has no obligation, other than the contribution payable to the respective fund. The Company recognizes such contribution payable to the respective fund scheme as an expense, when an employee renders the related service.

The Company has recognised ₹ 0.38 crore *(31st March, 2020 - ₹ 0.44 crore)* for provident fund contributions and ₹ 0.14 crore *(31st March, 2020 - ₹ 0.14 crore)* for superannuation contributions in the Statement of Profit and Loss. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

2. Defined benefit plans

2.1 The Company operates the following unfunded/funded defined benefit plans:

Funded:

Provident Fund

The Company makes Provident Fund contributions to defined benefit plans for eligible employees. Under the scheme, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The contributions as specified under the law are paid to the provident fund set up as a trust by the Company. The Company is generally liable for annual contributions and any shortfall in the fund assets based on the government specified minimum rates of return and recognises such contributions and shortfall, if any, as an expense in the year it is incurred. Having regard to the assets of the fund and the return on the investments, the Company does not expect any shortfall in the foreseeable future.

In terms of guidance note issued by the Institute of Actuaries of India, the Actuary has provided a valuation of Provident fund liability based on the assumptions listed and determined that there is no shortfall as at 31st March, 2021.

The significant assumptions used for the purpose of the actuarial valuations were as follows:

Particulars	31st March, 2021	*31st March, 2020*
Interest rate	6.60% p.a.	*6.50% p.a.*
Contribution during the year (₹ crore)	0.38	*0.44*

Unfunded:

Post Employment Medical Benefits

The Company provides certain post-employment health care benefits to superannuated employees at some of its locations. In terms of the plan, the retired employees can avail free medical check-up and medicines at Company's facilities.

Pension (including Director pension)

The Company operates a defined benefit pension plan for employees who have completed 15 years of continuous service. The plan provides benefits to members in the form of a pre-determined lumpsum payment on retirement. Executive Director, on retirement, is entitled to pension payable for life including HRA benefit. The level of benefit is approved by the Board of Directors of the Company from time to time.

Ex-Gratia Death Benefit

The Company has a defined benefit plan granting ex-gratia in case of death during service. The benefit consists of a pre-determined lumpsum amount alongwith a sum determined based on the last drawn basic salary per month and the length of service.

Retirement Gift

The Company has a defined benefit plan granting a pre-determined sum as retirement gift on superannuation of an employee.

Funded/Unfunded:

Gratuity

The Company has a defined benefit gratuity plan. The gratuity plan is primarily governed by the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of five years are eligible for gratuity. The level of benefits provided depends on the member's length of service and salary at the retirement date. The gratuity plan is a combination of funded plan and unfunded plan for various companies in the Company. In case of funded plan, the fund has the form of a trust and is governed by Trustees appointed by the Company. The Trustees are responsible for the administration of the plan assets and for the definition of the investment strategy in accordance with the regulations. The funds are deployed in recognised insurer managed funds in India. The Company does not fully fund the liability and maintains a target level of funding to be maintained over a period of time based on estimates of expected gratuity payments.

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

Valuation as at	31st March, 2021	*31st March, 2020*
Discount Rate	6.60%	*6.50%*
Salary Growth Rate		
- Management	7.00%	*7.00%*
- Non-Management	5.00%	*5.00%*
Mortality rate	Indian Assured Lives Mortality (2006-08) (modified) Ult	*Indian Assured Lives Mortality (2006-08) (modified) Ult*
Withdrawal rate	21-44 years-2.5% 45 years and above 1%	*21-44 years-2.5% 45 years and above - 1%*
Retirement Age	60 Years	*60 Years*

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21. Provisions *(Contd.)*

2.3 Unfunded Plan - Gratuity and Other Defined Benefit Plans:	Gratuity Amount ₹ crore	Other Defined Benefit Plans Amount ₹ crore	Total Amount Amount ₹ crore
Balance as at 1st April, 2019	***2.08***	***0.46***	**2.54**
Current service cost	*0.28*	*0.11*	0.39
Past service cost	-	*0.08*	0.08
Interest Cost/(Income)	*0.15*	*0.04*	0.19
Amount recognised in Statement of Profit and Loss	***0.43***	***0.23***	***0.66***
Remeasurement (gains)/losses			
Actuarial (gains)/losses arising from changes in demographic assumptions	*0.02*	*(0.06)*	(0.03)
Actuarial (gains)/losses arising from changes in financial assumptions	*0.23*	*0.06*	0.29
Actuarial (gains)/losses arising from experience	*1.15*	*(0.13)*	1.02
Amount recognised in Other Comprehensive Income	***1.40***	***(0.13)***	***1.28***
Benefits paid	(0.12)	(0.02)	(0.14)
Acquisitions credit/(cost)	(0.85)	(0.06)	(0.91)
Balance as at 31st March, 2020	***2.94***	***0.48***	***3.43***
Balance as at 31st March, 2020	**2.94**	**0.48**	**3.43**
Current service cost	0.24	0.09	0.33
Past service cost	-	-	-
Interest Cost/(Income)	0.19	0.05	0.24
Amount recognised in Statement of Profit and Loss	**0.43**	**0.14**	**0.57**
Remeasurement (gains)/losses			
Actuarial (gains)/losses arising from changes in demographic assumptions	-	0.01	0.01
Actuarial (gains)/losses arising from changes in financial assumptions	(0.03)	(0.01)	(0.04)
Actuarial (gains)/losses arising from experience	(0.23)	(0.13)	(0.36)
Amount recognised in Other Comprehensive Income	**(0.26)**	**(0.13)**	**(0.39)**
Benefits paid	(0.05)	-	(0.05)
Acquisitions credit/(cost)	(0.16)	-	(0.16)
Balance as at 31st March, 2021	**2.90**	**0.49**	**3.39**

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21. Provisions *(Contd.)*

2.4 Sensitivity analysis

The sensitivity of the defined benefit obligations to changes in the weighted principal assumptions is:

Change in assumption			Increase in assumption			Decrease in assumption		
	31st March, 2021	***31st March, 2020***		**31st March, 2021**	***31st March, 2020***		**31st March, 2021**	***31st March, 2020***
	₹ crore	***₹ crore***		**₹ crore**	***₹ crore***		**₹ crore**	***₹ crore***
Discount rate	0.50%	*0.50%*	Decrease by	(0.16)	*(0.17)*	Increase by	0.17	*0.19*
Salary/Pension growth rate	0.50%	*0.50%*	Increase by	0.13	*0.15*	Decrease by	(0.13)	*(0.14)*
Claim rates	5%	*5%*	Decrease by	(0.25)	*0.23*	Increase by	-	*-*
Mortality rates	1 year	*1 year*	Increase by	0.01	*0.04*	Decrease by	(0.01)	*(0.03)*
Healthcare cost	0.50%	*0.50%*	Increase by	0.04	*0.01*	Decrease by	(0.03)	*(0.01)*

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

The method and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

Note : The figures in the bracket signifies reduction in liability.

2.5 The expected maturity analysis of undiscounted defined benefit obligation (Unfunded) is as follows:

	31st March, 2021	***31st March, 2020***
	₹ crore	***₹ crore***
Within 1 year	0.13	*0.12*
Between 1 - 2 years	0.13	*0.14*
Between 2 - 3 years	0.14	*0.15*
Between 3 - 4 years	0.68	*0.17*
Between 4 - 5 years	0.15	*0.50*
Beyond 5 years	3.06	*2.55*

2.6 Risk exposure:

Through its defined benefit plans, the Company is exposed to a number of risks, the most significant of which are detailed below:

Asset volatility:
The plan liabilities are calculated using a discount rate set with reference to government bond yield. If plan assets underperform this yield, it will result in deficit. These are subject to interest rate risk. To offset the risk, the plan assets have been deployed in high grade insurer managed funds.

Inflation rate risk:
Higher than expected increase in salary and medical cost will increase the defined benefit obligation.

Demographic risk:
This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligations is not straight forward and depends upon the combination of salary increase, discount rate and vesting criterion.

22. Current Borrowings

	As at 31st March, 2021 ₹ crore	*As at 31st March, 2020 ₹ crore*
(i) Unsecured - At Amortised Cost		
From Banks		
(a) Short-term Loans	46.18	*173.24*
From Related Parties	158.04	*120.96*
From Others		
(a) Commercial Papers	398.95	*292.36*
Total	**603.17**	***586.56***

Security

22.1 Terms of loan from related parties

(i) The Company has taken into Inter-Corporate deposit (ICD) with the subsidiaries of the Company repayable within 90 days from the date of year end at an interest rate of 6.65 - 11 %. The principal is payable on maturity along with interest. This ICD is unsecured.

22.2 Terms of commercial papers

During the year ended March 31, 2021, the Company has raised INR 398.95 crore through issuance of commercial papers. These commercial papers are unsecured debt, carry interest at 3.84% p.a and are redeemable after 30 days from the date of issuance.

22.3 Terms of Short Term Borrowing

The Company had availed bill discounting facility of ₹ 46.18 crore which is unsecured and backed by Corporate Guarantee of The Tata Power Company Limited (refer note 14.2).

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23. Other Financial Liabilities

	As at 31st March, 2021 ₹ crore	*As at 31st March, 2020 ₹ crore*
Current - At Amortised Cost		
(a) Current Maturities of Long-term Debt [Refer Note 18]	1,328.21	*161.76*
(b) Interest accrued but not due on Borrowings-Others	39.59	*34.60*
(c) Other Payables		
Payables for Capital Supplies and Services	10.98	*4.39*
	1,378.78	***200.75***

24. Other Liabilities

	As at 31st March, 2021 ₹ crore	As at 31st March, 2020 ₹ crore
Current		
Statutory Liabilities	1.72	1.47
Other Liabilities	0.10	0.43
	1.82	**1.90**

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WALWHAN RENEWABLE ENERGY LIMITED

Walwhan Renewable Energy Limited
(Formerly known as Walwhan Renewable Energy Private Limited)
(Formerly known as Welspun Renewables Energy Private Limited)

Notes to the standalone Ind AS Financial Statements

25. 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.

Sale of Power - Generation (Solar)
Revenue from sale of power is recognised net of estimated rebates and other similar allowances when the units of electricity is delivered at the contracted rate. The transaction price is adjusted for significant financing component, if any and the adjustment is accounted as finance cost. The group have identified supply of power over the term of PPA as a single performance obligations and is recongnising revenue over time using a single measure of progress.

The Company enters into long term agreement for sale of power to Discom at a fixed rate per unit. The management has assessed and determined that amount invoiced / to be invoiced as the agreement reflects appropriate revenue for the period except in cases here the rate per unit is not the same over life of PPA. 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 unbilled revenue / receivables when the rights become unconditional and contract liabilities are recognized as and when the performance obligation is satisfied.

Delayed payment charges
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 favorable order from regulator / authorities. The management has assessed that the company will meet Ind AS 115 criteria for revenue recognition in respect of delay payment charge only at his stage.

Unbilled revenue
Unbilled revenue represents services rendered by the Company but not invoiced as at balance sheet date. The Company presents such unbilled revenue as financial asset if it has unconditional right to receive and billing is dependent only on the passage of time. If unconditional right to receive does not exist, then amount is presented as non-financial asset. Unbilled revenue represents services rendered by the Company but not invoiced as at balance sheet date.

The transaction price for long term power purchase agreements is determined based on the expected plant load factor at the per unit rate of electricity for each year over the contract period. The transaction price is adjusted for significant financing component, if any and the adjustment is accounted as finance cost.

Credit Risk policy:
Financial asset for which loss allowance is measured using lifetime expected credit losses:

The Company has customers (state government utilities) with capacity to meet the obligations and therefore the risk of default is negligible or nil. Further the management believes that the unimpaired amounts that are past due by more than 30 days continue to be collectible in full, based on historical payment behavior, extensive analysis of customer credit risk, applicability of delayed payment charges prescribed in the power purchase agreement (PPA) and other related factors. Hence, no impairment loss has been recognised during the reporting periods in respect of trade receivables.

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WALWHAN RENEWABLE ENERGY LIMITED

25. Revenue from Operations (Contd.)

	For the year ended 31st March, 2021 ₹ crore	*For the year ended 31st March, 2020 ₹ crore*
(a) Sale of Electricity	374.94	*397.27*
Less: Rebate/ Discount	(0.73)	*(4.97)*
	374.21	*392.30*
(b) Other Operating Revenue		
Compensation income	(0.01)	*0.76*
Miscellaneous Revenue	0.01	*3.07*
	-	*3.83*
	374.21	***396.13***

Details of Revenue from contract with customers

Particulars	For the year ended 31st March, 2021 ₹ crore	*For the year ended 31st March, 2020 ₹ crore*
Revenue from power supply (net of cash discount)	374.21	*392.30*
Less : Significant financing expense component (net of finance income)	(11.61)	*(10.28)*
Add : Rebate/ Discount	0.73	*4.97*
Total revenue as per contracted price	**363.33**	***386.99***

Disclosure on Transaction Price - Remaining Performance Obligation

The remaining performance obligation disclosure provides the aggregate amount of the transaction price yet to be recognized as at the end of the reporting period and an explanation as to when the Company expects to recognize these amounts in revenue.

	For the year ended 31st March, 2021 ₹ crore	*For the year ended 31st March, 2020 ₹ crore*
Revenue from Power Supply to be recognised		
Within one year	105.23	105.45
Beyond one year	1,990.42	2,100.38
Total	**2,095.65**	***2,205.83***

Contract balances

	As at 31st March, 2021 ₹ crore	*As at 31st March, 2020 ₹ crore*
Contract assets		
- Deferred revenue to customers	104.47	*95.34*
Total Contract assets	**104.47**	***95.34***

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25. Revenue from Operations (Contd.)

	As at 31st March, 2021 ₹ crore	*As at 31st March, 2020 ₹ crore*
Receivables		
Trade receivables (Gross)	444.84	*513.10*
Unbilled revenue	39.59	*39.97*
Less : Allowances for doubtful trade receivable	(1.76)	*(1.76)*
Net receivables	**482.67**	***551.31***

Contract asset is the right to consideration in exchange for goods or services transferred to the customer. Contract assets are transferred to receivables when the rights become unconditional.

Significant changes in the contract assets balances during the year are as follows:

	For the year ended 31st March, 2021 ₹ crore	*For the year ended 31st March, 2020 ₹ crore*
Opening Balance	95.34	*81.11*
Interest income/ (expense) for the year	11.61	*10.28*
Revenue recognised during the year from the balance at the beginning of the year	(2.48)	*3.95*
Electricity Consumption	-	*-*
Closing balance	**104.47**	***95.34***

Disaggregation of Revenue

The Company has a single stream of revenue i.e. sale of power

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26. Other Income

Accounting Policy

Rendering of services
Revenue from services also comprises business support services incurred for other companies charged at cost and are recognised as and when these services are rendered.

Dividend and Interest income
Dividend income from investments is recognised when the shareholder's right to receive payment has been established.

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.

	For the year ended 31st March, 2021 ₹ crore	*For the year ended 31st March, 2020* ₹ crore
(a) Interest Income		
(i) On Financial Assets held at Amortised Cost		
Interest on Banks Deposits	0.23	-
Interest on Loans to related party	149.31	*137.90*
Interest on deferred revenue	11.61	*10.28*
	161.15	148.18
(ii) Others		
Interest on Income-tax Refund	1.95	*1.58*
	163.10	149.76
(b) Dividend Income		
From Non-current Investments		
Subsidiaries	13.11	-
	13.11	-
(c) Gain/(Loss) on Investments		
Gain on Sale of Current Investment measured at FVTPL	0.97	*0.75*
	0.97	0.75
(d) Other Non-operating Income		
Gain/(Loss) on Disposal of Property, Plant and Equipment (Net)	0.03	*0.25*
Other Income (Business Support Income)	1.17	*1.76*
Reversal of Impairment Allowance for Doubtful Debts and Advances	1.44	*1.30*
	2.64	3.31
Total	**179.82**	***153.82***

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27. Employee Benefits Expense

	For the year ended 31st March, 2021 ₹ crore	*For the year ended 31st March, 2020 ₹ crore*
Salaries and Wages	9.39	*13.46*
Contribution to Provident Fund	0.38	*0.44*
Contribution to Superannuation Fund	0.14	*0.14*
Gratuity	0.45	*0.43*
Leave Encashment Scheme	0.43	*0.65*
Pension	0.18	*0.18*
Staff Welfare Expenses	1.17	*1.01*
Total	**12.14**	***16.31***

28. 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 statement of profit and loss in the period in which they are incurred.

	For the year ended 31st March, 2021 ₹ crore	*For the year ended 31st March, 2020 ₹ crore*
(a) Interest Expense:		
On Borrowings At Amortised Cost		
Interest on Debentures	97.18	*97.70*
Interest on Loans - Banks & Financial Institutions	161.23	*185.76*
Interest on borrowings - Related parties	14.84	*6.08*
Interest on borrowings - Commercial paper	7.90	*8.06*
Interest on Lease Liabilities	0.25	*0.25*
	281.40	*297.85*
(b) Other Borrowing Cost:		
Other Finance Costs	1.80	*0.67*
Foreign Exchange Loss/(Gain) on Borrowings (Net)	-	*(1.11)*
	1.80	*(0.44)*
	283.20	***297.41***

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29. Other Expenses

	For the year ended 31st March, 2021 ₹ crore	*For the year ended 31st March, 2020 ₹ crore*
Consumption of Stores, Oil, etc.	0.20	*0.68*
Rental of Buildings and Plant and Equipment	0.09	*0.23*
Repairs and Maintenance -		
(i) To Buildings and Civil Works	0.18	*0.66*
(ii) To Machinery and Hydraulic Works	2.86	*2.80*
(iii) To Furniture, Vehicles, etc.	-	*0.06*
	3.04	*3.52*
Cost of Services Procured	9.83	*11.08*
Rates and Taxes	2.27	*1.36*
Insurance	2.79	*1.08*
Other Operation Expenses	6.60	*6.63*
Travelling and Conveyance Expenses	0.94	*1.23*
Consultants' Fees	1.39	*1.35*
Auditors' Remuneration [Refer Note (i) below]	0.36	*0.27*
Legal Charges	1.16	*1.31*
Corporate Social Responsibility Expenses [Refer Note (ii) below]	2.51	*1.82*
Miscellaneous Expenses	1.77	*0.70*
	32.95	***31.26***

(i) Payment to the auditors

	For the year ended 31st March, 2021 ₹ crore	*For the year ended 31st March, 2020 ₹ crore*
For Statutory Audit	0.12	*0.08*
For Taxation Matters	0.04	*0.04*
For Other Services	0.18	*0.13*
Reimbursement of Expenses	0.02	*0.02*
Total	**0.36**	***0.27***

(ii) Corporate Social Responsibility Expenses

	For the year ended 31st March, 2021 ₹ crore	*For the year ended 31st March, 2020 ₹ crore*
Contribution to Tata Power Community Development Trust	2.51	*1.57*
Expenses incurred by the Company	-	*0.25*
	2.51	**1.82**
Amount required to be spent as per section 135 of the Act	2.51	*1.82*
Amount spent during the year on:		
(a) Construction/Acquisition of asset	-	
(b) On purposes other than (a) above	2.51	*1.82*

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Walwhan Renewable Energy Limited
(Formerly known as Walwhan Renewable Energy Private Limited)
(Formerly known as Welspun Renewables Energy Private Limited)

Notes to the standalone Ind AS Financial Statements

30 Income taxes

Accounting Policy

Current Tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the respective subsidiary companies operates and generates taxable income.

Current income tax relating to items recognised outside statement of profit and loss is recognised outside statement of profit and 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.

Deferred Tax

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

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

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.
Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

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.

(a) Income taxes recognised in statement of profit and loss

	For the year ended 31st March, 2021	*For the year ended 31st March, 2020*
	₹ crore	*₹ crore*
Current tax	1.69	*(1.56)*
Current tax in respect of previous year	(3.57)	-
Deferred tax	26.18	*14.36*
Remeasurement of deferred tax on account of new regime	-	*73.51*
Total income tax expense recognised in the current year	**24.30**	***86.31***

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30 Income taxes

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

	For the year ended 31st March, 2021 ₹ crore	*For the year ended 31st March, 2020 ₹ crore*
Profit before tax	132.12	*111.38*
Profit before tax considered for tax working	**132.12**	***111.38***
Income tax expense is calculated at 25.17% for both FY 2020-21 and FY 2019-20	33.25	*28.03*
Add/(Less) tax effect on account of :		
Impact of new tax rate adoption		
MAT write-off	-	*64.26*
80-IA and related impact	-	*42.03*
Rate Change	-	*(32.78)*
Exempt Income	-	-
Effect of movement of tax on which no deferred tax was recognised or adjustment arising in current year	(1.15)	-
Effect of non-taxable income	(1.22)	*(1.81)*
Forex Capitalization	-	*(14.61)*
Effect of movement in deferred tax not recognised - Forex and other true up	(0.92)	-
Effect of Long term Capital Gain	-	*(0.02)*
Effect of deduction under chapter VI	(3.33)	-
Effect of expenses that are not deductible in determining taxable profit	1.24	*3.13*
Effect of Other Items - Earlier years and others	(3.57)	*(1.92)*
	24.30	***86.31***
Tax expense	24.30	*86.31*
Income tax expense recognised in statement of profit and loss	**24.30**	***86.31***

Notes:

a. The tax rate used for the years 2020-21 and 2019-20 reconciliation above is the corporate tax rate of 25.17% payable by corporate entities in India on taxable profits under the Indian tax law.

b. During the previous year, the Company had elected to exercise the option given under section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019 (since replaced by the Taxation Laws (Amendment) Act, 2019). Accordingly, the Company had recognised Current Tax for the year and re-measured its Deferred Tax Liability basis the rate prescribed in the said Amendment. Consequently, the Company was not entitled to carry forward MAT credit nor the Company was allowed to Tax Holiday under section 80-IA of the Income-tax Act. This had resulted in write-off of MAT credit amounting to INR 64.26 crores, recognition of Deferred Tax Liability (DTL) for temporary differences reversing in the erstwhile Tax Holiday Period INR 42.03 Crores and reduction of deferred tax liability by INR 32.78 crore during the previous year. The tax charge for the previous year have increased by INR 73.51 crores.

(b) Income tax recognised in other comprehensive income

	For the year ended 31st March, 2021 ₹ crore	*For the year ended 31st March, 2020* ₹ crore
Current tax		
Remeasurement of Defined Benefit Plan	-	-
	-	-

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WALWHAN RENEWABLE ENERGY LIMITED

Walwhan Renewable Energy Limited
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Notes to the standalone Ind AS Financial Statements

31. Earnings 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 (after adjustment for income in respect of dilutive potential ordinary shares) 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.

The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

	For the year ended 31st March, 2021 ₹ crore	*For the year ended 31st March, 2020 ₹ crore*
Earnings Per Share		
Profit/(Loss) for the year attributable to owners of the company	107.82	*25.07*
Weighted average no. of equity shares for Basic and Diluted EPS	**61,13,55,942**	***61,13,55,942***
Earnings Per Share		
- Basic and Diluted (In ₹)	**1.76**	***0.41***

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32 Related Party Disclosures:

Disclosure as required by Ind AS 24 - "Related Party Disclosures" are as follows:
Names of the related parties and description of relationship:

(a) Related parties where control exists:

(i) Ultimate Holding Company

The Tata Power Company Limited (TPCL)

(ii) Holding Company

Tata Power Renewable Energy Limited (TPREL)

(iii) Subsidiaries

1 Northwest Energy Private Limited (NEPL)
2 Clean Sustainable Solar Energy Private Limited (CSSEPL)
3 Walwhan Solar BH Limited (formerly known as Walwhan Solar BH Private Limited and formerly known as Welspun Energy Jharkhand Private Limited)
4 Walwhan Solar MH Limited (formerly known as Walwhan Solar MH Private Limited and Welspun Energy Maharashtra Private Limited)
5 Walwhan Solar AP Limited (formerly known as Walwhan Solar AP Private Limited and Welspun Solar AP Private Limited)
6 Walwhan Solar Raj Limited (formerly known as Walwhan Solar Raj Private Limited and Viraj Renewables Energy Private Limited)
7 Walwhan Solar Energy GJ Limited(formerly known as Walwhan Solar Energy GJ Private Limited and Unity Power Private Limited)
8 Walwhan Solar MP Limited (formerly known as Walwhan Solar MP Private Limited and Welspun Solar Madhya Pradesh Private Limited)
9 Walwhan Solar KA Limited (formerly known as Walwhan Solar KA Private Limited and Welspun Solar Kannada Private Limited)*
10 Walwhan Energy RJ Limited (formerly known as Walwhan Energy RJ Private Limited and Welspun Solar Rajasthan Private Limited)
11 Walwhan Solar RJ Limited (formerly known as Walwhan Solar RJ Private Limited and Welspun Solar UP Private Limited)
12 Walwhan Urja India Limited (formerly known as Welspun Urja India Limited)
13 Dreisatz Mysolar24 Private Limited (DMPL)
14 MI Mysolar24 Private Limited (MMPL)
15 Walwhan Solar PB Limited (formerly known as Walwhan Solar PB Private Limited and Welspun Solar Punjab Private Limited)
16 Walwhan Solar TN Limited (formerly known as Walwhan Solar TN Private Limited and Welspun Solar Tech Private Limited)
17 Walwhan Wind RJ Limited (formerly known as Walwhan Wind RJ Private Limited and Welspun Energy Rajasthan Private Limited)
18 Walwhan Urja Anjar Limited (formerly known as Walwhan Urja Anjar Private Limited and Welspun Urja Gujarat Private Limited)
19 Solarsys Renewable Energy Private Limited (SREPL)

* Holding through other subsidiaries

(b) Other related parties (where transactions have taken place during the year or previous year / balances outstanding) :

Fellow Subsidiary companies

1 Tata Power Trading Company Limited
2 TP Ajmer Distribution Limited
3 Tata Power Solar System Limited
4 Maithon Power Limited
5 Coastal Gujarat Power Limited
6 Powerlinks Transmission Limited
7 Poolawadi Windfarm Limited
8 Tata Power Renewable Microgrid Limited
9 TP Southern Odisha Distribution Limited
10 TP Central Odisha Distribution Limited

(c) Subsidiaries of Promoter Group (where transactions have taken place):

1 Tata AIG General Insurance Company Limited
2 Tata Consulting Engineers Limited
3 Tata Capital Financial Services Limited
4 Infiniti Retail Limited

(d) Key Management Personnel

1 Ashwinikumar Patil - (KMP w.e.f June 13th 2020)
2 Mahesh Dinkar Paranjpe (KMP upto June12th 2020)
3 Behram Mehta - Chief Financial Officer
4 Santosh C. R. - Company Secretary

(e) Directors

1 Zarir Panthaky
2 Ashish Khanna
3 Sanjay Bhandarkar
4 Anjali Kulkarni
5 Mr. Mahesh Paranjpe (01.04.2020 upto 12.06.2020)

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WALWHAN RENEWABLE ENERGY LIMITED

32. Related Party Disclosures.....(Contd.)

Details of Transactions:

₹ crore

Particulars	Year	Subsidiaries	Holding Company	Ultimate Holding Company	Fellow Subsidiary companies	Subsidiaries of Promoter Group	KMP's and directors	Total
Interest on borrowing from related parties	2021	11.79	-	3.05	-	-	-	14.84
	2020	*4.73*	-	*1.08*	*0.27*	-	-	*6.08*
Interest income on inter corporate deposit	2021	138.05	0.33	1.38	9.55	-	-	149.31
	2020	*137.06*	*0.31*	*0.28*	*0.26*	-	-	*137.90*
Dividend Income	2021	13.11	-	-	-	-	-	13.11
	2020	-	-	-	-	-	-	-
Dividend Paid	2021	-	20.17	-	-	-	-	20.17
	2020	-	-	-	-	-	-	-
Guarantee Commission expense	2021	-	-	0.92	-	-	-	0.92
	2020	-	-	*0.88*	-	-	-	*0.88*
Lease Rent & Common expenses incurred on behalf of company by	2021	-	-	0.73	-	-	-	0.73
	2020	-	-	*0.80*	-	-	-	*0.80*
Business support income from	2021	1.17	-	-	-	-	-	1.17
	2020	*1.76*	-	-	-	-	-	*1.76*
Remuneration paid	2021	-	-	-	-	-	1.63	1.63
	2020	-	-	-	-	-	*1.47*	*1.47*
Long-term loans and advances given to	2021	88.51	-	-	-	-	-	88.51
	2020	*142.77*	-	-	-	-	-	*142.77*
Long-term loans and advances received back from	2021	201.52	-	-	-	-	-	201.52
	2020	*195.82*	-	-	-	-	-	*195.82*
Current Loans and advances given to	2021	102.20	40.00	598.04	75.05	-	-	815.29
	2020	*494.91*	*242.50*	*233.40*	*50.00*	-	-	*1,020.81*
Current Loans and advances received back from	2021	275.72	82.50	160.84	-	-	-	519.06
	2020	*189.51*	*200.00*	*233.40*	*27.79*	-	-	*650.70*
Current Borrowing taken	2021	91.27	-	269.50	-	-	-	360.77
	2020	*147.79*	-	*241.50*	*400.00*	-	-	*789.29*
Current Borrowing Repayment	2021	54.19	-	269.50	-	-	-	323.69
	2020	*44.83*	-	*271.50*	*400.00*	-	-	*716.33*
Amount paid by the Company on behalf of other Company (net of taxes)	2021	6.49	0.01	-	-	-	-	6.50
	2020	*0.06*	-	*3.11*	-	-	-	*3.16*
Transfer of performance pay from	2021	-	-	-	0.04	-	-	0.04
	2020	-	-	-	-	-	-	-
Transfer of performance pay to	2021	-	0.05	-	0.09	-	-	0.14
	2020	-	-	-	-	-	-	-
Transfer of long-term retirement benefit scheme from	2021	-	-	0.09	0.13	-	-	0.22
	2020	*0.04*	*0.06*	*0.95*	*0.22*	-	-	*1.27*
Transfer of long-term retirement benefit scheme to	2021	-	0.18	0.06	0.35	-	-	0.59
	2020	*0.00*	*0.92*	*1.05*	*0.63*	-	-	*2.61*
Purchase of capital assets/ goods from (inclusive of taxes)	2021	-	-	-	11.38	0.12	-	11.50
	2020	-	-	-	*0.51*	-	-	*0.51*
Services Received from other company	2021	-	-	0.42	0.07	2.19	-	2.68
	2020	-	-	*0.33*	*0.06*	*0.90*	-	*1.29*
Additional Corporate Guarantee Given on behalf of the company	2021	-	-	46.18	-	-	-	46.18
	2020	-	-	*173.24*	-	-	-	*173.24*
Corporate Guarantee Cancelled	2021	-	-	173.24	-	-	-	173.24
	2020	-	-	*223.99*	-	-	-	*223.99*

32. Related Party Disclosures.....(Contd.)

₹ crore

	Year	Subsidiaries	Holding Company	Ultimate Holding Company	Fellow Subsidiary companies	Subsidiaries of Promoter Group	KMP's and directors	Total
Balances outstanding								
Other receivables	2021	8.48		0.12	0.13	-	-	8.73
	2020	*6.46*	-	*0.34*	-	-	-	*6.80*
Current Borrowing	2021	158.04	-	-	-	-	-	158.04
	2020	*120.96*	-	-	-	-	-	*120.96*
Non-current loans and advances	2021	1,114.62	-	-	-	-	-	1,114.62
	2020	*1,222.79*	-	-	-	-	-	*1,222.79*
Investment portion of interest free loans to related parties	2021	185.83	-	-	-	-	-	185.83
	2020	*185.83*	-	-	-	-	-	*185.83*
Current loans and advance	2021	255.22	-	437.20	125.05	-	-	817.47
	2020	*428.75*	*42.50*	-	*50.00*	-	-	*521.25*
Interest income accrued on inter corporate deposit	2021	125.93	-	0.36	8.99	-	-	135.28
	2020	*119.27*	*0.12*	-	*0.16*	-	-	*119.54*
Interest accrued but not due	2021	11.68	-	-	-	-	-	11.68
	2020	*4.27*	-	-	-	-	-	*4.27*
Security deposits given	2021	-	-	-	0.02	-	-	0.02
	2020	-	-	-	*0.02*	-	-	*0.02*
Corporate Guarantees issued to banks on behalf of company by	2021	-	-	-	-	-	-	-
	2020	-	-	*1,450.51*	-	-	-	*1,450.51*
Corporate Guarantees issued by the company on behalf of	2021	486.43	-	-	-	-	-	486.43
	2020	*545.69*	-	-	-	-	-	*545.69*
Capital payables	2021	-	-	-	11.38	-	-	11.38
	2020	-	-	-	-	-	-	-
Trade payables	2021	-	0.10	1.00	0.31	-	-	1.41
	2020	-	-	*0.95*	*0.63*	-	-	*1.59*

Previous year's figures are in italics.

Notes:

1. All outstanding balances are unsecured.

* Key Managerial Personnel are entitled to post-employment benefits and other long term employee benefits recognised as per Ind AS 19 - 'Employee Benefits' in the financial statements. As these employee benefits are lump sum amounts provided on the basis of actuarial valuation, the same is not included above.

Previous year's figures are in italics.

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33 Financial Instruments

33.1 Fair values

Set out below, is a comparison by class of the carrying amount and fair value of the financial instruments:

	Carrying value		Fair Value	
	31st March, 2021	31st March, 2020	31st March, 2021	31st March, 2020
	₹ crore	₹ crore	₹ crore	₹ crore
Financial assets				
Cash and Cash Equivalents *	32.27	21.62	32.27	21.62
Other Balances with Banks *	-	2.80	-	2.80
Trade Receivables*	443.08	511.34	443.08	511.34
Unbilled Revenues*	39.59	39.97	39.59	39.97
Long Term Loans given	1,114.62	1,222.79	1,114.62	1,222.79
Other Loans *	818.08	527.10	818.08	527.10
FVTPL Financial Investments	7.97	69.03	7.97	69.03
Other Financial Assets*	248.28	223.56	248.28	223.56
Total	**2,703.89**	**2,618.21**	**2,703.89**	**2,618.21**
Financial liabilities				
Trade Payables*	14.09	12.95	14.09	12.95
Fixed rate Borrowings (including Current Maturities)*	1,755.79	1,610.68	1,780.97	1,627.00
Floating rate Borrowings (including Current Maturities)*	1,866.24	2,027.16	1,866.24	2,027.16
Bill Discounting*	46.18	173.24	46.18	173.24
Lease Liabilities	2.85	2.84	2.85	2.84
Other Financial Liabilities*	50.57	38.99	50.57	38.99
	3,735.72	**3,865.86**	**3,760.90**	**3,882.18**

** At Amortised cost*
# other than investments in subsidiaries, associates and joint ventures accounted at cost in accordance with Ind AS 27

Notes: The management has assessed that cash and cash equivalents, other balances with bank, trade receivables, other loans, unbilled revenues, trade payables, 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. The following methods and assumptions were used to estimate the fair values.

- Fair value of the mutual funds are based on the price quotations near the reporting date.
- The Company enters into derivative financial instruments with various counterparties, principally banks and financial institutions with investment grade credit ratings. Interest rate swaps, foreign exchange forward and option contracts are valued using valuation techniques, which employs the use of market observable inputs. The most frequently applied valuation techniques include forward pricing and swap models 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 and forward rate curves of the underlying currency. All derivative contracts are fully collateralized, thereby, eliminating both counterparty and the Company's own non-performance risk. As at 31st March, 2020, the marked-to-market value of derivative asset positions is net of a credit valuation adjustment attributable to derivative counterparty default risk. The change in counterparty credit risk had no material effect on the hedge effectiveness assessment for derivatives designated in hedge relationships and other financial instruments recognized at fair value. As at 31st March, 2021, there are no outstanding derivative financial instruments.
- Does not include investment in subsidiaries of Rs. 1148.54 which is being carried at cost

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33 Financial Instruments (Contd.)

33.2 Fair value hierarchy

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:

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

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 borrowings (fixed and floating rate)

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.

The following table summarizes financial assets and liabilities measured at fair value on a recurring basis and financial assets that are not measured at fair value on a recurring basis (but fair value disclosures are required) :

	Date of valuation	Fair value hierarchy as at 31st March, 2021			
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total ₹ crore
Asset measured at fair value					
FVTPL Financial Investments	31st March, 2021	7.97	-	-	7.97
Asset for which fair value is disclosed					
Other non-current Financial Assets	31st March, 2021	-	1,219.54	-	1,219.54
		7.97	1,219.54	-	1,227.51
Liabilities for which fair values are disclosed					
Fixed rate Borrowings	31st March, 2021	1,223.98	556.99	-	1,780.97
Floating rate Borrowings `	31st March, 2021	-	1,866.24	-	1,866.24
Total		1,223.98	2,423.23	-	3,647.21

	Date of valuation	Fair value hierarchy as at 31st March, 2020			
		Quoted prices in active markets (Level 1)	*Significant observable inputs (Level 2)*	*Significant unobservable inputs (Level 3)*	*Total ₹ crore*
Asset measured at fair value					
FVTPL Financial Investments	31st March, 2020	*69.03*	-	-	*69.03*
Asset for which fair value is disclosed					
Other non-current Financial Assets			*1,318.56*		*1,318.56*
		69.03	*1,318.56*	-	*1,387.59*
Liabilities for which fair values are disclosed					
Fixed rate Borrowings	31st March, 2020	*1,213.68*	*413.32*	-	*1,627.00*
Floating rate Borrowings	31st March, 2020	-	*2,027.16*	-	*2,027.16*
Total		*1,213.68*	*2,440.48*	-	*3,654.16*

Notes :

- **Borrowing**: Long-term fixed-rate and floating-rate borrowings (including current maturities) are evaluated by the Company based on parameters such as interest rates, specific country risk factors, credit risk and the risk characteristics of the financed project. The fair value is determined using the discounted cash flow method. The future cash flows are based on terms of the borrowing. These cash flows are discounted at a rate that reflects current market rate and the current credit risk.

Loan: The fair value of loans given is determined using the discounted cash flow method Future cashflows are based on the terms of loan. Cashflows are discounted at the current market rate reflecting current market and credit risks.

The carrying amounts of cash and cash equivalents, other bank balance, trade receivable, unbilled revenue, current loan, other financial assets, trade payable and other financial liabilities are considered to be the same as their fair value due to their short term nature.

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33.3 Capital Management & 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's policy is to keep the gearing ratio between 60% and 75% at consolidated level. 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: **₹ crore**

Particulars :	31st March, 2021	*31st March, 2020*
Debt (i)	3,707.80	*3,845.68*
Less: Cash and Bank balances	32.27	21.62
Net debt	3,675.53	*3,824.06*
Total Capital (ii)	2,063.88	*1,975.84*
Capital and net debt	**5,739.41**	***5,799.90***
Net debt to Total Capital plus net debt ratio (%)	64.04	*65.93*

(i) Debt is defined as Non-current borrowings (including current maturities) and Current borrowings (excluding derivative, financial guarantee contracts and contingent considerations) and interest accrued on Non-current and Current borrowings.

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

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements.

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

33.4 Financial risk management objectives and policies

The Company principal financial liabilities, comprise borrowings, trade and other payables, financial guarantee contracts and other financial liabilities. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations. The Company's principal financial assets include loans, trade and other receivables, cash and cash equivalents, other bank balances, unbilled receivables and other financial assets that derive directly from its operations. The Company also holds FVTPL investments and enters into derivative transactions.

The Company is exposed to market risk, credit risk and liquidity risk The Company's senior management oversees the management of these risks. The Company's senior management is supported by a risk committee that reviews the financial risks and the appropriate financial risk governance framework for the Company The Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. All derivative activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. It is the Company's policy that no trading in derivatives for speculative purposes may be undertaken. The risk management policy is approved by the board of directors, which are summarized below.

33.4.1 Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of three types of risk: currency risk, interest rate risk and equity price risk. The impact of equity price risk is not material. Financial instruments affected by market risk include loans and borrowings, derivative financial instruments.

The sensitivity analysis in the following sections relate to the position as at 31st March, 2021 and 31st March, 2020.

The sensitivity analysis have been prepared on the basis that the amount of net debt, the ratio of fixed to floating interest rates of the debt and derivatives and the proportion of financial instruments in foreign currencies are all constant and on the basis of hedge designations.

a. Foreign currency risk management

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The results of the Company's operations can be affected as the rupee appreciates/depreciates against these currencies. The Company enters into derivative financial instruments such as foreign exchange forward and Currency & Interest Swaps to mitigate the risk of changes in exchange rates on foreign currency exposures.

The following table analyzes foreign currency assets and liabilities on balance sheet dates:

Foreign Currency Liabilities	31st March, 2021		*31st March, 2020*	
	Foreign Currency (in Million)	₹ crore	*Foreign Currency (in Million)*	*₹ crore*
In EURO	-	0.02	-	*0.01*

33. Financial Instruments (Contd.)

(i) Foreign currency sensitivity analysis

The following tables demonstrate the sensitivity to a reasonably possible change in EURO exchange rates, with all other variables held constant. The impact on the Company's profit before tax and pre-tax equity is due to changes in the fair value of monetary assets and liabilities including non-designated foreign currency forward and option contracts given as under.

₹ crore

		Effect on profit before tax	Effect on pre-tax equity
As of 31st March, 2021	Rupee depreciate by ₹ 1 against EURO	-	-
	Rupee appreciate by ₹ 1 against EURO	-	-
As of 31st March, 2020	Rupee depreciate by ₹ 1 against EURO	-	-
	Rupee appreciate by ₹ 1 against EURO	-	-

Notes:

1) +/- Gain/Loss
2) The impact of depreciation/ appreciation on foreign currency other than EURO on profit before tax of the Company is not material.

(ii) Derivative financial instruments

The company does not have any derivative financial instruments as on 31st March 2021 and 31st March 2020.

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b. Interest rate risk management

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

The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings. The Company's policy is to keep up to 50% of its borrowings at fixed rates of interest. To manage this, the Company enters into fixed rate loan, Bonds and interest rate swaps, in which it agrees to exchange, at specified intervals, the difference between fixed and variable rate interest amounts calculated by reference to an agreed-upon notional principal amount.

(i) Interest rate sensitivity:

The sensitivity analysis below have been determined based on exposure to interest rates for term loans and debentures at the end of the reporting period and the stipulated change taking place at the beginning of the financial year and held constant throughout the reporting period in case of term loans and debentures that have floating rates.

If the interest rates had been 50 basis points higher or lower and all the other variables were held constant, the effect on Interest expense for the respective financial years and consequent effect on Company's profit in that financial year would have been as below:

₹ crore

	As of 31st March, 2021		As of 31st March, 2020	
	50 bps increase	50 bps decrease	50 bps increase	50 bps decrease
Interest expense on loan	9.33	(9.33)	*10.14*	*(10.14)*
Effect on profit before tax	(9.33)	9.33	*(10.14)*	*10.14*

(ii) Interest rate swap contracts:

An interest rate swap is an agreement between two counterparties in which one stream of future interest payments is exchanged for another based on a specified principal amount. Interest rate swaps usually involve the exchange of a fixed interest rate for a floating rate, or vice versa, to reduce or increase exposure to fluctuations in interest rates or to obtain a marginally lower interest rate than would have been possible without the swap. Interest rate swaps are the exchange of one set of cash flows for another.

There are no such outstanding contracts as on 31st March 2021 and 31st March 2020.

33.4.2 Credit risk management

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities including loans, foreign exchange transactions and other financial instruments. The Company generally deals with parties which has good credit rating/ worthiness given by external rating agencies or based on Company's internal assessment as listed below:

₹ crore

	31st March, 2021	*31st March, 2020*
Trade Receivables	443.08	*511.34*
Loans	1,932.70	*1,749.89*
Other Financial Assets	248.28	*223.56*
Unbilled Revenue	39.59	*39.97*
Total	**2,663.65**	***2,524.76***

a) The trade receivables as stated above are due from the Discoms & are under normal course of Business & as such the Company believes exposure to credit risk to be minimal (Refer Note no.14 for Trade Receivables)

The Company has not acquired any credit impaired asset. There was no modification in any financial assets.

b) Loans are given to related party for short term purposes. Accordingly, no credit risk has been envisaged.

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33 Financial Instruments (Contd.)

33.4.3 Liquidity risk management

The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities. The Company has access to a sufficient variety of sources of funding and debt maturing within 12 months can be rolled over with existing lenders.

The table below summarizes the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

₹ crore

	Up to 1 year	1 to 5 years	5+ years	Total	Carrying Amount
31st March, 2021					
Financial Liabilities					
Borrowings #	1,886.40	517.64	1,225.09	3,629.13	3,622.03
Bill Discounting	-	-	-	-	46.18
Future Interest	216.71	450.27	447.17	1,114.15	-
Trade Payables	14.09	-	-	14.09	14.09
Other Financial Liabilities	50.57	-	-	50.57	50.57
Lease Liabilities	0.27	1.06	5.13	6.46	2.85
Total Financial Liabilities	**2,168.04**	**968.97**	**1,677.39**	**4,814.40**	**3,735.72**
31st March, 2020					
Financial Liabilities					
Borrowings #	582.73	1,717.64	1,354.49	3,654.86	3,637.84
Bill Discounting	-	-	-		173.24
Future Interest	246.73	643.79	609.88	1,500.40	-
Trade Payables	12.95	-	-	12.95	12.95
Other Financial Liabilities	38.99	-	-	38.99	38.99
Lease Liabilities	0.24	1.06	5.40	6.70	2.84
Total Financial Liabilities	**881.64**	**2,362.49**	**1,969.77**	**5,213.90**	**3,865.86**

\# The table has been drawn up based on the undiscounted contractual maturities of the financial liabilities including interest that will be paid on those liabilities up to the maturity of the instruments, ignoring the call and refinancing options available with the Company. The amounts included above for variable interest rate instruments is subject to change if changes in variable interest rates differ to those estimates of interest rates determined at the end of the reporting period.

33.4.4 Financing Facilities

₹ crore

	March 31, 2021	*March 31, 2020*
Secured bank loan facility :		
Amount used	*2,186.00*	*2,186.00*
Amount unused	-	-

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34. Micro and small enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 have been determined based on the information available with the Company and the required disclosures are given below:

		31st March, 2021 ₹ crore	31st March, 2020 *₹ crore*
(a)	Principal amount remaining unpaid as on 31st March	0.12	*0.28*
(b)	Interest due thereon as on 31st March @	-	-
(c)	The amount of Interest paid along with the amounts of the payment made to the supplier beyond the appointed day @	-	-
(d)	The amount of Interest due and payable for the year @	-	-
(e)	The amount of Interest accrued and remaining unpaid as at 31st March @	-	-
(f)	The amount of further interest due and payable even in the succeeding years, until such date when the interest dues as above are actually paid @	-	-

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. This has been relied upon by the auditors.

@ Amounts unpaid to Micro and small enterprises vendors on account of retention money have not been considered for the purpose of interest calculation.

35. Commitments:

		31st March, 2021 ₹ crore	31st March, 2020 *₹ crore*
(a)	Estimated amount of Contracts remaining to be executed on capital account and not provided for	1.86	1.39

The Company has other commitments for the purchase/ sale orders which are issued after considering requirements per operating cycle for purchase/ sale of goods and services, employee benefits. The Company does not have any long term commitment or material non-cancellable contractual commitments/ contracts which might have a material impact on the financial statements.

36 Contingent liabilities

A. (a) In respect of Legal matters

(i) The Company has acquired private land for setting up solar power plants. In certain cases, these acquisitions have been challenged on grounds such as unauthorised encroachment, inadequate compensation, seller not entitled to transact and/or consideration has not been paid to all legal/ beneficial owners. In these cases, the Company has not received any demand for additional payment and these cases are pending at District Court/ High Court Level. The Management believes that the Company has a strong case and outflow of economic resources is not probable.

ii) The Company had obtained 21.65 acres of land through registered lease deed for 33 years for setting up a solar power plant in Bihar.

During the financial year 2018-19, the lease was treated by the Collector, Gaya as illegal for entering into lease without order of any competent authority, and was cancelled alongwith recovery of penal rent. The Company filed Writ Petition before the Patna High Court against the said Order. The Patna High Court stayed the operations of the Collectors Order and provided certain time to file the counter affidavit.

The Company is of the view that it has a good case with likelihood of liability / any loss arising out of the said cancellation being remote. Accordingly, pending settlement of the legal dispute, no adjustment has been made in the financial statements for the year ended 31st March, 2021.

b) In respect of pledge of shares

31st March 2021

- Pledge of 51% of the shareholding held in Walwhan Solar BH Limited by the company for term loan facility availed by Walwhan Solar BH Limited. Amount of Loan outstanding as on March 31, 2021 of INR 142.87 Cr.
- Pledge of 30% of the shareholding held in Mi My Solar24 Private Limited by the company for term loan facility taken Mi My Solar24 Private Limited. Amount of Loan outstanding as on March 31, 2021 of INR 39.45 Cr.

31st March 2020

- Pledge of 51% of the shareholding held in Walwhan Solar BH Limited by the company for term loan facility availed by Walwhan Solar BH Limited. Amount of Loan outstanding as on March 31, 2020 of INR 144.04 Cr.
- Pledge of 30% of the shareholding held in Mi My Solar24 Private Limited by the company for term loan facility taken Mi My Solar24 Private Limited. Amount of Loan outstanding as on March 31, 2020 of INR 44.83 Cr.

c) In respect of other matters

The Company has given corporate guarantee for the loan taken by subsidiaries:

₹ crore

Particulars	As at March 31, 2021	*As at March 31, 2020*
A) Corporate guarantee given by the company for the loan taken by		
Walwhan Wind RJ limited (Guarantee up to INR 587.00 crore against loan outstanding)	343.56	401.65
Walwhan Solar BH limited (Guarantee up to INR 183.00 crore against loan outstanding)	142.87	144.04
TOTAL	**486.43**	***545.69***

B. The Code on Social Security 2020 has been notified in the Official Gazette on 29th September, 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.

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37 Segment reporting

The Company is engaged in a single segment i.e. the business of generation of Power in India. Hence, there are no other reportable segment as per IND AS 108 - Operating Segments. The Company has earned its entire revenue from sale of solar power in India. There are no non-current assets located outside India. The Company has earned more than 10 percent revenue INR 371.98 crore (31st March 2020: INR 391.34 crore) from three customers.

38 (a) The Company has set-up 3 plants with total capacity of 149 MW for supply of solar power to Tamil Nadu Generation and Distribution Corporation Limited (TANGEDCO) against long term Power Purchase Agreements (PPAs). As per the said PPAs, the Company is entitled to receive consideration for all energy units supplied and billed. However, whilst effecting payments to the Company, TANGEDCO has disputed and is not making payment for energy units supplied and billed in excess of 19% Capacity Utilisation Factor (CUF) in accordance with its internal circular.

The National Solar Energy Federation of India (NSEFI) had filed a petition with the Tamil Nadu Electricity Regulatory Commission (TNERC) challenging the circular issued by TANGEDCO on its own behalf as well as the generators impacted by the said circular. The Tata Power Company Limited, ultimate holding company, is also a member of NSEFI and, thereby, the Company was also party to the petition filed by the NSEFI. The TNERC has now issued Order dated 22nd December, 2020 on the petition filed by the NSEFI and decided the matter in favour of TANGEDCO.

The Company has challenged the ruling of TNERC at the Appellate Tribunal for Electricity (ATE) through NSEFI. Based on legal assessment, the management of the Company is of the view that the claim of the Company for payment toward units supplied in excess of 19% CUF is entirely tenable and it is confident of getting a favourable order.

The Company has a trade receivable balance of ₹ 55.06 crore for such excess units as on 31st March, 2021. The Company has also recognised a revenue of ₹ 1.11 crore (year ended 31st March 2020: ₹ 19.54 crore) for such excess units. Considering the signed PPA and its legal evaluation, the Company believes that these amounts are fully recoverable with interest.

(b) Trade Receivables include INR 220.28 crores (31st March, 2020: 337.35 crores) receivable from TANGEDCO (including INR 116.85 crores relating to current year), INR 46.18 crores (31st March 2020: INR 173.24 crores) relating to bill discounting with recourse till date and INR 55.06 crores pertaining to CUF adjustment as mentioned above. The Company is of the view that these receivables are fully recoverable with late payment surcharge/ interest.

39 In the year 2016, the Company entered into long-term Power Purchase Agreements ("PPAs") with the Southern Power Distribution Company of Andhra Pradesh Limited ("APDISCOM") that is valid for 25 years to supply power from its two solar plants with cumulative capacity of 100 MWs (Solar energy projects) at ₹ 5.99 per unit (with escalation @ 3% p.a. from year 2 to 10). The Government of Andhra Pradesh (the "GoAP") issued an order (the "GO") dated 1st July, 2019 constituting a High Level Negotiation Committee (the "HLNC") for review and negotiation of tariff for wind and solar projects in the state of Andhra Pradesh. Pursuant to the GO, APDISCOM issued letters dated 12th July, 2019 to the Company requesting for revision of tariffs previously agreed as per the PPAs to ₹ 2.44 per unit. Since the Company and other power producers did not agree to the rate revision, APDISCOM referred the matter to the Andhra Pradesh Electricity Regulatory Commission (the "APERC") for revision of tariffs.

The Company had filed a writ petition on 30th July, 2019 before the Andhra Pradesh High Court ("AP High Court") in front of single member bench challenging the GO and the said letters issued by APDISCOM for renegotiation of tariffs. The AP High court also instructed APDISCOM to honour pending and future bills but to pay them at a rate of ₹ 2.44 per unit (as against the billed rate) and also stated that this rate is only an interim measure until the matter is resolved by the APERC and suggested the APERC to conclude this matter within 6 months period. Thereafter, the Company had filed an appeal in AP High Court in front of two members bench challenging the matter being referred to the APERC. Further, the APERC has deferred the hearing in view of the case being filed in the AP High Court, till the AP High Court passes an order in the matter.

The Company has now filed an application for impleadment in Hon'ble Supreme Court (SC) in the SLP of APSPDCL (Andhra Pradesh Southern Power Distribution Company Limited) and transfer petition before the SC from the AP High Court inter alia on the ground of delays in hearing of the matter by the AP High Court and the financial hardship that has resulted due to delay in payment by APDISCOM.

During the year ended 31st March 2021, the Company has received an amount of ₹ 21.47 Crores (₹ 58.90 Crores during the year ended 31st March 2020) from APDISCOM at the interim rate of ₹ 2.44 per unit as against PPA rates stated above.

The Company has a net block of property, plant and equipment (PPE) amounting to ₹ 605.24 Crores (31st March, 2020 ₹632.60 Crores) and has recognised a revenue of ₹ 105.67 Crores for the year ended 31st March, 2021 (₹ 97.71 Crores for the year ended 31st March, 2020) and has a trade receivable balance of ₹ 212.48 Crores as on 31st March, 2021 (31st March, 2020 ₹128.44 Crores) from sale of electricity against such PPAs. Considering signed PPA, interim order passed by the AP High Court, and its legal evaluation, the management believes that the Company has a strong case and it will be able to receive disputed amount with interest once the matter is concluded. Hence, no adjustment is required to be made in the standalone Ind -AS financial Statements.

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WALWHAN RENEWABLE ENERGY LIMITED ★

Walwhan Renewable Energy Limited
(Formerly known as Walwhan Renewable Energy Private Limited)
(Formerly known as Welspun Renewables Energy Private Limited)

Notes to the standalone Ind AS Financial Statements

40 India and other global markets have experienced significant disruption in operations resulting from lockdown and other economic uncertainties caused by the worldwide outbreak of Coronavirus pandemic. Considering the fact that the Company is in the business of essential services and the Ministry of New and Renewable Energy (MNRE) has granted must run status to renewable energy plants, the management has assessed that the Coronavirus Outbreak will not have material impact on capacity utilisation, financial position or financial performance of the Company. However, the Company is closely monitoring developments, its operations, liquidity and capital resources and is actively working to minimize the impact of this unprecedented situation.

41 Interim Dividend :
On 26th December, 2020, the Board of Directors of the Company has declared interim dividend of INR 0.33 per equity share.

42 Amendment in Schedule III to the Companies Act 2013:

On 24th March, 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 the Companies (Indian Accounting Standards) Rules 2015 (as amended) 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 or virtual currency specified under the head 'additional information' in the notes forming part of the financial statements.
The amendments are extensive and the Company will evaluate the same to give effect to them as required by law.

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.

44 Previous year figures have been regrouped/ reclassified wherever necessary, to conform with current year presentation.

45 Approval of Financial Statements
The financial statements were approved for issue by the Board of Directors on 19th April, 2021.

As per our report of even date.

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration No: 324982E/E300003

per Abhishek Agarwal
Partner
Membership No. 112773

Mumbai, 19th April, 2021

For and on behalf of the Board of Directors

Ashwinikumar Patil
Chief Executive Officer

Ashish Khanna
Chairman
DIN 06699527

Behram Mehta
Chief Financial Officer

Santosh C.R.
Company Secretary

Mumbai, 19th April, 2021

WALWHAN RENEWABLE ENERGY LIMITED

S R B C & CO LLP CHARTERED ACCOUNTANTS MUMBAI

S R B C & CO LLP
Chartered Accountants

12th Floor, The Ruby
29 Senapati Bapat Marg
Dadar (West)
Mumbai - 400 028, India
Tel: +91 22 6819 8000

INDEPENDENT AUDITOR'S REPORT

To the Members of Walwhan Renewable Energy Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Walwhan Renewable Energy Limited (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") comprising of the consolidated Balance Sheet as at March 31 2021, the consolidated Statement of Profit and Loss, including consolidated other comprehensive income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated 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 consolidated state of affairs of the Group as at March 31, 2021, their consolidated profit including consolidated other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated 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 Consolidated Financial Statements' section of our report. We are independent of the Group 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 consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the financial year ended March 31, 2021. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For the matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matter described below to be the key audit matter to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report, including in relation to this matter. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of audit procedures performed by us, including those procedures performed to address the

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matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Key audit matter	How our audit addressed the key audit matter
Revenue recognition and recoverability of related accounts receivables (as described in note 41 and 42 of the consolidated financial statements)	
The Group sells power to various customers in accordance with the long-term Power Purchase Agreements (PPAs) entered with them. One of the customers has disputed, and is not making payment for, invoices raised by the Group entities for the electricity supplied in excess of 19% Capacity Utilisation Factor (CUF). Total amount of disputed dues for the customer is Rs. 90.85 crore including Rs. 2.93 crore recognised as revenue in the current year related to disputed dues. Another customer has requested for renegotiation of tariff agreed as per the PPA and is making partial payments of sales invoices raised by the Company. Total amount of disputed dues for the customer is Rs. 195.95 crore including Rs. 69.52 crore recognised as revenue in the current year related to disputed dues. Considering the above, there are significant delays in recovery of disputed dues. The Group has assessed and determined that contract is legally enforceable, and amount invoiced to and revenue recognized is in accordance with Ind AS 115 Revenue from Contracts with Customers. It has not recognised any expected credit loss (ECL) impairment allowance in respect of the above receivables. We focused on revenue recognition and recoverability of related receivables in respect of disputed dues, because they involve a high level of management judgement.	Our audit procedures included: • We considered the Group's accounting policies with respect to revenue in accordance with Ind AS 115 "Revenue from Contracts with Customers". • We tested controls over revenue recognition process through inspection of evidence of performance of these controls. • We read the executed (PPAs) with the customers and evaluated relevant clauses to understand management's assessment of the Group's rights vis-à-vis the customers, including terms related to units supplied and to be invoiced, rate applicable, payment and late payment surcharge in the PPAs. • We tested the invoices and the related supporting documents with respect to revenue recognized for energy units supplied and for rate agreed in PPAs. • With respect to matters in dispute, we obtained and read correspondences with customers, case documents including petitions filed, grounds of appeal and respondent claims etc. We evaluated management's assessment of the expected outcome of the matters under dispute based on past precedents, advice of management experts and legal opinions. • We evaluated management's estimation of provision for expected credit loss including evaluation of assumptions and verification of computation. • We evaluated the disclosures relating to this matter in note 41 and 42 of the consolidated financial statements.

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Other Information

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

Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the consolidated 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.

Responsibilities of Management for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including consolidated other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group 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 Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated financial statements.

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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 consolidated 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 Holding Company and its subsidiaries, which are companies incorporated in India, have adequate internal financial controls 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 ability of the Group 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 consolidated 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 Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group of which we are the independent auditors, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the financial year ended March 31, 2021 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when,

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MUMBAI
CHARTERED ACCOUNTANTS

in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, we report, to the extent applicable, 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 of the aforesaid consolidated financial statements;

(b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books;

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Consolidated Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements;

(d) In our opinion, the aforesaid consolidated 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 of the Holding Company as on March 31, 2021 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary companies none of the directors of the Group's companies, incorporated in India 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 and the operating effectiveness of the internal financial controls over financial reporting with reference to these consolidated financial statements of the Holding Company and its subsidiary companies incorporated in India, refer to our separate Report in "Annexure 1" to this report;

(g) In our opinion, the managerial remuneration for the year ended March 31, 2021 has been paid / provided by the Holding Company and its subsidiaries incorporated in India to their 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 consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group, in its consolidated financial statements - Refer Note 36 to the consolidated financial statements;

   ii. The Group did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended March 31, 2021;

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iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiaries incorporated in India during the year ended March 31, 2021.

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per Abhishek Agarwal
Partner
Membership Number: 112773
UDIN: 21112773AAAACJ1161
Place of Signature: Mumbai
Date: April 19, 2021

Annexure 1 to the Independent Auditor's Report of Even Date on the Consolidated Financial Statements of Walwhan Renewable Energy Limited

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

In conjunction with our audit of the consolidated financial statements of Walwhan Renewable Energy Limited (hereinafter referred to as the "Holding Company") as of and for the year ended March 31, 2021, we have audited the internal financial controls over financial reporting of Walwhan Renewable Energy Company Limited and its subsidiary companies (the Holding Company and its subsidiaries together referred to as "the Group"), which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the companies included in the Group, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective 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 Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Holding Company's internal financial controls over financial reporting with reference to these consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, both, issued by ICAI, and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. 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 consolidated 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 over financial reporting with reference to these consolidated 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 consolidated 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 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 internal financial controls over financial reporting with reference to these consolidated financial statements.

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

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting With Reference to these Consolidated Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to these consolidated 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 consolidated financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these consolidated 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 Group, which are companies incorporated in India, have, maintained in all material respects, adequate internal financial controls over financial reporting with reference to these consolidated financial statements and such internal financial controls over financial reporting with reference to these consolidated financial statements were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

Agarwal

per Abhishek Agarwal
Partner
Membership Number: 112773
UDIN: 21112773AAAACJ1161
Place of Signature: Mumbai
Date: April 19, 2021

S R B C & CO LLP
MUMBAI
CHARTERED ACCOUNTANTS

Walwhan Renewable Energy Limited
(Formerly known as Walwhan Renewable Energy Private Limited)
(Formerly known as Welspun Renewables Energy Private Limited)
Consolidated Balance Sheet as at 31st March, 2021

	Notes	As at 31st March, 2021 ₹ crores	As at 31st March, 2020 ₹ crores
ASSETS			
Non-current Assets			
(a) Property, Plant and Equipment	7	5,577.10	5,835.80
(b) Capital Work-in-Progress		12.57	14.16
(c) Goodwill	8	12.32	12.32
(d) Intangible Assets	9	22.43	24.46
(e) Financial Assets			
(i) Other Investments	10	0.00	0.00
(ii) Trade Receivables	11	276.68	-
(iii) Loans	12	0.91	0.94
(iv) Other Financial Assets	13	299.00	293.65
(f) Non-current Tax Assets (Net)	14	28.33	57.57
(g) Deferred Tax Assets (Net)	15	48.94	54.49
(h) Other Non-current Assets	16	0.16	0.22
Total Non-current Assets		6,278.44	6,293.61
Current Assets			
(a) Inventories	17	14.12	17.02
(b) Financial Assets			
(i) Investments	18	70.11	173.05
(ii) Trade Receivables	11	483.76	960.38
(iii) Unbilled Revenue		138.15	142.41
(iv) Cash and Cash Equivalents	19	81.54	108.81
(v) Bank Balances other than (iv) above	20	11.25	14.05
(vi) Loans	12	563.15	104.14
(vii) Other Financial Assets	13	13.72	8.89
(c) Other Current Assets	16	1.13	1.35
Total Current Assets		1,376.93	1,530.10
TOTAL ASSETS		**7,655.37**	**7,823.71**
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	21	611.36	611.36
(b) Other Equity	22	1,989.05	1,688.93
Total Equity		2,600.41	2,300.29
LIABILITIES			
Non-current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	23	2,634.37	4,217.70
(ii) Lease liabilities	24	3.58	3.57
(b) Deferred Tax Liabilities (Net)	15	184.38	146.85
(c) Provisions	27	5.30	5.14
(d) Other Non-current Liabilities	28	167.62	141.34
Total Non-current Liabilities		2,995.25	4,514.60

WALWHAN RENEWABLE ENERGY LIMITED

S R B C & CO LLP
MUMBAI
CHARTERED ACCOUNTANTS

Walwhan Renewable Energy Limited
(Formerly known as Walwhan Renewable Energy Private Limited)
(Formerly known as Welspun Renewables Energy Private Limited)
Consolidated Balance Sheet as at 31st March, 2021

	Notes	As at 31st March, 2021 ₹ crores	*As at 31st March, 2020 ₹ crores*
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	29	562.40	*678.18*
(ii) Trade Payables		43.43	*40.42*
(iii) Other Financial Liabilities	25	1,442.95	*269.58*
(b) Current Tax Liabilities (Net)	26	0.04	*3.45*
(c) Provisions	27	0.21	*0.19*
(d) Other Current Liabilities	28	10.68	*17.00*
Total Current Liabilities		2,059.71	*1,008.82*
TOTAL EQUITY AND LIABILITIES		7,655.37	*7,823.71*

See accompanying notes to the consolidated financial statements

As per our report of even date

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration No: 324982E/E300003

per Abhishek Agarwal
Partner
Membership No. 112773
Mumbai, 19th April, 2021

For and on behalf of the Board of Directors,

Ashwinikumar Patil
Chief Executive Officer
Mumbai, 19th April, 2021

Ashish Khanna
Chairman
DIN 06699527
Mumbai, 19th April, 2021

Behram Mehta
Chief Financial Officer
Mumbai, 19th April, 2021

Santosh C.R.
Company Secretary
Mumbai, 19th April, 2021

WALWHAN RENEWABLE ENERGY LIMITED

S R B C & CO LLP
MUMBAI
CHARTERED ACCOUNTANTS

Walwhan Renewable Energy Limited
(Formerly known as Walwhan Renewable Energy Private Limited)
(Formerly known as Welspun Renewables Energy Private Limited)
Consolidated Statement of Profit and Loss for the year ended 31st March, 2021

		Notes	For the year ended 31st March, 2021 ₹ crores	*For the year ended 31st March, 2020 ₹ crores*
I	Revenue from Operations	30	1,189.75	*1,202.66*
II	Other Income	31	44.18	*21.81*
III	**Total Income (I+II)**		**1,233.93**	***1,224.47***
IV	**Expenses**			
	Employee Benefits Expense	32	16.02	*20.14*
	Finance Costs	33	390.62	*447.23*
	Depreciation and Amortisation Expenses	9	287.56	*294.76*
	Other Expenses	34	125.24	*112.05*
	Total Expenses		**819.44**	***874.18***
V	**Profit Before Tax (III-IV)**		**414.49**	***350.29***
VI	**Tax Expense**			
	Current Tax	35	51.49	*34.81*
	Deferred Tax	35	43.08	*23.22*
	Remeasurement of deferred tax on account of new tax regime	35	-	*109.50*
			94.57	***167.53***
VII	**Profit after Tax for the year (V-VI)**		**319.92**	***182.76***
VIII	**Other Comprehensive Income/ (Expenses)**			
	Add/ (Less):			
	(i) Items that will not be reclassified to profit or loss			
	(a) Remeasurement of the Defined Benefit Plans	22	0.37	*(1.25)*
			0.37	***(1.25)***
IX	**Total Comprehensive Income for the year (VII + VIII)**		**320.29**	***181.51***
	Profit for the year attributable to:			
	- Owners of the Company		319.92	*182.76*
	- Non-controlling interest		-	-
			319.92	***182.76***
	Other comprehensive Income for the year attributable to:			
	- Owners of the Company		0.37	*(1.25)*
	- Non-controlling interest		-	-
			0.37	***(1.25)***
	Total Comprehensive Income for the year attributable to:			
	- Owners of the Company		320.29	*181.51*
	- Non-controlling interest		-	-
			320.29	***181.51***
X	**Basic and Diluted Earnings Per Equity Share (of ₹ 10/- each)**	37		
	(i) Basic (₹)		5.23	*2.99*
	(ii) Diluted (₹)		5.23	*2.99*

See accompanying notes to the consolidated financial statements

As per our report of even date

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration No: 324982E/E300003

per Abhishek Agarwal
Partner
Membership No. 112773
Mumbai, 19th April, 2021

For and on behalf of the Board of Directors,

Ashwinikumar Patil
Chief Executive Officer
Mumbai, 19th April, 2021

Ashish Khanna
Chairman
DIN 06699527
Mumbai, 19th April, 2021

Behram Mehta
Chief Financial Officer
Mumbai, 19th April, 2021

Santosh C.R.
Company Secretary
Mumbai, 19th April, 2021

S R B C & CO LLP MUMBAI CHARTERED ACCOUNTANTS

WALWHAN RENEWABLE ENERGY LIMITED

Walwhan Renewable Energy Limited
(Formerly known as Walwhan Renewable Energy Private Limited)
(Formerly known as Welspun Renewables Energy Private Limited)
Consolidated Statement of Cash Flows for the year ended 31st March, 2021

		For the year ended 31st March, 2021 ₹ crores		*For the year ended 31st March, 2020 ₹ crores*	
A. Cash Flow from Operating Activities					
Profit before tax			**414.49**		***350.29***
Adjustments to reconcile Profit Before Tax to Net Cash Flows:					
Depreciation and Amortisation Expense		287.56		*294.76*	
Liability no longer required written back		(2.23)		-	
Finance income from service concession arrangement		(36.49)		*(38.62)*	
(Gain)/ Loss on Disposal of Property, Plant and Equipment (Net)		6.74		*2.59*	
Interest income on unbilled revenue		(11.61)		*(10.28)*	
Amortisation of deferred revenue		8.99		*10.07*	
Interest expense on deferred revenue		17.33		*21.85*	
Finance Cost		373.29		*425.38*	
Interest Income		(18.25)		*(2.74)*	
Interest Income on income tax refund		(3.06)		*(2.48)*	
Gain on Sale/ Fair Value of Current Investments measured at FVTPL		(7.05)		*(5.01)*	
Reversal of Impairment Allowance for Doubtful Debts and Advances		(2.00)		*(1.30)*	
			613.22		***694.22***
Working Capital Adjustments:					
Adjustments for (increase)/ decrease in Operating Assets:					
Inventories		2.90		*2.53*	
Trade Receivables		199.94		*(486.48)*	
Unbilled Revenue		4.26		*(28.35)*	
Other Current Assets		0.22		*0.74*	
Other Non-current Assets		0.06		*0.32*	
Other Financial Assets - Current		12.70		*(2.33)*	
Other Financial Assets - Non-Current		0.33		*(0.15)*	
Movement in Operating Asset			**220.41**		***(513.72)***
Adjustments for increase/ (decrease) in Operating Liabilities:					
Trade Payables		5.24		*5.38*	
Other Current Liabilities		(6.32)		*0.39*	
Other Non-current Liabilities		2.15		-	
Other Financial Liabilities - Current		-		*(0.01)*	
Current Provisions		0.02		*0.05*	
Non-current Provisions		0.53		*(0.39)*	
Movement in Operating Liability			**1.62**		***5.42***
Cash Flow from Operations			**1,249.74**		***536.21***
Income-tax paid			(25.66)		*(50.51)*
Net Cash Flow from Operating Activities	**A**		**1,224.08**		***485.70***
B. Cash Flow from Investing Activities					
Capital expenditure on Property, Plant and Equipment (including capital advances)			(38.52)		*(24.23)*
Proceeds from sale of Property, Plant and Equipment			4.40		*1.23*
Interest income on income tax refund			3.06		*2.48*
Principal proceeds under service concession arrangement			2.58		*1.34*
Finance income from service concession arrangement			36.49		*38.62*
Purchase of Current Investments			(1,256.52)		*(1,220.77)*
Proceeds from sale of Current Investments			1,366.51		*1,095.96*
Inter-corporate deposits given			(713.09)		*(734.33)*
Inter-corporate deposits given received back			248.79		*721.39*
Interest Received			9.21		*2.90*
Bank Balance not considered as Cash and Cash Equivalents (with maturity more than three months)					
- Placed			-		*(3.74)*
- Matured			2.80		-
Net Cash Flow used in Investing Activities	**B**		**(334.29)**		***(119.15)***

Walwhan Renewable Energy Limited
(Formerly known as Walwhan Renewable Energy Private Limited)
(Formerly known as Welspun Renewables Energy Private Limited)
Consolidated Statement of Cash Flows for the year ended 31st March, 2021

		For the year ended 31st March, 2021 ₹ crores	*For the year ended 31st March, 2020 ₹ crores*
C. Cash Flow from Financing Activities			
Proceeds from current borrowings issued as commercial paper		398.70	*584.30*
Repayment of current borrowings issued as commercial paper		(300.00)	*(300.00)*
Proceeds from Non-current Borrowings		-	*474.12*
Repayment of Non-current Borrowings		(406.35)	*(974.13)*
Proceeds from Current Borrowings (Refer note 11.2)		326.41	*385.82*
Repayment of Current Borrowings		(548.78)	*-*
Proceeds from current borrowings-related party		262.50	*727.59*
Repayment of current borrowings-related party		(262.50)	*(767.59)*
Payment of lease liabilities		(0.31)	*(0.31)*
Finance Cost Paid		(366.56)	*(408.42)*
Dividend Paid		(20.17)	*-*
Net Cash Flow used in Financing Activities	**C**	**(917.06)**	***(278.62)***
Net increase/ (decrease) in Cash and Cash Equivalents	**(A+B+C)**	**(27.27)**	***87.93***
Cash and Cash Equivalents as at 1st April (Opening Balance)		**108.81**	***20.88***
Cash and Cash Equivalents as at 31st March (Closing Balance)		**81.54**	***108.81***
Breakup of Cash and Cash Equivalents as at 1st April			
(i) Balances with Banks:			
In Current Accounts		37.00	*19.57*
In Deposit Accounts (with original maturity less than three months)		71.81	*1.31*
		108.81	***20.88***
Breakup of Cash and Cash Equivalents as at 31st March			
(i) Balances with Banks:			
In Current Accounts		81.54	37.00
In Deposit Accounts (with original maturity less than three months)		-	71.81
		81.54	***108.81***

See accompanying notes to the consolidated financial statements

As per our report of even date

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration No: 324982E/E300003

per Abhishek Agarwal
Partner
Membership No. 112773
Mumbai, 19th April, 2021

S R B C & CO LLP ★ CHARTERED ACCOUNTANTS ★ MUMBAI

For and on behalf of the Board of Directors,

WALWHAN RENEWABLE ENERGY LIMITED

Ashwinkumar Patil
Chief Executive Officer
Mumbai, 19th April, 2021

Ashish Khanna
Chairman
DIN 06699527
Mumbai, 19th April, 2021

Behram Mehta
Chief Financial Officer
Mumbai, 19th April, 2021

Santosh C.R.
Company Secretary
Mumbai, 19th April, 2021

Walwhan Renewable Energy Limited
(Formerly known as Walwhan Renewable Energy Private Limited)
(Formerly known as Welspun Renewables Energy Private Limited)
Consolidated Statement of Changes in Equity as at 31st March, 2021

A. Equity Share Capital (Refer note 21)

₹ crores

	No. of Shares	Amount
Balance as at 1st April, 2019	*61,13,55,942*	*611.36*
Issued during the year	-	-
Balance as at 31st March, 2020	***61,13,55,942***	***611.36***
Balance as at 1st April, 2020	61,13,55,942	611.36
Issued during the year	-	-
Balance as at 31st March, 2021	**61,13,55,942**	**611.36**

B. Other Equity (Refer note 22)

₹ crores

Description	Reserves and Surplus						
	Securities Premium	Debenture Redemption Reserve	Capital Reserve	Retained Earnings	Equity Contribution Financial guarantee	Controlling Interests	Total
Balance as at 1st April, 2019	*1,108.54*	*100.00*	*26.74*	*268.20*	*3.94*	*1,507.42*	*1,507.42*
Profit for the year	-	-	-	*182.76*	-	*182.76*	*182.76*
Other Comprehensive Income for the year (Net of Tax)	-	-	-	*(1.25)*	-	*(1.25)*	*(1.25)*
Total Comprehensive Income	-	-	-	***181.51***	-	***181.51***	***181.51***
Balance as at 31st March, 2020	***1,108.54***	***100.00***	***26.74***	***449.71***	***3.94***	***1,688.93***	***1,688.93***
Balance as at 1st April, 2020	1,108.54	100.00	26.74	449.71	3.94	1,688.93	1,688.93
Profit for the year	-	-	-	319.92	-	319.92	319.92
Other Comprehensive loss for the year (Net of Tax)	-	-	-	0.37	-	0.37	0.37
Total Comprehensive Income	-	-	-	**320.29**	-	**320.29**	**320.29**
Dividend paid	-	-	-	(20.17)	-	(20.17)	(20.17)
Balance as at 31st March, 2021	**1,108.54**	**100.00**	**26.74**	**749.83**	**3.94**	**1,989.05**	**1,989.05**

See accompanying notes to the consolidated financial statements

As per our report of even date

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration No: 324982E/E300003

per Abhishek Agarwal
Partner
Membership No. 112773
Mumbai, 19th April, 2021

S R B C & CO LLP * CHARTERED ACCOUNTANTS * MUMBAI

WALWHAN RENEWABLE ENERGY LIMITED

For and on behalf of the Board of Directors,

Ashwinikumar Patil
Chief Executive Officer
Mumbai, 19th April, 2021

Ashish Khanna
Chairman
DIN 06699527
Mumbai, 19th April, 2021

Behram Mehta
Chief Financial Officer
Mumbai, 19th April, 2021

Santosh C.R.
Company Secretary
Mumbai, 19th April, 2021

Walwhan Renewable Energy Limited
(Formerly known as Walwhan Renewable Energy Private Limited)
(Formerly known as Welspun Renewables Energy Private Limited)
Notes to the Consolidated Financial Statements

1. Corporate Information:

Walwhan Renewable Energy Limited (formerly known as "Walwhan Renewable Energy Private Limited" and "Welspun Renewables Energy Private Limited") (the 'Company' or 'WREL') was incorporated on November 11, 2009 as subsidiary of Welspun Energy Private Limited. Subsequently in September 2016, Tata Power Renewable Energy Limited (a wholly owned subsidiary company of The Tata Power Company Limited) acquired the outstanding shares held by Welspun Energy Private Limited and Asian Development Bank, whereby the Company became a wholly owned subsidiary of Tata Power Renewable Energy Limited, as of September 14, 2016.

The Principal business of the Company and its subsidiaries (together referred to as "the Group") is to sell the power generated from solar and wind projects across India. The Group has operational plants of approx. 1146 MW. One of the subsidiaries, Clean Sustainable Solar Energy Private Limited (CSSEPL) has also entered into an public private partnership agreement with Maharashtra State Power Generation Company Limited ("MAHAGENCO") and has set up a 50 MW power project.

The Company is a public limited company incorporated and domiciled in India and has its registered office at C/o The Tata Power Company Limited, Corporate Center B, 34 Sant Tukaram Road, Carnac Bunder Mumbai City - 400009.

The Company's 8% Compulsorily Redeemable Non-Convertible Debentures are listed on National Stock Exchange of India Ltd.

The financial statements were authorised for issue in accordance with a resolution of the Directors on 19th April, 2021.

2 Statement of compliance

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

The accounting policies adopted are consistent with those of the previous financial year.

Certain changes to Ind AS have become applicable to the Group from the financial year beginning 1st April, 2020. However, their application did not have any material impact on the consolidated financial statements.

3.1 Basis of preparation and presentation

The consolidated financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value :

- derivative financial instruments,
- certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments).
- employee benefit expenses (Refer Note 27 for Accounting policy)

Historical cost is the amount of cash or cash equivalents paid or the fair value of the consideration given to acquire assets at the time of their acquisition or the amount of proceeds received in exchange for the obligation, or at the amounts of cash or cash equivalents expected to be paid to satisfy the liability in the normal course of business.

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.

3.2 Basis of consolidation

The Company consolidates all entities which are controlled by it. The consolidated financial statements comprise the financial statements of the Company and its subsidiaries. Control exists when the parent has power over the entity, is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns by using its power over the entity. Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affect the entity's returns. The entities are consolidated from the date control commences until the date control ceases.

The consolidated financial statements of the Group companies are consolidated on a line-by-line basis and intra-group balances and transactions including unrealised gain/loss from such transactions are eliminated upon consolidation. These consolidated financial statements are prepared by applying uniform accounting policies in use at the Group. Profit or loss on each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interest having a deficit balance.

Changes in the Group's holding that do not result in a loss of control are accounted for as equity transactions. The carrying amount of the Group's holding and the non-controlling interests are adjusted to reflect the changes in their relative holding. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

3.3 Business Combinations and Goodwill

The Group accounts for its business combinations under acquisition method of accounting. Acquisition related costs are recognised in statement of profit and loss as incurred. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the condition for recognition are recognised at their fair values at the acquisition date.

Purchase consideration paid in excess of the fair value of net assets acquired is recognised as goodwill. Where the fair value of identifiable assets and liabilities exceed the cost of acquisition, after reassessing the fair values of the net assets and contingent liabilities, the excess is recognised as capital reserve.

The interest of non-controlling shareholders is initially measured either at fair value or at the non-controlling interests' proportionate share of the acquiree's identifiable net assets. The choice of measurement basis is made on an acquisition-by-acquisition basis. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity of subsidiaries.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in other comprehensive income (OCI) and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI.

Business combinations arising from transfers of interests in entities that are under the common control are accounted at historical costs. The difference between any consideration given and the aggregate historical carrying amount of assets and liabilities of the acquired entity are recorded in shareholders' equity.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units or group of cash generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

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

3.4 Details of the Group's subsidiaries at the end of the reporting period considered in the preparation of the Consolidated Financial Statements are as follows:

Name	Country of Incorporation	% of holding and voting power either directly or indirectly through subsidiary as at	
		31st March, 2021	*31st March, 2020*
Subsidiaries (Direct)			
Clean Sustainable Solar Energy Private Limited	India	100	*99.99*
MI Mysolar24 Private Limited	India	100	*100*
Northwest Energy Private Limited	India	100	*100*
Solarsys Renewable Energy Private Limited	India	100	*100*
Walwhan Solar Energy GJ Limited (formerly known as Walwhan Solar Energy GJ Private Limited and Unity Power Private Limited)	India	100	*100*
Walwhan Solar Raj Limited (formerly known as Walwhan Solar Raj Private Limited and Viraj Renewables Energy Private Limited)	India	100	*100*
Walwhan Solar BH Limited (formerly known as Walwhan Solar BH Private Limited and formerly known as Welspun Energy Jharkhand Private Limited)	India	100	*100*
Walwhan Solar MH Limited (formerly known as Walwhan Solar MH Private Limited and Welspun Energy Maharashtra Private Limited)	India	100	*100*
Walwhan Wind RJ Limited (formerly known as Walwhan Wind RJ Private Limited and Welspun Energy Rajasthan Private Limited)	India	100	*100*
Walwhan Solar AP Limited (formerly known as Walwhan Solar AP Private Limited and Welspun Solar AP Private Limited)	India	100	*100*
Walwhan Solar MP Limited (formerly known as Walwhan Solar MP Private Limited and Welspun Solar Madhya Pradesh Private Limited)	India	100	*100*
Walwhan Solar PB Limited (formerly known as Walwhan Solar PB Private Limited and Welspun Solar Punjab Private Limited)	India	100	*100*
Walwhan Energy RJ Limited (formerly known as Walwhan Energy RJ Private Limited and Welspun Solar Rajasthan Private Limited)	India	100	*100*
Walwhan Solar TN Limited (formerly known as Walwhan Solar TN Private Limited and Welspun Solar Tech Private Limited)	India	100	*100*
Walwhan Solar RJ Limited (formerly known as Walwhan Solar RJ Private Limited and Welspun Solar UP Private Limited)	India	100	*100*
Walwhan Urja Anjar Limited (formerly known as Walwhan Urja Anjar Private Limited and Welspun Urja Gujarat Private Limited)	India	100	*100*
Walwhan Urja India Limited (formerly known as Welspun Urja India Limited)	India	100	*100*
Subsidiaries (Indirect)			
Dreisatz Mysolar24 Private Limited	India	100	*100*
Walwhan Solar KA Limited (formerly known as Walwhan Solar KA Private Limited and Welspun Solar Kannada Private Limited)	India	100	*100*

S R B C & CO LLP MUMBAI CHARTERED ACCOUNTANTS

WALWHAN RENEWABLE ENERGY LIMITED

4. Other Significant Accounting Policies

4.1 Foreign Currencies

The functional currency of the Group is Indian rupee.

Income and expenses in foreign currencies are recorded at exchange rates prevailing on the date of the transaction. Foreign currency denominated monetary assets and liabilities are translated at the exchange rate prevailing on the balance sheet date and exchange gains and losses arising on settlement and restatement are recognised in the statement of profit and loss.

Non-monetary assets and liabilities that are measured in terms of historical cost in foreign currencies are not retranslated.

4.2 Current versus non-current classification

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

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

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 year, or
- there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting year.

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

4.3 Financial Instruments

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

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the statement of profit and loss.

4.4 Financial Assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place.
All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

4.4.1 Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost using the effective interest method if these financial assets are held within a business 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.

4.4.2 Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition, the Group makes an irrevocable election on an instrument-by-instrument basis to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments, other than equity investment which are held for trading. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the 'Reserve for equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to profit or loss on disposal of the equity investment classified as FVTOCI.

S R B C & CO LLP MUMBAI CHARTERED ACCOUNTANTS

WALWHAN RENEWABLE ENERGY LIMITED

4.4.3 Financial assets at fair value through profit or loss (FVTPL)

Investments in equity instruments are classified as at FVTPL, unless the Group irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income.

Other financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in statement of profit and loss.

4.4.4 Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Group's balance sheet) when:

- the right to receive cash flows from the asset have expired, or

- the Group has transferred its right to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its right to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

4.4.5 Impairment of financial assets

The Group assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Group recognises lifetime expected losses for all contract assets and / or all trade receivables provided that there is no financing component. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses dependent on whether the credit risk on the financial asset has increased significantly since initial recognition.

4.5 Financial liabilities and equity instruments

4.5.1 Classification as debt or equity

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

4.5.2 Equity Instruments

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

4.5.3 Financial liabilities

All financial liabilities are recognised initially at fair value and in case of financial liabilities at amortised cost, net of directly attributable transaction costs.

All financial liabilities are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in statement of profit and loss when the liabilities are derecognised as well as through the Effective Interest Rate (EIR) amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the consolidated statement of profit and loss.

4.5.4 Derecognition

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 derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the consolidated statement of profit and loss.

4.5.5 Financial guarantee contracts

Financial guarantee contracts issued by the Group 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. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

4.6 Derivative financial instruments

The Group enters into a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks, including foreign exchange forward contracts, interest rate swaps and cross currency swaps

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 year. The resulting gain or loss is recognised in statement profit and loss immediately.

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4.7 Reclassification of financial assets and liabilities

The Group determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Group's senior management determines change in the business model as a result of external or internal changes which are significant to the Group's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting year following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

4.8 Offsetting 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.

4.9 Dividend distribution to equity shareholders of the Parent Company

The Parent Company recognises a liability to make dividend distributions to its equity holders when the distribution is authorised and the distribution is no longer at its discretion. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

In case of Interim Dividend, the liability is recognised on its declaration by the Board of Directors.

4.10 Government Grants

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grant will be received. Government grants relating to the purchase of property, plant and equipment are reduced from the cost of the assets.

5. Service Concession Agreement (SCA)

A Group entity has entered into contract for design, part finance, engineering, manufacture, supply, erection, testing, commissioning and operation and maintenance for 25 years of Grid Interactive Solar Power Project through Public Private Partnership with a public sector power generator (PSU). The PSU has paid part of the project cost to the Group on commissioning of plant/Handover of Project. Remaining cost and the operations and maintenance cost is being recovered over the period of the project in accordance with the agreement with the PSU.

Ind AS 115 establishes a five-step model to account for revenue arising from contracts with customers and requires that revenue be recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. It requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers.

As per the arrangement, the share of electricity revenue is divided into three parts i.e. towards deferred payment, interest income and operation and maintenance revenue. The Group has initially measured financial asset at fair value and subsequently at amortized cost by recognizing share of electricity sale revenue first towards operation and maintenance revenue. Subsequent thereto, amount is recognised as interest income at computed Internal Rate of Return (IRR) on opening balance of the financial asset. Further, surplus of revenue share over and above operation and maintenance revenue and interest income is recognized as recovery of the financial asset.

6. Critical accounting estimates and judgements

In the application of the Groups accounting policies, management of the Group 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 year in which the estimate is revised if the revision affects only that year, or in the year of the revision and future years if the revision affects both current and future years. 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 consolidated financial statements.

The areas involving critical estimates or judgements are:

Estimates used for impairment of property, plant and equipment of certain cash generating units (CGU) (refer note 7)

Estimation of defined benefit obligation (refer note 27)

Estimation of current tax and deferred tax expense (including Minimum Alternate Tax credit) (refer note 35 and 15)

Estimates and judgement are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Group and that are believed to be reasonable under the circumstances.

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7. 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 the Ind AS 23. Capital work in progress is stated at cost, net of accumulated impairment loss, if any. Cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. 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 statement of profit and loss as incurred.

Depreciation

Depreciation commences when an asset is ready for its intended use. Freehold land and assets held for sale are not depreciated.

Depreciation is recognised on the cost of assets (other than freehold land and properties under construction) less their residual values over their estimated 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. The Group, based on technical assessment made by technical expert and management estimate, depreciates certain items of building, plant and equipment over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Estimated useful lives of the assets are as follows:

Type of asset	Useful lives
Buildings	25 years
Plant and Equipment	25 years
Furniture and Fixtures	10 years
Office Equipment	5 years
Vehicles	10 years

Decapitalisation

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

Impairment of tangible and intangible assets

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets of the Group.

When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

The Group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Group's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover Power Purchase agreement period.

Impairment losses of tangible and intangible assets are recognised in the consolidated statement of profit and loss.

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7. Property, Plant and Equipment (*Contd.*)

A. Owned Assets

₹ crores

Description	Freehold Land	Buildings	Plant and Equipment	Furniture and Fixtures	Office Equipment	Vehicles	Total
Cost							
Balance as at 1st April, 2020	178.86	140.88	7,104.90	1.10	2.99	0.39	7,429.12
Additions	0.18	1.60	33.70	0.22	0.18	0.02	35.90
Disposals (Refer note b & c)	0.35	0.18	30.06	-	-	-	30.59
Balance as at 31st March, 2021	178.69	142.30	7,108.54	1.32	3.17	0.41	7,434.43
Accumulated depreciation and impairment							
Balance as at 1st April, 2020	-	28.94	1,596.31	0.53	1.98	0.23	1,627.99
Depreciation Expense	-	5.45	277.86	0.12	0.22	0.04	283.69
Eliminated on disposal of assets (Refer note b & c)	-	-	19.45	-	-	-	19.45
Balance as at 31st March, 2021	-	34.39	1,854.72	0.65	2.20	0.27	1,892.23
Net carrying amount							
As at 31st March, 2021	**178.69**	**107.91**	**5,253.82**	**0.67**	**0.97**	**0.14**	**5,542.20**
As at 31st March, 2020	**178.86**	**111.94**	**5,508.59**	**0.57**	**1.01**	**0.16**	**5,801.13**

₹ crores

Description	Freehold Land	Buildings	Plant and Equipment	Furniture and Fixtures	Office Equipment	Vehicles	Total
Cost							
Balance as at 1st April, 2019	*179.01*	*140.18*	*7,100.46*	*1.20*	*2.53*	*0.40*	*7,423.78*
Additions	-	*0.70*	*9.33*	*0.07*	*0.46*	-	*10.56*
Disposals (Refer note e)	*0.15*	-	*4.89*	*0.17*	-	*0.01*	*5.22*
Balance as at 31st March, 2020	*178.86*	*140.88*	*7,104.90*	*1.10*	*2.99*	*0.39*	*7,429.12*
Accumulated depreciation and impairment							
Balance as at 1st April, 2019	-	*23.52*	*1,312.50*	*0.54*	*1.76*	*0.20*	*1,338.52*
Depreciation Expense (Refer note d)	-	*5.42*	*285.07*	*0.12*	*0.22*	*0.04*	*290.87*
Eliminated on disposal of assets (Refer note e)	-	-	*1.26*	*0.13*	-	*0.01*	*1.40*
Balance as at 31st March, 2020	-	*28.94*	*1,596.31*	*0.53*	*1.98*	*0.23*	*1,627.99*
Net carrying amount							
As at 31st March, 2020	***178.86***	***111.94***	***5,508.59***	***0.57***	***1.01***	***0.16***	***5,801.13***
As at 31st March, 2019	***179.01***	***116.66***	***5,787.96***	***0.66***	***0.77***	***0.20***	***6,085.26***

Notes:

a) Refer Note 23 for charge created on Property, Plant and Equipment.

b) During the current year, in case of Walwhan Solar AP Limited and Walwhan Solar MP Limited (subsidiary companies of the Walwhan Renewable Energy Limited), the Group has charged off Solar Modules and Solar Inverter of ₹ 6.76 Crore (Gross Block ₹ 26.21 Crore, accumulated depreciation ₹ 19.45 Crore) based on management assessment for their usability.

c) During the current year, the Holding Company and two of the subsidiaries companies have written back old capital creditor amounting to ₹ 4.36 crores and adjusted the same from gross block.

d) During the previous year, in case of Walwhan Solar AP Limited (subsidiary company of the Walwhan Renewable Energy Limited), the Group has provided for additional depreciation to the extent of INR 8.00 crores on for existing modules based on management assessment for their life and it's alternate use.

e) During the previous year, Loss of ₹ 3.67 crores (Gross Block ₹ 5.07 crores, accumulated depreciation ₹ 1.40 crores) pertains to Property, Plant and Equipment written off based on physical verification conducted.

- Gain of ₹ 1.08 crores on disposal of freehold land includes compulsory acquisition of vacant land having gross block value of ₹ 0.15 crores by the National Highway Authority of India (NHAI) for a consideration of ₹ 1.23 crores.

B. Right of Use Assets

₹ crores

Description	Land	Total
Cost		
Balance as at 1st April, 2020	36.44	36.44
Additions	1.98	1.98
Balance as at 31st March, 2021	38.42	38.42
Accumulated depreciation and impairment		
Balance as at 1st April, 2020	1.77	1.77
Depreciation Expense	1.75	1.75
Balance as at 31st March, 2021	3.52	3.52
Net carrying amount		
As at 31st March, 2021	**34.90**	**34.90**
As at 31st March, 2020	**34.67**	**34.67**

₹ crores

Description	Land	Total
Cost		
Balance as at 1st April, 2019	-	-
Additions	-	-
Transition impact of Ind AS 116	36.44	36.44
Balance as at 31st March, 2020	36.44	36.44
Accumulated depreciation and impairment		
Balance as at 1st April, 2019	-	-
Depreciation Expense	1.77	1.77
Balance as at 31st March, 2020	1.77	1.77
Net carrying amount		
As at 31st March, 2020	**34.67**	**34.67**
As at 31st March, 2019	-	-

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8. Goodwill

	As at 31st March, 2021 ₹ crores	*As at 31st March, 2020 ₹ crores*
Cost		
Balance at beginning of year	12.32	*12.32*
Less: Impairment during the year	-	-
Balance at end of year	**12.32**	***12.32***

The Group tests goodwill annually for impairment. Acquired Subsidiaries like Dreisatz Mysolar24 Private Limited, Solarsys Renewable Energy Private Limited, Northwest Energy Private Limited, MI Mysolar24 Private Limited and Walwhan Solar Raj Limited, to which goodwill relate have been identified as Cash Generating Units. Cash flow projections are based on financial budgets covering contracted power sale agreements with procurers. The Management believes that any reasonably possible change in the key assumptions on which recoverable amount is based would not cause the aggregate carrying amount to exceed the aggregate recoverable amount of the Goodwill.

The key assumptions used in the value in use calculations for the power cash-generating unit are as follows:

Continuity of PPA	Most of the projects have an aligned and secured power purchase agreement (PPA) of 25 years, which would be majority of estimated life of respective plant. The PPAs guarantee steady cash flow to the Group through fixed tariff over the useful life of assets.
O&M cost inflation	Operation and maintenance cost for the project period has been extrapolated by using a steady 4% per annum growth rate.
Weighted average cost of capital (WACC)	8.86% pre-tax discount rate has been computed based on the current cost of borrowings and equity rate of return in line with the current market expectation.
Plant load factor (PLF)	Plant load factor is estimated for each CGU based on past trend of PLF and expected PLF in future years

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9. Intangible Assets

Accounting Policy

Intangible assets acquired separately

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses if any.

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 statement of profit and loss when the asset is derecognised.

Amortisation of intangible assets

Intangible assets with finite lives are amortised over the useful economic life on straight line basis and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Estimated useful lives of the intangible assets are as follows:

Type of asset	Useful lives
Computer Software	3 to 5 years
Power Purchase Agreement (PPA)	25 years

₹ crores

Description	Computer Software	Power Purchase Agreement (PPA)	Total
Cost			
Balance as at 1st April, 2020	4.22	26.60	30.82
Additions	0.09	-	0.09
Balance as at 31st March, 2021	4.31	26.60	30.91
Accumulated amortisation and impairment			
Balance as at 1st April, 2020	1.63	4.73	6.36
Amortisation expense	0.81	1.31	2.12
Balance as at 31st March, 2021	2.44	6.04	8.48
Net carrying amount			
As at 31st March, 2021	**1.87**	**20.56**	**22.43**
As at 31st March, 2020	**2.59**	**21.87**	**24.46**

₹ crores

Description	Computer Software	Power Purchase Agreement (PPA)	Total
Cost			
Balance as at 1st April, 2019	4.22	26.60	30.82
Additions	-	-	-
Balance as at 31st March, 2020	4.22	26.60	30.82
Accumulated amortisation and impairment			
Balance as at 1st April, 2019	0.82	3.42	4.24
Amortisation expense	0.81	1.31	2.12
Balance as at 31st March, 2020	1.63	4.73	6.36
Net carrying amount			
As at 31st March, 2020	**2.59**	**21.87**	**24.46**
As at 31st March, 2019	**3.40**	**23.18**	**26.58**

Depreciation/Amortisation:

	For the year ended 31st March, 2021 ₹ crores	*For the year ended 31st March, 2020 ₹ crores*
Depreciation on tangible assets	283.69	290.87
Depreciation of Right of Use Assets	1.75	1.77
Amortisation on intangible assets	2.12	2.12
Total	**287.56**	**294.76**

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10. Other Investments

	As at 31st March, 2021 Quantity	*As at 31st March, 2020 Quantity*	Face Value (in ₹ unless stated otherwise)	As at 31st March, 2021 ₹ crores	*As at 31st March, 2020 ₹ crores*
I Investments in equity shares					
(a) Investment in Equity Shares fully Paid-up					
Unquoted					
Saraswat Bank	2,500	*2,500*	10	0.00	*0.00*
SVC Co-operative Bank Limited	50	*50*	25	0.00	*0.00*
				0.00	*0.00*

* The total amount is ₹ 26,250/- which is approx. fair value of investment.

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11. Trade Receivables

(Unsecured unless otherwise stated)
(At Amortised Cost)

	As at 31st March, 2021 ₹ crores	*As at 31st March, 2020 ₹ crores*
Trade Receivables (Refer note 11.1)	760.44	*960.38*
	760.44	***960.38***
Break-up for security details		
Trade receivables		
Unsecured, considered good	760.44	*960.38*
Trade Receivables - credit impaired	1.87	*1.87*
	762.31	***962.25***
Impairment Allowance (allowance for bad and doubtful debts)		
Trade Receivables - credit impaired	(1.87)	*(1.87)*
	(1.87)	***(1.87)***
	760.44	***960.38***
Non-current Trade Receivables		
Considered Good - Unsecured	276.68	-
	276.68	**-**
Current Trade Receivables		
Considered Good - Unsecured	483.76	*960.38*
Credit Impaired	1.87	*1.87*
	485.63	*962.25*
Less: Allowance for Doubtful Trade Receivables	1.87	*1.87*
	483.76	***960.38***

The average credit period is 30 to 90 days in respect of receivables pertaining to sale of power. No interest is charged on trade receivables from date of receipt of invoice by customers till the end of the credit period defined in the Power Purchase Agreement (PPA). Thereafter, interest is charged at the rates prescribed under the PPA on the outstanding balance but this interest is recognised upon an assessment of certainty of realisation.

11.1 Trade Receivables

The aging of trade receivables at the end of reporting period is as follows:

	As at 31st March, 2021 ₹ crores	*As at 31st March, 2020 ₹ crores*
Within the credit period	99.67	*122.63*
1-90 days past due	122.98	*128.73*
91-182 days past due	64.49	*136.66*
More than 182 days past due	475.17	*574.23*
	762.31	***962.25***

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Movement in the allowance for doubtful trade receivables

	As at 31st March, 2021 ₹ crores	*As at 31st March, 2020 ₹ crores*
Balance at the beginning of the year	1.87	1.87
Add: Expected credit losses for the year	-	-
Add/ (Less): Specific allowance on trade receivables for the year*	-	-
Balance at the end of the year	**1.87**	***1.87***

*The concentration of credit risk is very limited due to the fact that the large customers are mainly government entities. Considering this, terms of PPA and past history, the Group has concluded that no ECL allowance needs to be recognised for overdue receivables.

11.2 The carrying amounts of the trade receivables include receivables amounting to ₹ 80.17 crores (31st March 2020: ₹ 299.79 crores) and ₹ 83.28 crores (31st March 2020: ₹ 86.03 crores) from Tamilnadu Generation and Distribution Corporation Limited and Jaipur Vidyut Vitran Nigam Limited, respectively, which are subject to a 'bill discounting arrangement'. Under this arrangement, the Group has transferred the relevant receivables to the banks in exchange of cash and is prevented from selling or pledging the receivables. The Cost of bill discounting is to the customer's account. However, the Group has retained late payment and credit risk. The Group therefore continues to recognise the transferred assets in their entirety in its financial statements. The amount repayable under the bills discounting arrangement is presented as unsecured/ secured borrowing having recourse to the Group and interest liability on amount of bill discounted is borne by the customer. The maturity period of the transfer is 6 to 9 months from the date of discounting.

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12. Loans

(Unsecured unless otherwise stated)

	As at 31st March, 2021 ₹ crores	*As at 31st March, 2020 ₹ crores*
Non-current		
(At Amortised Cost)		
(i) Security Deposits		
Considered Good - Unsecured	0.91	*0.94*
Credit Impaired	-	*0.06*
	0.91	*1.00*
Less: Impairment Allowance for bad and doubtful deposits	-	*0.06*
	0.91	*0.94*
	0.91	***0.94***
Current		
(At Amortised Cost)		
(i) Security Deposits		
Considered Good - Unsecured	0.90	*6.19*
Credit Impaired	-	*0.01*
	0.90	*6.20*
Less: Impairment Allowances for Bad and Doubtful Deposits	-	*0.01*
	0.90	*6.19*
(ii) Loans to Related Parties		
Considered Good - Unsecured	562.25	*97.95*
	562.25	*97.95*
	563.15	***104.14***

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13. Other Financial Assets

	As at 31st March, 2021 ₹ crores	*As at 31st March, 2020 ₹ crores*
Non-current		
(At Amortised Cost)		
(i) Receivables under Service Concession Agreement	194.45	*198.23*
(ii) Deferred Revenue Asset	104.47	*95.34*
(iii) Others		
Unsecured, considered good		
In Deposit Accounts (with maturity more than twelve months)	0.08	*0.08*
	299.00	***293.65***
Current		
(At Amortised Cost)		
(i) Accruals		
Unsecured, considered good		
Interest Accrued on Bank Deposits	0.23	*0.21*
Interest Accrued on Loans to Related Parties	9.35	*0.33*
	9.58	*0.54*
(ii) Receivables under Service Concession Agreement	4.08	*2.88*
(iii) Others		
Unsecured, considered good		
Insurance Claims Receivable	-	*0.04*
Other Advances	0.06	*5.43*
Unsecured, considered doubtful		
Credit impaired	-	*0.35*
Less: Impairment Allowances for Bad and Doubtful Advances	-	*0.35*
	0.06	*5.47*
	13.72	***8.89***

14. Tax Assets

	As at 31st March, 2021 ₹ crores	*As at 31st March, 2020 ₹ crores*
Non-current Tax Assets		
Advance Income-tax (Net)	28.33	*57.57*
	28.33	***57.57***

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15. Deferred Tax

Accounting Policy

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

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

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

For operations carried out under tax holiday period (80IA benefits of Income Tax Act, 1961), deferred tax assets or liabilities, if any, have been established for the tax consequences of those temporary differences between the carrying values of assets and liabilities and their respective tax bases that reverse after the tax holiday ends.

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

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 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 recognised 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 realised. The Group reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent that it is no longer probable that it will pay normal tax during the specified period.

In the situations where one or more units of the Group are entitled to a tax holiday under the tax law, no deferred tax (asset or liability) is recognized in respect of temporary differences which reverse during the tax holiday period, to the extent the concerned unit's gross total income is subject to the deduction during the tax holiday period. Deferred tax in respect of temporary differences which reverse after the tax holiday period is recognized in the year in which the temporary differences originate. However, the Group restricts recognition of deferred tax assets to the extent it is probable that sufficient future taxable income will be available against which such deferred tax assets can be realized. For recognition of deferred taxes, the temporary differences which originate first are considered to reverse first.

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

	As at 31st March, 2021 ₹ crores	*As at 31st March, 2020 ₹ crores*
Net Deferred Tax Assets	48.94	*54.49*
Net Deferred Tax Liabilities	184.38	*146.85*

Deferred Tax Assets	As at 31st March, 2021 ₹ crores	*As at 31st March, 2020 ₹ crores*
Deferred Tax Assets	143.49	*184.43*
Deferred Tax Liabilities	94.55	*129.94*
Total - Net Deferred Tax Assets	**48.94**	***54.49***

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15. Deferred Tax (Contd.)

2020-21	Opening Balance	Recognised in Profit or Loss	Closing Balance
Deferred Tax Assets in relation to:			
Carry Forward Losses	74.18	(67.58)	6.60
MAT Credit Entitlement	74.84	18.99	93.83
Deferred revenue as per Ind AS 115	35.41	7.65	43.06
	184.43	**(40.94)**	**143.49**
Deferred Tax Liabilities in relation to:			
Property, Plant and Equipment	129.94	(35.39)	94.55
	129.94	**(35.39)**	**94.55**
Net Deferred Tax Assets	**54.49**	**(5.55)**	**48.94**

2019-20	Opening Balance	Recognised in Profit or Loss	Closing Balance
Deferred Tax Assets in relation to:			
Carry Forward Losses	*153.47*	*(79.29)*	*74.18*
MAT Credit Entitlement	*101.32*	*(26.48)*	*74.84*
Deferred revenue as per Ind AS 115	*25.63*	*9.78*	*35.41*
	280.42	***(95.99)***	***184.43***
Deferred Tax Liabilities in relation to:			
Property, Plant and Equipment	*197.29*	*(67.35)*	*129.94*
Service concession arrangement	*2.28*	*(2.28)*	-
	199.57	***(69.63)***	***129.94***
Net Deferred Tax Assets	***80.85***	***(26.36)***	***54.49***

Deferred Tax Liabilities

	As at 31st March, 2021 ₹ crores	*As at 31st March, 2020 ₹ crores*
Deferred Tax Assets	186.53	*126.95*
Deferred Tax Liabilities	370.91	*273.80*
Total - Net Deferred Tax Liabilities	**184.38**	***146.85***

2020-21	Opening Balance	Recognised in Profit or Loss	Closing Balance
Deferred tax assets in relation to			
Carry Forward Losses	60.03	41.53	101.56
MAT Credit Entitlement	66.92	18.05	84.97
	126.95	**59.58**	**186.53**
Deferred tax liabilities in relation to			
Property, Plant and Equipments	245.03	93.06	338.09
Service concession arrangement	4.24	1.76	6.00
Deferred revenue as per Ind AS 115	24.00	2.30	26.30
Intangibles assets	0.53	(0.01)	0.52
	273.80	**97.11**	**370.91**
Net Deferred Tax Liabilities	**146.85**	**37.53**	**184.38**

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15. Deferred Tax (Contd.)

2019-20	Opening Balance	Recognised in Profit or Loss	Closing Balance
Deferred Tax Assets in relation to :			
Carry Forward Losses	-	60.03	60.03
MAT Credit Entitlement	115.37	(48.45)	66.92
Goodwill	7.49	(7.49)	-
	122.86	**4.09**	**126.95**
Deferred Tax Liabilities in relation to:			
Property, Plant and Equipments	137.25	107.78	245.03
Service concession arrangement	-	4.24	4.24
Deferred revenue as per Ind AS 115	18.07	5.93	24.00
Intangibles assets	8.03	(7.50)	0.53
	163.35	**110.45**	**273.80**
Net Deferred Tax Liabilities	**40.49**	**106.36**	**146.85**

Reconciliation of Deferred Tax Expense amount recognised in profit or loss

	Recognised in profit or loss	
	For the year ended 31st March, 2021 ₹ crores	*For the year ended 31st March, 2020 ₹ crores*
Deferred Tax Assets (Net)		
Net (increase)/ decrease in Deferred Tax Assets	5.55	26.36
Deferred Tax Liabilities (Net)		
Net increase/ (decrease) in Deferred Tax Liabilities	37.53	106.36
Deferred Tax Expense (Net)	**43.08**	**132.72**

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16. Other Assets

	As at 31st March, 2021 ₹ crores	*As at 31st March, 2020 ₹ crores*
Non-current		
(i) Capital Advances		
Unsecured, considered good	-	*0.04*
Credit impaired	-	*0.04*
	-	*0.08*
Less: Impairment Allowance for Bad and Doubtful Advances	-	*0.04*
	-	*0.04*
(ii) Balances with Government Authorities		
Unsecured, considered good		
Amount Paid Under Protest	0.09	*0.09*
	0.09	*0.09*
(iii) Others		
Unsecured, considered good		
Prepaid Expenses	0.07	*0.09*
	0.07	*0.09*
	0.16	***0.22***
Current		
(i) Balances with Government Authorities		
Unsecured, considered good		
Advances	0.67	*0.34*
VAT/ Sales Tax Receivable	0.03	*0.02*
	0.70	*0.36*
(ii) Other Loans and Advances		
Unsecured, considered good		
Prepaid Expenses	0.06	*0.07*
Advances to Vendors	0.28	*0.76*
Other Advances	0.09	*0.16*
Credit impaired	-	*1.55*
	0.43	*2.54*
Less: Impairment Allowance for Bad and Doubtful Advances	-	*1.55*
	0.43	*0.99*
	1.13	***1.35***

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17. Inventories

Accounting Policy

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

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

- Cost of inventory includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.

  Costs of inventories are determined on weighted average basis.

Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

Unserviceable/damaged stores and spares are identified and written down based on technical evaluation.

	As at 31st March, 2021 ₹ crores	*As at 31st March, 2020 ₹ crores*
Inventories (valued at lower of cost and net realisable value)		
(a) Stores and Spares		
Stores and Spare Parts	14.02	*16.95*
(b) Loose Tools	0.10	*0.07*
	14.12	***17.02***

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18. Current Investments

	As at 31st March, 2021 Quantity	*As at 31st March, 2020 Quantity*	As at 31st March, 2021 ₹ crores	*As at 31st March, 2020 ₹ crores*
Investments carried at Fair Value through Profit and Loss				
(a) Investment in Mutual Funds (quoted)				
Tata Liquid Fund- Direct Plan - Growth	74,613.14	*1,91,106.08*	24.08	*59.86*
Invesco India Liquid Fund - Direct Plan Growth	-	*1,47,597.79*	-	*40.27*
DSP Liquidity Fund - Direct Plan - Growth	55,800.00	*1,27,225.49*	16.41	*36.14*
Nippon India Liquid Fund - Direct Plan- Growth	16,439.62	-	8.27	-
JM Liquid Fund - (Direct) Growth Option	-	*16,56,808.66*	-	*9.00*
SBI Liquid Fund - Direct Plan - Growth	54,201.37	-	17.46	-
Aditya Birla Sun Life Liquid Fund - Growth-Direct Plan	1,17,226.82	*8,69,222.33*	3.89	*27.78*
			70.11	***173.05***
Total			**70.11**	***173.05***

Notes:

1. Aggregate Market Value of Quoted Investments	70.11	*173.05*
2. Aggregate Carrying Value of Quoted Investments	70.11	*173.05*
3. Aggregate Carrying Value of Unquoted Investments	-	-

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19. Cash and Cash Equivalents

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. Cash and cash equivalents include balances with banks which are unrestricted for withdrawal and usage.

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 Group's cash management

	As at 31st March, 2021 ₹ crores	*As at 31st March, 2020 ₹ crores*
(i) Balances with Banks:		
In Current Accounts	81.54	*37.00*
In Deposit Accounts (with original maturity less than three months)	-	*71.81*
Cash and Cash Equivalents as per Balance Sheet	**81.54**	***108.81***
Cash and Cash Equivalents as per Statement of Cash Flows	**81.54**	***108.81***

Reconciliation of liabilities from Financing Activities

Particulars	As at 1st April, 2020	Cash flows		Foreign Exchange	Others	As at 31st March, 2021
		Proceeds	Repayment			
	₹ crores	₹ crores	₹ crores	₹ crores	₹ crores	₹ crores
Non-current Borrowings (including Current Maturity of Non-current Borrowings)	4,440.82	-	(406.35)	-	2.81	4,037.28
Current Borrowings (excluding Bank Overdraft)	678.18	987.61	(1,111.28)	-	7.89	562.40
Lease Liabilities	3.57	-	(0.31)	-	0.32	3.58
Total	**5,122.57**	**987.61**	**(1,517.94)**	**-**	**11.02**	**4,603.26**

Particulars	As at 1st April, 2019	Cash flows		Foreign Exchange	Others	As at 31st March, 2020
		Proceeds	Repayment			
	₹ crores	*₹ crores*	*₹ crores*	*₹ crores*	*₹ crores*	*₹ crores*
Non-current Borrowings (including Current Maturity of Non-current Borrowings)	*4,932.81*	*471.12*	*(971.13)*	*5.39*	*2.63*	*4,440.82*
Current Borrowings (excluding Bank Overdraft)	*40.00*	*1,697.71*	*(1,067.59)*	-	*8.06*	*678.18*
Lease Liabilities	-	-	(0.31)	-	3.88	3.57
Total	*4,972.81*	*2,171.83*	*(2,042.03)*	*5.39*	*14.57*	*5,122.57*

20. Other Balances with Banks

	As at 31st March, 2021 ₹ crores	*As at 31st March, 2020 ₹ crores*
(a) In Earmarked Accounts (Non current deposits kept as margin money against borrowings)	11.25	*14.05*
	11.25	***14.05***

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21. Share Capital

	As at 31st March, 2021 Number	As at 31st March, 2021 ₹ crores	*As at 31st March, 2020 Number*	*As at 31st March, 2020 ₹ crores*
Authorised				
Equity Shares of ₹ 10/- each	88,15,30,800	881.53	*88,15,30,800*	*881.53*
Compulsory Convertible Preference Share ("CCPS") of ₹ 45.4956 each	7,00,00,000	318.47	*7,00,00,000*	*318.47*
Compulsory Convertible Preference Share ("CCPS") of ₹ 10 each	50,00,00,000	500.00	*50,00,00,000*	*500.00*
		1,700.00		*1,700.00*
Issued				
Equity shares of ₹ 10 each	61,13,55,942	611.36	*61,13,55,942*	*611.36*
Subscribed and Paid-up				
Equity shares of ₹ 10 each	61,13,55,942	611.36	*61,13,55,942*	*611.36*
Total Issued, Subscribed and fully Paid-up Share Capital		**611.36**		***611.36***

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

	As at 31st March, 2021 Number	As at 31st March, 2021 ₹ crores	*As at 31st March, 2020 Number*	*As at 31st March, 2020 ₹ crores*
Equity Shares				
At the beginning of the year	61,13,55,942	611.36	*61,13,55,942*	*611.36*
Issued during the year	-	-	-	-
Outstanding at the end of the year	61,13,55,942	**611.36**	*61,13,55,942*	***611.36***

(ii) Terms/rights attached to Equity Shares

The Company has issued only one class of Equity Shares having a par value of ₹ 10/- per share. Each holder of Equity Shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of Equity Shares will be entitled to receive remaining assets of the Group, after distribution of all preferential amounts. The distribution will be in proportion to the number of Equity Shares held by the shareholders.

(iii) Details of shareholders holding more than 5% shares in the Company and details of share held by the holding company & its subsidiaries

	As at 31st March, 2021 Number	As at 31st March, 2021 % Holding	*As at 31st March, 2020 Number*	*As at 31st March, 2020 % Holding*
Equity Shares of ₹ 10/- each fully paid				
Tata Power Renewable Energy Limited "TPREL" "the holding company" (including 6 equity shares held by nominee shareholders on behalf of TPREL)	61,13,55,942	100.00	*61,13,55,942*	*100.00*

(iv) Details of share held by the holding company & its subsidiaries

	As at 31st March, 2021 Number	*As at 31st March, 2020 Number*
Equity Shares of ₹ 10/- each fully paid		
Tata Power Renewable Energy Limited "TPREL" "the holding company" (including 6 equity shares held by nominee shareholders on behalf of TPREL)	61,13,55,942	*61,13,55,942*

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22. Other Equity

		As at 31st March, 2021 ₹ crores	*As at 31st March, 2020 ₹ crores*
Securities Premium			
Opening Balance		1,108.54	*1,108.54*
Add:	Share Premium collected during the year	-	-
Closing Balance		1,108.54	*1,108.54*
Debenture Redemption Reserve (DRR)			
Opening Balance		100.00	*100.00*
Add:	Amount transferred from Retained Earnings	-	-
Closing Balance		100.00	*100.00*
Capital Reserve			
Opening Balance		26.74	*26.74*
Add:	Movement during the year	-	-
Closing Balance		26.74	*26.74*
Retained Earnings			
Opening balance		449.71	*268.20*
Add:	Profit for the year	319.92	*182.76*
Add:/ Less:	Other Comprehensive Income/ (Expense) arising from Remeasurement of Defined Benefit Obligation (Net of Tax)	0.37	*(1.25)*
Less:	Other Appropriations:		
	Payment of Dividend	(20.17)	-
		300.12	*181.51*
Closing Balance		749.83	*449.71*
Equity Contribution- Financial guarantee			
Opening Balance		3.94	*3.94*
Add:	Addition during the year	-	-
Closing Balance		3.94	*3.94*
Total		**1,989.05**	***1,688.93***

Nature and purpose of reserves

Securities Premium

Securities Premium Reserve is used to record the premium on issue of shares and is utilised in accordance with the provisions of the Companies Act, 2013.

Debenture Redemption Reserve

The Holding Company was required to create a Debenture Redemption Reserve out of the profits which are available for payment of dividend for the purpose of redemption of debentures. Pursuant to Companies (Share Capital and Debentures) Amendment Rules, 2019 dated 16th August, 2019, the Holding Company is not required to create Debenture Redemption Reserve (DRR). Accordingly, the Holding Company has not created DRR during the year and DRR created till previous years will be transferred to retained earnings on redemption of debentures.

Capital Reserve

Capital Reserve consists of lesser amount paid for acquisition of share in Walwhan Solar MP Limited, Walwhan Wind RJ Limited, Walwhan Energy GJ Limited , Walwhan Urja Anjar Limited and Walwhan Urja India Limited. The amount is not available for distribution as dividend.

Retained Earnings

Retained Earnings are the profits of the Group earned till date net of appropriations.

Equity Contribution on financial guarantee

Equity contribution on financial guarantee pertains to financial guarantee given by The Tata Power Company Limited for issue of Non Convertible Debentures in Walwhan Renewable Energy Limited (WREL). The amount taken on the basis of valuation for benefit given by The Tata Power Company Limited to WREL in the form of guarantee.

23. Non-current Borrowings

	As at 31st March, 2021		*As at 31st March, 2020*	
	Non-current	Current maturities *	*Non-current*	*Current maturities **
	₹ crores	₹ crores	*₹ crores*	*₹ crores*
(i) Unsecured - At Amortised Cost				
Debentures				
Redeemable Non-Convertible Debentures	-	1,198.80	*1,197.36*	*-*
	-	1,198.80	*1,197.36*	*-*
(ii) Secured - At Amortised Cost				
Term Loans				
From Banks	2,231.45	195.43	*2,461.29*	*215.03*
From Others	402.92	8.68	*559.05*	*8.09*
	2,634.37	204.11	*3,020.34*	*223.12*
Total	**2,634.37**	**1,402.91**	***4,217.70***	***223.12***

* Amount disclosed under Other Current Financial Liabilities (Refer Note 25)

Security and interest rate terms of borrowings

Secured - at amortised cost

(a) Term loan from banks

Secured term loans availed by various entities of the group from banks are secured by pari pasu charge on all present and future movable, immovable assets, intangibles, uncalled capital, receivables of the borrowing company / identified subsidiary companies , current assets, rights under project documents, project cash flow and accounts including DSRA accounts (wherever applicable) of the respective entities and some of them are additionally secured by pledge of shares of subsidiaries held by their respective holding companies, minimum shareholding undertaking and corporate guarantee by The Tata Power Company Limited and/ or Tata Power Renewable Energy Limited.

(b) Term loans from financial institutions

Secured term loans availed from financial institutions are secured by pari pasu charge on all present and future movable, immovable assets, intangibles, uncalled capital, receivables, current assets, rights under project documents, project cash flow and accounts including DSRA accounts of the respective entities and some of them are additionally secured by pledge of shares of subsidiaries held by their respective holding companies, minimum shareholding undertaking and conditional corporate guarantee of The Tata Power Company Limited.

Unsecured - at amortised cost

(a) Non-Convertible Debentures

8% Compulsorily Redeemable Non Convertible Debentures are guaranteed by The Tata Power Company Limited.

Notes:

A. Range of interest rates for:

1. Redeemable Non-Convertible Debentures - 8%
2. Term loan from banks - 7.40% to 9.05%
3. Term loan from others - 7.50% to 8.72%

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23. Non-current Borrowings *(Contd.)*

Terms of Repayment for FY 2021

₹ crores

Particulars	Amount Outstanding as at 31st March, 2021	Financial Year						
		FY 21-22	FY 22-23	FY 23-24	FY 24-25	FY 25-26	FY 27-31	FY 31-32 and onwards
(i) Unsecured - At Amortised Cost								
(a) Redeemable Non-Convertible Debentures	1,200.00	1,200.00	-	-	-	-	-	-
(ii) Secured - At Amortised Cost								
Term Loans								
From Banks	2,434.94	195.43	197.23	168.93	168.83	168.37	834.83	701.32
From Others	413.14	8.68	39.48	39.68	39.88	40.08	227.98	17.36
	4,048.08	**1,404.11**	**236.71**	**208.61**	**208.71**	**208.45**	**1,062.81**	**718.68**
Less: Impact of recognition of borrowing at amortised cost using effective interest method under Ind AS	(10.80)							
	4,037.28							

24. Leased Liabilities

Accounting Policy

At inception of contract, the Group 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 Group allocates consideration in the contract to each lease component on the basis of their relative stand alone price.

As a lessee

i) Right-of-use assets

The Group 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, as follows:

- Land - 20 to 95 years

The Group presents right-to-use assets that do not meet the definition of investment property in 'Property, plant and equipment'.

ii) Lease liabilities

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

The Group presents lease liabilities in "financial liabilities" in the Balance Sheet as separate line item.

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

The Group 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.

Lessee

The Group has lease contracts for various items of land used in its operations. Leases of land generally have lease terms between 20 and 95 years. Generally, the Group is restricted from assigning and subleasing the leased assets.

₹ crores

Amount recognised in the Statement of Profit and Loss	Classified Under	For the year ended 31st March, 2021	*For the year ended 31st March, 2020*
Depreciation of Right-of-use assets	Depreciation	1.75	*1.77*
Interest on lease liabilities	Finance Cost	0.32	*0.32*
Expenses related to short term leases	Other Expenses	1.20	*0.45*

Refer Note 7B for additions to Right-Of-Use Assets and the carrying amount of right of use assets as at 31st March, 2021. For maturity analysis Refer note 39.4.3

₹ crores

Amount recognised in the Statement of Cash Flows	For the year ended 31st March, 2021	*For the year ended 31st March, 2020*
Total cash outflow of leases	0.31	*0.31*

Carrying amount of lease liabilities

	As at 31st March, 2021 ₹ crores	*As at 31st March, 2020 ₹ crores*
Non-current		
(i) Leased Liabilities	3.58	*3.57*
	3.58	***3.57***

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25. Other Financial Liabilities

	As at 31st March, 2021 ₹ crores	*As at 31st March, 2020 ₹ crores*
Current		
(At Amortised Cost)		
(a) Current Maturities of Long-term Debt	1,402.91	*223.12*
(b) Interest accrued but not due on Borrowings-Others	28.88	*33.16*
(c) Payables for Capital Supplies and Services	11.16	*13.30*
	1,442.95	***269.58***

26. Tax Liabilities

	As at 31st March, 2021 ₹ crores	*As at 31st March, 2020 ₹ crores*
Current Tax Liabilities		
Income-tax Payable	0.04	*3.45*
Total	**0.04**	***3.45***

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WALWHAN RENEWABLE ENERGY LIMITED ★

27. Provisions

<u>Accounting Policy</u>

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

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

Present obligations arising under onerous contracts are recognised and measured as provisions with charge to statement of profit and loss. An onerous contract is considered to exist where the Group has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract.

Defined contribution plans

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

Defined benefits plans

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method. Remeasurements, 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 other comprehensive income (OCI) in the period in which they occur. Remeasurements are not reclassified to statement of profit and loss in subsequent periods. Past service costs are recognised in statement of profit and loss on the earlier of :

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

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognises the following changes in the net defined benefit obligation as an expense in the consolidated 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.

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

The cost of the defined benefit gratuity plan and other post-employment medical benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds. The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

Current and other non-current employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of current employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other non-current employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Group in respect of services provided by employees up to the reporting date.

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	As at 31st March, 2021 ₹ crores	*As at 31st March, 2020 ₹ crores*
Non-current		
Provision for Employee Benefits		
Compensated Absences	1.63	*1.45*
Gratuity (Net) [Refer note 27 (2.3)]	3.11	*3.10*
Post-Employment Medical Benefits [Refer note 27 (2.3)]	0.32	*0.33*
Other Defined Benefit Plans [Refer note 27 (2.3)]	0.17	*0.19*
Other Employee Benefits	0.07	*0.07*
Total	**5.30**	***5.14***
Current		
Provision for Employee Benefits		
Compensated Absences	0.07	*0.06*
Gratuity (Net) [Refer note 27 (2.3)]	0.12	*0.11*
Other Defined Benefit Plans [Refer note 27 (2.3)]	0.02	*0.02*
Total	**0.21**	***0.19***

Notes:

1. Provision for employee benefits includes provision for gratuity, post-employment, medical benefits, pension (including Director pension), ex-gratia death benefit and retirement gift.

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WALWHAN RENEWABLE ENERGY LIMITED

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27. Provisions *(Contd.)*

Employee benefit plan

1. Defined Contribution plan

The Group makes Provident Fund and Superannuation Fund contributions to defined contribution plans for eligible employees. Under the schemes, the Group is required to contribute a specified percentage of the payroll costs. The provident fund contributions as specified under the law are paid to the Government approved provident fund trust or statutory provident fund authorities. The Group has no obligation, other than the contribution payable to the respective fund. The Group recognizes such contribution payable to the respective fund scheme as an expense, when an employee renders the related service.

The Group has recognised ₹ 0.48 crores (31st March, 2020 - ₹ 0.51 crores) for provident fund contributions and ₹ 0.14 crores (31st March, 2020 - ₹ 0.14 crores) for superannuation contributions to superannuation Fund Trust managed by Ultimate Parent Company in the Statement of Profit and Loss. The contributions payable to these plans by the Group are at rates specified in the rules of the schemes.

2. Defined benefit plans

2.1 The Group operates the following unfunded defined benefit plans:

Provident Fund

The holding Company makes Provident Fund contributions to defined benefit plans for eligible employees. Under the scheme, the Holding Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The contributions as specified under the law are paid to the provident fund set up as a trust by the Ultimate Parent Company. The Holding Company is generally liable for annual contributions and any shortfall in the fund assets based on the government specified minimum rates of return and recognises such contributions and shortfall, if any, as an expense in the year it is incurred. Having regard to the assets of the fund and the return on the investments, the Ultimate Parent Company does not expect any shortfall in the foreseeable future.

Particulars	31st March, 2021	*31st March, 2020*
Contribution made during the year to PF trust (₹ crores)	0.16	*0.20*

Unfunded:

Post Employment Medical Benefits

The Group provides certain post-employment health care benefits to superannuated employees at some of its locations. In terms of the plan, the retired employees can avail free medical check-up and medicines at Group's facilities.

Pension (including Director pension)

The Group operates a defined benefit pension plan for employees who have completed 15 years of continuous service. The plan provides benefits to members in the form of a pre-determined lump sum payment on retirement. Executive Director, on retirement, is entitled to pension payable for life including HRA benefit. The level of benefit is approved by the Board of Directors of the Group from time to time.

Ex-Gratia Death Benefit

The Group has a defined benefit plan granting ex-gratia in case of death during service. The benefit consists of a pre-determined lump sum amount along with a sum determined based on the last drawn basic salary per month and the length of service.

Retirement Gift

The Group has a defined benefit plan granting a pre-determined sum as retirement gift on superannuation of an employee.

Gratuity

The Group has a defined benefit gratuity plan. The gratuity plan is primarily governed by the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of five years are eligible for gratuity. The level of benefits provided depends on the member's length of service and salary at the retirement date. The gratuity plan is a combination of funded plan and unfunded plan for various companies in the Group. In case of funded plan, the fund has the form of a trust and is governed by Trustees appointed by the Group. The Trustees are responsible for the administration of the plan assets and for the definition of the investment strategy in accordance with the regulations. The funds are deployed in recognised insurer managed funds in India.

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

Valuation as at	31st March, 2021	*31st March, 2020*
Discount Rate	6.60%	*6.50%*
Salary Growth Rate		
- Management	7.00%	*7.00%*
- Non-Management	5.00%	*5.00%*
Turnover Rate		
Turnover Rate - Age 21 to 44 years		
- Management	6.00%	*6.00%*
- Non-Management	0.50%	*0.50%*
Turnover Rate - Age 45 years and above		
- Management	2.00%	*2.00%*
- Non-Management	0.50%	*0.50%*
Mortality Table	Indian Assured Lives Mortality (2006-08) (modified) Ult	*Indian Assured Lives Mortality (2006-08) (modified) Ult*

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27. Provisions *(Contd.)*

2.3 The amounts recognised in the financial statements and the movements in the net defined benefit obligations over the year are as follows:

Unfunded Plan - Gratuity and Other Defined Benefit Plans:	**Gratuity Amount ₹ crores**	**Other Defined Benefit Plans Amount ₹ crores**
Balance as at 1st April, 2019	***2.28***	***0.52***
Current service cost	*0.31*	*0.14*
Past service cost	-	*0.10*
Interest Cost/(Income)	*0.16*	*0.05*
Amount recognised in Statement of Profit and Loss	***0.47***	***0.29***
Remeasurement (gains)/ losses		
Actuarial (gains)/ losses arising from changes in demographic assumptions	*0.03*	*(0.08)*
Actuarial (gains)/ losses arising from changes in financial assumptions	*0.26*	*0.07*
Actuarial (gains)/ losses arising from experience	*1.14*	*(0.18)*
Amount recognised in Other Comprehensive Income	***1.43***	***(0.19)***
Benefits paid	*(0.16)*	*(0.02)*
Acquisitions credit/ (cost)	*(0.81)*	*(0.06)*
Balance as at 31st March, 2020	***3.21***	***0.54***
Balance as at 31st March, 2020	**3.21**	**0.54**
Current service cost	0.29	0.06
Past service cost	-	-
Interest Cost/ (Income)	0.21	0.04
Amount recognised in Statement of Profit and Loss	**0.50**	**0.10**
Remeasurement (gains)/ losses		
Actuarial (gains)/ losses arising from changes in demographic assumptions	-	-
Actuarial (gains)/ losses arising from changes in financial assumptions	(0.03)	(0.01)
Actuarial (gains)/ losses arising from experience	(0.21)	(0.12)
Amount recognised in Other Comprehensive Income	**(0.24)**	**(0.13)**
Benefits paid	(0.05)	-
Acquisitions credit/ (cost)	(0.19)	-
Balance as at 31st March, 2021	**3.23**	**0.51**

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27. Provisions *(Contd.)*

2.4 Sensitivity analysis

The sensitivity of the defined benefit obligations to changes in the weighted principal assumptions is:

	Change in assumption		Increase in assumption			Decrease in assumption		
	31st March, 2021	*31st March, 2020*		31st March, 2021	*31st March, 2020*		31st March, 2021	*31st March, 2020*
	₹ crores	*₹ crores*		₹ crores	*₹ crores*		₹ crores	*₹ crores*
Discount rate	0.50%	*0.50%*	Decrease by	0.19	*0.20*	Increase by	0.21	*0.22*
Salary/Pension growth rate	0.50%	*0.50%*	Increase by	0.16	*0.17*	Decrease by	0.15	*0.16*
Withdrawal rates/ Claim rates	5%	*5%*	Decrease by	0.30	*0.27*	Decrease by	-	*-*
Mortality rates	1 year	*1 year*	Increase by	0.02	*0.02*	Decrease by	0.02	*0.02*
Healthcare cost	0.50%	*0.50%*	Increase by	0.05	*0.05*	Decrease by	0.04	*0.04*

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

The method and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

2.5 The expected maturity analysis of undiscounted defined benefit obligation (Unfunded) is as follows:

	31st March, 2021	*31st March, 2020*
	₹ crores	*₹ crores*
Within 1 year	0.14	*0.14*
Between 1 - 2 years	0.15	*0.16*
Between 2 - 3 years	0.17	*0.17*
Between 3 - 4 years	0.71	*0.20*
Between 4 - 5 years	0.18	*0.52*
Beyond 5 years	3.32	*2.80*

2.6 Risk exposure:

Through its defined benefit plans, the Group is exposed to a number of risks, the most significant of which are detailed below:

Asset volatility:
The plan liabilities are calculated using a discount rate set with reference to government bond yield. If plan assets underperform this yield, it will result in deficit. These are subject to interest rate risk. To offset the risk, the plan assets have been deployed in high grade insurer managed funds.

Inflation rate risk:
Higher than expected increase in salary and medical cost will increase the defined benefit obligation.

Demographic risk:
This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligations is not straight forward and depends upon the combination of salary increase, discount rate and vesting criterion.

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28. Other Liabilities

	As at 31st March, 2021 ₹ crores	*As at 31st March, 2020 ₹ crores*
Non-current		
Deferred Revenue Liability	167.62	*141.34*
Total	**167.62**	***141.34***

	As at 31st March, 2021 ₹ crores	*As at 31st March, 2020 ₹ crores*
Current		
Statutory Liabilities	10.53	*16.43*
Other Liabilities	0.15	*0.57*
Total	**10.68**	***17.00***

29. Current Borrowings

	As at 31st March, 2021 ₹ crores	*As at 31st March, 2020 ₹ crores*
(i) Unsecured - At Amortised Cost		
From Banks		
(a) Short-term Loans (Refer note below 29.3)	127.97	*299.79*
From Others		
(a) Commercial Papers (Refer note below 29.1)	398.95	*292.36*
Total	**526.92**	***592.15***
(ii) Secured - At Amortised Cost		
From Banks		
(a) Short-term Loans (Refer note below 29.2)	35.48	*86.03*
Total	**35.48**	***86.03***
Total	562.40	***678.18***

29.1 Terms of commercial papers

31st March, 2021

Walwhan Renewable Energy Limited has outstanding borrowings of ₹ 398.95 crores through issuance of commercial papers. These Commercial papers are unsecured debt, carry interest @ 3.84% p.a.

31st March, 2020

Walwhan Renewable Energy Limited has outstanding borrowings of ₹ 297.79 crores through issuance of commercial papers. These Commercial papers are unsecured debt, carry interest @ 7.53% p.a and was redeemed on 07th August , 2020.

29.2 Term of secured short-term loan

A Subsidiary company of the Group i.e. Walwhan Wind RJ Limited had availed bill discounting facility of ₹ 35.48 crores (previous year ₹ 86.03 crores) which is secured against 1st exclusive charge /assignment over the supply bills discounted and backed by Corporate Guarantee of The Tata Power Company Limited. During the year, Walwhan Wind RJ Limited availed further bill discounting facility of ₹ 12.96 crores and ₹ 35.48 crores. Out of the applicable interest cost, entire interest cost recovered from Jaipur Vidyut Vitran Nigam Limited upfront. Bill discounting facility of ₹ 12.96 crores has been honoured by the Jaipur Vidyut Vitran Nigam Limited on due date.

29.3 Term of unsecured short-term loan

a) The Subsidiary Company of the Group i.e. Walwhan Wind RJ Limited had availed bill discounting facility of ₹ 47.80 crores which is unsecured.

b) The Holding Company and Subsidiary Company of the Group i.e. Walwhan Solar TN Limited had availed bill discounting facility of ₹ 80.17 crores (previous year ₹ 299.79 crores) which is unsecured and backed by Corporate Guarantee of The Tata Power Company Limited (refer note 11.2). Out of the applicable interest cost, interest component has been recovered from Tamilnadu Generation and Distribution Corporation Limited upfront.

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30. Revenue from Operations

Revenue recognition

Accounting Policy

A. 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 Group expects to be entitled in exchange for those goods or services.

(i) Sale of Power - Generation (Wind and Solar)
Revenue from sale of power is recognised net of estimated rebates and other similar allowances when the units of electricity is delivered at the contracted rate. The transaction price is adjusted for significant financing component, if any and the adjustment is accounted as finance cost. The group have identified supply of power over the term of PPA as a single performance obligations and is recongnising revenue over time using a single measure of progress.
The Group enters into long term agreement for sale of power to Discom at a fixed rate per unit. The management has assessed and determined that amount invoiced / to be invoiced as the agreement reflects appropriate revenue for the period except in cases here the rate per unit is not the same over life of PPA. 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 unbilled revenue / receivables when the rights become unconditional and contract liabilities are recognized as and when the performance obligation is satisfied.

B. Delayed payment charges
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. The management has assessed that the Group will meet Ind AS 115 criteria for revenue recognition in respect of delay payment charge only at this stage.

C. Unbilled revenue
Unbilled revenue represents services rendered by the Group but not invoiced as at balance sheet date. The Group presents such unbillied revenue as financial asset if it has unconditional right to receive and billing is dependent only on the passage of time. If unconditional right to receive does not exist, then amount is presented as non-financial asset.

D. The transaction price for long term power purchase agreements is determined based on the expected plant load factor at the per unit rate of electricity for each year over the contract period.

E. Financial asset for which loss allowance is measured using lifetime expected credit losses:
The Group has customers (state government utilities) with capacity to meet the obligations and therefore the risk of default is negligible or nil. Further the management believes that the unimpaired amounts that are past due by more than 30 days continue to be collectible in full, based on historical payment behaviour, extensive analysis of customer credit risk, applicability of delayed payment charges prescribed in the power purchase agreement (PPA) and other related factors. Hence, no impairment loss has been recognised during the reporting periods in respect of trade receivables.

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30. Revenue from Operations (Contd.)

		For the year ended 31st March, 2021 ₹ crores	*For the year ended 31st March, 2020 ₹ crores*
(a)	**Revenue from Power Supply contract with customers**	1,144.40	*1,153.77*
	Less: Rebate/ Discount	(6.54)	*(11.42)*
		1,137.86	*1,142.35*
(b)	**Other Operating Revenue**		
	Income in respect of Services Rendered	2.88	*1.99*
	Finance income on Service Concession Agreement	36.49	*38.62*
	Compensation income	1.01	*4.38*
	Miscellaneous Revenue	0.54	*3.89*
	Generation based incentive	10.97	*11.43*
		51.89	*60.31*
		1,189.75	***1,202.66***

Details of Revenue from contract with customers

	For the year ended 31st March, 2021 ₹ crores	*For the year ended 31st March, 2020 ₹ crores*
Revenue from power supply (net of cash discount)	1,137.86	*1,142.35*
Income in respect of Services Rendered	2.88	*1.99*
Finance income on Service Concession Agreement	36.49	*38.62*
Total revenue from contract with customers	**1,177.23**	***1,182.96***
Add : Significant financing expense component (net of finance income)	5.72	*11.57*
Add : Rebate/ Discount	6.54	*11.42*
Total revenue as per contracted price	**1,189.49**	***1,205.95***

Disclosure on Transaction Price - Remaining Performance Obligation
Revenue from Power Supply to be recognised

Within one year	190.40	*189.79*
Beyond one year	3,285.56	*3,466.55*
Total	**3,475.96**	***3,656.34***

Contract balances

	As at 31st March, 2021 ₹ crores	*As at 31st March, 2020 ₹ crores*
Contract assets		
Deferred revenue to customers	104.47	*95.34*
Total Contract assets	**104.47**	***95.34***
Contract liabilities		
Deferred revenue from customers	167.62	*141.34*
Total Contract Liabilities	**167.62**	***141.34***
Receivables		
Trade receivables (Gross)	762.31	*962.25*
Unbilled revenue	138.15	*142.41*
Less : Allowances for doubtful trade receivable	(1.87)	*(1.87)*
Net receivables	**898.59**	***1,102.79***

Significant changes in the contract assets and the contract liabilities balances during the year are as follows:

₹ crores

	As at 31st March, 2021		*As at 31st March, 2020*	
	Contract Assets	Contract Liabilities	Contract Assets	Contract Liabilities
Opening Balance	95.34	141.34	*81.11*	*105.47*
Interest income/ (expense) for the year	11.61	17.33	*10.28*	*21.85*
Revenue in respect of earlier years recognized during the year	(2.48)	8.95	*3.95*	*14.97*
Electricity Consumption	-	-	-	*(0.95)*
Closing balance	**104.47**	**167.62**	***95.34***	***141.34***

Disaggregation of Revenue

The Group has a single stream of revenue i.e. sale of power

31. Other Income

Accounting Policy

Dividend income from investments is recognised when the shareholder's right to receive payment has been established.

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

	For the year ended 31st March, 2021 ₹ crores	*For the year ended 31st March, 2020 ₹ crores*
(a) Interest Income		
(i) Financial Assets held at Amortised Cost		
Interest on Banks Deposits	2.75	*0.77*
Interest on Overdue Trade Receivables	4.17	-
Interest on Loans to related party	11.33	*1.97*
Interest on deferred revenue	11.61	*10.28*
	29.86	*13.02*
(ii) Others		
Interest on Income-tax Refund	3.06	*2.48*
	32.92	*15.50*
(b) Gain/(Loss) on Investments		
Gain on Sale of Current Investment measured at FVTPL	7.05	*5.01*
	7.05	*5.01*
(c) Other Non-operating Income		
Reversal of Impairment Allowance for Doubtful Debts and Advances	2.00	*1.30*
Miscellaneous revenue	2.21	-
	4.21	*1.30*
Total	**44.18**	***21.81***

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32. Employee Benefits Expense

	For the year ended 31st March, 2021 ₹ crores	*For the year ended 31st March, 2020 ₹ crores*
Salaries and Wages	12.73	*16.85*
Contribution to Provident Fund [Refer note 27(1)]	0.48	*0.51*
Contribution to Superannuation Fund [Refer note 27(1)]	0.14	*0.14*
Gratuity [Refer note 27(2.3)]	0.52	*0.48*
Leave Encashment Scheme	0.59	*0.78*
Pension	0.25	*0.25*
Staff Welfare Expenses	1.31	*1.13*
Total	**16.02**	***20.14***

33. Finance Costs

<u>Accounting Policy</u>

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 statement of profit and loss in the period in which they are incurred.

	For the year ended 31st March, 2021 ₹ crores	*For the year ended 31st March, 2020 ₹ crores*
(a) Interest Expense:		
On Borrowings (Carried at Amortised Cost)		
Interest on Debentures	97.18	*97.70*
Interest on commercial paper	7.90	*8.06*
Interest on Loans - Banks & Financial Institutions	261.32	*314.20*
Interest on borrowings from related parties	3.05	*1.82*
Others		
Other Interest and Commitment Charges	0.32	*0.32*
	369.77	*422.10*
(b) Other Borrowing Cost:		
Other Finance Costs	3.52	*3.35*
Interest on deferred revenue	17.33	*21.85*
Foreign Exchange Loss/(Gain) on Borrowings (Net)	-	*(0.07)*
	20.85	*25.13*
	390.62	***447.23***

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34. Other Expenses

	For the year ended 31st March, 2021 ₹ crores	*For the year ended 31st March, 2020 ₹ crores*
Consumption of Stores, Oil, etc.	1.03	*1.83*
Rental of Buildings and Plant and Equipment	0.25	*0.44*
Repairs and Maintenance -		
(i) To Buildings and Civil Works	0.82	*1.82*
(ii) To Machinery and Hydraulic Works	34.32	*31.61*
(iii) To Furniture, Vehicles, etc.	0.73	*0.38*
	35.87	*33.81*
Rates and Taxes	3.29	*2.66*
Insurance	7.83	*2.94*
Other Operation Expenses	24.11	*24.57*
Travelling and Conveyance Expenses	2.16	*2.74*
Consultants' Fees	2.72	*3.05*
Auditors' Remuneration [Refer note (i)]	1.73	*1.39*
Cost of Services Procured	28.34	*27.77*
Net (Gain)/Loss on Foreign Exchange	0.01	-
Legal Charges	1.45	*1.56*
Corporate Social Responsibility Expenses [Refer note (ii)]	7.12	*5.34*
Loss on Disposal of Property, Plant and Equipment	6.74	*2.59*
Miscellaneous Expenses	2.59	*1.36*
	125.24	***112.05***

(i) Payment to the auditors comprises (inclusive of taxes):

	For the year ended 31st March, 2021 ₹ crores	*For the year ended 31st March, 2020 ₹ crores*
As Auditors - Statutory Audit	0.62	*0.41*
For Taxation Matters- Tax audit	0.30	*0.27*
For Other Services- Limited review, certification services	0.79	*0.65*
Reimbursement of Expenses	0.02	*0.06*
Total	**1.73**	***1.39***

(ii) Details of Expenditure on Corporate Social Responsibility :

	For the year ended 31st March, 2021 ₹ crores	*For the year ended 31st March, 2020 ₹ crores*
Contribution to Tata Power Community Development Trust	7.12	*5.09*
Expenses incurred by the Group Companies	-	*0.25*
Total	**7.12**	**5.34**
Amount required to be spent as per section 135 of the Act	**7.12**	**5.34**
Amount spent during the year on:		
(a) Construction/ Acquisition of asset	-	-
(b) On purposes other than (a) above	**7.12**	**5.34**

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WALWHAN RENEWABLE ENERGY LIMITED

Walwhan Renewable Energy Limited
(Formerly known as Walwhan Renewable Energy Private Limited)
(Formerly known as Welspun Renewables Energy Private Limited)
Notes to the Consolidated Financial Statements

35. Income taxes

Current Tax
Accounting Policy

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the respective subsidiary companies operates and generates taxable income.

Current income tax relating to items recognised outside statement of profit and loss is recognised outside statement of profit and 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.

(i) Income taxes recognised in statement of profit and loss	For the year ended 31st March, 2021 ₹ crores	*For the year ended 31st March, 2020 ₹ crores*
Current tax	55.01	*34.81*
Current tax in respect of the previous years	(3.52)	-
Deferred tax	43.08	*23.22*
Remeasurement of deferred tax on account of new tax regime	-	*109.50*
Total income tax expense recognised in the current year	**94.57**	***167.53***

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

	31st March, 2021 ₹ crores	***31st March, 2020 ₹ crores***
Profit before tax	414.49	*350.29*
Profit before tax considered for tax working	**414.49**	***350.29***
Income tax expense calculated at 25.17%	104.33	*88.17*
Add/(Less) tax effect on account of :		
Impact of new tax rate adoption		
MAT write-off	-	*98.96*
80-IA and related impact	-	*43.64*
Effect of Rate change due to new tax regime	-	*(33.10)*
Other impacts		
Effect of Forex Capitalised	-	*(25.53)*
Brought Forward Losses	-	*(2.15)*
Effect of Long Term Capital Gain	-	*(0.02)*
Effect of movement of tax on which no deferred tax was recognised or adjustment arising in current year	10.29	*(3.85)*
Effect of non-taxable income	(1.70)	*(1.81)*
Profit taxable at difference tax rates for certain subsidiaries	9.27	*7.36*
Effect on account of tax in respect of earlier years	(3.52)	-
Reversal of deferred tax during tax holiday period	(35.01)	*(3.38)*
Dividend from subsidiaries companies	6.42	-
Effect of expenses that are not deductible in determining taxable profit	5.04	*5.43*
Changes in income tax rate	(0.02)	*(0.34)*
	95.10	***173.38***
Other Items	(0.53)	*(5.85)*
Income tax expense recognised in statement of profit and loss	**94.57**	***167.53***
Tax expense	94.57	167.53
Income tax expense recognised in statement of profit and loss	**94.57**	***167.53***

S R B C & CO LLP MUMBAI CHARTERED ACCOUNTANTS

WALWHAN RENEWABLE ENERGY LIMITED

35. Income taxes

Notes:

a. The tax rate used for the years 2020-21 and 2019-20 reconciliation above is the corporate tax rate of 25.168% payable by corporate entities in India on taxable profits under the Indian tax law.

b. The Group had paid taxes based on the higher of Income Tax profit of the subsidiary company or MAT at 17.472% of book profit for the year 2020-21 and 2019-20.

c. The Minimum Alternate Tax (MAT) rate applicable is 17.472% of the book profit for the year 2020-21 and 2019-20.

d. a) In current year, 1 company in the Group had elected to exercise the option given under section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019 (since replaced by the Taxation Laws (Amendment) Act, 2019). Accordingly, the Group had recognised Current Tax for that company.

b) In previous year, 5 Companies in the Group had elected to exercise the option given under section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019 (since replaced by the Taxation Laws (Amendment) Act, 2019). Accordingly, the Group had recognised Current Tax for the previous year and re-measured its Deferred Tax Liability basis the rate prescribed in the said Amendment.

c) 14 Companies in the Group continue to pay income tax under the old tax regime and have not opted for lower tax rate pursuant to the Taxation Law (Amendment) Ordinance, 2019 (since replaced by the Taxation Laws (Amendment) Act, 2019) considering the accumulated MAT credit, losses and 80-IA benefits under the Income Tax Act, 1961. The Group plans not to opt for lower tax regime in foreseeable future and therefore, there is no impact on current/ deferred tax for the year.

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WALWHAN RENEWABLE ENERGY LIMITED

36. Contingent Liabilities and Commitments:

A. Contingent Liabilities :

a) In respect of legal matters

i) The Holding Company had obtained 21.65 acres of land through registered lease deed for 33 years for setting up a solar power plant in Bihar.

During the financial year 2018-19, the lease was treated by the Collector, Gaya as illegal for entering into lease without order of any competent authority, and was cancelled alongwith recovery of penal rent. The Holding Company filed Writ Petition before the Patna High Court against the said Order. The Patna High Court stayed the operations of the Collectors Order and provided certain time to file the counter affidavit. Counter affidavit has filed by the respondent (i.e. State of Bihar) on February 2019 and now the matter is pending for argument.

The Holding Company is of the view that it has a good case with likelihood of liability/ any loss arising out of the said cancellation being remote. Accordingly, pending settlement of the legal dispute, no adjustment has been made in the consolidated financial statements for the year ended 31st March, 2021.

ii) The Holding Company and Group Subsidiary Companies have acquired private land for setting up solar power plants. In certain cases, these acquisitions have been challenged on grounds such as unauthorised encroachment, inadequate compensation, seller not entitled to transact and/or consideration has not been paid to all legal/ beneficial owners. In these cases, the Group has not received any demand for additional payment and these cases are pending at District Court/ High Court Level. The Management believes that the Group has a strong case and outflow of economic resources is not probable.

iii) The Code on Social Security 2020 has been notified in the Official Gazette on 29th September, 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.

b) In respect of tax matters

i) The Group Subsidiary Company, viz., Walwhan Solar BH Limited, has received a demand notice of ₹ 1.03 crores under section 156 of the Income Tax Act, 1961 due to dis-allowance for open access charges of ₹ 3.25 crores claimed as deduction in the Assessment Year 2017-18. The Subsidiary Company had written back these charges and offered for tax in the Assessment Year 2019-20. The Subsidiary Company had filed an appeal against the demand with the Commissioner of Income Tax (appeals) and appeal proceedings are under process. The Management believes that the Subsidiary Company has a strong case and outflow of economic resources is not probable.

B. Commitments :

	31st March, 2021 ₹ crores	*31st March, 2020* *₹ crores*
(a) Estimated amount of Contracts remaining to be executed on capital account and not provided for		
(i) the Group	6.93	*17.88*

(ii) The group does not have any long term commitment or material non-cancellable contractual commitments/ contracts which might have a material impact on the financial statements.

37. Earnings Per Share

Accounting Policy

Basic earnings per equity share is computed by dividing the net profit attributable to the equity holders of the group 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 Group (after adjustment for income in respect of dilutive potential ordinary shares) 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.

The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

Particulars	For the year ended	
	31st March, 2021	*31st March, 2020*
Net profit for the period attributable to equity shareholders (In ₹ crores)	319.92	*182.76*
No. of Equity Shares	61,13,55,942	*61,13,55,942*
Par value per equity shares	10	*10*
EPS		
- Basic (In ₹)	5.23	*2.99*
- Diluted (In ₹)	5.23	*2.99*

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WALWHAN RENEWABLE ENERGY LIMITED

Walwhan Renewable Energy Limited
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38. Related Party Disclosures:

A. **Holding company**
The Tata Power Company Limited (TPCL) - Ultimate holding company of TPREL
Tata Power Renewable Energy Limited (TPREL) - Holding company

B. **Fellow Subsidiary companies (with whom transaction has been done)**
Tata Power Trading Company Limited
Tata Power Solar Systems Limited
Maithon Power Limited
Powerlinks Transmission Limited
TP Ajmer Distribution Limited
Coastal Gujarat Power Limited
TP Renewable Microgrid Limited
TP Central Odisha Distribution Limited
TP Southern Odisha Distribution Limited
Tata Power Delhi Distribution Limited
Poolawadi Windfarm Limited

C. **Subsidiaries of Promoter Group (where transactions have taken place) :**
Tata AIG General Insurance Company Limited
Infiniti Retail Limited
Tata Consulting Engineers Limited
Tata Capital Financial Services Limited
Tata International Limited

D. **Directors**
Zarir Panthaky
Ashish Khanna
Sanjay Bhandarkar
Mahesh Paranjpe (upto June 12, 2020)
Anjali Kulkarni

E. **Key Managerial Persons (KMP's)**
Mahesh Dinkar Paranjpe - Chief Executive Officer upto June 12, 2020
Ashwinikumar Patil - Chief Executive Officer from 13th June 2020
Santosh C. R. - Company Secretary
Behram Mehta - Chief Financial Officer

F. **Details of Transactions:**

₹ crores

Particulars		The Tata Power Company Limited	Tata Power Renewable Energy Limited	Tata Power Trading Company Limited	Tata Power Solar Systems Limited	Maithon Power Limited	Powerlinks Transmission Limited	Tata AIG General Insurance Company Limited	Infiniti Retail Limited	Tata Consulting Engineers Limited	Tata Capital Financial Services Limited	Tata International Limited	KMP's and directors'	TP Renewable Microgrid Limited	Tata Power Delhi Distribution Limited	Poolawadi Windfarm Limited	TP Ajmer Distribution Limited	TP Central Odisha Distribution Limited	TP Southern Odisha Distribution Limited	Coastal Gujarat Power Limited
Purchase of fixed assets	2021	-	-	-	14.26	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	2020	-	-	-	9.72	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rendering of services	2021	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	2020	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Receiving of services	2021	2.87	-	0.08	-	-	-	7.22	0.02	0.08	0.03	0.01	-	-	-	-	-	-	-	-
	2020	2.54	-	0.07	-	-	-	2.76	0.00	-	0.00	-	-	-	-	-	-	-	-	-
Remuneration paid	2021	-	-	-	-	-	-	-	-	-	-	-	1.71	-	-	-	-	-	-	-
	2020	-	-	-	-	-	-	-	-	-	-	-	1.47	-	-	-	-	-	-	-
Payment made by the Group on behalf of	2021	-	0.01	-	-	-	-						-	-	-	-	-			-
	2020	-	-	-	-	-	-						-	-	-	-	-			-
Interest income	2021	1.45	0.33	-	-	-	-	-	-	-	-	-	-	-	-	9.55	-	-	-	-
	2020	0.37	0.31	-	1.12	-	-	-	-	-	-	-	-	-	-	0.17	-	-	-	-
Interest paid	2021	3.05	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	2020	1.50	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.27
Dividend paid	2021	-	20.17	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	2020	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loans given	2021	598.04	40.00	-	-	-	-	-	-	-	-	-	-	-	-	75.05	-	-	-	-
	2020	398.85	242.50	-	42.98	-	-	-	-	-	-	-	-	-	-	50.00	-	-	-	-

		The Tata Power Company Limited	Tata Power Renewable Energy Limited	Tata Power Trading Company Limited	Tata Power Solar Systems Limited	Maithon Power Limited	Powerlinks Transmission Limited	Tata AIG General Insurance Company Limited	Infiniti Retail Limited	Tata Consulting Engineers Limited	Tata Capital Financial Services Limited	Tata International Limited	KMP's and directors*	TP Renewable Microgrid Limited	Tata Power Delhi Distribution Limited	Poolawadi Windfarm Limited	TP Ajmer Distribution Limited	TP Central Odisha Distribution Limited	TP Southern Odisha Distribution Limited	Coastal Gujarat Power Limited
Transfer of employee benefit liabilities from	2021	0.09	-	-	0.02	-	-	-	-	-	-	-	-	-	-	-	0.13	-	-	0.02
	2020	*0.95*	*0.06*	-	*0.04*	*0.09*	-	-	-	-	-	-	-	-	-	-	*0.06*	-	-	*0.03*
Transfer of employee benefit liabilities to	2021	0.06	0.27	-	0.38	-	-	-	-	-	-	-	-	0.01	-	-	0.03	0.01	0.10	-
	2020	*1.05*	*0.92*	*0.02*	*0.54*	-	*0.01*	-	-	-	-	-	-	*0.01*	*0.06*	-	-	-	-	-
Loans given received back	2021	166.29	82.50	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	2020	*393.40*	*200.00*	-	*127.99*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loan taken	2021	269.50	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	2020	*327.59*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	*400.00*
Loans repaid	2021	269.50	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	2020	*367.59*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	*400.00*
Corporate Guarantee Given	2021	176.41	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	2020	*385.82*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Corporate Guarantee Cancelled	2021	398.78	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	2020	*223.99*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Particulars		The Tata Power Company Limited	Tata Power Renewable Energy Limited	Tata Power Trading Company Limited	Tata Power Solar Systems Limited	Maithon Power Limited	Powerlinks Transmission Limited	Tata AIG General Insurance Company Limited	Infiniti Retail Limited	Tata Consulting Engineers Limited	Tata Capital Financial Services Limited	Tata International Limited	KMP's and directors	TP Renewable Microgrid Limited	Tata Power Delhi Distribution Limited	Poolawadi Windfarm Limited	TP Ajmer Distribution Limited	TP Central Odisha Distribution Limited	TP Southern Odisha Distribution Limited	Coastal Gujarat Power Limited
Balances outstanding																				
Other receivables	2021	0.12	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.13	-	-	-
	2020	0.34	-	-	-	0.03	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loans receivables (including interest thereon)	2021	437.56	-	-	-	-	-	-	-	-	-	-	-	-	-	134.04	-	-	-	-
	2020	5.96	42.62	-	-	-	-	-	-	-	-	-	-	-	-	50.16	-	-	-	-
Security deposits	2021	-	-	0.02	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	2020	-	-	0.02	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other payables	2021	-	-	-	14.19	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	2020	-	-	-	8.49	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Trade Receivable	2021	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	2020	0.07	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Trade Payables	2021	1.49	0.12	0.01	0.27	-	-	-	0.03	-	-	-	-	-	-	-	0.03	0.01	0.10	-
	2020	1.26	-	0.03	0.53	0.03	0.01	-	-	-	-	-	-	0.01	-	-	0.06	-	-	0.00
Loans payables (including interest thereon)	2021	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	2020	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Corporate guarantee given to banks on behalf of the Group by	2021	163.45	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	2020	1,663.09	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Notes:

1. All outstanding balances are unsecured.

* Key Managerial Personnel are entitled to post-employment benefits and other long term employee benefits recognised as per Ind AS 19 - 'Employee Benefits' in the consolidated financial statements. As these employee benefits are lump sum amounts provided on the basis of actuarial valuation, the same is not included

Previous year's figures are in italics

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39. Financial Instruments

39.1 Fair values

Set out below, is a comparison by class of the carrying amount and fair value of the financial instruments:

	Carrying value		Fair Value	
	31st March, 2021	*31st March, 2020*	31st March, 2021	*31st March, 2020*
	₹ crores	*₹ crores*	₹ crores	*₹ crores*
Financial assets				
Cash and Cash Equivalents *	81.54	*108.81*	81.54	*108.81*
Other Balances with Banks *	11.25	*14.05*	11.25	*14.05*
Trade Receivables*	760.44	*960.38*	760.44	*960.38*
Unbilled Revenues*	138.15	*142.41*	138.15	*142.41*
Loans *	564.06	*105.08*	564.06	*105.08*
FVTPL Financial Investments	70.11	*173.05*	70.11	*173.05*
Other Financial Assets*	312.72	*302.54*	312.72	*302.54*
Total	**1,938.27**	***1,806.32***	**1,938.27**	***1,806.32***
Financial liabilities				
Trade Payables*	43.43	*40.42*	43.43	*40.42*
Fixed rate Borrowings (including Current Maturities)*	1,597.75	*1,489.72*	1,622.93	*1,506.04*
Floating rate Borrowings (including Current Maturities)*	2,838.48	*3,243.46*	2,838.48	*3,243.46*
Bill discounting facility	163.45	*385.82*	163.45	*385.82*
Lease liabilities	3.58	3.57	3.58	*3.57*
Other Financial Liabilities*	40.04	*46.46*	40.04	*46.46*
	4,686.73	***5,209.45***	**4,711.91**	***5,225.77***

** At Amortised cost*

Notes: The Group management has assessed that cash and cash equivalents, other balances with bank, trade receivables, loans, unbilled revenues, trade payables, Bill Discounting, other financial assets and liabilities approximate their carrying amounts largely due to the shorter 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. The following methods and assumptions were used to estimate the fair values.

- Fair value of the mutual funds are based on the price quotations near the reporting date.
- The Group enters into derivative financial instruments with various counterparties, principally banks and financial institutions with investment grade credit ratings. Interest rate swaps, foreign exchange forward and option contracts are valued using valuation techniques, which employs the use of market observable inputs. The most frequently applied valuation techniques include forward pricing and swap models 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 and forward rate curves of the underlying currency. All derivative contracts are fully collateralized, thereby, eliminating both counterparty and the Group's own non-performance risk. As at 31st March, 2020, the marked-to-market value of derivative asset positions is net of a credit valuation adjustment attributable to derivative counterparty default risk. The change in counterparty credit risk had no material effect on the hedge effectiveness assessment for derivatives designated in hedge relationships and other financial instruments recognized at fair value. As at 31st March, 2021, there are no outstanding derivative financial instruments.

39.2 Fair value hierarchy

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:

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

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 borrowings (fixed and floating rate)

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.

The following table summarizes financial assets and liabilities measured at fair value on a recurring basis and financial assets that are not measured at fair value on a recurring basis (but fair value disclosures are required) :

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39. Financial Instruments (Contd.)

	Date of valuation	Fair value hierarchy as at 31st March, 2021			
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
		₹ crores	₹ crores	₹ crores	₹ crores
Asset measured at fair value					
FVTPL Financial Investments	31st March, 2021	70.11	-	-	70.11
Asset for which fair values are disclosed					
Other non-current Financial Assets	31st March, 2021	-	299.91	-	299.91
		70.11	**299.91**	**-**	**370.02**
Liabilities for which fair values are disclosed					
Fixed rate Borrowings	31st March, 2021	1,223.98	398.95	-	1,622.93
Floating rate Borrowings	31st March, 2021	-	2,838.48	-	2,838.48
Total		**1,223.98**	**3,237.43**	**-**	**4,461.41**

	Date of valuation	*Fair value hierarchy as at 31st March, 2020*			
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
		₹ crores	*₹ crores*	*₹ crores*	*₹ crores*
Asset measured at fair value					
FVTPL Financial Investments	*31st March, 2020*	*173.05*	-	-	*173.05*
Asset for which fair values are disclosed					
Other non-current Financial Assets	*31st March, 2020*	-	*294.59*	-	*294.59*
		173.05	***294.59***	**-**	***467.64***
Liabilities for which fair values are disclosed					
Fixed rate Borrowings	*31st March, 2020*	*1,213.68*	*292.36*	-	*1,506.04*
Floating rate Borrowings	*31st March, 2020*	-	*3,243.46*	-	*3,243.46*
Total		***1,213.68***	***3,535.82***	**-**	***4,749.50***

Notes:-

Borrowing: Long-term fixed-rate and floating-rate borrowings (including current maturities) are evaluated by the Company based on parameters such as interest rates, specific country risk factors, credit risk and the risk characteristics of the financed project. The fair value is determined using the discounted cash flow method. The future cash flows are based on terms of the borrowing. These cash flows are discounted at a rate that reflects current market rate and the current credit risk.

Other non-current Financial Assets: The fair value of loans given is determined using the discounted cash flow method. Future cashflows are based on the terms of loan. Cashflows are discounted at the current market rate reflecting current market and credit risks.

The carrying amounts of cash and cash equivalents, other bank balance, trade receivable, unbilled revenue, current loan, other financial assets, trade payable and other financial liabilities are considered to be the same as their fair value due to their short term nature

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39. Financial Instruments (Contd.)

39.3 Capital Management & Gearing Ratio

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

The Group 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 Group reviews its policy related to dividend payment to shareholders, return capital to shareholders or fresh issue of shares. The Group monitors capital using gearing ratio, which is net debt divided by total capital plus net debt. The Group's policy is to keep the gearing ratio between 60% and 75% at consolidated level. The Group includes within net debt, interest bearing loans and borrowings, less cash and cash equivalents, excluding discontinued operations as detailed in the notes below.

The Group'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:

	₹ crores	
	31st March, 2021	***31st March, 2020***
Debt (i)	4,628.56	*5,152.16*
Less: Cash and Bank balances	81.54	*108.81*
Net debt	4,547.02	*5,043.35*
Total Capital (ii)	2,600.41	*2,300.29*
Capital and net debt	**7,147.43**	***7,343.64***
Net debt to Total Capital plus net debt ratio (%)	63.62	*68.68*

(i) Debt is defined as Non-current borrowings (including current maturities) and Current borrowings (excluding derivative, financial guarantee contracts and contingent considerations) and interest accrued on Non-current and Current borrowings.

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

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

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

39.4 Financial risk management objectives and policies

The Group's principal financial liabilities, other than derivatives, comprise borrowings, trade and other payables, financial guarantee contracts and other financial liabilities. The main purpose of these financial liabilities is to finance the Group's operations and to provide guarantees to support its operations. The Group's principal financial assets include loans, trade and other receivables, cash and cash equivalents, other bank balances, unbilled receivables, finance lease receivables and other financial assets that derive directly from its operations. The Group also holds FVTPL investments and enters into derivative transactions.

The Group is exposed to market risk, credit risk and liquidity risk. The Group's senior management oversees the management of these risks. The Group's senior management is supported by a risk committee that reviews the financial risks and the appropriate financial risk governance framework for the Group. The Group's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives. All derivative activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. It is the Group's policy that no trading in derivatives for speculative purposes may be undertaken. The risk management policy is approved by the board of directors, which are summarized below.

39.4.1 Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of three types of risk: currency risk, interest rate risk and equity price risk. The impact of equity price risk is not material. Financial instruments affected by market risk include loans and borrowings, derivative financial instruments.

The sensitivity analysis in the following sections relate to the position as at 31st March, 2021 and 31st March, 2020.

The sensitivity analysis have been prepared on the basis that the amount of net debt, the ratio of fixed to floating interest rates of the debt and derivatives and the proportion of financial instruments in foreign currencies are all constant and on the basis of hedge designations in place at 31st March, 2021.

a. Foreign currency risk management

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The results of the Group's operations can be affected as the rupee appreciates/depreciates against these currencies. The Group enters into derivative financial instruments such as foreign exchange forward and Currency & Interest Swaps to mitigate the risk of changes in exchange rates on foreign currency exposures. However as at 31st March, 2021 Group does not have any outstanding foreign currency exposure.

The following table analyses foreign currency assets and liabilities on balance sheet dates:

	31st March, 2021		***31st March, 2020***	
Foreign Currency Liabilities	**Foreign Currency (in Million)**	**₹ crores**	***Foreign Currency (in Million)***	***₹ crores***
In EURO	*0.01*	*0.05*	*0.01*	*0.45*

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39. Financial Instruments (Contd.)

(i) Foreign currency sensitivity analysis

The following tables demonstrate the sensitivity to a reasonably possible change in EURO exchange rates, with all other variables held constant. The impact on the Group's profit before tax and pre-tax equity is due to changes in the fair value of monetary assets and liabilities including non-designated foreign currency forward and option contracts given as under.

₹ crores

		Effect on profit before tax	Effect on pre-tax equity
As of 31st March, 2021	Rupee depreciate by ₹ 1 against EURO	(0.01)	(0.01)
	Rupee appreciate by ₹ 1 against EURO	0.01	0.01
As of 31st March, 2020	Rupee depreciate by ₹ 1 against EURO	*(0.01)*	*(0.01)*
	Rupee appreciate by ₹ 1 against EURO	*0.01*	*0.01*

Notes:

1) +/- Gain/Loss

2) The impact of depreciation/ appreciation on foreign currency other than EURO on profit before tax of the Group is not material.

(ii) Derivative financial instruments

The Group does not holds any derivative financial instruments such as foreign exchange forward, currency and Interest rate swaps (CIRS) to mitigate the risk of changes in exchange rate on foreign currency exposure.

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39. Financial Instruments (Contd.)

b. Interest rate risk management

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

The Group manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings. The Group's policy is to keep upto 50% of its borrowings at fixed rates of interest. To manage this, the Group enters into fixed rate loan, Bonds and interest rate swaps, in which it agrees to exchange, at specified intervals, the difference between fixed and variable rate interest amounts calculated by reference to an agreed-upon notional principal amount.

(i) Interest rate sensitivity:

The sensitivity analysis below have been determined based on exposure to interest rates for term loans and debentures at the end of the reporting period and the stipulated change taking place at the beginning of the financial year and held constant throughout the reporting period in case of term loans and debentures that have floating rates.

If the interest rates had been 50 basis points higher or lower and all the other variables were held constant, the effect on Interest expense for the respective financial years and consequent effect on Group's profit in that financial year would have been as below:

₹ crores

	As of 31st March, 2021		*As of 31st March, 2020*	
	50 bps increase	50 bps decrease	*50 bps increase*	*50 bps decrease*
Interest expense on loan	14.19	14.19	*16.22*	*16.22*
Effect on profit before tax	(14.19)	14.19	*(16.22)*	*16.22*

(ii) Interest rate swap contracts:

An interest rate swap is an agreement between two counterparties in which one stream of future interest payments is exchanged for another based on a specified principal amount. Interest rate swaps usually involve the exchange of a fixed interest rate for a floating rate, or vice versa, to reduce or increase exposure to fluctuations in interest rates or to obtain a marginally lower interest rate than would have been possible without the swap. Interest rate swaps are the exchange of one set of cash flows for another.
However as at 31st March, 2021 and 31st March, 20210, the Group does not have any Interest rate swap contracts.

39.4.2 Credit risk management

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities including loans, foreign exchange transactions and other financial instruments. The Group generally deals with parties which has good credit rating/ worthiness given by external rating agencies or based on Group's internal assessment as listed below:

₹ crores

	31st March, 2021	*31st March, 2020*
Trade Receivables	760.44	*960.38*
Loans	564.06	*105.08*
Other Financial Assets	312.72	*302.54*
Unbilled Revenue	138.15	*142.41*
Total	**1,775.37**	***1,510.41***

a) The trade receivables and unbilled revenue as stated above are due from the Discoms & are under normal course of Business & as such the Group believes exposure to credit risk to be minimal.

The Group has not acquired any credit impaired asset. There was no modification in any financial assets.

b) Loans are given to related party for short term purposes. Accordingly, no credit risk has been envisaged.

c) Other Financial assets includes ₹ 198.53 crores (previous year :₹ 201.11 crores) receivables against service concession agreements. The same is also recoverable from concerned Discom where the Group believes the exposure to credit risk to be minimal. Balance other financial assets include security deposits, derivative assets & other recoverable from Banks, governments agencies etc. where credit risk is envisaged to be minimal

The Group has not acquired any credit impaired asset. There was no modification in any financial assets.

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39. Financial Instruments (Contd.)

39.4.3 Liquidity risk management

The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities. The Group has access to a sufficient variety of sources of funding and debt maturing within 12 months can be rolled over with existing lenders.

The table below summarizes the maturity profile of the Group's financial liabilities based on contractual undiscounted payments.

₹ crores

	Up to 1 year	1 to 5 years	5+ years	Total	Carrying Amount
31st March, 2021					
Financial Liabilities					
Borrowings #	1,804.11	862.48	1,781.49	**4,448.08**	**4,436.23**
Bills Discounting	-	-	-	-	**163.45**
Future Interest ##	289.74	677.82	605.80	**1,573.36**	-
Lease liabilities	0.31	1.38	6.57	**8.26**	**3.58**
Trade Payables	43.43	-	-	**43.43**	**43.43**
Other Financial Liabilities	40.04	-	-	**40.04**	**40.04**
Total Financial Liabilities	**2,177.63**	**1,541.68**	**2,393.86**	**6,113.17**	**4,686.73**
31st March, 2020					
Financial Liabilities					
Borrowings #	*523.15*	*2,058.14*	*2,173.17*	***4,754.46***	***4,733.18***
Bills Discounting	-	-	-	-	***385.82***
Future Interest ##	*347.17*	*986.92*	*955.49*	***2,289.58***	-
Lease liabilities	*0.31*	*1.38*	*6.88*	***8.57***	***3.57***
Trade Payables	*40.42*	-	-	***40.42***	***40.42***
Other Financial Liabilities	*46.46*	-	-	***46.46***	***46.46***
Total Financial Liabilities	***957.51***	***3,046.44***	***3,135.54***	***7,139.49***	***5,209.45***

\# The table has been drawn up based on the undiscounted contractual maturities of the financial liabilities that will be paid on those liabilities upto the maturity of the instruments, ignoring the refinancing options available with the Group.

\## The amounts included above for variable interest rate instruments for financial liabilities is subject to change if changes in variable interest rates differ to those estimates of interest rates determined at the end of the reporting period.

39.4.4 Financing Facilities

₹ crores

	March 31, 2021	*March 31, 2020*
Secured bank loan facility :		
Amount used	3,561.55	*3,612.10*
Amount unused	248.00	*197.45*

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WALWHAN RENEWABLE ENERGY LIMITED

Walwhan Renewable Energy Limited
(Formerly known as Walwhan Renewable Energy Private Limited)
(Formerly known as Welspun Renewables Energy Private Limited)
Notes to the Consolidated Financial Statements

40. Statement of Net Assets and Profit and Loss attributable to Owners and Non Controlling Interests

(a) As at and for the year ended 31st March , 2021

Name of the Entity	Net Assets i.e. total assets minus total liabilities		Total Income i.e. Revenue Plus Other Income		Share of Profit or (loss)		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of consolidated net assets	Amount (₹ crores)	As % of consolidated total income	Amount (₹ crores)	As % of consolidated profit	Amount (₹ crores)	As % of consolidated Other comprehensive income	Amount (₹ crores)	As % of consolidated Total comprehensive income	Amount (₹ crores)
Walwhan Renewable Energy Ltd.	79.37%	2,064.01	44.90%	553.99	33.70%	107.80	105.41%	0.39	33.78%	108.19
Indian Subsidiaries										
Walwhan Urja Anjar Ltd.	1.21%	31.38	2.46%	30.40	0.98%	3.15	-2.70%	(0.01)	0.98%	3.14
Walwhan Solar AP Ltd.	5.68%	147.73	6.38%	78.77	6.13%	19.62	0.00%	-	6.13%	19.62
Walwhan Solar RJ Ltd.	1.32%	34.38	0.82%	10.17	0.94%	3.01	0.00%	-	0.94%	3.01
Northwest Energy Private Limited	1.08%	28.20	0.78%	9.61	0.89%	2.84	0.00%	-	0.89%	2.84
Walwhan Solar Energy GJ Limited	1.09%	28.43	0.77%	9.45	1.14%	3.64	0.00%	-	1.14%	3.64
Dreisatz Mysolar24 Private Ltd.	1.13%	29.44	1.92%	23.66	1.00%	3.21	0.00%	-	1.00%	3.21
MI Mysolar24 Private Limited	1.48%	38.59	1.92%	23.65	1.56%	5.00	0.00%	-	1.56%	5.00
Walwhan Energy RJ Ltd.	1.27%	33.08	1.37%	16.91	-0.09%	(0.29)	0.00%	-	-0.09%	(0.29)
Walwhan Solar MP Ltd.	18.78%	488.27	16.22%	200.18	23.36%	74.72	-2.70%	(0.01)	23.33%	74.71
Walwhan Solar MH Ltd.	0.66%	17.17	2.19%	26.98	1.82%	5.83	0.00%	-	1.82%	5.83
Walwhan Solar KA Ltd.	0.17%	4.37	1.89%	23.35	1.24%	3.97	0.00%	-	1.24%	3.97
Walwhan Solar PB Ltd.	5.42%	140.85	3.40%	41.98	4.36%	13.95	0.00%	-	4.36%	13.95
Walwhan Solar Raj Ltd.	0.14%	3.75	0.38%	4.63	0.08%	0.26	0.00%	-	0.08%	0.26
Walwhan Wind RJ Ltd.	7.78%	202.22	10.60%	130.78	5.16%	16.50	0.00%	-	5.15%	16.50
Walwhan Solar TN Ltd.	10.49%	272.67	9.75%	120.33	13.24%	42.37	0.00%	-	13.23%	42.37
Walwhan Solar BH Ltd.	5.62%	146.26	4.62%	56.97	6.99%	22.36	0.00%	-	6.98%	22.36
Clean Sustainable Solar Energy Private Limited	3.27%	84.97	3.67%	45.28	5.74%	18.36	0.00%	-	5.73%	18.36
Walwhan Urja India Ltd.	-0.05%	(1.33)	0.03%	0.34	-0.40%	(1.28)	0.00%	-	-0.40%	(1.28)
Solarsys Renewable Energy Private Limited	0.39%	10.02	1.62%	20.05	4.48%	14.33	0.00%	-	4.47%	14.33
Adjustments arising out of consolidation	-46.30%	(1,204.05)	-15.69%	(193.55)	-12.32%	(39.43)	0.00%	-	-12.31%	(39.43)
Consolidated Net Assets / Profit after tax	**100.00%**	**2,600.41**	**100.00%**	**1,233.93**	**100.00%**	**319.92**	**100.00%**	**0.37**	**100.00%**	**320.29**

(b) As at and for the year ended 31st March , 2020

Name of the Entity	Net Assets i.e. total assets minus total liabilities		Total Income i.e. Revenue Plus Other Income		Share of Profit or (loss)		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of consolidated net assets	Amount (₹ crores)	As % of consolidated total income	Amount (₹ crores)	As % of consolidated profit	Amount (₹ crores)	As % of consolidated Other comprehensive income	Amount (₹ crores)	As % of consolidated Total comprehensive income	Amount (₹ crores)
Walwhan Renewable Energy Ltd.	85.90%	1,975.84	44.91%	549.95	13.72%	25.07	102.40%	(1.28)	13.11%	23.79
Indian Subsidiaries										
Walwhan Urja Anjar Ltd.	1.23%	28.24	2.49%	30.51	2.77%	5.07	-2.40%	0.03	2.81%	5.10
Walwhan Solar AP Ltd.	5.95%	136.88	5.34%	65.43	-4.69%	(8.57)	-0.80%	0.01	-4.72%	(8.56)
Walwhan Solar RJ Ltd.	1.36%	31.37	0.91%	11.17	2.30%	4.20	-0.80%	0.01	2.32%	4.21
Northwest Energy Private Limited	1.10%	25.36	0.80%	9.79	1.50%	2.75	0.00%	-	1.52%	2.75
Walwhan Solar Energy GJ Limited	1.27%	29.23	0.76%	9.29	1.95%	3.57	0.00%	-	1.97%	3.57
Dreisatz Mysolar24 Private Ltd.	1.96%	45.15	2.13%	26.08	3.30%	6.04	-0.80%	0.01	3.33%	6.05
MI Mysolar24 Private Limited	1.46%	33.59	2.12%	25.98	3.62%	6.61	0.00%	-	3.64%	6.61
Walwhan Energy RJ Ltd.	1.45%	33.37	0.93%	11.44	0.18%	0.32	0.00%	-	0.18%	0.32
Walwhan Solar MP Ltd	17.98%	413.56	13.72%	168.02	24.41%	44.62	0.00%	-	24.58%	44.62
Walwhan Solar MH Ltd.	0.49%	11.34	2.21%	27.06	-2.17%	(3.96)	0.00%	-	-2.18%	(3.96)
Walwhan Solar KA Ltd.	0.31%	7.02	1.90%	23.27	-2.82%	(5.16)	1.60%	(0.02)	-2.85%	(5.18)
Walwhan Solar PB Ltd.	5.52%	126.89	3.48%	42.58	9.17%	16.75	0.00%	-	9.23%	16.75
Walwhan Solar Raj Ltd	0.15%	3.50	0.38%	4.69	0.15%	0.28	0.00%	-	0.15%	0.28
Walwhan Wind RJ Ltd.	8.07%	185.72	11.37%	139.17	8.34%	15.24	1.60%	(0.02)	8.39%	15.22
Walwhan Solar TN Ltd.	10.01%	230.30	10.43%	127.72	17.94%	32.78	0.00%	-	18.06%	32.78
Walwhan Solar BH Ltd.	5.39%	123.90	4.51%	55.18	12.71%	23.23	0.00%	-	12.80%	23.23
Clean Sustainable Solar Energy Private Limited	2.90%	66.61	3.37%	41.27	8.88%	16.23	0.00%	-	8.94%	16.23
Walwhan Urja India Ltd.	0.00%	(0.05)	0.02%	0.26	-0.72%	(1.32)	0.00%	-	-0.73%	(1.32)
Solarsys Renewable Energy Private Limited	-0.13%	(3.04)	0.01%	0.18	-0.85%	(1.56)	0.00%	-	-0.86%	(1.56)
Adjustments arising out of consolidation	-52.36%	(1,204.49)	-11.81%	(144.57)	0.31%	0.57	-0.80%	0.01	0.32%	0.58
Consolidated Net Assets / Profit after tax	**100.00%**	**2,300.29**	**100.00%**	**1,224.47**	**100.00%**	**182.76**	**100.00%**	**(1.25)**	**100.00%**	**181.51**

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WALWHAN RENEWABLE ENERGY LIMITED

41. a) The Holding Company, and its Subsidiary Walwhan Solar TN Limited, with a combined capacity of 249 MW (5 plants), supply solar power to Tamil Nadu Generation and Distribution Corporation Limited (TANGEDCO) against long term Power Purchase Agreements (PPAs). As per the said PPAs, the Group is entitled to receive consideration for all energy units supplied and billed. However, whilst effecting payments to the Group, TANGEDCO has disputed and is not making payment for energy units supplied and billed in excess of 19% Capacity Utilisation Factor (CUF) in accordance with its internal circular.

The National Solar Energy Federation of India (NSEFI) had filed a petition with the Tamil Nadu Electricity Regulatory Commission (TNERC) challenging the circular issued by TANGEDCO on its own behalf as well as the generators impacted by the said circular. The Tata Power Company Limited, holding company of the Group, is also a member of NSEFI and, thereby, the Group was also party to petition filed by the NSEFI. The TNERC has now issued Order dated 22nd December 2020 on the petition filed by the NSEFI and decided the matter in favour of TANGEDCO.

The Group has challenged the ruling of TNERC at the Appellate Tribunal for Electricity (ATE) through NSEFI. Based on legal assessment, the management of the Group is of the view that the claim of the Group for payment toward units supplied in excess of 19% CUF is entirely tenable and it is confident of getting a favourable order.

The Group has a trade receivable balance of ₹ 90.85 crores for such excess units as on 31st March 2021 (31 March 2020: ₹ 87.92 crores). The Group has also recognised a revenue of ₹ 2.93 (year ended 31 March 2020: ₹ 33.20 crores) for such excess units. Considering the signed PPA and its legal evaluation, the Group believes that these amounts are fully recoverable with interest.

b) Trade Receivables include ₹ 363.57 crores (31st March, 2020 ₹ 567.09 crores) receivable from TANGEDCO including ₹ 80.17 crores (31st March, 2020 ₹ 299.79 crores) relating to bill discounting with recourse and ₹ 90.85 crores (31st March, 2020 ₹ 87.92 crores) pertaining to CUF adjustment as mentioned above. The Group is of the view that these receivables are fully recoverable with late payment surcharge/ interest.

42. In the year 2016, the Holding Company entered into long-term Power Purchase Agreements ("PPAs") with the Southern Power Distribution Company of Andhra Pradesh Limited ("APDISCOM") that is valid for 25 years to supply power from its two solar plants with cumulative capacity of 100 MWs (Solar energy projects) at ₹ 5.99 per unit (with escalation @ 3% p.a. from year 2 to 10). The Government of Andhra Pradesh (the "GoAP") issued an order (the "GO") dated 1st July, 2019 constituting a High Level Negotiation Committee (the "HLNC") for review and negotiation of tariff for wind and solar projects in the state of Andhra Pradesh. Pursuant to the GO, APDISCOM issued letters dated 12th July, 2019 to the Holding Company requesting for revision of tariffs previously agreed as per the PPAs to ₹ 2.44 per unit. Since the Holding Company and other power producers did not agree to the rate revision, APDISCOM referred the matter to the Andhra Pradesh Electricity Regulatory Commission (the "APERC") for revision of tariffs.

The Holding Company had filed a writ petition on 30th July, 2019 before the Andhra Pradesh High Court ("AP High Court") in front of single member bench challenging the GO and the said letters issued by APDISCOM for renegotiation of tariffs. The AP High court also instructed APDISCOM to honour pending and future bills but to pay them at a rate of ₹ 2.44 per unit (as against the billed rate) and also stated that this rate is only an interim measure until the matter is resolved by the APERC and suggested the APERC to conclude this matter within 6 months period. Thereafter, the Holding Company had filed an appeal in AP High Court in front of two members bench challenging the matter being referred to the APERC. Further, the APERC has deferred the hearing in view of the case being filed in the AP High Court, till the AP High Court passes an order in the matter.

The Holding Company has now filed an application for impleadment in Hon'ble Supreme Court (SC) in the SLP of APSPDCL and transfer petition before the SC from the AP High Court inter alia on the ground of delays in hearing of the matter by the AP High Court and the financial hardship that has resulted due to delay in payment by APDISCOM.

During the year ended 31st March, 2020, the Holding Company has received an amount of ₹ 58.90 crores from APDISCOM at the interim rate of ₹ 2.44 per unit as against PPA rates stated above. Further, additional amount of ₹ 21.47 crores has been received at the interim rate of ₹ 2.44 per unit during the current year ended 31st March, 2021.

The Holding Company has a net block of property, plant and equipment (PPE) amounting to ₹ 605.24 crores (31st March, 2020 ₹632.60 crores) and has recognised a revenue of ₹ 105.67 crores for the year ended 31st March, 2021 (₹ 97.71 crores for the year ended 31st March, 2020) and has a trade receivable balance of ₹ 212.48 crores as on 31st March, 2021 (31st March, 2020 ₹128.44 crores) from sale of electricity against such PPAs. Considering signed PPA, interim order passed by the AP High Court, and its legal evaluation, the management believes that the Holding Company has a strong case and it will be able to receive disputed amount with interest once the matter is concluded. Hence, no adjustment is required to be made in the consolidated Financial Statements.

43. Dreisatz Mysolar Pvt. Ltd. (DMS) and MI Mysolar Pvt. Ltd. (MMS), two wholly-owned subsidiaries of the Holding Company, with combined capacity of 30 MW, have been supplying solar power to the Gujarat Urja Vikas Nigam Ltd. (GUVNL) under the long-term power purchase agreement (PPA). As per the PPA's with the GUVNL, applicable fixed tariff for a period of 25 years was originally determined by the Gujarat Electricity Regulatory Commission (GERC) vide its Tariff Order dated 27th January 2012. The GERC initiated a suo moto proceeding, re-determined the tariffs and issued a fresh Tariff Order dated 11th July, 2014 resulting in an increase in the tariff. The GUVNL appealed against this Tariff Order and ATE vide its Order dated 11th April, 2018 dismissed the appeal as being devoid of merit. The GUVNL subsequently filed a Civil Appeal in the Hon'ble Supreme Court against the abovementioned ATE Order of 2018. The Supreme Court admitted the GUVNL petition & stay order has been passed on the matter. The matter is pending for the Hon'ble Supreme Court hearing. Basis legal assessment, the management believes that the Group has a strong case and chances of the Supreme Court reversing the order are remote.

Accordingly, the Group has recognized an unbilled revenue receivable of ₹ 20.75 crores (31 March 2020: ₹ 18.31 crores) for the incremental rate as on 31st March, 2021. Based on its expectations to recover amount within 12 months, the Group has classified unbilled revenue as current asset.

44. India and other global markets experienced significant disruption in operations resulting from uncertainty caused by the worldwide coronavirus pandemic. Considering that the Group is in the business of essential services, management believes that there is not much of an impact likely due to this pandemic including the utilization of installed capacity . However, the Group is closely monitoring developments, its operations, liquidity and capital resources and is actively working to minimize the impact of this unprecedented situation.

45. Segment reporting

The Group is engaged in a single segment i.e., the business of "generation of power" from where it is earning its revenue and incurring expense. The operating results are regularly reviewed and performance is assessed by its Chief Operating Decision Maker (CODM). All the Group's resources are dedicated to this single segment and all the discrete financial information is available for this segment.

46. 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.

S R B C & CO LLP
MUMBAI
CHARTERED ACCOUNTANTS

WALWHAN RENEWABLE ENERGY LIMITED

47. On 26th December, 2020, the board of directors of the Holding Company has declared interim dividend of ₹ 0.33 per equity share.

48. Amendment in Schedule III to the Companies Act 2013:

On 24th March, 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 the Companies (Indian Accounting Standards) Rules 2015 (as amended) 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 or virtual currency specified under the head 'additional information' in the notes forming part of the financial statements.

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

49. Previous year figures have been regrouped/ reclassified wherever necessary, to conform with current year presentation.

50. Approval of Financial Statements

The financial statements were approved for issue by the Board of Directors on 19th April, 2021.

As per our report of even date

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration No: 324982E/E300003

per Abhishek Agarwal
Partner

Mumbai, 19th April, 2021

S R B C & CO LLP MUMBAI CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors,

Ashwinikumar Patil
Chief Executive Officer
Mumbai, 19th April, 2021

Ashish Khanna
Chairman
DIN 06699527
Mumbai, 19th April, 2021

Behram Mehta
Chief Financial Officer
Mumbai, 19th April, 2021

Santosh C.R.
Company Secretary
Mumbai, 19th April, 2021