Walker Chandiok & Co LLP
Chartered Accountants
21st floor, DLF Square, Jacaranda Marg,
DLF Phase II, Gurugram 122002

G.D. Singhal & Associates
Chartered Accountants
Malwal Road, Ferozepur City,
Punjab 152002, India

Independent Auditor's Report on Special Purpose Combined and Carve Out Financial Statements

To the Board of Directors of SAEL Limited ('the Company')

Opinion

1. We have audited the accompanying Special Purpose Combined and Carve Out Financial Statements of Restricted Group (consisting of certain specific units and subsidiaries of SAEL Limited as listed in note 1 of these financial statements, collectively referred to as the 'Restricted Group'), which comprise the Special Purpose Combined and Carve Out Balance Sheet as at 31 March 2025, the Special Purpose Combined and Carve Out Statement of Profit and Loss (including Other Comprehensive Income) and the Special Purpose Combined and Carve Out Statement of Cash Flows for the period then ended, and notes to the financial statements, including material accounting policy information and other explanatory information, (hereinafter referred to as the 'Special Purpose Combined and Carve Out Financial Statements").

2. In our opinion and to the best of our information and according to the explanations given to us, the accompanying Special Purpose Combined and Carve Out Financial Statements have been prepared, in all material respects, in accordance with the basis of preparation set out in note 2.01 to these Special Purpose Combined and Carve Out Financial Statements.

Basis for Opinion

3. We conducted our audit of the Special Purpose Combined and Carve Out Financial Statements in accordance with the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013 ('Act'). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Special Purpose Combined and Carve Out Financial Statements section of our report. We are independent of the Restricted Group in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India ('the ICAI') together with the ethical requirements that are relevant to our audit of the Special Purpose Combined and Carve Out 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 Special Purpose Combined and Carve Out Financial Statements.

Emphasis of matters - Basis of preparation and Restriction on distribution or use

4. We draw attention to note 2.01 and 2.02 to the accompanying Special Purpose Combined and Carve Out Financial Statements, which describes that the Restricted Group does not form a separate legal group of entities and further describes the basis of preparation, including the approach to and the purpose for preparing these Special Purpose Combined and Carve Out Financial Statements. Consequently, the Restricted Group's Special Purpose Combined and Carve Out Financial Statements may not necessarily be indicative of the financial performances, financial position and cash flows of the Restricted Group that would have occurred if it had operated as a single group of entities during the periods presented. These Special Purpose Combined and Carve Out Financial Statements are prepared by the management of SAEL Limited solely for submission to trustee and bond holders in accordance with the paragraph 4 of the Offer Document dated 31 July 2024 and submission to India International Exchange ('India INX') as per the requirement prescribed under paragraph 4 of Chapter 6 of the Rules & Regulations Handbook of India INX, in connection with the funds raised through issuance of USD Senior Secured Notes by the Restricted Group and corresponding listing of aforesaid USD Senior Secured Notes on the India INX, and it may not be suitable for another purpose. This report is issued solely for the aforementioned purpose, and accordingly, should not be used, referred to or distributed for any other purpose or to any other party without our prior written consent. Further, we do not accept or assume any liability or any duty of care for any other purpose for which or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing. Our opinion is not modified in respect of this matter.

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

G.D. SINGHAL & ASSOCIATES * CHARTERED ACCOUNTANTS * FRN : 017648N FEROZEPUR CITY

Responsibilities of Management and Those Charged with Governance for the Special Purpose Combined and Carve Out Financial Statements

5. The accompanying Special Purpose Combined and Carve Out Financial Statements have been approved by the Company's Board of Directors. The Company's Board of Directors are responsible for the preparation of these Special Purpose Combined and Carve Out Financial Statements in accordance with the basis of preparation described in note 2.01 to these Special Purpose Combined and Carve Out Financial Statements including determination that such basis of preparation is acceptable in the circumstances. The respective Board of Directors of the companies included in the Restricted Group are responsible for 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 Special Purpose Combined and Carve Out Financial Statements, in all material respects, in accordance with the basis of preparation described in aforementioned note 2.01, and are free from material misstatement, whether due to fraud or error. These Financial Statements have been used for the purpose of preparation of the Special Purpose Combined and Carve Out Financial Statements by the Board of Directors of the Company, as aforesaid.

6. In preparing the Special Purpose Combined and Carve Out Financial Statements, the respective Board of Directors of the companies included in the Restricted Group are responsible for assessing the Restricted Group'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 the Board of Directors either intends to liquidate entities forming part of the Restricted Group or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Special Purpose Combined and Carve Out Financial Statements

8. Our objectives are to obtain reasonable assurance about whether the Special Purpose Combined and Carve Out 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 Standards on Auditing 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 Special Purpose Combined and Carve Out Financial Statements.

9. As part of an audit in accordance with Standards on Auditing specified under Section 143(10) of the Act, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

   - Identify and assess the risks of material misstatement of the Special Purpose Combined and Carve Out Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

   - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the entities forming part of the Restricted Group has in place an adequate internal financial controls with reference to financial statements 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; and

   - 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 entities forming part of the Restricted Group'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 Special Purpose Combined and Carve Out 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

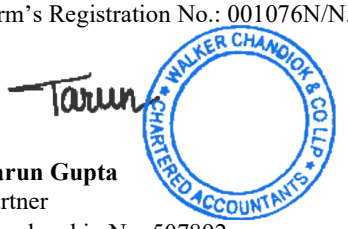
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G.D. SINGHAL & ASSOCIATES * CHARTERED ACCOUNTANTS * FRN : 017648N FEROZEPUR CITY

auditor's report. However, future events or conditions may cause the entities forming part of the Restricted Group to cease to continue as a going concern.

10. 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.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

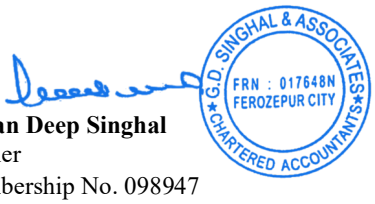


Tarun Gupta
Partner
Membership No. 507892

UDIN: 25507892BMNSOB1323

Place: New Delhi
Date: 29 July 2025

For **G D Singhal & Associates**
Chartered Accountants
Firm's Registration No.: 017648N



Gagan Deep Singhal
Partner
Membership No. 098947

UDIN: 25098947BMLZPH7391

Place: New Delhi
Date: 29 July 2025

Restricted Group
Special Purpose Combined and Carve Out Balance Sheet as at 31 March 2025
(All amounts in Rs. millions, unless otherwise stated)

Particulars	Notes	As at 31 March 2025	As at 31 March 2024
Assets			
Non current assets			
Property, plant and equipment	4	15,407.32	12,108.85
Right-of-use assets	4	233.69	291.85
Capital work-in-progress	5	77.30	3,576.58
Intangible assets	6	1.20	-
Financial assets			
Investments	7	783.31	135.63
Loans	17	2,673.60	334.56
Other financial assets	8	2,017.03	134.76
Deferred tax assets (net)	9A	1,872.41	72.61
Non-current tax assets (net)	10	10.75	45.87
Other non current assets	11	190.16	458.07
Total non current assets		**23,266.77**	**17,158.78**
Current assets			
Inventories	12	1,137.39	1,774.50
Financial assets			
Investments	13	8.32	8.09
Trade receivables	14	855.27	905.73
Cash and cash equivalents	15	688.24	259.53
Bank balances other than cash and cash equivalents	16	-	841.96
Loans	17	8.00	1,092.34
Other financial assets	18	233.34	71.54
Current tax assets (net)	19	47.06	-
Other current assets	20	261.34	202.60
Total current assets		**3,238.96**	**5,156.29**
Total assets		**26,505.73**	**22,315.07**
Equity and liabilities			
Equity			
Net parent investment	21	(1,971.21)	3,168.32
		(1,971.21)	**3,168.32**
Liabilities			
Non current liabilities			
Financial liabilities			
Borrowings	22	23,120.87	14,330.91
Lease liabilities	23	215.39	252.88
Provisions	24	26.18	24.56
Deferred tax liabilities (net)	9B	200.73	717.94
Other non current liabilities	25	213.04	194.06
Total non current liabilities		**23,776.21**	**15,520.35**
Current liabilities			
Financial liabilities			
Borrowings	26	3,256.17	2,079.84
Lease liabilities	23	1.08	14.08
Trade payables	27		
Total outstanding dues of micro enterprises and small enterprises		9.34	-
Total outstanding dues of creditors other than micro enterprises and small enterprises		15.33	482.55
Other financial liabilities	28	1,352.00	955.44
Other current liabilities	29	52.46	77.18
Provisions	30	14.35	17.31
Total current liabilities		**4,700.73**	**3,626.40**
Total equity and liabilities		**26,505.73**	**22,315.07**
Material accounting policies	2		

The acrestricted grouping notes are an integral part of the special purpose combined and carve out financial statements

As per our report of even date

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Tarun Gupta
Partner
Membership No. 507892

Place: New Delhi
Date: 29 July 2025

For G.D. Singhal & Associates
Chartered Accountants
Firm's Registration No.: 017648N

Gagan Deep Singhal
Partner
Membership No. 098947

For and on behalf of the Restricted Group

Jasbir Singh
Managing Director
DIN No- 01668231

Kainaat Awla
Director
DIN No - 10546630

Dushyant Kumar
Chief Financial Officer

Vishal Garg
Restricted group Secretary
Membership No. F6867

Place: New Delhi
Date: 29 July 2025

Restricted Group

Special Purpose Combined and carve out Statement of Profit and Loss for the year ended 31 March 2025

(All amounts in Rs. millions, unless otherwise stated)

Particulars	Notes	For the year ended 31 March 2025	For the year ended 31 March 2024
Revenue			
Revenue from operations	31	6,122.33	5,277.74
Other income	32	286.44	227.01
Total revenue		**6,408.77**	**5,504.75**
Expenses			
Cost of materials consumed	33	1,857.39	1,836.06
Employee benefits expense	34	305.34	322.82
Finance costs	35	2,321.09	1,306.19
Depreciation and amortisation expense	36	2,021.57	1,817.96
Other expenses	37	488.79	517.25
Total expenses		**6,994.18**	**5,800.29**
Loss before tax and exceptional items		**(585.41)**	**(295.55)**
Exceptional items	38	573.00	50.40
Loss before tax		**(1,158.41)**	**(345.94)**
Tax expense			
Current tax		-	40.41
Earlier years taxes		20.39	(3.43)
Deferred tax credit	9B	(468.86)	(192.02)
Total tax expense		**(448.47)**	**(155.04)**
Loss for the year		**(709.94)**	**(190.90)**
Other comprehensive income			
Items that will not be reclassified to profit and loss			
Remeasurements of defined benefit plans		12.68	9.26
Income tax relating to items that will not be reclassified to profit or loss		(3.42)	(3.24)
Items that are or will be reclassified to profit or loss and their related income tax effects			
instrument in a cash flow hedge		684.31	-
instrument in a cash flow hedge reclassified to		(473.02)	-
Cost of hedging- Changes in fair value		(687.00)	-
Cost of hedging- Reclassified to profit or loss		257.36	-
Income tax relating to items that will reclassified to profit or loss		54.63	-
Other comprehensive income		**(154.46)**	**6.02**
Total comprehensive income		**(864.40)**	**(184.88)**
Material accounting policies	2		

The acrestricted grouping notes are an integral part of the special purpose combined and carve out financial statements

As per our report of even date

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Tarun Gupta
Partner
Membership No. 507892

For G.D. Singhal & Associates
Chartered Accountants
Firm's Registration No.: 017648N

Gagan Deep Singhal
Partner
Membership No. 098947

For and on behalf of the Restricted Group

Jasbir Singh
Managing Director
DIN No- 01668231

Kainaat Awla
Director
DIN No - 10546630

Dushyant Kumar
Chief Financial Officer

Vishal Garg
restricted group Secretary
Membership No. F6867

Place: New Delhi
Date: 29 July 2025

Date: 29 July 2025

Restricted Group

Special Purpose Combined and Carve Out Statement of Cash Flows for the year ended 31 March 2025

(All amounts are in Rs. million, unless otherwise stated)

Particulars	Notes	For the year ended 31 March 2025	For the year ended 31 March 2024
A CASH FLOWS FROM OPERATING ACTIVITIES			
Loss before tax		(1,158.41)	(345.94)
Adjustments for:			
Depreciation and amortisation expense	36	2,021.57	1,817.96
Finance costs	35	2,321.09	1,306.19
Interest income on bank deposits		(34.12)	(57.08)
Bad debts		5.18	40.63
Advance written off		17.74	51.80
Exceptional items	38	573.00	50.40
Income on mutual fund		(0.23)	(8.57)
Amortisation of deferred grant		(43.83)	(43.19)
Interest income loans to Unristricted group		(177.44)	-
Gain on modification/cancellation of lease liabilities		(3.31)	-
Loss on exchange fluctuation (net)		76.83	-
Loss on change in fair value of derivatives (net)		2.15	-
Loss/(gain) on sale of property, plant and equipment (net)		31.82	(82.41)
Operating profit before working capital changes		**3,632.03**	**2,729.79**
Movement in working capital			
Decrease/(increase) in trade receivables		45.28	(287.73)
Decrease/(increase) in inventories		637.11	(234.39)
(Increase)/decrease in other current and non-current financial assets		(77.40)	279.31
Decrease in other current and non-current assets		12.02	121.51
Decrease in trade payables		(457.88)	(23.01)
Increase in other current and non-current financial liabilities		377.41	262.66
Increase in provisions		11.34	18.20
Increase in other current and non-current liabilities		38.09	25.10
Cash flows generated from operating activities post working capital changes		**4,217.99**	**2,891.44**
Income tax paid (net)		(32.32)	(78.00)
Net cash generated from operating activities (A)		**4,185.67**	**2,813.45**
B CASH FLOWS FROM INVESTING ACTIVITIES			
Payment made for property, plant and equipment (including capital work-in-progress, capital creditors and capital advances)		(1,615.54)	(5,679.37)
Sale of property, plant and equipment		71.50	-
Interest income on bank deposits		34.12	57.08
Proceeds from sale of mutual fund		-	6.19
Investment to unrestricted group entities		(647.68)	-
Loans to unrestricted group entities (net)		(6,949.34)	(431.30)
Fixed deposits matured/(made) during the year (net)		747.93	(270.48)
Net cash used in investing activities (B)		**(8,359.01)**	**(6,317.88)**
C CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of non current borrowings		(16,562.53)	(2,796.22)
Proceeds from non current borrowings		25,538.03	5,448.14
(Repayment)/ proceeds of current borrowings (net)		790.80	(1,111.55)
Finance costs paid		(5,147.54)	(1,305.54)
Principal payment of lease liabilities		(16.71)	(29.18)
Net cash generated from financing activities (C)		**4,602.05**	**205.65**

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WALKER CHANDIOK & CO LLP CHARTERED ACCOUNTANTS

G.D SINGHAL & ASSOCIATES FRN : 017648N FEROZEPUR CITY CHARTERED ACCOUNTANTS

SAEL Limited

Restricted Group

Special Purpose Combined and Carve Out Statement of Cash Flows for the year ended 31 March 2025

(All amounts are in Rs. million, unless otherwise stated)

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Increase/(decrease) in cash and cash equivalents (A+B+C)	**428.71**	**(3,298.78)**
Cash and cash equivalents at the beginning of the year	259.53	3,558.31
Cash and cash equivalents at the end of the year (refer note 15)	688.24	259.53
Cash and cash equivalents		
Cash on hand	1.50	1.77
Balances with bank - current accounts	686.74	257.76
	688.24	**259.53**

Material accounting policies 2

The above Cash flow statement has been prepared under the "Indirect Method" as set out in Indian Accounting Standard-7, "Statement of Cash Flows".

The acrestricted grouping notes are an integral part of the special purpose combined and carve out financial statements

As per our report of even date

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Tarun Gupta
Partner
Membership No. 507892

For **G.D. Singhal & Associates**
Chartered Accountants
Firm's Registration No.: 017648N

Gagan Deep Singhal
Partner
Membership No. 098947

For and on behalf of the Restricted Group

Jasbir Singh
Managing Director
DIN No- 01668231

Kainaat Awla
Director
DIN No - 10546630

Dushyant Kumar
Chief Financial Officer

Vishal Garg
restricted group Secretary
Membership No. F6867

Place: New Delhi
Date: 29 July 2025

Date: 29 July 2025

Restricted Group
Notes to Special Purpose Combined and Carve out Financial Statements for the year ended 31 March 2025

1 Corporate information

SAEL Limited ('the Company' or 'the Intermediary Holding Company') together with its subsidiaries have been referred to as 'the Restricted Group'. The Company is a public limited restricted group domiciled in India with its registered office situated at Faridkot Road, Guruharsahai, Distt. Ferozepur, Punjab. The Company is primarily involved in renewable power generation and other ancillary activities.

Below subsidiary companies and certain units of SAEL Limited, engaged in the renewable power generation business and financial information of Head office of SAEL Limited, pertaining to renewable power business, collectively called as "Restricted Group" have issued USD Senior Secured Notes which are listed on the Global Securities Market - India International Exchange (the "India INX").

Name of the restricted group	Capacity (In MW) 31 March 2025	Capacity (In MW) 31 March 2024	Proportion of ownership interests held by SAEL Limited as at 31 March 2025	Proportion of ownership interests held by SAEL Limited as at 31 March 2024
SAEL Limited#	219.50	219.50	NA	NA
Universal Biomass Energy Private Limited	15.00	15.00	100.00%	100.00%
SAEL Kaithal Renewable Energy Private Limited	14.50	14.50	100.00%	100.00%
Sunfree Paschim Renewable Energy Private Limited	20.00	20.00	100.00%	100.00%
Jasrasar Green Power Energy Private Limited	14.90	14.90	100.00%	100.00%
SAEL Solar Solution Private Limited	50.00	50.00	100.00%	100.00%

Following renewable energy units of SAEL Limited form part of Restricted Group as at 31 March 2025:

- Solar units commisioned (Unit 7, 8, 9, 14 and 16) having a total capacity of 173 MW
- Biomass units commisioned (Unit 10 and 11) having a total capacity of 36 MW
- Biomass units commisioned (Unit 15) having a total capacity of 10 MW (commissioned on 21 June 2024)

Following renewable energy units of SAEL Limited form part of Restricted Group as at 31 March 2024:

- Solar units commisioned (Unit 7, 8, 9, 14 and 16) having a total capacity of 173 MW
- Biomass units commisioned (Unit 10 and 11) having a total capacity of 36 MW
- Biomass unit under construction (Unit 15) having a total capacity of 10 MW

 # Including account balance of SAEL Limited head office ("HO") related to restricted group

2 Material accounting policies

2.01 Basis of preparation

The Special Purpose Combined and Carve Out financial statements of the Restricted Group comprise of the Special Purpose Combined and Carve Out Balance Sheet as at 31 March 2025, the Special Purpose Combined and Carve Out Statement of Profit and Loss (including Other Comprehensive Income) and Special Purpose Combined and Carve Out Statement of Cash Flow, for the year ended 31 March 2025, and notes to the Special Purpose Combined and Carve Out Financial Statements, including material accounting policy information and other explanatory information (hereinafter referred to as the 'Special Purpose Combined and Carve Out Financial Statements"). The Special Purpose Combined and Carve Out Financial Statements have been prepared by management in accordance with the Indian Accounting Standard (Ind AS) notified under Section 133 of the Companies Act, 2013 as amended from time to time (except Ind AS 33 , Earning per share), read with the Companies (Indian Accounting Standards) Rules, 2015, (as amended) and, the Guidance Note on Combined and Carve-out Financial Statements issued by the Institute of Chartered Accountants of India (the "Guidance Note"), solely for submission to trustee and bond holders in accordance with the paragraph 4 of the offer document dated 31 July 2024 and submission to India International Exchange ('India INX') in accordance with rules as prescribed under paragraph 4 of Chapter 6 of the rules & regulations handbook of India INX, in connection with the funds raised through issuance of USD Senior Secured Notes by the Restricted Group and corresponding listing of USD Secured Notes on the Global Securities Market - India INX.

Management of the Restricted Group has prepared these Special Purpose Combined and Carve Out Financial Statements to depict the historical cost of the Restricted Group except for the following assets and liabilities which have been measured at fair value:
• Certain financial assets and liabilities measured at fair value (refer material accounting policy information regarding financial instruments)
The inclusion of entities in the Restricted Group in these Special Purpose Combined and Carve Out Financial Statement are not an indication of exercise of control as defined in Ind AS 110 "Consolidated Financial Statement", by SAEL Limited over the entity forming part of Restricted Group.
The Special Purpose Combined and Carve Out Financial Statements are not necessarily indicative of the financial performance, financial position and cash flows of the Restricted Group that would have occurred if it had operated as a separate stand-alone Group of entities during the period presented nor of the Restricted Group's future performance. The items in the Special Purpose Combined and Carve Out Financial Statements have been classified considering the principles under Ind AS 1, Presentation of Financial Statements and Division II of Schedule III of Companies Act 2013.

For the purpose of these Special Purpose Combined and Carve Out Financial Statement, events occurring after the balance sheet date are updated only till adoption of financial statement of respective entities forming part of Restricted Group by its Board of Directors. Certain disclosures like Earnings Per Share have not been presented in these Special Purpose Combined and Carve Out financial statement, as the restricted group did not meet the applicability criteria as specified under Ind AS 33 – Earning Per Share.

The accounting policies followed in preparation of the Special Purpose Combined and carve out Financial Statements are consistent with those followed in the most recent annual financial statements of the entities forming part of Restricted Group.

The Special Purpose Combined and Carve Out Financial Statements of the Restricted Group are presented in Indian Rupees (₹), which is also its functional currency and all amounts disclosed in the financial statements and notes have been rounded off to the nearest two decimals in million as per the requirement of Schedule III to the Act, unless otherwise stated . These Special Purpose Combined and Carve-out Financial Statements presented may not be representative of the position which may prevail after the transaction.

2.02 Basis of combination

The Special Purpose Combined and Carve Out Financial Statements have been prepared by combining like items of assets, liabilities. equity, income, expenses and cash flows of the entities and units forming part of Restricted Group. All the intragroup assets and liabilities, equity, income, expenses and cash flows relating to entities and units forming part of Restricted Group have been eliminated and profits or losses arising from intragroup transactions have been eliminated in full. All the inter-group transactions are undertaken on arms lengths basis. The resulting financial position may not be that which might have existed if the combining businesses had been a stand-alone business.

Net parent investment disclosed in the Special Purpose Combined and Carve Out Financial Statements is not the legal capital and other equity of the Restricted Group and is the aggregation of the share capital and other equity of the individual combining entities.

Income taxes are arrived at by aggregation of the tax expenses actually incurred by the combining businesses, after considering the tax effects of any adjustments which is in accordance with the Guidance Note.

2.03 Use of estimates

The preparation of Special Purpose Combined and Carve Out Financial Statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

2.04 Revenue

The five step model of Ind AS 115 - 'Revenue from Contracts from Customers' is used to determine whether revenue should be recognised at a point in time or over time, and at what amount is as below:

- Step 1: Identify the contract with the customer
- Step 2: Identify the performance obligations in the contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

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 Restricted Group expects to be entitled in exchange for those goods or services.

A) Sale of electricity

Revenue from supply of power is recognised net of consumption when the power is supplied as it best depicts the value of the customer and complete satisfaction of performance obligation.

Revenue from sale of power is recognized when persuasive evidence of an arrangement exists, the fee is fixed or determinable, energy kilowatts are supplied and collectability is reasonably assured. Revenue is based on the energy kilowatts actually supplied to the grid of customers multiplied by the rate per kilo-watt hour agreed to in the respective power purchase agreement (PPAs). The energy kilowatts supplied by the entities forming part of Restricted Group are validated by the customer prior to billing and recognition of revenue. In determining the transaction price for sale of power, the entities forming part of Restricted Group considers the effect of variable consideration and existence of a significant financing component. There is only one performance obligation in the arrangement and therefore, allocation of transaction price is not required The normal credit term is 30 to 60 days upon delivery. Hence, the entity has elected to use the practical expedient for non existence of a significant financing component. Further there are no variable consideration in the contract.

B) Interest income

Interest income is recorded using the effective interest rate (EIR) as and when due on time and proportion basis. EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortized cost of the financial liability. When calculating the effective interest rate, the Restricted Group estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses. Interest income is included in other income in the Special Purpose Combined and Carve Out Statement of Profit and Loss.

2.05 Borrowing costs

Borrowing costs directly attributable to the acquisitions, construction or production of a qualifying asset are capitalised during the period of time that is necessary to complete and prepare the asset for its intended use or sale. Other borrowing costs are expensed in the period in which they are incurred and reported in finance costs.

2.06 Property, plant and equipment

Property, plant and equipments are carried at cost less accumulated depreciation. The cost of items of the property, plant and equipment comprises its purchase price net of any trade discount and rebate, any import duties and other taxes (other than those subsequently recoverable from tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses and interest on borrowings attributable to acquisition of qualifying property, plant and equipment upto the date the asset is ready for its intended use.

Whenever significant parts of the property, plant and equipment are required to be replaced at intervals, the Restricted Group depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in Special Purpose Combined and Carve Out Financial Statements as incurred.

Based on technical assessment made by technical expert and management estimate, the entities in the Restricted Group have assessed the estimated useful lives of certain property, plant and equipment that 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. The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if required.

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Depreciation and amortisation are calculated on a straight line basis/written down value method over the estimated useful lives of the assets as follows:

Estimated useful life

Asset category	Estimated useful life (in years)
Buildings	10-30
Plant and equipments	15-25
Furniture and fittings	10
Office equipments	05-10
Computer equipments	03
Vehicles	08-10

Management reveiews its estimate of the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets and the cost of assets not put to use before such date are disclosed under 'capital work-in-progress'.

De-recognition

An item of property, plant and equipment and any significant part initially recognised is de-recognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on the de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Special Purpose Combined and Carve out Financial Statements when the asset is derecognised

2.07 Leases

The lease asset classes primarily consist of leases for land . The Restricted Group assesses whether a contract contains a lease, at inception of a contract. 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. To assess whether a contract conveys the right to control the use of an identified asset, the Restricted Group assesses whether: (i) the contract involves the use of an identified asset (ii) the Restricted Group has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Restricted Group has the right to direct the use of the asset. At the date of commencement of the lease, the Restricted Group recognises a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Restricted Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated amortisation and impairment losses. Right-of-use assets are amortised from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable.

The lease liability is initially measured at amortised cost at the present value of the future lease payments. The lease payments are discounted using the incremental borrowing rates. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Restricted Group changes its assessment as to whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the balance sheet and lease payments have been classified as financing activity in statement of cash flows.

2.08 Impairment of non-financial assets

For impairment assessment purposes, assets are grouped at the lowest levels for which there are largely independent cash inflows (cash-generating units). As a result, some assets are tested individually for impairment and some are tested at cash-generating unit level. All individual assets or cash-generating units are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which the asset's (or cash-generating unit's) carrying amount exceeds its recoverable amount, which is the higher of fair value less costs of disposal and value-in-use. To determine the value-in-use, management estimates expected future cash flows from each cash-generating unit and determines a suitable discount rate in order to calculate the present value of those cash flows. The date used for impairment testing procedures are directly linked to the Cash-Generating Unit's (CGU's) latest approved budget, adjusted as necessary to exclude the effects of future reorganisations and asset enhancements. Discount factors are determined individually for each cash-generating unit and reflect current market assessments of the time value of money and asset-specific risk factors.

Impairment losses are charged in the Statement of Profit and Loss. Further, impairment loss is reversed if the asset's or cash-generating unit's recoverable amount exceeds its carrying amount. The reversal is limited so that the carrying of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior period.







2.09 Government grants

Government grants are assistance by government in the form of transfers of resources to an entity in return for past or future compliance with certain conditions relating to the operating activities of the entity.

Government grants are recognised when there is a reasonable assurance that the Restricted Group will comply with the relevant conditions and the grant will be received. These are recognised in the Special Purpose Combined and Carve Out Financial Statements, either on a systematic basis when the Restricted Group recognises, as expenses, the related costs that the grants are intended to compensate or, immediately if the costs have already been incurred. Government grants related to assets are deferred and amortised over the useful life of the asset.

2.10 Financial instruments

Recognition, initial measurement and derecognition

Financial assets and financial liabilities are recognised when the Restricted Group becomes a party to the contractual provisions of the financial instrument, and, except for trade receivables which do not contain a significant financing component, these are measured initially at:

a) fair value, in case of financial instruments subsequently carried at fair value through Profit and Loss (FVTPL);
b) fair value adjusted for transaction costs, in case of all other financial instruments.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all the risks and rewards are transferred. A financial liability is derecognised when the underlying obligation specified in the contract is discharged, cancelled or expires.

Classification and subsequent measurement of financial assets

Different criteria to determine impairment are applied for each category of financial assets, which are described below.
For purposes of subsequent measurement, financial assets are classified in three categories:

- Financial assets at amortised cost
- Financial assets at fair value through other comprehensive income (FVOCI)
- Financial assets, derivatives and equity instruments at FVTPL

(1) Financial assets at amortised cost

Classification and subsequent measurement of financial assets

Financial Assets

The financial assets is measured at the amortised cost if both the following conditions are met:

(a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
(b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. 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 in finance income in the Profit and Loss. When the financial asset is derecognised or impaired, the gain or loss is recognised in the Special Purpose Combined and Carve Out Statement of Profit and Loss.

De- Recognition of financial assets

Financial assets (or where applicable, a part of financial asset or part of a Restricted Group of similar financial assets) are derecognised from the balance sheet when the contractual rights to receive the cash flows from the financial asset have expired, or when the financial asset and substantially all the risks and rewards are transferred. The Restricted Group also derecognises the financial asset if it has both transferred the financial asset and the transfer qualifies for derecognition

Impairment of financial assets

In accordance with Ind-AS 109, the Restricted Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss for financial assets carried at amortised cost.

ECL is the difference between all contractual cash flows that are due to the entity forming part of Restricted Group in accordance with the contract and all the cash flows that the entity forming part of Restricted Group expects to receive. When estimating the cash flows, the Restricted Group is required to consider :

- All contractual terms of the financial assets (including prepayment and extension) over the expected life of the assets.
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

Trade receivables

The Restricted Group applies simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of receivables.

Other financial assets

For recognition of impairment loss on other financial assets and risk exposure, the entity forming part of Restricted Group determines whether there has been a significant increase in the credit risk since initial recognition and if credit risk has increased significantly, life time impairment loss is provided otherwise provides for 12 month expected credit losses.

Classification and subsequent measurement of financial liabilities

Financial liabilities are measured subsequently at amortised cost using the effective interest method except for derivatives and financial liabilities designated at FVTPL, which are carried subsequently at fair value with gains or losses recognised in profit or loss.

Compound financial instruments

Compound financial instruments are separated into liability and equity components based on the terms of contract. On the issuance of compound financial instruments, the fair value of liability component is determined using a market rate for an equivalent instrument. This amount is classified as a financial liability measured at amortised cost (net of transaction costs) until it is extinguished on conversion or redemption. The equity component is classified under other equity.

(2) Financial assets at fair value through other comprehensive income (FVOCI)

Financial assets at fair value through other comprehensive income (FVOCI). Financial assets that meet the following conditions are measured initially as well as at the end of each reporting date at fair value, recognised in other comprehensive income (OCI).

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
b) The contractual terms of the asset give rise on specified dates to cash flows that represent solely payment of principal and interest.

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(3) Financial assets at fair value through Profit and Loss (FVTPL)

Financial assets at fair value through Profit and Loss (FVTPL). Financial assets that do not meet the amortised cost criteria or FVTOCI criteria are measured at FVTPL. Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in Profit and Loss. The net gain or loss recognised in Profit and Loss incorporates any dividend or interest earned on the financial asset.

(4) Financial liability

The Restricted Group's financial liabilities include borrowings, trade and other payables and derivative financial instruments.

Financial liabilities are measured subsequently at amortised cost using the effective interest method except financial liabilities designated at FVTPL, which are carried subsequently at fair value with gains or losses recognised in Profit and Loss. For trade and other payables maturing with in one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity os these instruments.

De-recognition of financial liability

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

Offsetting of financial assets and financial liabilities

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

2.11 Current versus non-current classification

The Restricted Group presents assets and liabilities in the balance sheet based on current/ noncurrent 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 period All other assets are classified as non-current.

A liability is current when:

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

The Restricted 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 Restricted Group has identified twelve months as its operating cycle.

2.12 Income taxes

Tax expense recognised in Profit and Loss comprises the sum of deferred tax and current tax not recognised in other comprehensive income or directly in equity.

Current income tax assets and/or liabilities comprise those obligations to, or claims from, fiscal authorities relating to the current or prior reporting periods, that are unpaid at the reporting date. Current tax is payable on taxable profit, which differs from Profit and Loss in the financial information. Calculation of current tax is based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred income taxes are calculated using the liability method on temporary differences between the carrying amounts of assets and liabilities and their tax bases.

Deferred tax assets are recognised to the extent that it is probable that the underlying tax loss or deductible temporary difference will be utilised against future taxable income. This is assessed based on the entities forming part of Restricted Group’s forecast of future opening results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss or credit.

Changes in deferred tax assets or liabilities are recognised as a component of tax income or expense in Profit and Loss, except where they relate to items that are recognised in other comprehensive income or directly in equity, in which case the related deferred tax is also recognised in other comprehensive income or equity, respectively.

The tax expense comprises of Current Taxes and Deferred Taxes. Current tax is the amount of income tax determined to be payable in respect of taxable income for a period as per the provisions of the Income-Tax Act, 1961 (“IT Act”).

Deferred tax is the effect of timing differences between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the Balance Sheet date. Deferred tax assets are reviewed at each Balance Sheet date and recognized/derecognized only to the extent that there is reasonable certainty, depending on the nature of the timing differences, that sufficient future taxable income will be available against which such Deferred Tax assets can be realized.







The entities forming part of Restricted Group recognises MAT credit available as deferred tax asset only to the extent that there is reasonable evidence that the entities forming part of Restricted Group will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward.

2.13 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, together with other short-term, highly liquid investments maturing within 90 days from the date of acquisition. Cash and cash equivalent are readily convertible into known amounts of cash and are subject to an insignificant risk of changes in value.

2.14 Provisions, contingent assets and contingent liabilities

Provisions are recognized only when there is a present obligation, as a result of past events, and measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the reporting date, including the risks and uncertainties associated with the present obligations as a whole.

Any reimbursement that the entities forming part of Restricted Group is virtually certain to collect from a third party with respect to the obligation is recognised as a separate asset. However, this asset may not exceed the amount of the related provision.

No liability is recognised if an outflow of economic resources as a result of present obligations is not probable. Such situations are disclosed as contingent liabilities unless the outflow of resource is remote.

Contingent liabilities are disclosed by way of note unless the possibility of outflow is remote. Contingent assets are neither recognized nor disclosed. However, when realization of income is virtually certain, related asset is recognized.

2.15 Employee benefits

Short-term employee benefits

Liabilities for wages and salaries, including nonmonetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are classified as short-term employee benefits. These benefits include salaries and wages, short-term bonus, incentives etc. These are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the Special Purpose Combined and Carve Out Financial Statements.

Post-employment benefits plans

The entities forming part of Restricted Group provides post-employment benefits through various defined contribution and defined benefit plans.

Defined contribution plans

The entities forming part of Restricted Group pays fixed contribution into independent entities in relation to several state plans and insurances for individual employees. The entities forming part of Restricted Group has no legal or constructive obligations to pay contributions in addition to its fixed contributions, which are recognised as an expense in the period that related employee services are received.

Defined benefit plans

Under the entities forming part of Restricted Group's defined benefit plans, the amount of benefit that an employee will receive on retirement is defined by reference to the employee's length of service and final salary. The legal obligation for any benefits remains with the entities forming part of Restricted Group.

The liability recognised in the balance sheet for defined benefit plans is the present value of the defined benefit obligation (DBO) at the reporting date.

Management estimates the DBO annually with the assistance of independent actuaries. Actuarial gains/losses resulting from re-measurements of the liability/asset are included in other comprehensive income.

Service cost of the entities forming part of Restricted Group's defined benefit plan is included in employee benefits expense. Employee contributions, all of which are independent of the number of years of service, are treated as a reduction of service cost. Net interest expense on the net defined benefit liability is included in Special Purpose Combined and Carve Out Financial Statements. Gains and losses resulting from re-measurements of the net defined benefit liability are included in other comprehensive income.

Compensated absences

Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year and are treated as short term employee benefit. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end. Accumulated compensated absences, which are expected to be available or encashed beyond 12 months from the end of the year are treated as other long term employee benefits. The Restricted Group's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year.
The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using market yields on Government securities. Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the statement of profit and loss in the period in which they arise. Past-service costs are recognised immediately in the statement of profit and loss.

The Restricted Group presents the entire leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

2.16 Inventories

Inventory raw materials, stores and spares

Raw materials, stores and spares and packing materials are valued at lower of cost and net realizable value after provising for obsolences and other losses, where considered necessary. However, these items are considered to be realizable at cost if the finished products, in which they will be used, are expected to be sold at or above cost. The cost is calculated on weighted average cost method and it comprises all costs incurred in bringing the inventories to their present location and condition and includes, where applicable, appropriate overheads based on normal level of activity. Obsolete, slow moving and defective inventories are identified at the time of physical verification and wherever necessary a provision is made.

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2.17 Capital work-in-progress

Directly and indirectly attributable expenditure related to and incurred during implementation (net of incidental income) of capital projects to get the assets ready for intended use and for a qualifying asset is included under "Capital work-in-progress". The same is allocated to the respective items of property, plant and equipment on completion of construction (development of project) / erection of the capital project / property, plant and equipment. Capital work in progress is stated at cost, net of accumulated impairment loss, if any.

2.18 Derivative financial instruments and hedge accounting

Initial recognition and subsequent measurement

The entities in Restricted Group uses derivative financial instruments such as option contracts to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

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

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

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

• There is 'an economic relationship' between the hedged item and the hedging instrument.

• The effect of credit risk does not 'dominate the value changes' that result from that economic relationship.

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

Cash flow hedges

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

The entities in the Restricted Group uses option contracts as hedges of its exposure to foreign currency risk in forecast transactions and firm commitments. The ineffective portion relating to foreign currency contracts is recognised in finance costs.

The amount accumulated in OCI is reclassified to profit or loss as reclassification adjustment in the same period or periods during which the hedged cash flows affect profit or loss.

2.19 Foreign currency

Transactions in foreign currencies are initially recorded by the Restricted Group at its functional currency spot rates at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items as at reporting date are recognised in profit or loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

2.20 Material management judgement in applying accounting policies

The preparation of financial statement requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the acrestricted grouping disclosures, and the disclosure of contingent liabilities. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected.

In particular, the Restricted Group has identified the following areas where material judgements, estimates and assumptions are required. Further information on each of these areas and how they impact the various accounting policies are described below and also in the relevant notes to the Special Purpose Combined and Carve Out Financial Statements. Changes in estimates are accounted for prospectively.

Judgements

Judgements In the process of applying the Restricted Group's accounting policies, management has made the following judgements, which have the material effect on the amounts recognised in the Special Purpose Combined and Carve Out Financial Statements.

(a) Contigencies

Contingent liabilities may arise from the ordinary course of business in relation to claims against the Restricted Group, including legal, contractor, land access and other claims. By their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence, and potential quantum, of contingencies inherently involves the exercise of significant judgments and the use of estimates regarding the outcome of future events.

(b) Deferred tax assets

Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies and future recoverability of deferred tax assets. The amount of the deferred income tax assets considered realisable could reduce if the estimates of the future taxable income are reduced. In assessing the recoverability of deferred tax assets, the respective entities relies on the same forecast assumptions used elsewhere in the financial statements. A deferred tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised. Accordingly, the Restricted Group exercises its judgement to reassess the carrying amount of deferred tax assets at the end of each reporting period.

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(c) Provisions and liabilities

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances, which can be subject to change.

(d) Classification of leases

The Restricted Group enters into leasing arrangements for various lands. The assessment (including measurement) of the lease is based on several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to extend/terminate etc. After the commencement date, the Restricted Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to extend or to terminate.

Estimate

a) Impairment of non-financial assets

In assessing impairment, management estimates the recoverable amount of each asset or cash-generating units based on expected future cash flows and uses an interest rate to discount them. Estimation uncertainty relates to assumptions about future operating results and the determination of a suitable discount rate.

b) Useful lives of depreciable assets

Management reviews its estimate of the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets.

c) Employee benefits

The cost of the employee benefit and other post-employment benefits and the present value of such 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, mortality rates and future pension increases. In view of the complexities involved in the valuation and its long-term nature, employee benefit is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

d) Fair value measurement

In estimating the fair value of financial assets and financial liabilities, the Restricted Group uses market observable data to the extent available. Where such Level 1 inputs are not available, the Restricted Group establishes appropriate valuation techniques and inputs to the model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

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

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

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

(e) Estimating the incremental borrowing rate

The Restricted Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Restricted Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Restricted Group 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Restricted Group estimates the IBR using observable inputs (such as market interest rates) when available.

2.21 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker ('CODM') [Chairperson and Chief Financial Officer]. The Restricted Group is engaged in the business of renewable power generation. Based on the guiding principles laid down in IndAS 108 on segment reporting this constitue one single primary segment.

2.22 (A) Amendment to Accounting Standards (Ind AS) issued but not yet effective

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The Ministry of Corporate Affairs notifies new standard or amendments to the existing standards. There is amendment to Ind AS 21 "Effects of Changes in Foreign Exchange Rates" such amendments would have been applicable from 01 April 2025.
The Effects of Changes in Foreign Exchange Rates specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments also require disclosure of information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows.
The amendments are effective for the period on or after 01 April 2025. When applying the amendments, an entity cannot restate comparative information.
The Restricted Group has reviewed the new pronouncement and based on its evaluation has determined that these amendments do not have a significant impact on the Restricted Group Financial Statements.

(B) Standards issued/amended and became effective
The Ministry of Corporate Affairs notified new standards or amendment to existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. The Restricted Group has applied following amendments for the first-time during the current year which are effective from 1 April 2024.

Amendments to Ind AS 116 - Lease liability in a sale and leaseback
The amendments require an entity to recognise lease liability including variable lease payments which are not linked to index or a rate in a way it does not result into gain on Right of Use asset it retains.
The amendment does not have a material impact on the Special Purpose Combined and Carve Out Financial Statements.

Introduction of Ind AS 117
MCA notified Ind AS 117, a comprehensive standard that prescribe, recognition, measurement and disclosure requirements, to avoid diversities in practice for accounting insurance contracts and it applies to all companies i.e., to all 'insurance contracts' regardless of the issuer. However, Ind AS 117 is not applicable to the entities which are insurance companies registered with IRDAI.
The amendment does not have a material impact on the Special Purpose Combined and Carve Out Financial Statements.







4 Property, plant and equipment

Details of restricted group's property, plant and equipment and their carrying amounts are as follows:

Particulars	Freehold land	Buildings	Plant and equipments	Furniture and fittings	Office equipments	Computer equipments	Vehicles	Total	Right of use asset-Land
Gross block									
Balance as at 1 April 2023	**1,044.78**	**1,585.34**	**14,431.13**	**16.41**	**21.95**	**13.72**	**112.09**	**17,225.42**	**24.45**
Addition during the year	19.60	160.70	3,726.11	0.65	2.15	1.20	6.80	3,917.22	276.66
Disposal during the year	39.09	-	10.27	-	-	-	-	49.37	-
Balance as at 31 March 2024	**1,025.29**	**1,746.04**	**18,146.97**	**17.05**	**24.11**	**14.92**	**118.89**	**21,093.27**	**301.11**
Addition during the year	15.23	840.24	4,530.73	9.85	8.71	2.76	6.99	5,414.51	52.86
Disposal during the year	-	-	471.66	-	-	-	-	471.66	104.74
Balance as at 31 March 2025	**1,040.52**	**2,586.28**	**22,206.04**	**26.90**	**32.82**	**17.68**	**125.88**	**26,036.12**	**249.23**
Accumulated depreciation									
Balance as at 1 April 2023	**-**	**539.70**	**6,508.19**	**9.56**	**16.15**	**10.33**	**90.42**	**7,174.35**	**1.87**
Charge during the year	-	152.75	1,649.84	2.08	3.29	1.85	6.78	1,816.58	7.39
Disposal during the year	-	-	6.51	-	-	-	-	6.51	-
Balance as at 31 March 2024	**-**	**692.45**	**8,151.52**	**11.64**	**19.44**	**12.18**	**97.20**	**8,984.42**	**9.26**
Charge during the year	-	174.89	1,821.90	2.71	4.37	2.45	6.40	2,012.73	8.69
Disposal during the year	-	-	368.35	-	-	-	-	368.35	2.41
Balance as at 31 March 2025	**-**	**867.34**	**9,605.07**	**14.35**	**23.81**	**14.63**	**103.60**	**10,628.80**	**15.54**
Net block									
Balance as at 31 March 2024	**1,025.29**	**1,053.59**	**9,995.45**	**5.41**	**4.67**	**2.74**	**21.69**	**12,108.85**	**291.85**
Balance as at 31 March 2025	**1,040.52**	**1,718.93**	**12,600.98**	**12.54**	**9.01**	**3.05**	**22.28**	**15,407.32**	**233.69**

(i) Refer note 43A for details of assets pledged.

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5 Capital work-in progress

Particulars	As at 31 March 2025	As at 31 March 2024
Balance as at the beginning of the year	3,576.58	1,148.55
Add: additions during the year	797.53	3,017.59
Less: disposals during the year	(105.40)	(22.51)
Less: capitalisation during the year	(4,191.41)	(567.05)
Total capital work-in-progress	**77.30**	**3,576.58**

Capital work-in-progress ageing schedule for the year ended:

Particular	Amount in CWIP for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Project in progress as of 31 March 2025	77.30	-	-	-	77.30
Project in progress as of 31 March 2024	2,786.03	654.47	127.77	8.31	3,576.58

For capital-work-in progress whose completion is overdue or has exceeded its cost compared to its original plan the project-wise details of when the project is expected to be completed as given below:

Particular	To be completed in				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Project in progress as of 31 March 2025	-	-	-	-	-
Project in progress as of 31 March 2024*	1,123.45	-	-	-	1,123.45

(i) Refer note 43A for details of assets pledged.
(ii) There are no such project under capital work in progress whose completion is overdue or has exceeded its cost compared to its original plan as of 31 March 2025.

* Amount pertains to the expenditure of Rs 1,123.45 million incurred on Unit 15 of SAEL Limited till 31 March 2024. The 10 MW Biomass power plant at Jalkheri of SAEL Limited had been capitalised during the current year ending 31 March 2025.

6 Intangible assets

Particulars	As at 31 March 2025	As at 31 March 2024
Gross carrying value		
Opening Balance	-	-
Addition during the year	1.67	-
Closing Balance	**1.67**	**-**
Accumulated amortisation		
Opening Balance	-	-
Charge during the year	0.47	-
Closing Balance	**0.47**	**-**
Net carrying value	**1.20**	**-**

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7 Non-current Investments

Particulars	As at 31 March 2025	As at 31 March 2024
Investment in equity instruments (unquoted) (FVTPL)		
Sindh Renewable Energy Private Limited	-	2.00
200,000 shares of face value of Rs. 10 each		
Investment in equity instruments (unquoted) (at ammortised cost)		
Chattargarh Renewable Energy Private Limited	0.10	0.10
10,000 shares of face value of Rs. 10 each		
Total (A)	**0.10**	**2.10**
Deemed Investment (at cost) (net of tax) *		
Chattargarh Renewable Energy Private Limited	136.89	133.53
Sunfree Energy Private Limited	646.32	-
Total (B)	**783.21**	**133.53**
Aggregate amount of unquoted investment (A+B)	**783.31**	**135.63**

Note: Refer note 43A for details of assets pledged as security by the Restricted Group for securing financing facilities from lenders.

* These are interest-free loans and have been accounted as per Ind AS 109 'Financial Instruments'. Pursuant to this accounting, the difference between gross proceeds and fair value has been shown as a 'Deemed investment (at cost)' (refer note 17).

8 Other financial assets - non current

Particulars	As at 31 March 2025	As at 31 March 2024
(unsecured, consider good unless otherwise stated)		
Bank deposits with banks having maturity beyond 12 months	93.84	102.30
Foreign currency derivative contracts	1,904.26	-
Security deposits	18.93	32.46
	2,017.03	**134.76**

Note: Refer note 43A for details of assets pledged as security by the Restricted Group for securing financing facilities from lenders.

9A Deferred tax assets/liabilities (net)

Particulars	As at 31 March 2025	As at 31 March 2024
Deferred tax assets arising on:		
Unabsorbed depreciation and business losses	606.10	188.63
Provision for doubtful debt	-	0.83
Employee benefits	2.73	0.16
Minimum alternate tax	28.43	-
Cost of hedge reserve	23.65	-
Fair value investments	1,658.78	-
Others	4.24	-
Deferred tax liabilities arising on:		
Property, plant and equipment	(433.82)	(115.94)
Cash flow hedge reserve	(14.17)	-
Lease liability and right of use asset	(3.53)	(1.07)
	1,872.41	**72.61**

9B Deferred tax assets/liabilities (net)

Particulars	As at 31 March 2025	As at 31 March 2024
Deferred tax assets arising on:		
Unabsorbed depreciation and business losses	120.50	156.07
Deferred income	63.63	80.50
Minimum alternate tax	-	28.43
Fair value investment	-	51.46
Cost of hedge reserve	82.93	-
Provision for doubtful debt	6.14	8.12
Employee benefits	6.79	14.66
Lease liability and right of use asset	0.48	-
Others	2.04	-
Deferred tax liabilities arising on:		
Property, plant and equipment	(445.46)	(853.91)
Compound financial instrument	-	(199.99)
Cash flow hedging reserve	(37.78)	-
Lease liability and right of use asset	-	(3.28)
Deferred tax (net)	**(200.73)**	**(717.94)**

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Movement of deferred tax

Particulars	As at 31 March 2024	Recognised on account of investment	Recognise through other equity	(Expenses)/ benefit recognised in statement of profit and loss	(Expenses)/ benefit recognised other comprehensive income	As at 31 March 2025
Assets						
Unabsorbed depreciation and business losses	344.70	-	-	381.91	-	726.60
Minimum alternate tax	28.43	-	-	-	-	28.43
Provision for doubtful debts	8.95	-	-	(2.80)	-	6.14
Employee benefits	14.81	-	-	(1.87)	(3.42)	9.52
Lease liability and right of use asset	(4.35)	-	-	1.30	-	(3.05)
Fair value of investment	51.46	159.11	1,437.84	10.36		1,658.78
Deferred revenue grant	80.50	-	-	(16.88)	-	63.63
Cost of hedge resrve	-	-	-	-	106.58	106.58
Others	-	-	-	6.28	-	6.28
Liabilities						
Compound financial instruments	(199.99)	-	199.99	-	-	-
Cash flow hedge reserve	-	-	-	-	(51.95)	(51.95)
Property, plant and equipment	(969.85)	-	-	90.57	-	(879.28)
Total	**(645.33)**	**159.11**	**1,637.83**	**468.86**	**51.21**	**1,671.68**

Particulars	As at 01 April 2023	Recognised on account of investment	Recognise through other equity	(Expenses)/ benefit recognised in statement of profit and loss	(Expenses)/ benefit recognised other comprehensive income	As at 31 March 2024
Assets						
Unabsorbed depreciation and business losses	162.08	-	-	182.64	-	344.70
Minimum alternate tax	31.80	-	-	(3.37)	-	28.43
Provision for doubtful debts	6.73	-	-	2.37	-	8.95
Employee benefits	10.20	-	-	7.85	(3.24)	14.81
Lease liability and right of use asset	(1.36)	-	-	(2.98)	-	(4.35)
Fair value of investment	-	51.46	-	-	-	51.46
Deferred revenue grant	95.61	-	-	(15.10)	-	80.50
Liabilities				-		
Compound financial instruments	-	-	(199.99)	-	-	(199.99)
Property, plant and equipment	(990.46)	-	-	20.61	-	(969.85)
Total	**(685.41)**		**(199.99)**	**192.02**	**(3.24)**	**(645.33)**

MAT credit expiry in one of the entities in restricted group

Particulars	As at 31 March 2025	As at 31 March 2024
31 March 2037	4.06	4.06
31 March 2036	6.97	6.97
31 March 2035	7.22	7.22
31 March 2034	2.24	2.24
31 March 2033	2.43	2.43
31 March 2032	3.09	3.09
31 March 2030	2.42	2.42
Total	**28.43**	**28.43**

Effective tax reconciliation

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Loss before tax (including discontinuing operations)	(1,158.41)	(345.94)
Applicable tax rate*	25.17%	34.94%
Expected tax expense [A]	**(291.55)**	**(120.87)**
Capital gain on sale of capital asset (exempt U/s 47)	-	(28.03)
Expenses/income not considered in determining taxable profits	(10.22)	-
Change in tax rate	(148.43)	-
Others	1.74	(6.13)
Total adjustments [B]	**(156.92)**	**(34.16)**
Actual tax expense [C=A+B]	**(448.46)**	**(155.03)**
Tax expense recognized in statement of profit and loss [D]	(448.47)	(155.04)
	-	-

*The applicable tax rate is the domestic tax rate applicable to the Restricted Group - 31 March 2025 : 25.168% (31 March 2024: 34.94%).

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10 Non-current tax assets (net)

Particulars	As at 31 March 2025	As at 31 March 2024
Advance income tax (net of provision)	10.75	45.87
	10.75	**45.87**

11 Other non current assets

Particulars	As at 31 March 2025	As at 31 March 2024
(unsecured, consider good unless otherwise stated)		
Capital advances	186.19	449.65
Balance with government authorities (paid under protest)	3.97	8.42
	190.16	**458.07**

(i) Refer note 43A for information on assets under charges.

12 Inventories

Particulars	As at 31 March 2025	As at 31 March 2024
(valued at lower of cost or net realisable value)		
Raw materials and components	1,087.39	1,726.30
Stores and spares	50.00	48.21
	1,137.39	**1,774.50**

(i) Refer note 43A for information on assets under charges.

13 Current investments

Particulars	As at 31 March 2025	As at 31 March 2024
Investment in mutual fund (quoted) (at FVTPL)	8.32	8.09
	8.32	**8.09**
Aggregate purchase price of quoted investments	5.40	5.40
Aggregate carring value of quoted investments	8.32	8.09

Mutual Funds	As at 31 March 2025		As at 31 March 2024	
	No of Units	Amount	No of Units	Amount
(Aggregate market value of quoted investments)				
Baroda BNP Paribas Business Cycle Fund-Regular Growth Growth (BC-GP-G)	4,99,965.00	7.27	4,99,965.00	7.11
Baroda BNP Paribas Short Duration Fund-Regular Growth (SI-GP-G)	14,528.27	0.41	14,528.27	0.38
Sundaram ELSS Tax Saver Fund Growth	1,363.00	0.64	1,363.00	0.60
Total	**5,15,856.27**	**8.32**	**5,15,856.27**	**8.09**

(i) Refer note 43A for information on assets under charges.

14 Trade receivables

Particulars	As at 31 March 2025	As at 31 March 2024
(unsecured, consider good unless otherwise stated)		
Considered good	855.27	905.73
	855.27	**905.73**

Notes:
(i) Refer note 43A for information on assets under charges.
(ii) Refer note 39 for exposure the credit risk and loss allowance related to trade receivable.

Trade receivable ageing schedule as at 31 March 2025

31 March 2025	Outstanding for following periods from the due date of payment							
	Unbilled Dues*	Not due	Less than 6 months	6 months to 1 years	1-2 years	2-3years	More than 3 years	Total
Undisputed trade receivable								
Considered good	662.52	189.93	1.49	1.33	-	-	-	**855.27**
Credit impaired	-	-	-	-	-	-	-	**-**
	662.52	**189.93**	**1.49**	**1.33**	**-**	**-**	**-**	**855.27**
Less:- Allowance for doubtful trade receivable								-
Total trade receivable								**855.27**

Trade receivable ageing schedule as at 31 March 2024

31 March 2024	Outstanding for following periods from the due date of payment							
	Unbilled Dues*	Not due	Less than 6 months	6 months to 1 years	1-2 years	2-3years	More than 3 years	Total
Undisputed trade receivable								
Considered good	147.55	697.32	40.59	-	20.26	-	-	**905.73**
Credit impaired	-	-	-	-	-	-	-	**-**
	147.55	**697.32**	**40.59**	**-**	**20.26**	**-**	**-**	**905.73**
Less:- Allowance for doubtful trade receivable								-
Total trade receivable								**905.73**

* Unbilled dues pertains to reveivable against which billing is yet to issued however the performance obligation is completed.
(i) There are no debts due by directors or other officers of the restricted group or any of them either severally or jointly with any other person or debts due by firms or private companies respectively in which any director is a partner or a director or a member.
(ii) There are no disputed trade receivables, hence the same is not disclosed in the ageing schedule.
(iii) The net carrying value of trade receivables is considered a reasonable approximation of fair value.
(iv) The credit period given to the customer ranges from 60 to 90 days

15 Cash and cash equivalents

Particulars	As at 31 March 2025	As at 31 March 2024
Cash on hand	1.50	1.77
Balances with bank - current accounts	686.74	257.76
	688.24	**259.53**

(i) Refer note 43A for information on assets under charges.

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16 Bank balances other than cash and cash equivalents

Particulars	As at 31 March 2025	As at 31 March 2024
Bank deposits with original maturity of more than three months but less than 12 months	-	841.96
	-	**841.96**

(i) Refer note 43A for information on assets under charges.

17 Loans

Particulars	As at 31 March 2025	As at 31 March 2024
(unsecured, consider good unless otherwise stated)		
Non-current financial asset		
Loans to unrestricted group #	2,673.60	334.56
	2,673.60	**334.56**
Current financial asset		
Loans to unrestricted group*	8.00	1,092.34
	8.00	**1,092.34**

#During the year, the Universal Biomass Energy Private Limited (co-issuer) has given loan to unrestricted group amounting to Rs. 8,738.27 millions (31 March 2024: Rs. 519.48) which is receivable after the expiry of 15 years (31 March 2024: 5 years).
These are interest-free loans and have been accounted at fair value as per Ind AS 109 " Financial Instruments". Pursuant to this accounting, the difference between gross proceeds and fair value has been shown as an "Investment in equity instrument (at amortised cost)".

As a result of the interest-free loan provided by the restricted group to the unrestricted group, and in accordance with Indian Accounting Standard (Ind AS) 109 – Financial Instruments, an amount of Rs. 4,275.13 million (net of tax) has been recognized as a distribution to the unrestricted group.
This treatment is based on the requirement under Ind AS 109 to initially recognize financial instruments at fair value, which leads to the recognition of a deemed distribution when loans are extended without interest.
If the impact of Ind AS 109 were excluded, the net parent investment balance would increase by Rs. 4,275.13 million.

* Loan given to unrestricted group are interest free and repayable on demand

Details of loans or advances in the nature of loans granted to promoter, directors, KMPs and the unrestricted entities/parties (as defined under Companies Act, 2013), either severally or jointly with any other person, that are:
(a) repayable on demand; or
(b) without specifying any terms or period of repayment

As at 31 March 2025

Type of borrower	Amount of loan or advance in the nature of loan outstanding	Percentage to the total loans and advances in the nature of loans
Promoter	-	-
Directors	-	-
KMPs	-	-
Unrestricted group	8.00	100.00%

As at 31 March 2024

Type of borrower	Amount of loan or advance in the nature of loan outstanding	Percentage to the total loans and advances in the nature of loans
Promoter	-	-
Directors	-	-
KMPs	-	-
Unrestricted group	1,092.34	100.00%

(i) Refer note 43A for information on assets under charges.

18 Other financial assets

Particulars	As at 31 March 2025	As at 31 March 2024
(unsecured, consider good and measured at amortised cost unless otherwise stated)		
Security deposits	4.94	2.89
Bank deposits with remaining maturity less than 12 months	121.42	18.93
Foreign currency derivative contracts	70.86	-
Other receivable *	36.11	49.71
	233.34	**71.54**

(i) Refer note 43A for information on assets under charges.
*Includes receivable from unrestricted group. (Refer note 41)

19 Current tax assets (net)

Particulars	As at 31 March 2025	As at 31 March 2024
Current tax assets (net)	47.06	-
	47.06	**-**

20 Other current assets

Particulars	As at 31 March 2025	As at 31 March 2024
(unsecured, consider good unless otherwise stated)		
Advance to vendors	214.20	169.80
Deposits with government authorities	17.19	1.10
Prepaid expenses	16.86	26.42
Other assets	13.10	5.28
	261.34	**202.60**

(i) Refer note 43A for information on assets under charges.

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21 Net parent investment

Particulars	As at 31 March 2025	As at 31 March 2024
Opening balance	3,168.32	2,348.80
Total comprehensive income for the year	(864.40)	(184.88)
Additional net parent investment during the year	-	348.75
Distrubution to unrestricted group (net of tax)	(4,275.13)	-
Contribution from unrestricted group (net of tax)	-	655.65
Closing balance	**(1,971.21)**	**3,168.32**

Net parent investment represents the aggregate amount of share capital and other equity of restricted group of entities as at the respective year and does not necessairly represent legal share capital for the purpose of the Restricted Group.

Contribution from Un-restricted group
Contribution from the unrestricted group represents the excess of the discounted value of the interest-free borrowings obtained by the restricted group.

Distribution to the Un-restricted group
Distribution to the unrestricted group represents the excess of the discounted value of the interest-free loans granted by the restricted group to un-restricted group.

22 Non current borrowings

(measured at amortised cost)

Particulars	As at 31 March 2025	As at 31 March 2024
Secured*		
Term loans		
'- from banks	-	3,508.64
Non-convertible debentures	-	10,556.58
7.8% Senior Secured Notes Maturing 2031	24,777.03	-
Less: Current maturity of		
Term loans	-	(81.51)
Non-convertible debentures	-	(1,189.14)
7.8% Senior Secured Notes Maturing 2031	(1,656.17)	-
Unsecured#		
Unrestricted group**	-	1,536.33
	23,120.87	**14,330.91**

* Refer note 40 for terms of borrowings.
** Refer note 41 for related party.
# During the previous year, the Restricted group has obtained non-current borrowings from its unrestricted group amounting to Rs. 2,391.97 million which was repayable after the expiry of 5 years. These were interest-free loans and have been accounted at fair value as per Ind AS 109 " Financial Instruments". Pursuant to this accounting, the difference between gross proceeds and fair value has been shown as a "contribution from unrestricted group (at cost)" (refer note 21) . In current year, the borrowings has been repaid by the restricted group.

23 Lease liabilities

Particulars	As at 31 March 2025	As at 31 March 2024
Non current	215.39	252.88
Current	1.08	14.08
	216.47	**266.96**

24 Provisions

Particulars	As at 31 March 2025	As at 31 March 2024
Provision for gratuity (refer note 46)	22.12	24.56
Provision for asset retirement obligation	4.06	-
	26.18	**24.56**

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25 Other non current liabilities

Particulars	As at 31 March 2025	As at 31 March 2024
Deferred grant (refer note 29)	213.04	194.06
	213.04	**194.06**

26 Current borrowings

(measured at amortised cost)

Particulars	As at 31 March 2025	As at 31 March 2024
Secured		
Cash credit facility from banks	-	809.20
Working capital demand loan	1,600.00	-
Current maturity of		
Term loans	-	81.51
Non convertible debenture	-	1,189.14
7.8% Senior Secured Notes Maturing 2031	1,656.17	-
	3,256.17	**2,079.84**

(i) Refer note 40 for terms of borrowings.

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27 Trade payables

Particulars	As at 31 March 2025	As at 31 March 2024
(measured at amortised cost)		
Dues to micro enterprises and small enterprises (refer note below)	9.34	-
Due to other than micro enterprises and small enterprises	15.33	482.55
	24.67	**482.55**

Note:-
Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act, 2006'):

Particulars	As at 31 March 2025	As at 31 March 2024
i) The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year	9.34	-
ii) Interest due thereon	1.74	
iii) The amount of interest paid by the buyer in terms of section 16, along with the amounts of the payments made to the supplier beyond the appointed day during accounting year	-	-
iv) The amount of interest due and payable for the period of delay in making payments (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006.	-	-
v) The amount if interest accrued and remaining unpaid at the end of each accounting year, and	-	-
vi) The amount of further interest remaining due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006	1.74	-

The above information regarding dues to Micro, Small and Medium enterprises as defined under the Micro, Small and Medium Enterprises Development Act (MSMED), 2006 has been determined to the extend identified and information available with the Restricted Group any pursuant to Section 22 of the Micro, Small and Medium enterprises Development Act (MSMED), 2006.

Trade payable ageing schedule as at 31 March 2025 and 31 March 2024

31 March 2025	Outstanding for following periods from the due date of payment					
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed dues - MSME*	1.45	7.89	-	-	-	9.34
Undisputed dues - Others	0.03	8.74	4.11	2.45	-	15.33
Total trade payables	**1.48**	**16.63**	**4.11**	**2.45**	**-**	**24.67**

31 March 2024	Outstanding for following periods from the due date of payment					
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed dues - MSME*	-	-	-	-	-	-
Undisputed dues - Others	-	410.66	17.54	25.72	28.62	482.55
Total trade payables	**-**	**410.66**	**17.54**	**25.72**	**28.62**	**482.55**

*MSME as per the Micro, Small and Medium Enterprises Development Act, 2006.
(i) There are no disputed trade payables as on 31 March 2025 and 31 March 2024,hence the same is not disclosed in the ageing schedule.

28 Other financial liabilities

Particulars	As at 31 March 2025	As at 31 March 2024
Interest accrued	356.52	-
Capital creditors*	829.67	848.82
Employee related liabilities	28.13	17.29
Other payables*	137.68	89.33
	1,352.00	**955.44**

* Includes amount payable to unrestricted group.(Refer note 41)

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29 Other current liabilities

Particulars	As at 31 March 2025	As at 31 March 2024
Payable to statutory authorities	12.70	40.82
Deferred grant	39.77	36.35
	52.46	**77.18**

30 Provisions

Particulars	As at 31 March 2025	As at 31 March 2024
Provision for gratuity (refer note 46)	1.66	2.66
Provision for compensated absences	12.69	14.66
	14.35	**17.31**

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31 Revenue from operations

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Sale of goods		
Sale of electricity	6,122.33	5,252.15
Sub-total (A)	**6,122.33**	**5,252.15**
Other operating revenues		
Other operating revenue	-	25.59
Sub-total (A)	**-**	**25.59**
Total (A+B)	**6,122.33**	**5,277.74**

a) Disaggregation of revenue

Set out below is the disaggregation of the Restricted Group's revenue from contracts with customers:

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Revenue from contracts with customers		
Revenue from sale of electricity	6,122.33	5,252.15
Other operating revenues		
Other operative service	-	25.59
	6,122.33	**5,277.74**

b) Contract balances

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

Particulars	As at 31 March 2025	As at 31 March 2024
Contract assets^		
Unbilled revenue other than passage of time	-	-
Contract liability		
Advance from customer	-	-

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

c) Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Revenue as per contract	**6,229.97**	**5,279.44**
Adjustments:		
Rebate and discounts	107.64	27.29
Revenue from contract with customers	**6,122.33**	**5,252.15**

d) 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 Restricted Group expects to recognize these amounts in revenue. Applying the practical expedient as given in Ind AS 115, the Restricted Group has not disclosed the remaining performance obligation related disclosures for contracts as the revenue recognised corresponds directly with the value to the customer of the Restricted Group performance completed till the reporting period.

e) There is no significant estimate involved in the recognition of revenue from contract.

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32 Other income

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Interest income on		
- bank deposits (measured at ammortised cost)	34.12	57.08
- on loans to unrestricted group	177.44	-
Amortisation of deferred grant	43.83	43.19
Gain on sale of propoerty,plant and equipment	-	82.41
Insurance claim received	13.46	-
Gain on modification/cancellation of lease liabilities	3.31	-
Fair value gain on mutual fund (FVTPL)	0.23	8.57
Miscellaneous income	14.05	35.76
	286.44	**227.01**

33 Cost of material consumed

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Cost of material consumed	1,857.39	1,836.06
	1,857.39	**1,836.06**

34 Employee benefits expense

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Salaries, wages and bonus	278.72	295.91
Contribution to provident and other funds	11.95	17.62
Staff welfare expenses	14.67	9.29
	305.34	**322.82**

35 Finance costs

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Interest costs on:		
(for mesured at amotirsed cost)		
- borrowings	2,016.93	1,305.49
- lease liabilities	19.00	0.70
Amortisation of time value of options	257.36	-
Other borrowing cost	27.80	-
	2,321.09	**1,306.19**

36 Depreciation and amortisation expenses

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Depreciation and amortisation expenses (refer note 4)	2,012.40	1,816.58
Depreciation of right of use of assets (refer note 4)	8.69	1.38
Amortisation of intangible assets	0.47	-
	2,021.57	**1,817.96**

Note: Refer note 43B for capitalisation of expenditure.

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37 Other expense

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Consumption of stores and spares	21.55	53.36
Punjab Energy Department Agency (PEDA) expense	46.75	46.09
Power & fuel	31.69	25.88
Repairs and maintenance		
Plant and equipments	14.74	20.37
Buildings	3.34	-
Others	34.36	29.75
Rent and hire charges	9.69	62.60
Rates and taxes	19.46	15.04
Insurance	28.86	42.15
Security services	29.39	24.20
Legal and professional fees	40.19	12.01
Bad debts	5.18	40.63
Advances written off	17.74	51.80
Travelling and conveyance	74.68	-
Loss on change in fair value of derivatives (net)	2.15	-
Loss on sale of property,plant and equipment (net)	31.82	-
Miscellaneous expenses	77.20	93.37
	488.79	**517.25**

Note: Refer note 43B for capitalisation of expenditure.

38 Exceptional items

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Loss by fire (refer note (i))	-	50.40
Loan prepayment Charges (refer note (ii))	573.00	-
	573.00	**50.40**

(i) During the previous year ended 31 March 2024, certain stock lying in two entities comprised within Restricted Group having carrying amount of Rs. 50.40 million was damaged by fire. The Restricted Group had adequately filed for claim reimbursement with the insurance restricted group.

(ii) Prepayment charges paid by the restricted group on early repayment of its loans taken from lenders.

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39 Financial instruments

(i) Fair value hierarchy

There are no financial assets or liabilities measured at fair value in these financial statements (except stated below).

(ii) Financial instruments by category

Particulars	Level of heirarchy	31 March 2025			31 March 2024		
		FVOCI	FVTPL*	Amortised cost	FVOCI	FVTPL*	Amortised cost
Financial assets							
Non-current							
Investments**	3	-	0.10	-	-	2.10	-
Other financial assets							
Foreign currency derivative contracts	2	1,904.26	-	-	-	-	-
Others	3	-	-	112.76	-	-	134.76
Loans	-	-	-	2,673.60	-	-	334.56
Current							
Loans	-	-	-	8.00	-	-	1,092.34
Investments	1	-	8.32	-	-	8.09	-
Other financial assets							
Foreign currency derivative contracts	2	70.86	-	-	-	-	-
Others	-	-	-	162.47	-	-	71.54
Trade receivable	-	-	-	855.27	-	-	905.73
Cash and cash equivalents	-	-	-	688.24	-	-	259.53
Other bank balances	-	-	-	-	-	-	841.96
Total financial assets		**70.86**	**8.32**	**1,713.98**	**-**	**8.09**	**3,171.11**
Financial liabilities							
Non current							
Borrowings	-	-	-	23,120.87	-	-	14,330.91
Lease liabilities	-	-	-	215.39	-	-	252.88
Current	-						
Borrowings	-	-	-	3,256.17	-	-	2,079.84
Lease liabilities	-	-	-	1.08	-	-	14.08
Other financial liabilities	-	-	-	1,352.00	-	-	955.44
Trade payables	-	-	-	24.67	-	-	482.55
Total financial liabilities		**-**	-	**4,633.91**	-	-	**3,531.92**

*Fair value through Profit and Loss
The amortised cost of the financial assets and liabilities approximate to the fair value on the respective reporting dates.
** excludes deemed investments as per IND AS 109

Fair value measurement hierarchy for Investments :

Particulars	As at 31 March 2025	As at 31 March 2024	Valuation methodology/ technique
Investments in quoted mutual funds (Level 1)	8.32	8.09	These quoted mutual funds are valued at fair value on the basis of the Net Asset Value (NAV) of the fund on the reporting date.
Investment in unquoted equity instruments (Level 3)	0.10	2.10	These unquoted equity are valued at fair value on the reporting date. The fair value of these unquoted instruments is alsmost equal to the cost of the instruments as there is no significant business in the entities.

Fair value measurement hierarchy for financial assets:

The Restricted Group entered into other foreign exchange forward contracts with the intention of reducing the foreign exchange risk of expected sales and purchased, these other contracts are not designated in hedge relationships and are measured at fair value through other comprehensive income.

Particulars	31 March 2025		31 March 2024	
	Carrying value	Fair value	Carrying value	Fair value
Financial assets (current):				
- Foreign currency derivative contracts (Level 2)	1,975.13	1,975.13	-	-
Total	**1,975.13**	**1,975.13**	**-**	**-**

(iii) Risk management

The Restricted Group's activities expose it to credit risk, liquidity risk and market risk. The entities forming part of Restricted Group's board of directors has overall responsibility for the establishment and oversight of the Restricted Group's risk management framework. This note explains the sources of risk which the Restricted Group is exposed to and how the Restricted Group manages the risk and the related impact in the financial statements.

(A) Credit risk

Credit risk is the risk that a counterparty fails to discharge its obligation to the Restricted Group. The Restricted Group's exposure to credit risk is influenced mainly by cash and cash equivalents, trade receivables and financial assets measured at amortised cost. The Restricted Group continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls.

a) Credit risk management

i) Credit risk rating

The Restricted Group assesses and manages credit risk of financial assets based on following categories arrived on the basis of assumptions, inputs and factors specific to the class of financial assets.

A: Low credit risk on financial reporting date
B: Moderate credit risk
C: High credit risk
The Restricted Group provides for expected credit loss based on the following:

Asset group	Basis of categorisation	Provision for expected credit loss
Low credit risk	Cash and cash equivalents, other bank balances, loans, trade receivable, investments and other financial assets	Life time expected credit loss

Based on business environment in which the Restricted Group operates, there have been no defaults on financial assets of the Restricted Group by the counterparties. Loss rates reflecting defaults are based on actual credit loss experience and considering differences between current and historical economic conditions.

Assets are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or a litigation decided against the Restricted Group. The Restricted Group continues to engage with parties whose balances are written off and attempts to enforce repayment. There have been no material cases of write off with the Restricted Group.

Credit rating	Particulars	31 March 2025	31 March 2024
A: Low credit risk	Cash and cash equivalents, other bank balances, loans, trade receivable, investments and other financial assets	6,475.47	3,640.42

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b) Credit risk exposure

(i) Provision for expected credit losses

The Restricted Group provides for expected credit losses for following financial assets –

31 March 2025

Particulars	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
12 month Expected credit loss			
Cash and cash equivalents	688.24	-	688.24
Other bank balances	-	-	-
Loans	2,681.60	-	2,681.60
Other financial assets	2,250.37	-	2,250.37
Life time expected credit loss			
Trade receivable	855.27	-	855.27
	6,475	**-**	**6,475**

31 March 2024

Particulars	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
12 month Expected credit loss			
Cash and cash equivalents	259.53	-	259.53
Other bank balances	841.96	-	841.96
Loans	1,426.90	-	1,426.90
Other financial assets	206.30	-	206.30
Life time expected credit loss			
Trade receivable	905.73	-	905.73
	3,640.42	**-**	**3,640.42**

The credit risk for cash and cash equivalents, investments and other bank balances is considered negligible, since the counterparties are reputable banks with high quality external credit ratings.

Restricted Group's major trade receivables and other receivables are with, government owned counterparty. Therefore, these receivables are considered high quality and accordingly no life time expected credit losses are recognised on such receivables based on simplified approach. The Credit risk on a financial instuments has not increased significiently since intial recognition as the financial instruments is determined to have low credit risk at the reporting date.

Investment instruments are considered to have low credit risk because they have a low risk of default and the issuer has a strong capacity to meet its contractual cash flow obligations in the near term.

Financial assets for which loss allowance is measured using life time expected credit loss. The Restricted Group has customers with strong capacity to meet the obligations and therefore the risk of default is negligible in respect of outstanding from customers. Further, management believes that the unimpaired amounts that are past due by more than 60 days are still collectible in full. Hence, no impairment loss has been recognised during the year and the previous year in respect of trade receivables.

Credit risk is evaluated based on restricted group knowledge of the credit worthiness of those parties and loss allowance is measured. For such financial assets, the restricted group policy is to provide for expected credit losses on actual happening of an even i.e. upon initial recognition and provide for lifetime expected credit losses upon significant increase in credit risk.

Credit default risk

The risk of loss arising from a debtor being unlikely to pay its loan obligations in full or the debtor is more than 90 days past due on any material credit obligation; default risk may impact all credit-sensitive transactions, The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables.

31 March 2025	Trade receivables							Total
	Unbilled Dues	Not due	Less than 6 months	6 months to 1 years	1-2 years	2-3years	More than 3 Years	
ECL Rate	0%	0%	0%	0%	0%	0%	0%	0%
Estimated total gross carrying amount at default	662.52	189.93	1.49	1.33	-	-	-	**855.27**
ECL - simplified approach		-	-	-	-	-	-	-
Net carrying amount	**662.52**	**189.93**	**1.49**	**1.33**	**-**	**-**	**-**	**855.27**

31 March 2024	Trade receivables							Total
	Unbilled Dues	Not due	Less than 6 months	6 months to 1 years	1-2 years	2-3years	More than 3 Years	
ECL Rate	0%	0%	0%	0%	0%	0%	0%	0%
Estimated total gross carrying amount at default	147.55	697.32	40.59	-	20.26	-	-	905.73
ECL - simplified approach	-	-	-	-	-	-	-	-
Net carrying amount	**147.55**	**697.32**	**40.59**	**-**	**20.26**	**-**	**-**	**905.73**

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(B) Liquidity risk

Liquidity risk is the risk that the Restricted Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Restricted Group's approach to managing liquidity is to ensure as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due.

Management monitors rolling forecasts of the Restricted Group's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Restricted Group takes into account the liquidity of the market in which the Restricted Group operates.

Financing arrangement

The Restricted Group had access to the following undrawn borrowing facilities at the end of the reporting period:

Particulars	As at 31 March 2025	As at 31 March 2024
Non-current borrowings	-	1,184.00
Current borrowings	-	-
	-	1,184.00

Maturities of financial liabilities

The tables below analyse the Restricted Group's financial liabilities into relevant maturity groupings based on their contractual maturities.

31 March 2025	On demand	Less than 1 year	1 - 5 years	More than 5 years	Total
Non-derivatives					
Borrowings (including interest)	1,600.00	3,562.26	16,388.65	14,482.48	36,033.39
Lease liabilities	-	14.41	99.96	866.48	980.85
Trade payables	-	24.67	-	-	24.67
Other financial liabilities	-	1,352.00	-	-	1,352.00
Total	**1,600.00**	**4,953.34**	**16,488.61**	**15,348.97**	**38,390.91**

31 March 2024	On demand	Less than 1 year	1 - 5 years	More than 5 years	Total
Non-derivatives					
Borrowings (including interest)	659.23	2,810.16	12,017.59	9,987.88	25,474.86
Lease liabilities	-	10.28	78.94	810.51	899.73
Trade payables	-	482.55	-	-	482.55
Other financial liabilities	-	955.44	-	-	955.44
Total	**659.23**	**4,258.43**	**12,096.52**	**10,798.39**	**28,623.10**

The gross outflows disclosed in the above table represent the contractual undiscounted cash flows relating to financial liabilities held for risk management purposes and which are not usually closed out before contractual maturity.

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(C) Market risk

a) Foreign exchange risk

The Restricted Group has international transactions and is exposed to foreign exchange risk arising from foreign currency transactions (imports). Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the Restricted Group's functional currency. The Restricted Group has not hedged its foreign exchange payables for the year ended 31 March 2025.The Restricted Group also has exposure in foreign currency is in respect of borrowings which is availed through issue of 7.80% Senior Secured USD Notes. The Restricted Group has entered into option contract to hedge said foreign currency exposure.

Derivative Instruments

Particulars	Currency	Amount in foreign currency		Amount in INR	
		31 March 2025	31 March 2024	31 March 2025	31 March 2024
Liabilities					
7.8% Senior Secured Bond Maturing 2031*	USD	296.23	-	24,777.04	-
Total		**296.23**	**-**	**24,777.04**	**-**

*The above amount includes EIR impact of the ancillary borrowing cost

Derivative Financial Instruments such as foreign exchange forward contracts are used for hedging purposes and not as trading or speculative instruments.

Sensitivity

The sensitivity of profit or loss/total equity to changes in the exchange rates arises from foreign currency denominated financial instruments.

Particulars	Currency	As at 31 March 2025		As at 31 March 2024	
		Exchange rate increase by 1%	Exchange rate decrease by 1%	Exchange rate increase by 1%	Exchange rate decrease by 1%
7.8% Senior Secured Bond Maturing 2031	USD	(185.41)	185.41	-	-

Hedging activities and derivatives

The Group is exposed to certain risks relating to its ongoing business operations. The primary risks managed using derivative instruments is foreign currency risk. The Group's risk management strategy has been explained above.

b) Interest rate risk

i) Liabilities

The Restricted Group's policy is to minimise interest rate cash flow risk exposures on long-term financing. At 31 March 2025, the Restricted Group is exposed to changes in market interest rates through bank borrowings at variable interest rates. The Restricted Group's investments in fixed deposits all pay fixed interest rates.

Interest rate risk exposure

Below is the overall exposure of the Restricted Group to interest rate risk:

Particulars	As at 31 March 2025	As at 31 March 2024
Variable rate borrowing	1,600.00	4,317.83
Fixed rate borrowing	24,777.03	10,556.58
Total borrowings	**26,377.03**	**14,874.42**

Sensitivity

Below is the sensitivity of profit or loss and equity changes in interest rates.

Particulars	As at 31 March 2025	As at 31 March 2024
Interest sensitivity*		
Interest rates – increase by 100 basis points (31 March 2024: 100 basis points)	16.00	43.18
Interest rates – decrease by 100 basis points (31 March 2024: 100 basis points)	(16.00)	(43.18)

** Holding all other variables constant*

ii) Assets

The Restricted Group's fixed deposits are carried at amortised cost and are fixed rate deposits. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

Interest rate risk exposure

Below is the overall exposure of the deposits:

Particulars	As at 31 March 2025	As at 31 March 2024
Fixed rate deposits	215.26	963.19
Total deposits	**215.26**	**963.19**

c) Price risk

The Restricted Group's exposure to price risk arises from investments held and classified in the balance sheet as fair value through profit or loss. To manage the price risk arising from investments, the Group diversifies its portfolio of assets.

Exposure to interest rate risk	As at 31 March 2025	As at 31 March 2024
Investment in mutual fund (quoted) (at FVTPL)	8.32	8.09
Total	**8.32**	**8.09**

Sensitivity

Below is the sensitivity of profit or loss and equity changes in interest rates.

Particulars	As at 31 March 2025	As at 31 March 2024
Price – increase by 100 basis points (31 March 2024: 100 basis points)	0.06	0.06
Price – decrease by 100 basis points (31 March 2024: 100 basis points)	(0.06)	(0.06)

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Capital management

For the purpose of the Restricted Group's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the stakeholders. The primary objective of the Restricted Group's capital management is to maximise the stakeholders value.

The Restricted Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Restricted Group may adjust the dividend payment to stakeholders, return capital to stakeholders or issue new shares. The Restricted Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Restricted Group's policy is to keep an optimum gearing ratio. The Restricted Group includes within net debt, interest bearing loans and borrowings, less cash and cash equivalents.

Particulars	As at 31 March 2025	As at 31 March 2024
Borrowings	26,377.04	16,410.75
Less: Cash and cash equivalents	(688.24)	(259.53)
Net debt	**25,688.80**	**16,151.22**
Net parent investment	(1,971.21)	3,168.32
Total net parent investment	**(1,971.21)**	**3,168.32**
Capital and net debt	**23,717.60**	**19,319.54**
Gearing ratio (%)	**108.31%**	**83.60%**

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40 Term of borrowings

S. No.	Entity Name	Nature of loan	Borrowing from	Name of Bank/ Financial institution	Nature of security	Terms of repayment and interest rate	31 March 2025	31 March 2024
1	Restricted Group	7.8% Senior Secured Notes Maturing 2031 (USD denominated Bonds)			First ranking pari passu mortgage or charge over: (i) the immovable, movable (tangible and intangible), current assets (including the cash flows, book debts and revenues) and receivables of restricted group; and (ii) accounts established pursuant to the applicable Trust and Retention Account Agreement; (iii) charge over, the rights, titles, interests, benefits, claims and demands under the power purchase agreements, project documents and insurance policies of restricted group; (iv) pledge of 100% shares of the restricted group; (v) Debt Service Reserve Account opened by restricted group for the benefit of the holders of the Notes. (vi) project assets forming a part of the Solar Energy Corporation of India ("SECI")Projects, (vii) rights and interest emanating under Restricted Project Documents; and (viii) the immovable properties leased or sub-leased to the restricted group under the restricted land lease agreements.	The Instrument 7.8% Senior Secured Note is issued for a period of 7 Years maturing in January 2031. Coupon rate for the instrument is 7.8% p.a and interest to be paid off semi-annually. Instrument has difference early repayment options with different premium amount. Refinancing amount (opex) to be repaid at the time of maturity of instrument and capex amount is to be repaid in multiple instalments as per repayment schedule in the offer document.	24,777.03	-
12	SAEL Limited	Non- convertible debentures	Financial institutions	1. India Infradebt Limited 2. ASEEM Infrastructure Finance Limited 3. TATA Cleantech Capital Limited 4. Kotak Infrastructure Debt Fund Limited	1 First pari passu charge by way of:- (a) mortagage of entire immovable property (b) Charge by way of hypothecation on the entire movable properties (c) Charge on the entire cash flows, receivables, book debts and revenues. (d) Charge by way of assignment or hypothecation of all the rights, title etc in project documents. (e) Charge on DSRA (f) First ranking pari passu pledge of 100% of the equity shares of issuer (g) Personal guarantee (h) Unconditional guarantee from each guarantor in favour of common security trustee.	Non convertible debenture is of Nil million (31 March 2024 : Rs. 10,556.58 million) @ 9.85% p.a. (In the previous year @ 9.85%.p.a.) subject to an increase of 0.25% for each notch of a downgrade of External Credit Rating. Interest is payable on a monthly basis. The loan is repayable in 40 installments starting from March 2023 and ending in November 2032. Mandatory cash sweep is repayable in 21 installments starting from March 2023 and ending in November 2032. During the year, loan has been repaid in full.	-	8,885.44
3	Sunfree Paschim Renewable Energy Private Limited			1. ASEEM Infrastructure Finance Limited 2. TATA Cleantech Capital Limited 3. Kotak Infrastructure Debt Fund Limited			-	789.92
4	Universal Biomass Energy Private Limited			India Infradebt Limited			-	881.22
5	SAEL Kaithal Renewable Energy Private Limited (Formerly Chitrakoot Solar Private Limited)	Term loan	Bank	UCO Bank	(A) Primary security : (i) Pari – passu first charge on the fixed assets created with the bank finance in 15 MW biomass power project of the Restricted Group at Kaithal, Haryana (iii) Pari – passu first charge on the project's book debts , operating cash flows, receivables, commissions, revenues of whatsoever nature and wherever arising, present and future, bank accouts, cash inflows etc (iii) Mortgage on the land acquired by the Restricted Group for the 15 MW biomass power project at village Kangthali tehsil Guha, district Kaithal, Haryana. (B) Collateral security : (i) Assignment of receivable rights Power Purchase Agreements (PPAs) signed with Haryana Renewable Energy Development Agency (HAREDA) Haryana to secure the repayments. (ii) Collateral security by way of pledge of 51% shares to be acquired by the promoters by way of equity/ promoters contribution. (C) The credit facility is further secured by personal gurantee of directors and their relatives.	UCO bank term loan is of NIL (31 March, 2024 : Rs 430.29 million) @ 9.75% p.a. (31 March, 2024 :- 9.75% p.a.) The loan is repayable in 120 monthly instalments starting from September 2021 and ending in August 2031. During the year, loan has been repaid in full.	-	430.29
						UCO bank term loan is of NIL (31 March, 2024 : Rs 359.57 million) @ 9.75% p.a. The loan is repayable in 97 monthly instalments starting from July 2023 and ending in July 2031. During the year, loan has been repaid in full.	-	359.57
6	Jasrasar Green Power Energy Private Limited	Term Loan	Bank	Punjab National Bank	First & exclusive charge on all the proposed block assets of the Restricted Group to be installed/constructed on the factory land situated at village Jasrasar North, Tehsil Nokha District Bikaner.	Punjab National Bank term loan is of Rate of interest is of Rs nil (31 March 2024: Inr 992.75 million) @ 9.15% p.a (31 March 2024: 9.15% p.a.) . The loan is payable in 177 monthly installments starting from October 2025 and ending in June 2040. During the year, loan has been repaid in full.	-	992.75
7	SAEL Solar Solutions Private Limited				First & exclusive charge of our bank on all the proposed block assets of the Restricted Group to be installed/constructed on the leased land (Lease land not proposed to be mortgaged) situated at district of Punjab.	Punjab National Bank term loan is of Rate of interest is of Rs nil (31 March 2024: Inr 1723.11 million) @ 9.15% p.a (31 March 2024: 9.15% p.a.) . The loan is payable in 77 quarterly installments starting from January 2025 and ending in January 2044. During the year, loan has been repaid in full.	-	1,723.11
8	SAEL Limited	Vehicle loan	Bank	Punjab National Bank	Vehicle loans are secured against the specific vehicle for which the loan is sanctioned.	Punjab National Bank vehicle loans are of Nil million (31 March 2024: Rs 0.78 million) @ 6.85% p.a. to 9.50% p.a. (In the previous year :- 7.00% p.a. to 9.00% p.a.).The loans are repayable as per their respective sanctioned terms, ending in July 2025. During the year, loan has been repaid in full.	-	0.78
9	SAEL Kaithal Renewable Energy Private Limited (Formerly Chitrakoot Solar Private Limited)			Axis Bank		Axis Bank vehicle loan is of NIL (31 March 2024: Rs 0.83 million) @ 7.00% p.a. to 8.00% p.a. (31 March, 2024 :- 7.00% p.a. to 8.00% p.a.).The loan is repayable in 62 monthly instalments starting from March 2020 and ending in April 2025. During the year, loan has been repaid in full.	-	0.83
10	Universal Biomass Energy Private Limited			AU Small Finance Bank		AU Small Finance Bank vehicle loan is of NIL(31 March 2024: Rs 1.30 million)@ 8.50% p.a. (31 March 2024: 8.50% p.a.) The loan is repayable in 60 monthly installments starting from February 2021 and ending in February 2026. During the year, loan has been repaid in full.	-	1.30

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40 Term of borrowings

S. No.	Entity Name	Nature of loan	Borrowing from	Name of Bank/ Financial institution	Nature of security	Terms of repayment and interest rate	31 March 2025	31 March 2024
11	SAEL Limited	Working Capital Facility	Bank	Hongkong and Shanghai Banking Corporation	First ranking pari passu mortgage or charge over: (a) the immovable, movable and current assets of the Restricted Group; (b) rights under the power purchase agreements, project documents and insurance policies of the Restricted Group; (c) 100% of the shares of the Restricted Group; (d) debt will also be cross guaranteed by all Co-issuers (e) AGRI-3 Fund guarantee (75 of total facilities) Co issuers are defined as: Restricted Group, Sunfree Paschim Renewable Energy Private Limited, SAEL Solar Solutions Private Limited, Jasrasar Green Power Energy Private Limited, SAEL Kaithal Renewable Energy Private Limited and Universal Biomass Energy Private Limited (subsidiaries).	Rate of interest shall be sum of the RBI Repo Rate + Spread per annum, plus applicable statutory levy, if any.	850.00	-
16	Jasrasar Green Power Energy Private Limited						250.00	-
13	Universal Biomass Energy Private Limited						250.00	-
14	SAEL Kaithal Renewable Energy Private Limited (Formerly Chitrakoot Solar Private Limited)						250.00	-
15	SAEL Kaithal Renewable Energy Private Limited (Formerly Chitrakoot Solar Private Limited)	Working Capital Facility	Bank	Consortium Banks	Working capital facility from banks on consortium/standalone basis are secured against entire current assets of the Restricted Group by hypothecation of present and future stocks of raw material, finished goods, packing material, spare parts on the basis of first pari-passu charge Of the respective units with consortium members banks equitable mortgage of specific properties at various units/ locations in the name of directors, family members and personal guarantees of directors and family members.	Working capital loan is of Rs Nil (31 March 2024: Rs 247.40 million) @ 8.00% p.a. to 10.00% p.a. (31 March 2024:- 8.00% p.a. to 10.00% p.a.) The loan is repayable on demand. During the year, loan has been repaid in full.	-	247.40
16	Universal Biomass Energy Private Limited	Working Capital Facility	Bank	ICICI bank	(A) Primary security:- Charge on entire present and future current assets of the Restricted Group. (B) Collateral security:- Charge on the existing properties held as collateral. The additional working capital term loan granted shall rank pari passu with the existing credit facilities in terms of cash flows and security with charge on assets financed under the scheme to be created within a period of 3 months from date of disbursal. Extension of charge on primary and collateral securities.	Working capital loan is of Rs Nil (31 March 2024: Rs 149.97 million) @ 7.50% p.a. (31 March 2024:-7.50% p.a.) During the year, loan has been repaid in full.	-	149.97
17	SAEL Limited	Cash Credit Facility	Bank	ICICI Bank	Cash credit facility from banks on consortium / standalone basis are secured against entire current assets of the entity by hypothecation of present and future stocks of raw material, finished goods, packing material, spare parts , trade receivable, advance paid to suppliers of raw material on the basis of first pari-passu charge of the respective units with consortium members banks equitable mortgage of specific properties at various units/ locations in the name of directors, family members and personal guarantees of directors and family members.	-	-	411.83
						Total	**26,377.03**	**14,874.41**

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41 Related parties disclosure

I Names of related parties and related party relationship

The restricted group entities have certain transactions with entitites which are not covered under Restricted Group (unrestricted group entitites)

a) Ultimate Holding restricted group

SAEL Industries Limited

b) Unrestricted group entities

(Including entities under common control or Entities over which KMP of Ultimate Holding restricted group or their relatives are able to excerise significant influence / control (directly or indirectly) (with whom transactions are done)

SAEL Limited (un-restricted group)
Canal Solar Energy Private Limited
Laxjeet Renewable Energy Private Limited
Universal Biomass Energy Private Limited
Jasrasar Green Power Energy Private Limited
SAEL Engineering Private Limited (Formerly Lalitpur Solar Private Limited)
SAEL Solar Mfg. Private Limited
Sunfree Paschim Renewable Energy Private Limited
Chattargarh Renewable Energy Private Limited
Sunfree Energy Private Limited
SAEL Solar MHP1 Private Limited
SAEL Solar MHP2 Private Limited
Sapphire Agri Warehousing Private Limited

d) Directors and key managerial personnel (KMP)

Mr. Jasbir Singh (Managing Director)
Mr. Sukhbir Singh (Whole Time Director) (resigned w.e.f. 20 December 2024)
Ms. Kainaat Awla (Additional Director)(w.e.f 11 November 2024)
Mr. Harjagat Awla (Additional Director)(w.e.f 20 December 2024)

e) Relatives of KMP

Mrs. Palki Awla
Mrs Neetu Awla
Mrs. Seema Awla
Mr. Laxit Awla

(A) Transaction with related parties

S. No.	Particular	For the year ended 31 March 2025	For the year ended 31 March 2024
1	**Remuneration of relatives of key managerial personnel**		
	Laxit Awla	6.56	6.00
		6.56	**6.00**
2	**Loan taken from related parties**		
	SAEL Limited (unrestricted group)	-	2,391.97
		-	**2,391.97**
3	**Loan given to related parties**		
	Chattargarh Renewable Energy Private Limited	-	519.48
	SAEL Limited (unrestricted group)	-	437.39
	Sunfree Energy Private Limited	1,147.57	-
	SAEL Solar MHP1 Private Limited	4,223.80	-
	SAEL Solar MHP2 Private Limited	3,370.70	-
	SAEL Solar P10 Private Limited	4.20	-
		8,746.27	**956.87**
4	**Interest income from loan given to related parties**		
	Chattargarh Renewable Energy Private Limited	33.33	-
	Sunfree Energy Private Limited	18.93	-
	SAEL Solar MHP1 Private Limited	69.59	-
	SAEL Solar MHP2 Private Limited	55.59	-
		177.44	**-**
5	**Receipt of current loan given**		
	SAEL Industries Limited	654.96	227.16
	SAEL Limited (unrestricted group)	437.39	-
	Chattargarh Renewable Energy Private Limited	-	298.48

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		1,092.35	**525.64**
S. No.	**Particular**	**For the year ended 31 March 2025**	**For the year ended 31 March 2024**
6	**Repayment of loan taken**		
	SAEL Limited (unrestricted group)	1,536.33	880.78
		1,536.33	**880.78**
7	**Expenditure incurred on behalf of related party**		
	Canal Solar Energy Private Limited	-	4.30
	SAEL Industries Limited	48.08	-
	SAEL Engineering Private Limited	7.28	-
	Others (unrestricted group)	-	3.94
		55.37	**8.24**
8	**Purchase of property, plant and equipment and capital work in progress**		
	SAEL Engineering Private Limited (Formerly Lalitpur Solar Private Limited)	4.97	-
	SAEL Industries Limited (Ultimate Holding restricted group)	827.43	3,647.91
		832.40	**3,647.91**
9	**Sale of Property,plant and equipmet and capital work in progress**		
	SAEL Engineering Private Limited (Formerly Lalitpur Solar Private Limited)	-	25.22
	SAEL Solar MFG Private Limited	-	121.50
	TNA Renewable Energy Private Limited (Bhadra)	0.62	-
	Sapphire Agri Warehousing Private Limited	3.30	-
		3.93	**146.72**
10	**Security deposit refunded**		
	Mrs. Palki Awla	6.67	-
	Mrs Neetu Awla	6.67	-
	Mrs. Seema Awla	6.67	-
		20.01	**-**
11	**Sale of investment**		
	Sindh Renewable Energy Private Limited	2.00	-
		2.00	**-**
12	**Conversion of loan into equity share capital**		
	SAEL Limited (unrestricted group)	-	348.75
		-	**348.75**

(B) Balance as at year end

S. No.	**Particular**	**As at 31 March 2025**	**As at 31 March 2024**
1	**Loan given to related parties**		
	Chattargarh Renewable Energy Private Limited	367.89	334.56
	SAEL Limited (unrestricted group)	-	437.39
	SAEL Industries Limited	-	654.96
	Sunfree Energy Private Limited	302.80	-
	SAEL Solar MHP1 Private Limited	1,117.30	-
	SAEL Solar MHP2 Private Limited	889.40	-
	SAEL Solar P10 Private Limited	4.20	
		2,681.60	**1,426.90**
2	**Financial asset (other receivables)**		
	Canal Solar Energy Private Limited	-	4.30
	SAEL Engineering Private Limited (Formerly Lalitpur Solar Private Limited)	-	25.22
	Sukhbir Singh & Co.	-	8.13
	Others (unrestricted group)	4.35	3.94
		4.35	**41.58**
3	**Financial liabilities (other payables)**		
	SAEL Engineering Private Limited	7.28	-
	SAEL Industries Limited	48.08	-
		55.37	**-**

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S. No.	Particular	As at 31 March 2025	As at 31 March 2024
4	**Financial liabilities (capital creditors)**		
	SAEL Industries Limited	737.62	299.52
	SAEL Engineering Private Limited	2.67	-
	Sapphire Agri Warehousing Private Limited	22.29	20.20
		740.29	**299.52**
5	**Borrowings - Non current**		
	SAEL Limited (unrestricted group)	-	1,536.33
		-	**1,536.33**
6	**Contribution from unrestricted group (Holding restricted group) (net of tax)**		
	SAEL Limited (unrestricted group)	-	655.65
		-	**655.65**
7	**Distribution to unrestricted group(net of tax)**		
	SAEL Solar MHP1 Private Limited	2,376.73	-
	SAEL Solar MHP2 Private Limited	1,898.40	-
		4,275.13	-
8	**Investment in equity instruments (unquoted)**		
	Sindh Renewable Energy Private Limited	-	2.00
	Chattargarh Renewable Energy Private Limited	0.10	0.10
		0.10	**2.10**
9	**Investment on account of compound financials instrument (at amortised cost)(net of tax)**		
	Chattargarh Renewable Energy Private Limited	136.89	133.53
	Sunfree Energy Private Limited	646.32	-
		783.21	**133.53**
10	**Security deposits given**		
	Palki Awla	-	6.67
	Seema Awla	-	6.67
	Neetu Awla	-	6.67
		-	**20.01**
11	**Co-guarantee given by unrestricted group with respect to non convertible debentures of restricted group**		
	Laxjeet Renewable Energy Private Limited, Canal Solar Energy Private Limited	-	10,657.03
		-	**10,657.03**
12	**Co-guarantee given by the restricted group with respect to non convertible debentures of restricted group and fellow subsidiaries forming part of unrestricted group**		
	SAEL Limited	-	8,966.75
	Universal Biomass Energy Private Limited	-	891.99
	Laxjeet Renewable Energy Private Limited	-	191.01
	Sunfree Paschim Renewable Energy Private Limited	-	798.29
	Canal Solar Energy Private Limited	-	549.61
		-	**11,397.65**
13	**Co-guarantee given by the restricted group with respect to bonds of restricted group and fellow subsidiaries forming part of unrestricted group**		
	SAEL Limited	17,750.97	-
	Universal Biomass Energy Private Limited	3,820.01	-
	Sunfree Paschim Renewable Energy Private Limited	756.34	-
	SAEL Kaithal Renewable Energy Private Limited	1,010.32	-
	SAEL Solar Solutions Private Limited	1,775.05	-
	Jasrasar Green Power Energy Private Limited	1,264.35	-
		26,377.03	**-**

Note: All transactions to/from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and settlement occurs in cash. For the year ended 31 March 2025, the Restricted Group has not recorded any impairment of receivables relating to amounts owed by related parties (31 March 2024: INR Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

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43A Details of assets pledged

The carrying amounts of assets pledged as security for the borrowings are:

Particulars	As at 31 March 2025	As at 31 March 2024
Current		
Inventories	1,137.39	1,774.50
Investments	8.32	8.09
Trade receivables	855.27	905.73
Cash and cash equivalents	688.24	259.53
Other bank balances	-	841.96
Loans	8.00	1,092.34
Other financial assets	233.34	71.54
Other current assets	261.34	202.60
Total	**3,191.89**	**5,156.30**
Non-current		
Property, plant and equipment	15,407.32	12,108.85
Right-of-use assets	233.69	291.85
Capital work-in-progress	77.30	3,576.58
Investments	783.31	135.63
Loans	2,673.60	334.56
Other financial assets	2,017.03	134.76
Other non-current assets	190.16	458.07
Total	**21,382.41**	**17,040.30**

43B Capitalisation of Expenditure

The expenditure incidental to the setting up of the project is included in capital work in progress (CWIP) which is apportioned to the assets on completion of the project and commencement of commercial operations. The Restricted Group has capitalised the following expenses to the cost of fixed asset/ capital work-in-progress:

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Opening balance	**274.73**	**57.15**
Power and Fuel	26.41	1.69
Bank charges	1.02	1.61
Employee benefit expense	48.16	44.61
Repairs & maintenance	4.68	14.12
Raw material	65.29	-
Rent & hire charges	6.38	4.01
Rates & taxes	1.98	9.51
Legal & professional charges	0.62	1.10
Finance costs*	165.72	132.88
Depreciation and amortisation expense	0.33	0.34
Insurance expenses	0.57	1.68
Travelling and conveyance	0.51	0.54
Miscellaneous expense	45.94	5.61
Total	**642.36**	**274.85**
Less: transfer to property, plant and equipments	(642.36)	-
Less: Miscellaneous Income	-	(0.11)
Net amount included in capital work in progress	-	**274.73**

* the capitalisation rate used to determine the amount of borrowing costs to be capitalised is the weighted average interest rate applicable to the restricted group's general borrowings during the year, in this case 9.85% p.a. (31 March 2024: 9.85% p.a.).

44 Reconciliation of liabilities from financing activities

Particulars (2024-2025)	As at 01 April 2024	Cash flows		Non cash changes	As at 31 March 2025
		Additions	Payments		
Non current borrowings (including current maturities)	15,601.55	25,538.03	(16,562.53)	199.99	24,777.04
Lease liabilities (including current maturities)	266.95	-	(8.05)	(42.44)	216.46
Current borrowings (net)	809.19	790.80	-	-	1,599.99
Interest accrued on borrowings	-	-	(5,147.54)	5,504.06	356.52
Total liabilities from financial activities	**16,677.69**	**26,328.84**	**(21,718.12)**	**5,661.61**	**26,950.00**

Particulars (2023-2024)	As at 01 April 2023	Cash flows		Non cash changes	As at 31 March 2024
		Additions	Payments		
Non current borrowings (including current maturities)	13,805.27	5,448.14	(2,796.22)	(855.64)	15,601.55
Lease liabilities (including current maturities)	17.62	-	(39.00)	288.34	266.95
Current borrowings (net)	2,269.49	-	(1,111.55)	(348.75)	809.19
Interest accrued on borrowings	0.80	-	(1,305.54)	1,304.74	-
Total liabilities from financial activities	**16,093.18**	**5,448.14**	**(5,252.31)**	**388.69**	**16,677.69**

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45 Contingent liabilities and commitments

A) Contingent liabilities

i) Particulars	As at 31 March 2025	As at 31 March 2024
Co-guarantee issued	26,377.03	11,397.65
Total	**26,377.03**	**11,397.65**

i) The restricted group has complied with the relevant provisions of Foreign Exchange Management Act,1999 (42 of 1999), Companies Act and the Prevention of Money-Laundering Act, 2002 (15 of 2003).

ii) Refer note 41 for entity wise disclosure of the entities forming the part of the Restricted Group.

ii) Particulars	As at 31 March 2025	As at 31 March 2024
Claims against the Restricted Group not acknowledged as debt		
1. Disputed demand for*		
(i) Customs duty**	145.80	145.80
(ii) Income tax**	37.30	57.26
Total	**183.10**	**203.06**

* All the matters above are subject to legal proceedings in the ordinary course of business. The management is confident that its position to be upheld in the appeals pending before various appellate authorities and no liabilities could arise on the Restricted Group on account of these proceedings.

** Detail of amount paid under protest is as follows:-

1) The restricted group has paid under protest amount 4.45 million (31 March 2024 : Rs. 4.45 million) against the custom duty, which has been received subsequently as the Group has won the case.

2) The restricted group has paid under protest amount of Rs. 3.96 million (31 March 2024: 3.96 million) against the same demand. Further, the Department has adjusted Rs. 3.87 million, Rs. 2.11 million and Rs. 7.67 million against the refund order received for Assessment Year 2020-2021, 2024-2025 and 2023-2024 dated 20 March 2024, 12 December 2024 and 25 March 2024 respectively for Assessment Year 2019-2020.

B) Capital commitments

Particulars	As at 31 March 2025	As at 31 March 2024
Continuing operations		
Capital commitments (net of advance)*	-	827.56
Total	**-**	**827.56**

*Estimated amount of contracts related to purchase of property, plan and equipment remaining to be executed on capital account and not provided for.

C) The Restricted Group has received a letter of support from SAEL Industries Limited , the Ultimate Holding Company of the Restricted Group to provide financial and operational support to the Restricted Group as is necessary to ensure that the restricted group continues on a going concern basis for next one year from the date of financial closure of the accounts of the Restricted Group.

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46 Employee benefits

a) Defined contribution

Contributions are made to the recognised provident and family pension fund, cover all eligible employees under applicable Acts. The Restricted Group provide for Gratuity for employees as per the Payment of Gratuity Act,1972. Both the employees and the Restricted Restricted Group make pre-determined contributions to the provident fund. The contributions are normally based upon a proportion of the employee's salary. The Restricted Restricted Group has recognized an amount of Rs 13.50 million (31 March 2024: Rs 13.66 million) towards employer's contribution in provident fund and other funds in the statement of profit and loss.

b) Defined benefit obligation

Provision for gratuity, payable to eligible employees on retirement/separation, is based upon an actuarial valuation as at the balance sheet date. Major drivers in actuarial assumptions, typically, are years of service and employee compensation. The obligations are actuarially determined using the 'Projected Unit Credit Method' as at the balance sheet date. Gains/ losses on changes in actuarial assumptions are accounted in Other Comprehensive Income as identified by the management of the Restricted Restricted Group.

c) Other long term employee benefits

Provision for compensated absences, payable to eligible employees on availment/ retirement/ separation, is based upon an actuarial valuation as at the balance sheet date. Major drivers in actuarial assumptions, typically, are years of service and employee compensation. The obligation are actuarially determined using the 'Projected Unit Credit Method' as at the balance sheet date. Gains/ losses on changes in actuarial assumptions are accounted in Other Comprehensive

(i) Balance of defined benefit obligation as on balance sheet date:

Particulars	As at 31 March 2025	As at 31 March 2024
Present value of commitments	23.78	27.22
Net liability in the balance sheet	23.78	27.22

(ii) Movement in defined benefit obligation recognised recognised in the balance sheet:

Particulars	As at 31 March 2025	As at 31 March 2024
Net liability as at the beginning of the year	**27.22**	**20.66**
Net amount recognised as expenses in the statement of profit and loss	9.44	16.42
Benefits paid	(0.20)	(0.60)
Remeasurements-actuarial (gains) / losses	(12.68)	(9.26)
Net liability as at the end of the year	**23.78**	**27.22**

(iii) Expenses recognised in the statement of profit and loss:

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Current service cost	6.86	12.70
Past service cost	0.21	1.74
Interest cost	2.36	1.98
	9.44	**16.42**

(iv) Component of defined benefit cost recognised in other comprehensive income

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Actuarial gain on defined benefit obligation	(12.68)	(9.26)

(v) Net liability recognised in balance sheet

Particulars	As at 31 March 2025	As at 31 March 2024
Non-current	22.72	24.56
Current	1.70	2.66

(vi) Reconciliation of defined-benefit obligations:

Particulars	As at 31 March 2025	As at 31 March 2024
Balance at the beginning of the year	**27.22**	**20.66**
Current service cost	6.86	12.70
Past service cost	0.21	1.74
Interest cost	2.36	1.98
Benefits paid	(0.20)	(0.60)
Remeasurements- actuarial (gains) / losses	(12.68)	(9.26)
Balance at the end of the year	**23.78**	**27.22**







(vii) Breakup of actuarial (gain) / loss

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Actuarial (gain)/loss on arising from change in financial assumption	(0.2)	-
Actuarial (gain)/loss on arising from change in demographic assumption	(0.8)	1.64
Actuarial (gain)/loss on arising from experience adjustment	(11.7)	(10.91)
Total actuarial (gain)/loss	**(12.68)**	**(9.26)**

The actuarial valuation in respect of commitments and expenses relating to unfunded Gratuity are based on the following assumptions which if changed, would affect the commitment's size, funding requirements and expenses:

(a) Economic assumptions

Particulars	As at 31 March 2025	As at 31 March 2024
Discount rate	7.28%	7.22%-7.36%
Expected rate of salary increase	8.00%	8.00%

(b) Demographic assumptions

Particulars	As at 31 March 2025	As at 31 March 2024
Retirement age	58 years	58 years
Mortality table	Indian Assured Lives Mortality (IALM) (2012-14)	Indian Assured Lives Mortality (IALM) (2012-14)

(c) Sensitivity analysis of defined benefit obligation

Particulars	As at 31 March 2025	As at 31 March 2024
a) Impact of the change in discount rate		
i) Impact due to increase of 0.50%	(1.47)	(1.95)
ii) Impact due to decrease of 0.50%	1.61	2.17
b) Impact of the change in salary increase		
i) Impact due to increase of 0.50%	1.60	2.14
ii) Impact due to decrease of 0.50%	(1.46)	(1.95)

Sensitivities due to mortality and withdrawals are not material & hence impact of change not calculated.

Sensitivities as to rate of inflation, rate of increase of pensions in payment, rate of increase of pensions before retirement & life expectancy are not applicable being a lump sum benefit on retirement.

(d) Maturity profile of defined benefit obligation

Particulars	As at 31 March 2025	As at 31 March 2024
Less than 1 year	3.29	2.75
Year 1 to 5	3.54	2.86
More than 5 years	17.04	22.30

The contribution expected to be made by the restricted group during the next financial year ending 31 March 2026 is Rs.10.79 million (31 March 2025: Rs.11.62 million)

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47 Ind AS 116 - Leases

The Restricted Group has lease agreements usually for a period of 16 - 28 years (31 March 2024: 17-29 years). With the exception of short-term leases and leases of low-value underlying assets, each lease is reflected on the balance sheet as a right-of-use asset and a lease liability. The Restricted Group classifies its right-of-use assets in a consistent manner to its land.

Each lease generally imposes a restriction that, unless there is a contractual right for the Restricted Group to sublease the asset to another party, the right-of-use asset can only be used by the Restricted Group. The Restricted Group is prohibited from selling or pledging the underlying leased assets as security. The Rescricted group does not have any low value leases.

Nature of leasing activities

The Restricted Group has entered into lease arrangements for various land that are renewable on a periodic basis with approval of both lessor and lessee.

Set out below are the carrying amounts of right-of-use assets recognized and the movement during the year ended 31 March 2025 and 31 March 2024:

Particular	As at 31 March 2025	As at 31 March 2024
Gross amount		
Opening balance	**301.10**	**24.45**
Addition during the year	52.86	276.65
Disposal/ adjustment	104.74	-
Closing balance (A)	**249.23**	**301.10**
Accumulated depreciation		
Opening balance	**9.26**	**1.87**
Charge during the year	8.69	7.39
Disposal/ adjustment	2.41	-
Closing balance (B)	**15.54**	**9.26**
Right-of-use assets (net) (A-B)	**233.69**	**291.85**

The following are the amounts recognised in profit or loss:

Particular	For the year ended 31 March 2025	For the year ended 31 March 2024
Depreciation expense of right-of-use asset (refer note 34)	8.69	1.03
Interest expense on lease liabilities (refer note 33)	19.00	0.70
Expense relating to short-term leases	9.69	62.60
Total amount recognised in profit or loss	**37.38**	**64.32**

The following is the break-up of current and non-current lease liabilities as of 31 March 2025 and 31 March 2024:

Particular	For the year ended 31 March 2025	For the year ended 31 March 2024
Non-current lease liabilities	215.39	252.88
Current lease liabilities	1.08	14.08
Total	**216.47**	**266.96**

The following is the movement in lease liabilities during the year ended 31 March 2025 and 31 March 2024:

Particular	As at 31 March 2025	As at 31 March 2024
Opening balance	**266.96**	**17.63**
Additions during the year	-	277.06
Disposal/ adjustment during the year	(61.44)	-
Interest on lease liabilities (transferred to capital work in progress)	19.00	9.12
Interest expense accrued on lease liabilities	-	2.15
Payment of lease liabilities	(8.05)	(39.00)
Closing balance	**216.47**	**266.96**

The table below provides details regarding the contractual maturities of lease liabilities as of 31 March 2025 and 31 March 2024 on an undiscounted basis:

Particular	As at 31 March 2025	As at 31 March 2024
Less than one year	14.41	10.28
One to five years	99.96	78.94
More than five years	866.48	810.51
Total	**980.85**	**899.72**

SAEL Limited

WALKER CHANDIOK & CO LLP CHARTERED ACCOUNTANTS

G.D. SINGHAL & ASSOCIATES FRN : 017648N FEROZEPUR CITY CHARTERED ACCOUNTANTS

The table below describes the nature of Restrcted Group's leasing activities by type of right-of-use asset recognised in the Consolidated Statement of Assets and Liabilities:

Right-of-use assets	No of right-of-use assests leased	Range of remaining term(in years)	Average remaining lease term	No. of leases with extension options	No. of leases with termination options
Land					
- 31 March 2025	39	16-28	22.33		
Land					
- 31 March 2024	42	17-29	23.33		







48 (a) Details for funds received and loaned as intermediary

(i) Funds received from entity (Funding Party):

Funding Party	Date	31 March 2025	31 March 2024
7.8% Senior Secured Notes Maturing 2031 (Various Investors)	Multiple dates	8,738.27	-
		8,738.27	**-**

(ii) Fund advanced to intermediary entity for onward lending to other entities on behalf of the Funding Party:

31 March 2025

Name of the intermediary to which the loans are given	Date on which loans given to Intermediary	Amount of funds loaned	Date on which funds are further loan by Intermediaries to other entities	Amount of funds are further loan by Intermediaries to other entities	Name of the other entities
Restricted Group	01 August 2024	4,220.00	01 August 2024	4,220.00	SAEL Solar MHP1 Private Limited
		3,370.70		3,370.70	SAEL Solar MHP2 Private Limited
		1,147.57		1,147.57	Sunfree Energy Private Limited
		8,738.27		**8,738.27**	

49 Additional regulatory disclosures

a) The Restricted Group has not been declared as wilful defaulter by any bank or financial institution or any other lender.

b) The Restricted Group does not have any charges or satisfaction, which is yet to be registered with Registrar of Companies, beyond the statutory period prescribed under the Companies Act, 2013 and the rules made thereunder.

c) The Restricted Group has not entered into any transaction which has not been recorded in the books of account, that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

d) The Restricted Group has not traded or invested in crypto currency or virtual currency during the year.

e) The Restricted Group does not have any Benami property and further, no proceedings have been initiated or are pending against the Restricted Group, in this regard.

f) The Restricted Group has not entered into any transactions with struck off companies, as defined under the Companies Act, 2013 and rules made thereunder.

g) The entities in the Restricted Group has complied with number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

h) The Restricted Group has been sanctioned a working capital limit by banks on the basis of security of current assets. Pursuant to the terms of the sanction letters, the Restricted Group is required to file quarterly return or statement with such banks amd such statements are in agreement with the books of accounts.

(i) The Restricted Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
(i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Restricted Group (Ultimate Beneficiaries) or
(ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

50 The Managing Director of SAEL Limited takes decisions in respect of allocation of resources and assesses the performance basis the reports/ information provided by functional heads and is thus considered to be the Chief Operating Decision Maker (CODM).
The operating segments are based on the entities forming part of Restricted Restricted Group's internal reporting structure and the manner in which operating results are reviewed by the CODM.
An operating segment is defined as a component of the entities forming part of Restricted Restricted Group that represents business activities from which it earns revenues and incurs expenses and for which discrete financial information is available. The Restricted Restricted Group has evaluated the applicability of segment reporting and has concluded that since the entities forming part of Restricted Restricted Group are operating mainly in the field of renewable energy generation. Therefore, there is no reportable segment for the Restricted Restricted Group.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Tarun Gupta
Partner
Membership No. 507894

For **G.D. Singhal & Associates**
Chartered Accountants
Firm's Registration No.: 017648N

Gagan Deep Singhal
Partner
Membership No. 098947

For and on behalf of the Restricted Group

Jasbir Singh
Managing Director
DIN No- 01668231

Kainaat Awla
Director
DIN No - 10546630

Dushyant Kumar
Chief Financial Officer

Vishal Garg
restricted group Secretary
Membership No. F6867

Place: New Delhi
Date: 29 July 2025

Date: 29 July 2025