

**CONTINUUM ENERGY LEVANter PTE. LTD.**

(the "Company")

(Company Registration No. 201714994C)

(Incorporated in the Republic of Singapore)

10, Changi Business Park, Central 2, #05-01 Hansapoint, Singapore (486030)

---

**Date: June 11, 2021**

**Singapore Exchange Securities Trading Limited**

**2 Shenton Way**

**# 02-02 SGX Centre 1**

**Singapore 068804**

Dear Sir/Madam,

Sub: Special Purpose Combined Financial Statements of Continuum Restricted Group for the financial year ended on March 31, 2021.

We wish to inform that the Board of Directors of the Company, in its meeting held on June 10, 2021 has approved the Special Purpose Combined Financial Statements of Continuum Restricted Group along with Schedules and Notes for the financial year ended on March 31, 2021 prepared under Indian GAAP. A copy of the said Special Purpose Combined Financial Statements and the Auditors' Report thereto are enclosed herewith.

We request you to take these documents on your records.

Thanking you,

Yours truly,

**For Continuum Energy Levanter Pte. Ltd.**



**Pan Peiwen**

**Director**

**Encl:** As above.

## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors Continuum Energy Levanter Pte. Limited (the 'Company')

### Opinion

We have audited the Special Purpose Combined Financial Statements of Continuum Energy Levanter Pte. Ltd (referred to as "the Company"), Bothe Windfarm Development Private Limited, DJ Energy Private Limited, Uttar Urja Projects Private Limited, Watsun Infrabuild Private Limited, Trinethra Wind and Hydro Power Private Limited and Renewables Trinethra Private Limited (together referred to as the "Restricted Group" and individually considered as "Identified Entities"), which comprise the Special Purpose Combined Balance Sheets as at March 31, 2021, the Special Purpose Combined Statements of Profit and Loss and the Special Purpose Combined Cash Flow Statements for the year ended March 31, 2021 and Notes to the Special Purpose Combined Financial Statements including a summary of significant accounting policies and other explanatory information (collectively, the "Special Purpose Combined Financial Statements"). As more fully described in note 2, 'Basis of Preparation' to the Special Purpose Combined Financial Statements, the accompanying Special Purpose Combined Financial Statements have been prepared for the purpose stated in note 1 of the accompanying Special Purpose Combined Financial Statements.

In our opinion, the accompanying Special Purpose Combined Financial Statements of the Restricted Group for the year ended March 31, 2021 prepared, in all material respects, in accordance with the basis of preparation as set out in Note 2 to the Special Purpose Combined Financial Statements.

### Basis for Opinion

We conducted our audit of the Special Purpose Combined Financial Statements in accordance with the Standards on Auditing (SAs), issued by the Institute of Chartered Accountants of India (ICAI). Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of this report. We are independent of the Restricted Group in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India, 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 Financial Statements.

### Emphasis of Matter

- a) We draw attention to Note 2 to the Special Purpose Combined Financial Statements, which states that the Restricted Group has not formed a separate group of entities during the years ended March 31, 2021; the basis of preparation, including the approach to and the purpose for preparing the Special Purpose Combined Financial Statements, as stated in Note 1, there in. Consequently, the Special Purpose Combined Financial Statements may not necessarily be indicative of the financial performances and financial position of the Restricted Group that would have occurred if it had operated as a separate standalone entity during the period presented.

Our opinion is not modified in relation to the above matters.



Page 2 of 3

**Continuum Energy Levanter Pte. Limited**

**Independent auditor's report on the Special Purpose Combined Financial Statements for the years ended March 31, 2021**

## **Responsibilities of management and those charged with governance for the Special Purpose Combined Financial Statements**

The management of the Identified Entities is responsible for the preparation and fair presentation of the Special purpose Combined Financial Statements in accordance with basis of preparation set out in Note 2 to the Special Purpose Combined Financial Statements. This responsibility also includes safeguarding of the assets of the Restricted Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the special purpose combined financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the Special Purpose Combined Financial Statements, the Management is responsible for assessing the entities forming part of 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 management either intends to liquidate any entity forming part of the Restricted Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Restricted Group's financial reporting process.

### **Auditor's responsibility**

Our objectives are to obtain reasonable assurance about whether the Special Purpose Combined Financial Statements of the Restricted Group as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs issued by the ICAI 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 Financial Statements.

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

- Identify and assess the risks of material misstatement of the Special Purpose Combined 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 the effectiveness of the Restricted Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



Page 3 of 3

Continuum Energy Levanter Pte. Limited

Independent auditor's report on the Special Purpose Combined Financial Statements for the years ended March 31, 2021

- 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 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 Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the entities forming part of Restricted Group to cease to continue as a going concern.

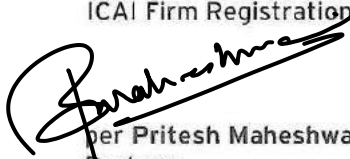
We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

#### Restriction of Use

This report on the Special Purpose Combined Financial Statements has been issued solely for the purpose of submission to Singapore Stock Exchange Securities Trading Limited (SGX-ST) in connection with the USD Senior secured notes issued by Continuum Energy Levanter Pte. Ltd and listed on the SGX-ST. Our report should not be used, referred to or distributed for any other purpose.

For SRBC & CO LLP  
Chartered Accountants  
ICAI Firm Registration Number: 324982E/E300003

  
Pritesh Maheshwari  
Partner  
Membership Number: 118746  
UDIN : 21118746AAAABM6773

Place of Signature: Ahmedabad  
Date: June 10, 2021



**CONTINUUM RESTRICTED GROUP**  
**SPECIAL PURPOSE COMBINED BALANCE SHEET**  
(All amounts in INR millions, unless otherwise stated)

	Notes	As at March 31, 2021	As at March 31, 2020
<b>Equity and Liabilities</b>			
<b>Combined shareholders' funds - Restricted Group</b>			
Combined share capital	5 (a)	5,338	5,346
Combined reserves and surplus and others	5 (b)	<u>(2,380)</u>	<u>(524)</u>
		<b>2,958</b>	<b>4,822</b>
<b>Minority shareholders' funds</b>		<b>58</b>	<b>81</b>
<b>Compulsory fully convertible debentures (CFCDs)</b>	6	<b>7,844</b>	<b>7,844</b>
<b>Non-current liabilities</b>			
Long term borrowings	7	40,952	34,220
Deferred tax liability (net)	8	116	317
Other long term liabilities	9	4,992	507
Long term provisions	10	<u>14</u>	<u>12</u>
		<b>46,074</b>	<b>35,056</b>
<b>Current liabilities</b>			
Short term borrowings	11	41	979
Trade payables			
Outstanding dues of micro and small enterprises	12	4	1
Outstanding dues to other than micro and small enterprises	12	355	168
Other current liabilities	12	2,549	3,453
Short term provisions	10	<u>9</u>	<u>7</u>
		<b>2,958</b>	<b>4,608</b>
<b>TOTAL</b>		<b>59,892</b>	<b>52,411</b>
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	13 (a)	39,312	37,399
Goodwill attributable to Identified Entities	13 (b)	315	315
Capital work in progress		3	2,375
Non-current investments	14	1,038	1,088
Long term loans and advances	15	6,618	4,410
Other non current assets	16	<u>7,332</u>	<u>879</u>
		<b>54,618</b>	<b>46,466</b>
<b>Current assets</b>			
Trade receivables	17	3,540	1,407
Cash and bank balances	18	645	3,560
Short term loans and advances	15	265	187
Other current assets	19	<u>824</u>	<u>791</u>
		<b>5,274</b>	<b>5,945</b>
<b>TOTAL</b>		<b>59,892</b>	<b>52,411</b>
Summary of significant accounting policies	4		

The accompanying notes are an integral part of the Special Purpose Combined Financial Statements.

As per our report of even date.

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

  
**Pritesh Maheshwari**  
Partner  
Membership No. : 118746



Place : Ahmedabad  
Date : June 10, 2021

On behalf of the Board of Directors of  
**Continuum Energy Levanter Pte. Ltd.**  
(for Restricted Group)

  
**Pan Peiwen**  
Director

  
**Tarun Bhargava**  
Chief Financial Officer



Place : Singapore      Place : Mumbai  
Date : June 10, 2021      Date : June 10, 2021

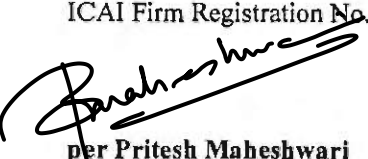
**CONTINUUM RESTRICTED GROUP**  
**SPECIAL PURPOSE COMBINED STATEMENT OF PROFIT AND LOSS**  
(All amounts in INR millions, unless otherwise stated)

	Notes	For the year ended March 31, 2021	For the year ended March 31, 2020
<b>Income</b>			
Revenue from operations	20	7,661	7,755
Other income	21	615	474
<b>Total income (A)</b>		<b>8,276</b>	<b>8,229</b>
<b>Expenses</b>			
Operating and maintenance expenses	22	1,352	982
Employee benefits expense	23	115	112
Other expenses	24	761	747
<b>Total expenses (B)</b>		<b>2,228</b>	<b>1,841</b>
<b>Earnings before interest, tax, depreciation and amortisation (EBITDA) (A-B)</b>			
Depreciation and amortisation expense	13 (a)	6,048	6,388
Finance costs	25	1,788	1,613
		5,758	3,985
<b>(Loss) / profit before tax</b>		<b>(1,498)</b>	<b>790</b>
<b>Tax expenses</b>			
Current tax		-	-
MAT credit entitlement charge	8	-	256
Deferred tax credit		(201)	(466)
<b>Total tax (credit)</b>		<b>(201)</b>	<b>(210)</b>
<b>(Loss) / profit after tax</b>		<b>(1,297)</b>	<b>1,000</b>
<b>Share of (loss) / profit attributable to minority shareholders' funds</b>		<b>(30)</b>	<b>31</b>
<b>(Loss) / profit for the year</b>		<b>(1,267)</b>	<b>969</b>
Summary of significant accounting policies	4		

The accompanying notes are an integral part of the Special Purpose Combined Financial Statements.

As per our report of even date.

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

  
per Pritesh Maheshwari  
Partner  
Membership No. : 118746

Place : Ahmedabad  
Date : June 10, 2021



On behalf of the Board of Directors of  
**Continuum Energy Levanter Pte. Ltd.**  
(for Restricted Group)

  
**Pan Peiwen**  
Director

Place : Singapore  
Date : June 10, 2021

  
**Tarun Bhargava**  
Chief Financial Officer

Place : Mumbai  
Date : June 10, 2021

**CONTINUUM RESTRICTED GROUP**  
**SPECIAL PURPOSE COMBINED CASH FLOW STATEMENT**  
(All amounts in INR millions, unless otherwise stated)

	For the year ended March 31, 2021	For the year ended March 31, 2020
<b>Cash flow from operating activities</b>		
(Loss) / profit before tax	(1,498)	790
<b>Adjustment to reconcile (loss) / profit before tax to net cash flows:</b>		
Depreciation and amortisation expense	1,788	1,613
Balances written back	(31)	(6)
Foreign exchange loss (net)	173	-
Finance costs	5,758	3,985
Profit on sale of mutual funds	(6)	-
Interest (income)	(576)	(350)
<b>Operating profit before working capital changes</b>	<b>5,608</b>	<b>6,032</b>
<b>Movements in working capital:</b>		
Increase in trade payables	190	105
(Decrease)/ increase in other liabilities	(379)	461
Increase in provisions	4	7
(Increase) in trade receivables	(2,133)	(394)
Decrease in loans and advances	32	64
(Increase) in other current assets and non current assets	(66)	(288)
<b>Cash generated from operations</b>	<b>3,256</b>	<b>5,987</b>
Direct taxes paid (net)	(21)	-
<b>Net cash flows from operating activities (A)</b>	<b>3,235</b>	<b>5,987</b>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment, including capital advances, capital work in progress and capital creditors	(512)	(9,164)
Investment in optionally convertible redeemable preference shares	-	(1,038)
Foreign exchange loss on translation of investments	(554)	-
Proceeds on redemption of mutual funds	56	-
Withdrawal of / (investment in) fixed deposits	2,520	(422)
Loan given to related parties	(3,016)	(2,500)
Loan repaid by related party	52	78
Interest received	331	353
<b>Net cash (used in) investing activities (B)</b>	<b>(1,123)</b>	<b>(12,693)</b>
<b>Cash flows from financing activities</b>		
Proceeds from long term borrowings	44,189	18,698
Proceeds from non convertible debentures	-	56
Repayment / prepayment of long term borrowings	(40,059)	(9,367)
(Repayment) / proceeds of short term borrowings (net)	(979)	6
Finance costs paid	(5,753)	(3,657)
<b>Net cash (used in) / flow from financing activities (C)</b>	<b>(2,602)</b>	<b>5,736</b>
<b>Foreign currency translation reserve (D)</b>	<b>5</b>	<b>2</b>
Net (decrease) in cash and cash equivalents (A+B+C+D)	(485)	(968)
Cash and cash equivalents at the beginning of the year	1,098	2,066
<b>Cash and cash equivalents at the end of the year</b>	<b>613</b>	<b>1,098</b>



**CONTINUUM RESTRICTED GROUP**  
**SPECIAL PURPOSE COMBINED CASH FLOW STATEMENT**  
 (All amounts in INR millions, unless otherwise stated)

	For the year ended March 31, 2021	For the year ended March 31, 2020
<b>Reconciliation of cash and cash equivalents with the balance sheet:</b>		
<b>Components of cash and cash equivalents</b>		
Cash on hand	0	0
Balance in current account	613	581
Balance in deposit account	-	517
<b>Cash and cash equivalents at the end of the year (refer note 18 and note IV below)</b>	<b>613</b>	<b>1,098</b>

Summary of significant accounting policies (refer note 4)

**Note:**

- I) The above cash flow statement has been prepared under the indirect method as set out in the accounting standard (AS-3) on cash flow statement.
- II) Figures in brackets are outflows.
- III) Direct taxes paid are treated as arising from operating activities and are not bifurcated between investing and financing activities.
- IV) The cash and cash equivalent of INR 613 (March 31, 2020; INR 1,098) and other bank balance of INR 32 (March 31, 2020; INR 2,462) forms part of the cash and bank balances of INR 645 (March 31, 2020; INR 3,560) as disclosed in note 18.
- V) During year ended March 31, 2020, the Restricted Group entities have issued 73,036,970 bonus equity share of INR 10/- each to CGE IPL. Further, it had issued 14,155,000 equity share, 55,705,000 CCDs of INR 10/- each and 22,730,000 NCDs of INR 10/- each by converting unsecured loan outstanding from CGE IPL.

The accompanying notes are an integral part of the Special Purpose Combined Financial Statements.

As per our report of even date.

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

*Pritesh Maheshwari*  
**per Pritesh Maheshwari**  
 Partner  
 Membership No. : 118746

Place : Ahmedabad  
 Date : June 10, 2021



On behalf of the Board of Directors of  
**Continuum Energy Levanter Pte. Ltd.**  
 (for Restricted Group)

*Pan Peiwen*  
**Pan Peiwen**  
 Director

Place : Singapore  
 Date : June 10, 2021



*Tarun Bhargava*  
**Tarun Bhargava**  
 Chief Financial Officer

Place : Mumbai  
 Date : June 10, 2021



**CONTINUUM RESTRICTED GROUP**  
**NOTES TO THE SPECIAL PURPOSE COMBINED FINANCIAL STATEMENTS**  
(All amounts in INR millions, unless otherwise stated)

**1 Background and purpose of special purpose combined financial statements**

Continuum Green Energy Limited (erstwhile known as Continuum Wind Energy Limited) ("CGEL") a Singapore holding company, through its 100% owned Indian subsidiary Continuum Green Energy (India) Private Limited (erstwhile known as Continuum Wind Energy (India) Private Limited) ("CGE IPL") owns, 100% in all its Indian Subsidiaries including following Indian Subsidiaries except Watsun where it holds majority share holding:

- Bothe Windfarm Development Private Limited ("Bothe")
- DJ Energy Private Limited ("DJEPL")
- Uttar Urja Projects Private Limited ("UUPPL")
- Watsun Infrabuild Private Limited ("Watsun")
- Trinethra Wind and Hydro Power Private Limited ("Trinethra")
- Renewables Trinethra Private Limited ("RTPL")

Continuum Energy Levanter Pte Ltd ("CELPL/Senior NCD holder") has been incorporated, as a 100% subsidiary of CGEL, on 30 May 2017, domiciled in Singapore has issued 4.50% Senior Notes ("securities") and invested proceeds, net of issue expenses into redeemable, unlisted, unrated, coupon, Non-Convertible Debentures in Indian rupees (INR) issued by Identified Entities. The registered office is situated at 10 Changi Business Park, Central 2, #05-01, Hansapoint @CBP, Singapore.

These special purpose combined financial statements comprises of CELPL, Bothe, DJEPL, UUPPL, Watsun, Trinethra and RTPL, together considered as the "Restricted Group" and individually considered as the "Identified Entities" of Continuum Restricted Group.

The Restricted Group is engaged in the business of generation and sale of electricity from renewable energy sources in India. The Restricted Group has entered/enters into long term power purchase agreements with various governments agencies and private institutions to sell electricity generated from its wind farms/solar plants [with operational capacity of approx. 723 megawatts ("MW")] in the states of Maharashtra, Madhya Pradesh, Gujarat and Tamil Nadu, India.

The Identified Entities, except CELPL, are domiciled in India and Corporate office of these Identified Entities is located at 402 & 404, Delphi, C Wing, Hiranandani Business Park, Orchard Avenue, Powai, Mumbai - 400076, India.

The management of Identified Entities are responsible for the preparation of special purpose combined financial statements of the Restricted Group.

These special purpose combined financial statements for the year ended March 31, 2021 have been prepared solely for the purpose of submission to Singapore Exchange Securities Trading Limited (SGX-ST) in connection with the securities issued by Continuum Energy Levanter Pte. Ltd and listed on the SGX-ST. CELPL has issued 4.5% senior notes amounting to USD 561 million on February 9, 2021.

**2 Basis of preparation**

The special purpose combined financial statements of the Restricted Group comprises of special purpose combined balance sheets as at March 31, 2021, the special purpose combined statements of profit and loss, special purpose combined cash flow statements and a summary of significant accounting policies and other explanatory information for the years ended March 31, 2021.

The Restricted Group in the past has not constituted a separate legal group of the Identified Entities for the purpose of preparation of the special purpose combined financial statements, and individually, the Identified Entities except CELPL within the Restricted Group reported their financial statements under Indian GAAP. Taking into account the specifics to be considered in preparing special purpose combined financial statements which are explained below, in preparing these Financial Statements, they have been prepared in accordance with the recognition, measurement and disclosure principles specified in the accounting standards notified under Section 133 of the Companies Act, 2013, except for disclosure requirement of AS-20 Earnings per share, read together with Companies (Accounting Standard) Amendment Rules, 2016 (together referred as "Indian GAAP") and the Guidance Note on Combined and Carve-Out Financial Statements issued by the Institute of Chartered Accountants of India ("The Guidance Note").

For the purposes of the special purpose combined financial statements, the Identified Entities have measured its assets and liabilities at the carrying amounts that were included in CGE IPL's consolidated financial statements prepared under Indian GAAP including goodwill on consolidation and minority interest (MI) recorded by CGE IPL for the Identified Entities. Accordingly, the special purpose combined financial statements have been prepared on a "carve-out" basis from the consolidated financial statements of CGE IPL prepared under Indian GAAP.

These special purpose combined financial statements have been prepared on the accrual and going concern basis of respective Identified Entities, using the historical cost convention, except for derivative financial instruments which have been measured at fair value. The financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances. The financial statements of all the Identified Entities used for the purpose of combination are drawn up to the same reporting date i.e. year ended on March 31 each year.

All assets and liabilities are presented as current or non-current as per the Identified Entities' normal operating cycle and other criteria as set out in the Schedule III of the Companies Act, 2013. The Identified Entities have ascertained their operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.



**CONTINUUM RESTRICTED GROUP**  
**NOTES TO THE SPECIAL PURPOSE COMBINED FINANCIAL STATEMENTS**  
(All amounts in INR millions, unless otherwise stated)

**Scope of combination**

As required by the Guidance Note on Combined and Carve-Out Financial Statements issued by the Institute of Chartered Accountants of India, the details of various entities comprised in the special purpose combined financial statements is as given below:

Name	Principal activities	Control w.e.f.	Country of Incorporation	% of interest held by CGEL as at	
				31-Mar-2021	31-Mar-2020
Continuum Energy Levanter Pte. Limited	Holding of investment securities	30-May-17	Singapore	100%	100%
Bothe Windfarm Development Private Limited	Generation and sale of wind energy	18-Jun-12	India	100%	100%
DJ Energy Private Limited	Generation and sale of wind energy	23-Aug-13	India	100%	100%
Uttar Urja Projects Private Limited	Generation and sale of wind energy	23-Aug-13	India	100%	100%
Watsun Infrabuild Private Limited	Generation and sale of wind / solar energy	30-May-16	India	72.15%	74.24%
Trinethra Wind and Hydro Power Private Limited	Generation and sale of wind energy	18-Jun-12	India	100%	100%
Renewables Trinethra Private Limited	Generation and sale of wind energy	13-Jun-19	India	100%	100%

**3 Basis of combination**

Indian GAAP does not provide specific guidance for the preparation of combined financial statements and, accordingly, in preparing these special purpose combined financial statements, accounting conventions commonly used for the preparation of Consolidated Financial Statements in accordance with AS 21 Consolidated Financial Statements have been applied along with principles of the Guidance Note issued by ICAI. Pursuant to the same these financial statements are prepared on a basis that combines the results and assets and liabilities of each of the Identified Entities and include the assets, liabilities, revenues and expenses that management has determined are specifically attributable to the business.

Accordingly, intra-group balances, including investments within the Restricted Group, income and expenses, unrealized gains and losses resulting from transactions between the Restricted Group entities have been eliminated in the special purpose combined financial statements.

Minority shareholders' funds represents equity shares held by the Group captive customers of Watsun. Further, it also includes share in reserves and surplus of Watsun from the date on which investment in Watsun was made by group captive customers.

Minority Interest in the net assets of the Identified Entities is identified and presented in the special purpose combined balance sheet separately from liabilities and equity of the Combined shareholders funds as Minority shareholders' funds. Minority interest in the net assets of the Identified Entities consists of:

- (a) The amount of equity attributable to minority at the date on which investment in the Identified Entity is made; and
- (b) The minority share movements in equity since the date of such investment in the Identified Entity.

Minority interest's share in Net Profit / Loss for the year of the Identified Entities is identified and presented separately as Minority shareholders' funds.

Due to the preparation of special purpose combined financial statements, disclosures related to the presentation of share capital, reserves and surplus, foreign currency translation reserves, hedge reserve and net assets attributable to parent and MI, differs from the presentation as prescribed by Schedule III. Combined capital represents the difference between the assets and liabilities of the Identified Entities, being net worth.

Transactions with the other entities which are directly or indirectly controlled by CGEL are disclosed as transactions with related parties (refer Note 30).

The special purpose combined financial statements include allocations of direct and indirect costs related to the operations of the Identified Entities made by CGEIPL to depict the business on a standalone basis till March 31, 2021. Indirect costs relate to certain support functions that are provided on a centralised basis within CGEIPL and such costs are allocated basis projected revenue of subsidiary company based on their project completion stage.

The management believes that the methodology used for allocation of common overheads reflects its best estimate of how the benefits arise from relevant activities.

Earnings per Share (EPS) is not disclosed at the Restricted Group level since the Restricted Group does not constituted a separate legal group of the Identified Entities as explained above.



**CONTINUUM RESTRICTED GROUP**  
**NOTES TO THE SPECIAL PURPOSE COMBINED FINANCIAL STATEMENTS**  
(All amounts in INR millions, unless otherwise stated)

**4 Summary of significant accounting policies**

The policies set out below have been consistently applied to all the periods presented in the special purpose combined financial statements.

**a. Use of estimates**

The preparation of special purpose combined financial statements in conformity with Indian GAAP requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and disclosure of contingent liabilities at the end of the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring material adjustment to the carrying amounts of assets or liabilities in future periods.

**b. Revenue recognition**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Restricted Group and the revenue can be reliably measured. The specific recognition criteria described below must also be met before revenue is recognized.

**Sale of Electricity**

Revenue from the sale of electricity is recognized on the basis of the number of units of power generated and supplied in accordance with joint meter readings undertaken on a monthly basis by representatives of the licensed distribution or transmission utilities and the Identified Entities other than CELPL at the rates prevailing on the date of supply to grid as determined by the power purchase agreements entered into with such discoms/customers under group captive mechanism / Open access sale / third party power trader or as per the average power purchase cost (APPC) rates prescribed under tariff order issued by Maharashtra Electricity Regulatory Commission (MERC) in case of Bothe's unsigned PPA's and the surplus power as per the rate prescribed by relevant state regulatory commission to State distribution utilities ("State discoms").

Active and reactive charges are recorded as operating expenses and not adjusted against sale of electricity.

Unbilled revenue represents the revenue that Bothe recognises at eligible rates for the arrangement where Bothe has all approvals in place except that PPA is pending to be signed between Bothe and State discom.

Accrued revenue represents the revenue which is earned by Restricted Group at the year end, where PPA is signed but billed to customer subsequently.

**Interest**

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest earned on temporary investment of borrowed funds, to the extent eligible for adjustment to capital cost has been adjusted in the cost of property, plant and equipment. Interest income is included under the head "other income" in the special purpose combined statement of profit and loss.

**c. Government grants**

Grants and subsidies from the government are recognized when there is reasonable assurance that (i) the Restricted Group will comply with the conditions attached to them, and (ii) the grant/subsidy will be received.

**Sale of GBI**

Generation Based Incentive ("GBI") income is earned and recognized on certain projects which sell electricity to licensed distribution utilities at tariffs determined by relevant State Electricity Regulatory Commissions ("SERCs"). GBI is paid at a fixed price of INR 0.50/kwh of electricity units sold subject to a cap of INR 10 million/MW of capacity installed for the electricity fed into the grid for a period not less than four years and a maximum of ten years.

**d. Foreign currency transactions and translations**

**Initial recognition**

Foreign currency transactions are recorded in the reporting currency by applying the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

**Conversion**

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

**Exchange differences**

Exchange differences arising on translation/ settlement of foreign currency monetary items are recognized as income or as expenses in the period in which they arise. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.



**CONTINUUM RESTRICTED GROUP**  
**NOTES TO THE SPECIAL PURPOSE COMBINED FINANCIAL STATEMENTS**  
(All amounts in INR millions, unless otherwise stated)

**Translation of integral and non-integral foreign operation**

The Restricted Group classifies all its foreign operations as either “integral foreign operations” or “non-integral foreign operations.”

The financial statements of an integral foreign operation are translated as if the transactions of the foreign operation have been those of the company itself.

The assets and liabilities of a non-integral foreign operation are translated into the reporting currency at the exchange rate prevailing at the reporting date. Their statement of profit and loss are translated at exchange rates prevailing at the dates of transactions or weighted average weekly rates, where such rates approximate the exchange rate at the date of transaction. The exchange differences arising on translation are accumulated in the foreign currency translation reserve. On disposal of a non-integral foreign operation, the accumulated foreign currency translation reserve relating to that foreign operation is recognized in the statement of profit and loss.

Further any exchange difference arising on an intra-group monetary item, whether short-term or long-term, is not eliminated against a corresponding amount arising on other intra-group balances because the monetary item represents a commitment to convert one currency into another and exposes the reporting enterprise to a gain or loss, such an exchange difference continues to be recognised as income or an expense in the statement of profit and loss.

**e. Derivative and hedge accounting**

In the normal course of business, the Restricted Group uses derivative instruments for management of exposure due to fluctuations in foreign currency exchange rates that is attributable to a recognized asset or liability denominated in certain foreign currencies and to minimize earnings and cash flow volatility associated with changes in foreign currency exchange rates, and not for speculative trading purposes. The company designates these derivative instruments in a hedging relationship by applying the hedge accounting principles as set out in the Guidance note on Accounting for Derivative Contracts issued by The Institute of Chartered Accountants of India (ICAI) issued in 2015.

The use of derivatives can give rise to credit and market risk. The Company tries to control credit risk as far as possible by only entering into contracts with reputable banks and financial institutions. The use of derivative instruments is subject to limits, authorities and regular monitoring by appropriate levels of management. The limits, authorities and monitoring systems are periodically reviewed by management and the Board. The market risk on derivatives is mitigated by changes in the valuation of the underlying assets, liabilities or transactions, as derivatives are used only for risk management purposes.

**Contracts designated as Cash Flow Hedge**

At the inception of a hedge relationship, the 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 the Restricted Group's risk management objective and strategy for undertaking hedge, the hedging/economic relationship, identification of the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

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. The Restricted Group evaluates hedge effectiveness of cash flow hedges at the time a contract is entered into as well as on an ongoing basis. The effective portion of the gain or loss on the hedging instrument is recognized directly under shareholders fund in the "Hedge reserve", while any ineffective portion is recognized immediately in the statement of profit and loss.

Amounts recognized in the hedge reserve are recycled to the statement of profit and loss at the same time when the impact from the underlying transaction affects statement of profit and loss.

If an entity terminates a hedging instrument prior to its maturity / contractual term, hedge accounting is discontinued prospectively. Any amount previously recognised in the hedge reserve is reclassified into the statement of profit and loss only in the period when the hedged item impacts the earnings. The cost associated with a hedging instrument is treated as a period cost and amortised in the manner the impact of underlying transaction affects the statement of profit and loss. Derivatives that are hedges of recognized assets or liabilities are classified as current or non-current based on the classification of the underlying transactions.



**CONTINUUM RESTRICTED GROUP**  
**NOTES TO THE SPECIAL PURPOSE COMBINED FINANCIAL STATEMENTS**  
 (All amounts in INR millions, unless otherwise stated)

**f. Property, plant and equipment**

Property, plant and equipment are stated at cost net of accumulated depreciation and accumulated impairment losses, if any. The costs comprises of the purchase price, borrowings costs if capitalisation criteria are met and directly attributable costs of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the cost of the property, plant and equipment. Any subsequent expenses related to a property, plant and equipment is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other day to day repairs and maintenance expenditure and the cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

Gains or losses arising from derecognition of property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

The Restricted Group identifies and determines cost of each component/part of the asset separately, if it has a cost that is significant to the total cost of the asset and has a useful life that is materially different from that of the remaining life.

**Capital Work-In-Progress:**

Costs and Direct expenses incurred for construction of assets or assets to be acquired and for assets not ready for use are disclosed under "Capital Work-in- Progress".

**g. Depreciation on property, plant and equipment**

The Restricted Group provides depreciation on Straight line basis and Written down value basis on all assets on the basis of useful life estimated by the management. The Restricted Group has used the following useful life to provide depreciation on its property plant and equipment.

Category of property, plant and equipment	SLM/WDV	Useful life
Leasehold land	SLM	over the lease term
Building	SLM	30 Years
Plant and equipment*	WDV	3 - 15 years
	SLM	25 - 40 years
Furniture and fixtures	WDV	10 Years
Vehicles	WDV	10 Years
Office equipment	WDV	15 Years
Computer	WDV	3 Years
Electrical fittings*	SLM	8 and 25 Years

\*Based on the technical estimate, the useful life of the Plant and equipment and electrical fittings are different than the useful life as indicated in Schedule II to the Companies Act, 2013.

Temporary structures are depreciated fully in the year in which they are capitalised.

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

**h. Goodwill attributable to Identified Entities**

Goodwill attributable to Identified Entities represents the difference between the cost of investment in the Identified Entities, and CGEIP's share of net assets at the time of acquisition of share in the Identified Entities.

**i. Borrowing costs**

Borrowing cost includes Interest and amortisation of ancillary cost incurred in connection with the arrangement of borrowings.

Borrowing cost directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective asset. All other borrowing cost are expensed in the period they occur.

**j. Impairment**

The Restricted Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Restricted Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or the Restricted Group's of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.



**CONTINUUM RESTRICTED GROUP**  
**NOTES TO THE SPECIAL PURPOSE COMBINED FINANCIAL STATEMENTS**  
(All amounts in INR millions, unless otherwise stated)

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the Restricted Group estimates the asset's or cash-generating unit's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount 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 recognized for the asset in prior years. Such reversal is recognized in the statement of profit and loss.

**k. Leases**

**Where the Restricted Group is lessee**

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term.

**l. Investments**

Investments which are readily realisable and intended to be held for not more than a year from the date on which such investments are made are classified as current investments. All other investments are classified as long term investments.

On initial recognition, all investments are measured at costs. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. If an investment is acquired, or partly acquired, by the issue of shares or other securities, the acquisition cost is the fair value of the securities issued. If an investment is acquired in exchange for another asset, the acquisition is determined by reference to the fair value of the asset given up or by reference to the fair value of the investment acquired, whichever is more clearly evident.

Current investments are carried in the special purpose combined financial statements at lower of cost and fair value determined on an individual investment basis. long term investments are carried at cost. However, provision for diminution in value is made to recognise a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and the net disposal proceeds is charged/credited to the special purpose combined statement of profit and loss.

**n. Income taxes**

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdiction where the Restricted Group operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. 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 and deferred tax liabilities are offset, if a legally enforceable right exists to set-off current tax assets against current tax liabilities and the deferred tax assets and the deferred tax liabilities related to the taxes on income levied by same governing taxation laws. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the Restricted Group has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits.

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

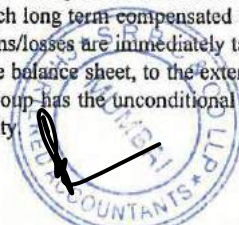
**o. Retirement and other employee benefits**

Retirement benefits in the form of Provident Fund is a defined contribution scheme. The contributions are charged to the statement of profit and loss for the year when the contributions are due. The Restricted Group has no obligation, other than the contribution payable to the provident fund.

The Restricted Group operates only one defined benefit plan for its employees i.e. gratuity. The costs of providing this benefit are determined on the basis of actuarial valuation at each year end. Actuarial valuation is carried out using the projected unit credit method. Actuarial gains and losses of the defined benefit plan are recognised in full in the period in which they occur in the statement of profit and loss.

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

The Restricted Group treats accumulated leave expected to be carried forward beyond twelve months, as long term employee benefit for measurement purposes. Such long term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. The Restricted Group presents the leave as a current liability in the balance sheet, to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where the Restricted Group has the unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non-current liability.



**CONTINUUM RESTRICTED GROUP**  
**NOTES TO THE SPECIAL PURPOSE COMBINED FINANCIAL STATEMENTS**  
(All amounts in INR millions, unless otherwise stated)

**p. Provisions**

A provision is recognised when the Restricted Group has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made of the amount of obligation. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the reporting date. These are reviewed at each reporting date and adjusted to reflect the current best estimates.

Where the Restricted Group expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of profit and loss net of any reimbursement.

**q. Cash and cash equivalents**

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short term investments with an original maturity of three months or less.

**Other bank balances**

It includes deposits having maturity of more than three months but less than twelve months which can be readily convertible to cash with insignificant risk of changes in value.

**r. Contingent liability**

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

**s. Current and non-current classification**

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

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

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle; or
- 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.

Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Restricted Group has ascertained its operating cycle as twelve months for the purpose of current / non-current classification of assets and liabilities.

**t. Measurement of EBITDA**

As per the Guidance Note on the Schedule III to the Companies Act, 2013, the Restricted Group has opted to present earnings before interest, tax, depreciation and amortization (EBITDA) as a separate line item on the face of the statement of profit and loss. The Restricted Group measures EBITDA on the basis of profit/ (loss) from continuing operations. In its measurement, the Restricted Group does not include depreciation and amortization expense, finance costs and tax expense.



**CONTINUUM RESTRICTED GROUP**  
**NOTES TO THE SPECIAL PURPOSE COMBINED FINANCIAL STATEMENTS**  
 (All amounts in INR millions, unless otherwise stated)

**5 Combined shareholders' funds - Restricted Group**

**a) Combined share capital**

	As at March 31, 2021	As at March 31, 2020
Share capital*	5,338	5,346
	<u>5,338</u>	<u>5,346</u>

**b) Combined reserves and surplus and others**

	As at March 31, 2021	As at March 31, 2020
Deficit in the statement of profit and loss (refer note i)*	(2,100)	(834)
Foreign currency translation reserves (refer note ii)**	-	(5)
Hedge reserve (refer note iii)	(595)	-
Net assets attributable to parent*	315	315
	<u>(2,380)</u>	<u>(524)</u>

**Note:**

**i Deficit in the statement of profit and loss**

Balance as per last financial statements	(834)	(1,071)
Adjustment on account of minority shareholders' funds	1	(2)
Amounts utilised for towards issue of bonus shares	-	(730)
(Loss) / profit for the year	(1,267)	969
<b>Net deficit in the statement of profit and loss</b>	<u>(2,100)</u>	<u>(834)</u>

**ii Foreign currency translation reserves**

Balance as per last financial statements	(5)	(12)
Foreign currency translation reserve for the year	5	7
<b>Foreign currency translation reserves</b>	<u>-</u>	<u>(5)</u>

**iii Hedge reserve (refer note 36)**

Balance as per last financial statements	-	-
Losses arising during the year on derivative contracts	(204)	-
Reclassification adjustments on recycling included in the statement of profit and loss	(391)	-
<b>Hedge reserve</b>	<u>(595)</u>	<u>-</u>

\* Share capital and reserves and surplus represents the aggregate amount of share capital and reserves and surplus of Identified Entities forming part of Continuum Restricted Group as at year end and does not necessarily represent legal share capital for the purpose of the Restricted Group. Net assets attributable to parent represents the difference between the cost of investment and CGEIP's share of net assets at the time of acquisition of share in certain subsidiaries which are part of the Restricted Group. It has been reported under shareholder's fund of the Restricted Group since it represents amount invested by CGEIP in the Restricted Group.

\*\* Foreign currency translation reserves represents accumulated translation reserves relating to CELPL, whose functional reporting currency is US dollars and for these special purpose combined financial statements have been converted into INR.

**6 Compulsory fully convertible debentures (CPCDs/CCDs/Debentures) (unsecured)**

	As at March 31, 2021	As at March 31, 2020
10.00% Unsecured CPCDs of INR 10 each. March 31, 2021; 576,665,000 CPCDs (March 31, 2020; 576,665,000 CPCDs)	5,767	5,767
10.00% Unsecured CCDs of INR 10 each. March 31, 2021; 207,685,888 CCDs (March 31, 2020; 207,685,888 CCDs)	2,077	2,077
	<u>7,844</u>	<u>7,844</u>

**A Details and salient terms of CPCDs:**

- CPCDs include CPCDs issued by Bothe 214,375,000 (March 31, 2020; 214,375,000) and Watsun 362,290,000 (March 31, 2020; 362,290,000).
- Debentures shall be convertible into equity shares at any time at the option of the debenture holders subject to prior intimation to be provided to Lender for conversion of CPCDs into ordinary shares; in case of Watsun, post such conversion 51% of shares so converted shall be pledged with the lenders of the project.
- CPCDs shall be compulsorily convertible into equity shares of the company at the end of the 20 years from the date of allotment, if not converted earlier.
- Debentures shall be convertible into equity shares at par into one equity share for each debenture.
- Coupon for the Debentures shall be ten percent per annum compounded annually, on cumulative basis; but at any point of time should not be higher than the interest rate applicable for the project by the lender.
- Interest on CPCDs shall be accrued but any dividend/interest/coupon on CPCDs shall be paid out of dividend distribution surplus left in the Trust and Retention Account ("TRA") after meeting all reserve requirements & all debt obligation and with prior permission of Lenders.
- The equity shares to be issued to the debenture holders upon conversion of debentures shall rank pari passu with the existing equity shares.
- Promoters contribution by way of Compulsorily Fully Convertible Debentures shall not have any charge/ recourse to project assets.
- Prior approval of the Lender would be required for transferring CPCDs to any other party other than the present CPCD holders.
- No interest shall be payable / accruable on such instruments till COD of the project.
- CPCDs shall not be redeemed during the tenure of lender's loan except such release is made on fresh infusion of equity (either proportionately or fully) or by conversion.
- CPCDs holders would have no voting rights in any Annual General Meeting / Extra-ordinary General Meeting of the respective Identified Entities of the Restricted Group.
- Interest on CPCDs accrued will be paid in accordance with "permitted distribution" as defined in the financing documents executed with Senior NCD holder of Restricted Group.
- Incase of Watsun, interest on debentures for the year ended March 31, 2021 has been entirely waived off by CGEIP. For the year ended March 31, 2020 CGEL has waived off Interest on Debenture entirely and CGEIP had waived off the interest on debentures amounting to INR 223.





**CONTINUUM RESTRICTED GROUP**  
**NOTES TO THE SPECIAL PURPOSE COMBINED FINANCIAL STATEMENTS**  
(All amounts in INR millions, unless otherwise stated)

**B Details and salient terms of CCDs:**

1. CCDs include CCDs issued by DJEPL 79,442,888 (March 31, 2020; 79,442,888), UJPL 63,478,000 (March 31, 2020; 63,478,000), Trinethra 50,600,000 (March 31, 2020; 50,600,000) and RTPL 14,165,000 (March 31, 2020; 14,165,000)
2. Debentures shall be convertible into equity shares at any time at the option of the debenture holders subject to prior intimation to be provided to Lender for conversion of CCDs to ordinary share;
3. CCDs shall be compulsorily convertible into equity shares of the company at the end of the 20 years from the date of allotment, if not converted earlier;
4. Debentures shall be convertible into equity shares at par into one equity share for each debenture;
5. Coupon for the Debentures shall be ten percent per annum compounded annually, on cumulative basis; but at any point of time should not be higher than the interest rate applicable for the project by the Lenders;
6. Interest on CCDs shall be accrued but any dividend/interest/coupon on CCDs shall be paid out of dividend distribution surplus left in the Trust and Retention Account ("TRA") after meeting all reserve requirements & all debt obligation and with prior permission of Lenders.
7. The equity shares to be issued to the debenture holders upon conversion of debentures shall rank pari passu with the existing equity shares.
8. Promoters contribution by way of Compulsorily Fully Convertible Debentures shall not have any charge/ recourse to project assets.
9. Prior approval of the Lender would be required for transferring CCDs to any other party other than the present CFCD holders.
10. No interest shall be payable / accruable on such instruments till COD of the project.
11. CCDs shall not be redeemed during the tenure of lender's loan except such release is made on fresh infusion of equity (either proportionately or fully) or by conversion.
12. CCDs holders would have no voting rights in any Annual General Meeting / Extra-ordinary General Meeting of the respective Identified Entities of the Restricted Group.
13. Interest on CCDs accrued will be paid in accordance with "permitted distribution" as defined in the financing documents executed with Senior NCD holder of Restricted Group.

**7 Long term borrowings**

	Non-current		Current	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
<b>Indian rupee term loans (secured)</b>				
From banks	-	3,392	-	186
From financial institution	-	28,661	-	2,186
From related parties (refer note 30)	-	1,884	-	-
<b>USD Senior Notes (secured)</b>				
4.50% Senior Notes	40,669	-	567	-
<b>Non convertible debentures (NCD) (unsecured)</b>				
28,330,000 (March 31, 2020 : 28,330,000)	283	283	-	-
10.50% Non convertible debentures of INR 10 each (refer note 30)				
	40,952	34,220	567	2,372
Current maturities disclosed under the head "other current liabilities" (refer note 12)	-	-	(567)	(2,372)
<b>Total long term borrowings</b>	<b>40,952</b>	<b>34,220</b>	<b>-</b>	<b>-</b>

The borrowing have been obtained by respective Identified Entities of the Restricted Group. The salient terms of the loan and the security thereon are summarised below:

**1) Salient terms and Security details for Long term borrowing outstanding as at March 31, 2021.**

**A Continuum Energy Levanter Pte Ltd - Senior Secured Notes of USD 561 millions (INR 41,236) ((March 31, 2020; USD Nil (INR Nil)) from foreign investors.**

**Terms of Notes:**

- Unsubordinated obligations of CELPL.
- Senior in right of payment to any obligations of CELPL expressly subordinated in right of payment to the Notes.
- At least pari passu in right of payment with all unsubordinated indebtedness of CELPL (subject to any priority rights of such unsubordinated indebtedness pursuant to applicable law)
- Effectively junior to any secured indebtedness of CELPL, to the extent of the value of assets securing such indebtedness (other than the Collateral, to the extent applicable); and
- Secured by first-priority liens on the Collateral.

**Security of Notes:**

- Each of a first-priority fixed share charge (the "Share Charge") by CGEL over the Capital Stock of the CELPL and a first-priority security interest in the Offshore Cash Account (together with the Share Charge, the "Pari Passu Collateral") pursuant the charge over Offshore Cash Account (together with the Share Charge, the "Pari Passu Collateral Documents"); and
- Prior to the release therefrom, a first-priority security interest in the Escrow Account (the "Notes Collateral") pursuant to the charge over Escrow Account (the "Notes Collateral Document").

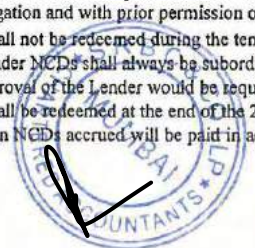
**Interest and Repayment**

- Notes have coupon rate of 4.5% p.a. payable semi annually in arrears on each February 9 and August 9, commencing on August 9, 2021. Further, Notes are issued for a period of six years from issuance date i.e.: February 9, 2021.
- Notes are redeemable in 12 semi - annual unequal instalments over the period of six years ranging from 0.63% to 4.88% as per the Mandatory Amortization Redemption and Mandatory Cash Sweep (MCS) Amortization Redemption schedule as included in the financing document of Senior Notes.

**B Renewables Trinethra Private Limited - NCDs of INR 283 (March 31, 2020; INR 283) from related party.**

**Salient terms of NCDs:**

- NCDs shall be rupee denominated, redeemable, unsecured, unrated and unlisted non-convertible debenture.
- No interest payable/accruable on such instruments till commercial operation date of the project.
- Coupon for the NCDs shall be ten point five percent per annum compounded annually, on cumulative basis from commercial operation date of the project.
- Any dividend/interest/coupon on NCDs shall be out of dividend distribution surplus left in the trust and retention account after meeting all reserve requirements and all debt obligation and with prior permission of the lender;
- NCDs shall not be redeemed during the tenure of lender's loan except such release is made on fresh infusion of equity (either proportionately or fully);
- Rights under NCDs shall always be subordinated to facility during the tenor of the facility;
- Prior approval of the Lender would be required for transferring NCDs to any other party other than the present NCD holders.
- NCDs shall be redeemed at the end of the 20 years from the date of allotment.
- Interest on NCDs accrued will be paid in accordance with permitted distribution as defined in the financing documents executed with Senior NCD holder of Restricted Group.



**CONTINUUM RESTRICTED GROUP**  
**NOTES TO THE SPECIAL PURPOSE COMBINED FINANCIAL STATEMENTS**  
(All amounts in INR millions, unless otherwise stated)

**2) Salient terms of interest and repayment for long term borrowing outstanding as at March 31, 2020.**

During the current year, Restricted Group entities except CELPL has made the prepayment of below mentioned loans from the proceeds received from USD Senior Secured Notes issued by CELPL. Except in case Bothe's term loan from L&T Infrastructure Finance Company Limited (L&T Infra) which was due for schedule repayment in December 2020 and has been paid in accordance with loan agreement.

**A Bothe – Term loan of INR Nil (As at March 31, 2020; INR 8,287) from financial institution and related party.**

**Salient terms of interest and repayment :**

- The Loan from Power Finance Corporation Limited (PFC) carried fixed interest rate of 10.25% p.a. and principal outstanding as at March 31, 2020 is repayable in 53 unequal quarterly instalments ranging between 0.75% to 2.50% of loan;
- The Loan from L&T carried interest rate of L&T Infra PLR minus 5.25% p.a. and principal outstanding as at March 31, 2020 is repayable on or before the end of the tenure.

**Salient terms of loan from related party:**

- Unsecured loan from CGEIPL is interest free;
- Unsecured loan from CGEIPL has been repaid subsequent to balance sheet date.

**B DJEPL – term loan of INR Nil (As at March 31, 2020; INR 6,285) from financial institutions and bank**

**Salient terms of interest and repayment :**

- i) The effective interest for (payable monthly except IFC):
  - L&T Infrastructure Finance Company Limited (L&T Infra), India Infrastructure Finance Company Limited (IIFCL) and India Infradebt Limited : L&T Infra PLR minus 5.50% p.a.
  - International Finance Corporation (IFC): Fixed interest rate ranging between 10.55% p.a. and 11.1225% p.a. for each tranche of draw down (payable semi-annually).
- ii) Remaining instalments as at March 31, 2020 are due on a quarterly basis except for IFC :
  - L&T Infra: Ranging from 37 quarters to 60 quarters of unequal instalments ranging between 0.13% to 19.52% of loan.
  - IIFCL: 46 quarters of unequal instalments ranging between 0.72% to 2.76% of loan.
  - India Infradebt: 44 quarters of unequal instalments ranging between 0.48% to 17.60% of loan.
  - IFC: 18 semi-annual repayments in unequal instalments ranging between 1.92% to 7.10% of loan.

**C UUPPL – term loan of INR Nil (As at March 31, 2020; INR 5,108) from financial institutions and bank**

**Salient terms of interest and repayment :**

- i) The effective interest for (payable monthly except IFC):
  - L&T Infra, & IIFCL and India Infradebt : L&T Infra PLR minus 5.50% p.a.
  - IFC: Fixed Interest rate ranging between 10.65% p.a. and 11.1725% p.a. for each tranche of draw down (payable semi-annually).
- ii) Remaining instalments as at March 31, 2020 are due on a quarterly basis except for IFC :
  - L&T Infra: Ranging from 41 to 60 quarters of unequal instalments ranging between 0.13% to 24.66% of loan.
  - IIFCL: 47 quarters of unequal instalments ranging between 1.07% to 2.50% of loan.
  - India Infradebt: 44 quarters of unequal instalments ranging between 0.47% to 24.66% of loan.
  - IFC: 19 semi-annual repayments in unequal instalment ranging between 2.80% to 10.75% of loan.

**D Watsun Infrobuild Pvt Ltd- term loan of INR Nil (As at March 31, 2020; INR 9,615) from a bank, financial institution and related party.**

**Salient terms of interest and repayment :**

- i) The effective interest for (payable monthly):
  - PTC India Financial Services Ltd (PFS), State Bank of India (SBI - Wind) and Indian Renewable Energy Development Agency Ltd (IREDA): 2.30% p.a. above one year SBI MCLR post Commercial date of operation (COD) subject to Watsun creating DSRA and achieving investment grade External Credit Rating or above.
  - State Bank of India (SBI - Solar) : 2.30% p.a. above one year SBI MCLR till COD and 1.75% p.a. above one year SBI MCLR post COD subject to completion of security perfection, external credit rating of minimum of "BBB" rating and creation of 2 quarter DSRA.
- ii) Remaining instalments as on March 31, 2020 are
  - PFS, SBI - Wind, IREDA: 57 quarters (56 quarters of SBI) of structured instalments ranging between 1.07% to 2.48% of loan.
  - SBI - Solar: 56 quarters of structured instalments ranging between 1.07% to 2.48% of loan.

**Salient terms of loan from related party:**

- Unsecured Loan of INR 99 is provided for the wind project of the Watsun and it carried Nil interest rate. Unsecured Loan INR 352 represents promoter contribution towards funding of Solar project cost. It carried interest equivalent to State bank of India (SBI) facility interest rate but no interest shall be payable/accruable on such loan till commercial operation date of the project.

**E Trinethra Wind and Hydro Power Private Limited - term loan of INR Nil (As at March 31, 2020; INR 5,842) from financial institution and related party.**

**Salient terms of interest and repayment:**

- 11.00% p.a. (fixed) payable quarterly up to the standard due date immediately following the COD (3 year reset rates);
- The Loan from PFC is repayable in 60 unequal quarterly instalments ranging between 1.25% to 3.80% of loan.
- First repayment date will fall due on 15th July' 2020 i.e. 12 months from original Scheduled Commercial

**Salient terms of loan from related party:**

- Unsecured loan from CGEIPL amounting to INR 1,113 carried interest rate as applicable for the term loan facility given by the rupee term lender, Power Finance Corporation (PFC) and as part of promoter contribution. Interest on said unsecured loan shall be accrued and paid only after project achieved commercial operation date (COD). The balance unsecured loan of INR 10 was interest free.

**F Renewables Trinethra Private Limited - term loan of INR Nil (March 31, 2020 INR 1,172) from financial institution and related party.**

**Salient terms of interest and repayment:**

- The loan from PFC carries interest rate of 10.65% p.a. payable monthly upto the standard due date.
- The loan from PFC is repayable in 180 (One Eighty) structured monthly instalments ranging between 0.33% to 2.67% of loan.
- First repayment date will fall due on 12 months after Scheduled Commercial Operation Date (SCOD) of the project.

**Salient terms of unsecured loan:**

- Unsecured loan from CGEIPL was interest free and was to be paid subject to lenders approval and in accordance with the terms in agreement of Term Loan with the lender of RTPL

**G** During the year ended March 31, 2020, the term loan lender of Bothe, DJEPL, UUPPL, Watsun and Trinethra has approved deferment of payment of term loan instalment and interest falling due between March 01, 2020 and May 31, 2020 in accordance with Reserve Bank of India's Circular no. RBI/2019-20/186 dated March 27, 2020. Accordingly, these Identified Entities have classified current maturities of long term borrowings and interest accrued but not due on these borrowings in their financial statements basis the aforementioned circular and approval from lenders as at March 31, 2020.



**CONTINUUM RESTRICTED GROUP**  
**NOTES TO THE SPECIAL PURPOSE COMBINED FINANCIAL STATEMENTS**  
 (All amounts in INR millions, unless otherwise stated)

**8 Deferred tax liability (net)**

	As at March 31, 2021	As at March 31, 2020
<b>Deferred tax liability</b>		
Property, plant and equipment: Impact of difference between book depreciation and tax depreciation (refer note below)	2,899	2,035
<b>Gross deferred tax liability</b>	<u>2,899</u>	<u>2,035</u>
<b>Deferred tax asset</b>		
Impact of unabsorbed depreciation (refer note below)	2,783	1,718
<b>Gross deferred tax asset</b>	<u>2,783</u>	<u>1,718</u>
<b>Net deferred tax liability</b>	<u>116</u>	<u>317</u>

**Notes:**

- 1) During the previous year, the finance Ministry of India has introduced a new Section 115 BAA under the Income Tax Act, 1961 by Taxation Laws (Amendment) Act, 2019, where domestic companies can avail the option to pay income tax at the reduced rate of 25.17% (including surcharge and education cess) subject to certain conditions that they will not avail specified tax exemptions or incentives under Income Tax Act, 1961. Such option once exercised cannot be subsequently withdrawn. Upon availment of said option, the company are not required to pay tax under Section 115JB relating to Minimum Alternative Tax ("MAT"), however, the company had to relinquish its rights to deduction available under Section 80 IA. As the provision related to section 115JB is not applicable considering certain Identified Entities has availed the option as explained above, the company was not eligible to claim any outstanding MAT credit entitlement available with the company as at April 01, 2019.

Identified Entities except CELPL, had opted the option effective from Assessment year 2020-21 and accordingly, re-measured Deferred tax liability recognised and outstanding as at April 01, 2019 with revised income tax rate of 25.17% from earlier applicable tax rates. Further, Bothe, DJEPL and UOPPL shall not be eligible to take the credit of outstanding MAT credit receivable aggregating to INR 256 and hence, they have written off MAT credit entitlement in the statement of profit and loss during the year ended March 31, 2020.

Also, as per earlier tax provisions under tax scheme, till March 31, 2019; Bothe, DJ and UOPPL had not recognised Deferred tax (carried forward unabsorbed depreciation losses and difference between Book written down value (WDV) and Tax WDV of the assets) to the extent that they were getting reversed during tax holiday period as per section 80 IA of the Income Tax Act, 1961. However, pursuant to adoption of option permitted under Section 115BAA of the Income-Tax Act, 1961 and in absence of Section 80 IA tax holiday period availability, Deferred tax have been re-measured and recognised on unabsorbed depreciation losses and difference between Book WDV and Tax WDV of the assets as at April 01, 2019.

Re-measurement impact of deferred tax due to above changes is being recognised in special purpose combined statement of profit and loss account for the year ended March 31, 2021 amounting INR Nil (March 31, 2020 : INR 681)

- 2) The Restricted Group except CELPL has created deferred tax asset on unabsorbed depreciation allowance on the premise that the unabsorbed depreciation is linked to the timing differences between the book and tax depreciation, there is no time limit for carry forward of such an allowance and the Restricted Group would be able to recover the asset. Accordingly, deferred tax asset has been recognised to the extent of deferred tax liability.

**9 Other long term liabilities**

	As at March 31, 2021	As at March 31, 2020
Security deposits from customers*	81	76
Deferred premium liability (refer note 36)	4,844	-
Due to related party (refer note 30)**	64	223
Interest accrued but not due on borrowing (related party) (refer note 30)**	3	208
	<u>4,992</u>	<u>507</u>

\*Security Deposits received from customers is interest free and payable at the end of the power purchase agreement.

\*\* Above payables to related party will be repaid in accordance with "permitted distribution" as defined in financing documents executed with Senior NCD holder of restricted group and accordingly classified as long term.

**10 Provisions**

	Non Current		Current	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
<b>Provision for employee benefits</b>				
Provision for gratuity (refer note 28)	14	12	3	2
Provision for leave benefits	-	-	6	5
	<u>14</u>	<u>12</u>	<u>9</u>	<u>7</u>

**11 Short term borrowings**

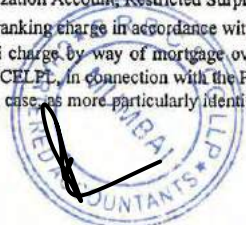
	As at March 31, 2021	As at March 31, 2020
<b>Working capital (secured)</b>		
From banks	-	327
From financial institution	-	631
<b>Short term borrowing (unsecured)</b>		
From related party (refer note 7(2)(A) and 30)	41	21
	<u>41</u>	<u>979</u>

**Note:**

- 1) **Salient terms and security of undrawn working capital facility as at March 31, 2021.**

Restricted Group except CELPL have availed working capital facility from Indusind Bank Limited amounting to INR 2,560, which was undrawn as at March 31, 2021.

- First ranking charge by way of hypothecation over present and future current assets of the Restricted Group entities except CELPL as more particularly set out in, and in accordance with the terms of, the Deed of Hypothecation but excluding the Issue Proceeds Escrow Account, Debt Service Reserve Account, Senior Debt Restricted Amortization Account, Restricted Surplus Account.
- a first ranking charge in accordance with the terms of the Deed of Hypothecation, over certain Trust and Retention Accounts as defined under the facility agreement;
- Second charge by way of mortgage over the moveable (other than current assets) and immovable assets (both present and future) of the Restricted Group entities except CELPL, in connection with the Project (including leasehold rights, but excluding immovable property in respect of which only a right to use has been provided), in each case, as more particularly identified in, and in accordance with the terms of, the Mortgage Documents;



**CONTINUUM RESTRICTED GROUP**  
**NOTES TO THE SPECIAL PURPOSE COMBINED FINANCIAL STATEMENTS**  
 (All amounts in INR millions, unless otherwise stated)

- Second charge on the Pledged Shares of Restricted Group entities except CELPL held by CGEIPL in accordance with the terms of the Share Pledge Agreement, in case of Watson, it is 51% of the share capital of Watson;
- Non disposal undertaking (NDU) is issued in respect of NDU shares as defined in the facility agreement signed with working capital lender.
- Second ranking charge over the Power Purchase Agreements entered into by the Restricted Group entities except CELPL, Insurance Contracts and other project documents entered into by the Borrower in relation to the Project, in accordance with the terms of the Deed of Hypothecation.
- Second ranking charge over the Senior Debt Enforcement Proceeds Account, in accordance with the terms of the Deed of Hypothecation; and
- Guarantee issued by each Restricted Group entities except CELPL in favour of security trustee for the benefit of working capital lender.
- The above facility carries an interest rate of one year MCLR plus 0.30% p.a.

2) **Salient terms and security of short term borrowing outstanding as at March 31, 2020.**

During the current year, Bothe, DJEPL and UUPPL have repaid the below mentioned short term borrowings from the proceeds received from USD Senior Secured Notes issued by CELPL.

The Salient terms of the loan and the security thereon are summarized below:

	Security
Bothe - working capital loan of INR Nil (As at March 31, 2020; INR 635) from bank and financial institution.	<ul style="list-style-type: none"> <li>• Interest rate for State Bank of India was SBI's one year MCLR + 1.75 % p.a. whereas Interest rate for L&amp;T Finance Limited PLR minus 5.5% p.a.</li> <li>• Loan was repayable on demand.</li> </ul>
DJEPL - working capital loan of INR Nil (As at March 31, 2020; INR 192) from financial institution and related party.	<ul style="list-style-type: none"> <li>• The interest on cash credit facility carried an interest rate of L&amp;T Finance Limited PLR minus 4.75% p.a., payable on monthly basis.</li> <li>• Loan was repayable on demand.</li> <li>• Loan from related party was interest free.</li> </ul>
UUPPL - working capital loan of INR Nil (As at March 31, 2020; INR 152) from financial institution	<ul style="list-style-type: none"> <li>• The interest on cash credit facility carried an interest rate of L&amp;T Finance Limited PLR minus 4.75% p.a., payable on monthly basis.</li> <li>• Loan was repayable on demand.</li> </ul>

12 **Trade payables and other current liabilities**

	As at March 31, 2021	As at March 31, 2020
<b>Trade payables</b>		
Outstanding dues of micro and small enterprises (refer note 31)	4	1
Outstanding dues to creditors other than micro and small enterprises	355	168
	<u>359</u>	<u>169</u>
<b>Other liabilities :</b>		
Current maturities of long term borrowings (refer note 7)	567	2,372
Capital creditors	165	10
Due to related party (refer note 30)	-	204
Interest accrued but not due on borrowings (refer note 7)	263	344
Interest accrued but not due on borrowings (related parties) (refer note 30)	-	234
Deferred premium liability (refer note 36)	1,317	-
Statutory dues payable (refer note i below)	13	63
Provision towards commitment charges (refer note ii below)	9	73
Provision towards litigation and contingencies (refer note iii below)	213	127
Others	2	26
	<u>2,549</u>	<u>3,453</u>

**Note:**

i Includes tax deducted at source, tax collected at source, employees provident fund, employees profession tax, Goods and Service Tax (GST) and Employees State Insurance Corporation.

ii Movement for provision towards commitment charges:

	As at March 31, 2021	As at March 31, 2020
At the beginning of the year	73	-
Arising during the year	-	73
Utilised/reversed during the year	(64)	-
At the end of the year	<u>9</u>	<u>73</u>

iii Provision for litigation and contingencies made during the year amounting to INR 86 (March 31, 2020, INR 127) and balances of Provision for litigation and contingencies as at March 31, 2021 is of INR 213 (March 31, 2020, INR 127).



**CONTINUUM RESTRICTED GROUP**  
**NOTES TO THE SPECIAL PURPOSE COMBINED FINANCIAL STATEMENTS**  
(All amounts in INR millions, unless otherwise stated)

**13 (a) Property, plant and equipment**

Particulars	Land*	Buildings	Plant and equipment**	Furnitures and fixtures	Vehicles	Office equipments	Computer	Total
<b>Cost</b>								
As at April 1, 2019	1,112	7	35,507	7	1	4	8	36,646
Additions	122	0	7,132	-	-	0	1	7,255
Sales/disposals/adjustments	-	-	-	-	-	-	-	-
As at March 31, 2020	1,234	7	42,639	7	1	4	9	43,901
Additions	17	4	3,686	0	-	0	1	3,708
Sales/disposals/adjustments	-	-	7	-	-	-	-	7
As at March 31, 2021	1,251	11	46,318	7	1	4	10	47,602
<b>Depreciation and amortisation</b>								
As at April 1, 2019	-	0	4,874	5	0	4	6	4,889
Charge for the year	4	0	1,607	1	0	-	1	1,613
Sales/disposals/adjustments	-	-	-	-	-	-	-	-
As at March 31, 2020	4	0	6,481	6	0	4	7	6,502
Charge for the year	7	1	1,778	1	0	0	1	1,788
Sales/disposals/adjustments	-	-	0	-	-	-	-	-
As at March 31, 2021	11	1	8,259	7	0	4	8	8,290
<b>Net block</b>								
As at March 31, 2020	1,230	7	36,158	1	1	-	2	37,399
As at March 31, 2021	1,240	10	38,059	-	1	-	2	39,312

\* Land: Bothe held certain parcel of land by way of registered agreement to sale or irrevocable registered power of attorney or both amounting to INR 190 (March 31, 2020; INR 204).

\* Land includes freehold land amounting to INR 1,114 (March 31, 2020; INR 1,113)

\*\* The Finance cost net capitalized during the year includes interest expenses of INR 124 (March 31, 2020; INR 7 ) and other borrowing cost of INR 26 (March 31, 2020; INR 17) .

\*\* Plant and equipment includes Plant and machinery - Wind Turbine Generator (WTG), Solar Panels including invertors and related assets, Networking Equipment, Sub Station, 33KV Line and other enabling assets.



**CONTINUUM RESTRICTED GROUP**  
**NOTES TO THE SPECIAL PURPOSE COMBINED FINANCIAL STATEMENTS**  
 (All amounts in INR millions, unless otherwise stated)

**13 (b) Goodwill attributable to Identified Entities**

Particulars	Goodwill
<b>Cost</b>	
As at April 1, 2019	315
Additions	-
Sales/disposals/adjustments	-
As at March 31, 2020	315
Additions	-
Sales/disposals/adjustments	-
As at March 31, 2021	315
<b>Amortization</b>	
As at April 1, 2019	-
Charge for the year	-
Sales/disposals/adjustments	-
As at March 31, 2020	-
Charge for the year	-
Sales/disposals/adjustments	-
As at March 31, 2021	-
<b>Net book</b>	
As at March 31, 2020	315
As at March 31, 2021	315

**Note:**

Goodwill attributable to Identified Entities represents the difference between the cost of investment in DJEPL, UUPPL and Watsun, and CGEPL's share of net assets at the time of acquisition of share in these companies.

**14 Non-current investments**

(valued at cost, unless stated otherwise)

	As at March 31, 2021	As at March 31, 2020
<b>Investment in fellow subsidiaries :</b>		
Investment in Optionally Convertible Redeemable Preference shares (OCRPS) (unquoted)		
63,800,000 (March 31, 2020: 63,800,000) 0.01% OCRPS of Rs. 10 each fully paidup in Srijan Energy Systems Private Limited (SESPL) (refer note 30)	638	638
40,000,000 (March 31, 2020: 40,000,000) 0.01% OCRPS of Rs. 10 each fully paidup in Continuum MP Windfarm Development Private Limited (CMPWDPL) (refer note 30)	400	400
Investment in mutual funds (quoted) *	-	50
	<u>1,038</u>	<u>1,088</u>

\* During the year ended March 31, 2021, Watsun has sold its investment in mutual funds. Market value of mutual funds as at March 31, 2020 was INR 54. Investment in mutual fund for the year ended March 31, 2020 was towards Debt Service Reserve Account as required under lender's agreement.

**Salient terms of Optionally Convertible Redeemable Preference Shares (OCRPS)**

- Each OCRPS shall have a face value of INR 10/- (Indian Rupees ten only);
- OCRPS shall carry a preferential right vis-à-vis Equity Shares of SESPL and CMPWDPL with respect to payment of dividend and proceeds of liquidation;
- OCRPS shall carry dividend at the rate of 0.10% per annum from the date of the allotment on a cumulative basis;
- Each OCRPS will be convertible into one ordinary share of SESPL and CMPWDPL of face value INR 10/- (Indian Rupees ten only), at any time at the option of the holder of the OCRPS provided that the holder is in compliance with any laws applicable to it, for conversion of its investment into ordinary shares;
- OCRPS may be redeemed by SESPL and CMPWDPL at any time, subject to a prior notice of minimum 30 (thirty) days, either from surplus profits of SESPL and CMPWDPL or from proceeds of a fresh issue of share capital or as provided under applicable law from time to time; and
- OCRPS shall carry voting rights as per the provisions of Section 47(2) of the Companies Act, 2013, as amended from time to time.

**15 Loans and advances**

Unsecured, considered good unless stated otherwise

	Non-current		Current	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
Capital advances	4	666	-	-
Security deposit	29	119	99	-
	<u>33</u>	<u>785</u>	<u>99</u>	<u>-</u>
<b>Advance recoverable in cash or in kind</b>				
Loans and advances to related parties (refer note 30 and note i, ii and iii below)	6,508	3,550	53	52
Advances recoverable from vendor	-	-	-	14
Other advances	0	-	4	52
	<u>6,508</u>	<u>3,550</u>	<u>57</u>	<u>118</u>
<b>Other loans and advances</b>				
Advance income tax (net of provision for tax)	67	46	-	-
Prepaid expenses	3	22	71	68
Balances with statutory/ government authorities	7	7	-	-
Receivable from related party	-	-	38	-
Imprest to staff	-	-	0	1
	<u>77</u>	<u>75</u>	<u>109</u>	<u>69</u>
	<u>6,618</u>	<u>4,410</u>	<u>265</u>	<u>187</u>



**CONTINUUM RESTRICTED GROUP**  
**NOTES TO THE SPECIAL PURPOSE COMBINED FINANCIAL STATEMENTS**  
 (All amounts in INR millions, unless otherwise stated)

**Note:**

- i) Loan given to CGEIPL carries an interest rate equals to 12.12% p.a. Principal and interest of the loan will be paid at in one or more parts, without any prepayment penalty, at any time prior to the expiry of 15 (fifteen) years but not later than 15 years from the date of loan given. Provided that, Loan given to CGEIPL by DJEPL and UUPPL amounting to INR 1,050 (March 31, 2020, INR 1,101) which is repayable in 11 yearly unequal instalments ranging from 4.21% to 29.31% and interest on the said loan is to be paid annually in the month of September for each year.
- ii) Loan given to CMPWDPL and SESPL carries an interest rate equals to 12.12% p.a. Principal and interest of the loan will be paid at in one or more parts, without any prepayment penalty, at any time prior to the expiry of 15 (fifteen) years but not later than 15 years from the date of loan given.
- iii) Loan given to Skyzen Infrabuild Private Limited (SIPL) is repayable on or before October 9, 2022 along with predefined interest amounts.

**16 Other non-current asset**

Unsecured, considered good unless stated otherwise

	As at March 31, 2021	As at March 31, 2020
Fixed deposit with remaining maturity for more than 12 months (refer note 18)*	206	296
Derivative contract assets (refer note 36)	5,859	-
Unamortised 4.5% USD senior notes issuance expenses	546	-
Unamortised ancillary borrowing cost	-	221
Interest on unsecured loans receivable (refer note 30)	315	5
Unbilled revenue**	406	357
	<b>7,332</b>	<b>879</b>

\* Includes deposits amounting to INR Nil (March 31, 2020; INR 6) on which lien has been marked against letter of credit issued by ICICI bank by the Restricted Group.

\*\* Unbilled revenue represents amount receivable for sale of electricity towards 6.3 MW for which Wind Energy Purchase agreement (WEPA) has not been signed at year end. (refer note 34).

**17 Trade receivables**

	As at March 31, 2021	As at March 31, 2020
<b>Unsecured, considered good unless stated otherwise</b>		
Outstanding for a period exceeding six months from the date they are due for payment*	1,210	1
Other trade receivables	2,330	1,406
	<b>3,540</b>	<b>1,407</b>

\* The above trade receivables includes INR 1,044 and INR 159 outstanding from Maharashtra State Electricity Distribution Company Limited (MSDCL) and Madhya Pradesh Power Management Company Limited (MPPMCL) respectively against sale of electricity.

**18 Cash and bank balances**

	Non-current As at March 31, 2021	Non-current As at March 31, 2020	Current As at March 31, 2021	Current As at March 31, 2020
<b>Cash and cash equivalent</b>				
Cash on hand	-	-	0	0
<b>Balances with banks :</b>				
- Current account	-	-	613	581
- Deposits with original maturity of less than 3 months	-	-	-	517
<b>Total</b>	<b>-</b>	<b>-</b>	<b>613</b>	<b>1,098</b>
<b>Other bank balance</b>				
- Deposits with remaining maturity upto a period of 12 months*	-	-	32	2,462
- Deposits with remaining maturity for more than 12 months	206	296	-	-
	<b>206</b>	<b>296</b>	<b>32</b>	<b>2,462</b>
<b>Amount disclosed under other non-current assets (refer note 16)</b>				
	(206)	(296)	-	-
	<b>-</b>	<b>-</b>	<b>32</b>	<b>2,462</b>
<b>Total</b>	<b>-</b>	<b>-</b>	<b>645</b>	<b>3,560</b>

\* Includes deposits amounting to INR 32 (March 31, 2020; INR 338) on which lien has been marked against bank guarantees and letter of credits issued by various banks.

\*\* Includes deposits created towards Debt Service Reserve Account as required under lender's agreement amounting to INR Nil (March 31, 2020; INR 1,539) by the Restricted Group

**19 Other current assets**

Unsecured, considered good unless stated otherwise

	As at March 31, 2021	As at March 31, 2020
Accrued income	585	568
Accrued interest		
On bank deposits	0	48
On unsecured loan to related party (refer note 30)	115	129
Others	-	3
Derivative contract assets (refer note 36)	12	-
Unamortised 4.5% USD senior notes issuance expenses	112	-
Unamortised ancillary borrowing cost	-	43
<b>Total</b>	<b>824</b>	<b>791</b>

Note: Accrued income represents revenue earned as at year end and billed to the customers subsequent to the year end.



**CONTINUUM RESTRICTED GROUP**  
**NOTES TO THE SPECIAL PURPOSE COMBINED FINANCIAL STATEMENTS**  
(All amounts in INR millions, unless otherwise stated)

**20 Revenue from operations**

	For the year ended March 31, 2021	For the year ended March 31, 2020
<b>Revenue from operations</b>		
Sale of electricity	7,332	7,366
<b>Other operating revenue</b>		
Generation Based Incentive (GBI)	329	389
<b>Total</b>	<b>7,661</b>	<b>7,754</b>

**Note:**

Watsun has commissioned its solar project on June 26, 2020 and started supply of electricity. However, Watsun has signed wheeling agreement with the Tamil Nadu Generation and Distribution Corporation Ltd. (TANGEDCO) effective from March 1, 2021 and accordingly, Watsun has started recognition of revenue and billed to customers / TANGEDCO from March 1, 2021.

**21 Other income**

	For the year ended March 31, 2021	For the year ended March 31, 2020
<b>Interest income on :</b>		
Bank deposits*	132	202
On unsecured loan to related parties (refer note 30)	444	148
Income tax refund	1	4
Profit on sale of mutual fund units	6	-
Balance written back	31	6
Insurance claim received	-	7
Income arising due to liquidated damages**	-	105
Miscellaneous Income	1	2
<b>Total</b>	<b>615</b>	<b>474</b>

\* Interest income on bank deposits are net of amount capitalised by the Restricted Group (refer note 29).

\*\* During the year ended March 31, 2020; one of the Identified Entity has claimed liquidated damages from contractor towards delay in execution of its 101.2 MW project in accordance with the terms of the contracts entered with said contractor.

**22 Operating and maintenance expenses**

	For the year ended March 31, 2021	For the year ended March 31, 2020
Operation and maintenance expenses	681	524
Transmission, open access and other operating charges	671	458
	<b>1,352</b>	<b>982</b>

**23 Employee benefits expense\***

	For the year ended March 31, 2021	For the year ended March 31, 2020
Salary, wages and bonus	103	98
Contribution to provident fund / other fund (refer note 28)	4	4
Gratuity expenses (refer note 28)	4	5
Leave benefits	1	3
Staff welfare expenses	3	2
<b>Total</b>	<b>115</b>	<b>112</b>

\* Employee benefit expense are net of amount capitalised by the Restricted Group (refer note 29).

**24 Other expenses\***

	For the year ended March 31, 2021	For the year ended March 31, 2020
Rent (refer note 27)	6	7
Insurance expense	94	51
Rates and taxes	14	19
Travelling, lodging and boarding	23	30
Legal and professional fees	103	103
Repairs and maintenance Plant and machinery	20	17
Repairs and maintenance others	18	49
Provision towards litigation and contingencies	49	127
Provision for commitment charges	-	73
Payment of early commissioning incentive	-	10
Allocable common overheads (refer note 30) **	209	191
Foreign exchange loss	173	-
Rebate and discount	20	22
Miscellaneous expenses	32	48
	<b>761</b>	<b>747</b>

\* Other expenses disclosed are net of amount capitalised by the Restricted Group (refer note 29).

\*\* Allocable common overheads represent allocation of common expenses incurred by CBEPL on behalf of its group companies.





**CONTINUUM RESTRICTED GROUP**  
**NOTES TO THE SPECIAL PURPOSE COMBINED FINANCIAL STATEMENTS**  
 (All amounts in INR millions, unless otherwise stated)

**25 Finance costs\***

	For the year ended March 31, 2021	For the year ended March 31, 2020
Interest on borrowings	3,523	3,076
Interest on 4.5% USD senior notes	265	-
Interest on unsecured loan (refer note 30)	113	40
Interest on NCDs (refer note 30)	2	-
Interest on CCDs (refer note 30)	409	481
Prepayment premium charges	909	-
Amortisation of hedging cost	79	-
Other borrowing costs	458	388
	<b>5,758</b>	<b>3,985</b>

\* Finance cost are net of amount capitalised by the Restricted Group (refer note 29).

**26 Segment reporting**

The Restricted group is involved in the business of generation and sale of electricity as its primary business activity and accordingly management believes that it does not carry out any material activity outside its primary business and hence no separate disclosure has been made as per AS 17 for 'Segment reporting'.

**27 Leases**

**Operating lease: The Restricted Group as lessee**

- a) The Restricted Group has entered into commercial lease on office premises. These leases have an average life of between one to five years with no renewal option included in the contracts. Further, certain Identified Entities has been awarded land for development of windfarm project on lease of 20 years.
- b) Operating lease payment recognised in the special purpose combined statement of profit and loss amounting to INR 6 (March 31, 2020; INR 7) (refer note 24).
- c) Future minimum rentals payable under non-cancellable operating leases are as follows:

	As at March 31, 2021	As at March 31, 2020
Within one year	1	1
After one year but not more than five years	3	2
More than five years	8	8
	<b>12</b>	<b>11</b>

**28 Employee Benefits**

**a) Defined Contribution Plan**

Amount recognised and included in Note 23 "Contribution to Provident and other Funds" - INR 4 (March 31, 2020; INR 4).

**b) Defined Benefit Plan**

Gratuity is a defined benefit plan under which employees who have completed five years or more of service are entitled to receive gratuity calculated @ 15 days (for 26 days a month) of last drawn salary for number of years of their completed year of service. The gratuity plan is unfunded.

The following table summarises the components of net benefit expense recognised in the special purpose combined profit and loss account and amounts recognised in the balance sheet:

**i) Expenses recognised:**

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Current service cost	2	2
Past services cost	-	-
Interest cost	1	1
Actuarial loss	1	2
Net benefit expense	<b>4</b>	<b>5</b>

**ii) Amount recognized in the balance sheet:**

Particulars	As at March 31, 2021	As at March 31, 2020
Present value of defined benefit obligation	17	14
Fair value of plan assets	-	-
Plan liability	<b>17</b>	<b>14</b>

**iii) The changes in the present value of the defined benefit obligation are as follows:**

Particulars	As at March 31, 2021	As at March 31, 2020
Opening defined benefit obligation	14	9
Current service cost	2	2
Past service cost	-	-
Interest cost on benefit obligation	1	1
Liability transferred in/(out) (net)	0	0
Benefits paid	(1)	-
Actuarial loss	1	2
Closing defined benefit obligation*	<b>17</b>	<b>14</b>
* Note:		
Non-current	14	12
Current	3	2
Total	<b>17</b>	<b>14</b>



**CONTINUUM RESTRICTED GROUP**  
**NOTES TO THE SPECIAL PURPOSE COMBINED FINANCIAL STATEMENTS**  
 (All amounts in INR millions, unless otherwise stated)

iv) The principal assumptions used in determining the gratuity obligations are as follows:

Particulars	As at March 31, 2021	As at March 31, 2020
Discount rate	6.49%	6.32% - 6.62%
Rate of Salary Increase	10.00%	10.00%
Expected rate of return on planned assets	Not applicable	Not Applicable
Rate of employee turnover	12.00%	12.00%
Retirement age	60 years	60 years
Mortality Rate	Indian Assured Lives Mortality(2006-08)	Indian Assured Lives Mortality (2006-08)

The estimates of future salary increases, considered in actuarial valuation take account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

**29 Capitalisation of expenditure**

The Restricted Group has capitalised the following expenses of revenue nature to the cost of property, plant and equipment/ capital work-in-progress (CWIP). Consequently, expenses disclosed under the respective notes else where in these special purpose combined financial statements are net of amounts capitalised by the Restricted Group.

	For the year ended March 31, 2021	For the year ended March 31, 2020
Application fees	0	2
Insurance expense	-	6
Interest expense	39	93
Legal and professional fees	2	12
Rent expense	-	1
Site development expenses	0	4
Travelling, lodging and boarding	-	5
Miscellaneous expense	0	0
Other borrowing cost	-	74
	<b>41</b>	<b>197</b>

**30 Related party disclosure**

a) Names of the related parties and related party relationship

Related parties where control exists (refer note 2 in basis of preparation)

Ultimate Holding Company                      Continuum Green Energy Limited, Singapore

Immediate Holding Company of the Identified  
Entities except CELPL                      Continuum Green Energy (India) Private Limited

Fellow subsidiaries with whom transaction have  
taken place during the year\*                      Continuum MP Windfarm Development Private Limited  
Srijan Energy Systems Private Limited  
Kutch Windfarm Development Private Limited

Enterprise over which key managerial person have  
significant influence                      Skyzen Infrabuild Private Limited

Key management personnel	Arvind Bansal	Director & Chief Executive officer (CEO) of the CGEIPL
	Raja Parthasarathy	Director of CGEIPL & subsidiaries (w.e.f. May 8, 2019)
	Arno Kikkert	Director of CGEIPL
	N V Venkataramanan	Chief Operating Officer of CGEIPL, Director and Chief Executive Officer of the Indian Subsidiaries
	Marc maria van't noordeude	Director of the Indian Subsidiaries
	Vikram chandravadan maniar	Director of the Indian Subsidiaries (till May 15, 2019)
	Tarun Bhargava	Chief Financial Officer of CGEIPL and Indian Subsidiaries
	Gautam Chopra	Vice President - Project development of CGEIPL
	Ranjeet Kumar Sharma	Vice President - Projects wind business of CGEIPL
	Pan Peiwen	Director of CELPL
	Peter Farley Mitchell	Director of CELPL

\* These are subsidiaries that have not been combined as a part of the Restricted Group for which related party disclosures have made at Restricted Group Level.



**CONTINUUM RESTRICTED GROUP**  
**NOTES TO THE SPECIAL PURPOSE COMBINED FINANCIAL STATEMENTS**  
 (All amounts in INR millions, unless otherwise stated)

b) Related party transactions during the year ended

Particulars	March 31, 2021	March 31, 2020
<b>Intercompany borrowing received by the Restricted Group</b>		
Continuum Green Energy (India) Private Limited	25	941
<b>Intercompany borrowing repaid by the Restricted Group</b>		
Continuum Green Energy (India) Private Limited	1,868	-
<b>Intercompany borrowing given by the Restricted Group</b>		
Continuum Green Energy (India) Private Limited	3,016	1,735
Skyzen Infrabuild Private Limited	-	510
Srijan Energy Systems Private Limited	-	143
Continuum MP Windfarm Development Private Limited	-	113
<b>Intercompany borrowing given by the Restricted Group, repaid</b>		
Continuum Green Energy (India) Private Limited	52	78
<b>Reimbursement of allocable common overheads</b>		
Continuum Green Energy (India) Private Limited	209	191
<b>Project expense transferred to</b>		
Kutch Windfarm Development Private Limited	38	-
<b>Interest income on borrowing given by the Restricted Group</b>		
Continuum Green Energy (India) Private Limited	338	143
Skyzen Infrabuild Private Limited	77	3
Srijan Energy Systems Private Limited	16	1
Continuum MP Windfarm Development Private Limited	13	1
<b>Paid towards statutory dues on behalf of the company &amp; reimbursed</b>		
Continuum Green Energy (India) Private Limited	182	232
<b>Interest expenses on CFCDs</b>		
Continuum Green Energy (India) Private Limited	409	481
<b>Interest expenses on NCDs</b>		
Continuum Green Energy (India) Private Limited	2	-
<b>Interest expenses on unsecured loan</b>		
Continuum Green Energy (India) Private Limited	113	40
<b>Issue of share capital</b>		
Continuum Green Energy (India) Private Limited	-	0
<b>Issue of Non convertible debentures</b>		
Continuum Green Energy (India) Private Limited	-	56
<b>Investment in Optionally Convertible Redeemable Preference Shares</b>		
Srijan Energy Systems Private Limited	-	638
Continuum MP Windfarm Development Private Limited	-	400
<b>Reimbursement of expense</b>		
Key management personnel	0	1



**CONTINUUM RESTRICTED GROUP**  
**NOTES TO THE SPECIAL PURPOSE COMBINED FINANCIAL STATEMENTS**  
 (All amounts in INR millions, unless otherwise stated)

c) **Year end balances arising from transactions with related parties**

Particulars	March 31, 2021	March 31, 2020
<b>Reimbursement of allocable common overheads payable</b> Continuum Green Energy (India) Private Limited	64	427
<b>Payable towards intercorporate borrowings</b> Continuum Green Energy (India) Private Limited	41	1,905
<b>Payable towards interest expenses</b> Continuum Green Energy (India) Private Limited	3	442
<b>Intercorporate borrowing receivable</b> Continuum Green Energy (India) Private Limited	5,795	2,836
Skyzen Infrabuild Private Limited	510	510
Srijan Energy Systems Private Limited	143	143
Continuum MP Windfarm Development Private Limited	113	113
<b>Receivable towards transfer of project expense</b> Kutch Windfarm Development Private Limited	38	-
<b>Interest receivable on intercorporate borrowing</b> Continuum Green Energy (India) Private Limited	321	129
Skyzen Infrabuild Private Limited	80	3
Srijan Energy Systems Private Limited	15	1
Continuum MP Windfarm Development Private Limited	14	1

**Other transactions:**

**March 31, 2021**

- i) During the year ended March 31, 2021, Bothe has prepaid the secured term loans and accordingly 158,637,477 shares and 165,068,750 CFCD's held by CGE IPL which were pledged in favour of Security Trustee for the benefit of secured term loan lenders of Bothe has been released.
- ii) During the year ended March 31, 2021, Bothe has prepaid secured term loan and accordingly corporate guarantee of CGEL of INR 1,156 in favour of Security trustee for the benefit of secured term loan lenders of Bothe stands released.
- iii) During the year ended March 31, 2021, Bothe has prepaid secured loan and accordingly corporate guarantee of CGEL of INR 8,551 in favour of PFC, secured term loan lender of Bothe has been released.
- iv) During the year ended March 31, 2021, DJEPL has prepaid the secured term loans and accordingly Pledge of 100% of the shares of the company held by CGE IPL in favour of Security Trustee for the benefit of secured term loan lenders of the company and deposit of 100% of CCDs of the company with the Escrow Agent has been released.
- v) During the year ended March 31, 2021, DJEPL has prepaid secured term loan and accordingly, undertaking provided by CGE IPL and CGEL to IFC and IIFCL stands released.
- vi) During the year ended March 31, 2021, DJEPL has prepaid secured term loan and accordingly, corporate guarantee of INR 1,410 given by CGE IPL to the lender stands released.
- vii) During the year ended March 31, 2021, UUPPL has prepaid the secured term loans and accordingly Pledge of 100% of the shares of the company held by CGE IPL in favour of Security Trustee for the benefit of secured term loan lenders of the company and deposit of 100% of CCDs of the company with the Escrow Agent has been released.
- viii) During the year ended March 31, 2021, UUPPL has prepaid secured term loan and accordingly, undertaking provided by CGE IPL and CGEL to IFC and IIFCL stands released.
- ix) During the year ended March 31, 2021, UUPPL has prepaid secured term loan and accordingly, corporate guarantee of INR 1,090 given by CGE IPL to the lender has been released.
- x) During the year ended March 31, 2021, Watsun has prepaid the secured term loans and accordingly Pledge of 51% of the shares of the company held by CGE IPL in favour of Security Trustee for the benefit of secured term loan lenders of the company and deposit of 100% of CFCDs of the company with the Escrow Agent has been released.
- xi) In case of Watsun project, corporate guarantee was given by CGEL which shall remain valid (i) until security is perfected, (ii) for the funding cost overrun & (iii) for the DSRA amount till DSRA is created whichever is later. During the year ended March 31, 2021, Watsun has prepaid secured term loan and accordingly, the above corporate guarantee given by CGEL to the lender stands released.
- xii) During the year ended March 31, 2021, Trinethra has prepaid the secured term loans and accordingly 40,499,990 shares and 50,600,000 CFCD's held by CGE IPL which were pledged in favour of Security Trustee for the benefit of secured term loan lenders of Trinethra has been released.
- xiii) During the year ended March 31, 2021, Trinethra has availed letter of credit facility against which CGE IPL has provided fixed deposit of INR 173 as security.
- xiv) During the year ended March 31, 2021, RTPL has prepaid secured term loan and accordingly, the pledge over 100% equity shares (i.e. 14,165,000 shares), 100% CCDs (i.e. 14,165,000 CCDs) and 100% NCDs (i.e. 28,330,000 NCDs) of RTPL held by CGE IPL in favour of the security trustee for the benefit of the secured term loan lender has been released.
- xv) During the year ended March 31, 2021, RTPL has prepaid secured term loan and accordingly, corporate guarantee of INR 2,308 given by CGEL to the lender stands released.
- xvi) During the year ended March 31, 2021, RTPL has availed letter of credit facility against which CMPWDPL has provided fixed deposit of INR 13 and CGE IPL has provided fixed deposit of INR 45 as security.



**CONTINUUM RESTRICTED GROUP**  
**NOTES TO THE SPECIAL PURPOSE COMBINED FINANCIAL STATEMENTS**  
(All amounts in INR millions, unless otherwise stated)

**March 31, 2020**

- i) During the year ended March 31, 2020, bank guarantee facility amounting to INR 286 is availed by CGE IPL for the purpose of providing Bank Guarantee in lieu of Debt Service Reserve Account to the secured term loan lenders of DJEPL. Bank Guarantee was given in favour of Security Trustee who is acting on behalf of secured term loan lenders of DJEPL.
- ii) During the year ended March 31, 2020, bank guarantee facility amounting to INR 230 is availed by CGE IPL for the purpose of providing Bank Guarantee in lieu of Debt Service Reserve Account to the secured term loan lenders of UUPPL. Bank Guarantee was given in favour of Security Trustee who is acting on behalf of secured term loan lenders of UUPPL.
- iii) During the year ended March 31, 2020, unsecured loan given by CGE IPL to WIPL of INR 415 is converted into compulsorily fully convertible debentures (CFCDs) of Rs. 10 each.
- iv) During the year ended March 31, 2020, Trinethra has availed letter of credit facility against which CMPWDPL has provided fixed deposit of INR 110 as security.
- v) During the year ended March 31, 2020, RTPL has received unsecured loan of INR 581 from CGE IPL against which it has issued 14,155,000 Equity shares of INR 10/- each, 14,165,000 CCDs of INR 10/- each and 22,730,000 NCDs of INR 10/- each. The total conversion of loan into aforesaid securities aggregating to INR 511.
- vi) During the year ended March 31, 2020, RTPL has availed letter of credit facility against which CMPWDPL has provided fixed deposit of INR 24 as security.
- vii) During the year ended March 31, 2020, DJEPL has issued 42,008,586 bonus share and UUPPL has issued 31,028,384 bonus shares having face value of Rs. 10/- each to CGE IPL.

**31 Details of dues to micro and small enterprises as defined under the MSMED Act, 2006**

There are no micro and small enterprises, to whom the Restricted Group except CELPL owes dues, which are outstanding for more than 45 days as at March 31, 2021 and March 31, 2020. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Restricted Group.

**32 Capital and other commitments**

Capital commitments and other commitments remaining to be executed as on March 31, 2021 is INR 316 (March 31, 2020; INR 2,545) entered prior to issuance of notes and INR 340 (March 31, 2020; INR 340) respectively.

**33 Expenditure in Foreign Currency (accrual basis)**

	For the year ended March 31, 2021	For the year ended March 31, 2020
Professional fees	7	-
Other borrowing cost	5	7
	12	7

**34 Unbilled revenue**

In the year 2014-15, Bothe had commissioned Wind Turbine Generators (WTGs) of 98.7 MW capacity and obtained the commissioning certificate from Maharashtra State Electricity Distribution Company Limited (MSEDCL), a state government owned distribution licensee. However, on account of delay in implementation of policy for renewable energy by the state government, the Wind Energy Purchase Agreements (WEPA) in respect of some WTGs having 6.3 MW capacity have not been signed with MSEDCL. Based on the commissioning certificate obtained by Bothe as part of regulatory process for generation of electricity under renewable energy policy, Bothe started generating electricity from those WTGs and transmitted the same into the grids of MSEDCL.

These units injected into the MSEDCL grid has been acknowledged by MSEDCL under Joint Meter Reading (JMR) reports and the credit notes duly issued by MSEDCL and on the basis of that Bothe has recognized revenues for sale of electricity in the statement of profit and loss and corresponding receivables are accounted as unbilled revenue under non-current assets. However, in the absence of WEPA, Bothe cannot raise the invoice for the electricity sold out of these WTGs.

Bothe has recognised revenue in respect of sale of electricity from those WTGs based on JMR report & credit notes and at the eligible rates for these units generated and supplied to MSEDCL during the year ended March 31, 2021 and March 31, 2020.

During the year ended March 31, 2020, Bothe had received registration certificates from Maharashtra Energy Development Agency (MEDA) against these remaining 3 WTGs having capacity of 6.3 MW, a pre-requisite for execution of WEPAs. Upon receipt of registration certificates, Bothe had approached MSEDCL for signing of PPAs towards these WTGs. However, MSEDCL has taken a contrary & arbitrary view and rejected Bothe's valid application for signing PPAs and in the month of January 2020 issued disconnection notice for said 3 WTGs. Bothe had approached honourable MERC and received stay order against MSEDCL decision in March 2020. Subsequently MERC has decided the case vide its order dated July 01, 2020, Bothe is not in agreement with the judgement of MERC and preferred an appeal before Appellate Tribunal for Electricity (APTEL). APTEL has issued an interim stay order against such disconnection notice on 07.07.2020 and admitted the Petition on 14.12.2020 and the matter is currently at APTEL.

**35 Contingent liabilities**

	As at March 31, 2021	As at March 31, 2020
Income tax demand	5	5



**CONTINUUM RESTRICTED GROUP**  
**NOTES TO THE SPECIAL PURPOSE COMBINED FINANCIAL STATEMENTS**  
(All amounts in INR millions, unless otherwise stated)

**36 Hedging activities and derivatives**

**Contracts designated as Cash flow hedges**

During the year ended March 31, 2021, CELPL, preparing its books in USD (as its functional currency), hedged the foreign currency exposure risk related to its investments in Restricted Group entities denominated in INR through call spread option and cross currency swap for coupon payments ("together referred to as derivative financial instruments"). These derivative financial instruments are not entered for trading or speculative purposes.

CELPL documented each hedging relationship and assessed its initial effectiveness on inception date and the subsequent effectiveness is being tested on a semi-annual basis using dollar offset method. CELPL uses the Swap pricing model based on present value calculations and option pricing model based on the principles of the Black-Scholes model to determine the fair value of the derivative instruments. These models incorporate various market observable inputs such as underlying spot exchange rate & forward rate, the contracted price of the respective contract, the term of the contract, the implied volatility of the underlying foreign exchange rates and the interest rates in respective currency. The changes in counterparty's or CELPL's credit risk had no material effect on the hedge effectiveness assessment for derivatives designated in hedge relationship and the value of other financial instruments recognised at fair value. The hedge contracts were effective as of March 31, 2021.

**Derivative financial instruments**

The fair value of the company's derivative position recorded under derivative assets and derivative liabilities are as follows:

	As at March 31, 2021		As at March 31, 2020	
	Assets	Liabilities	Assets	Liabilities
<b>Cash flow hedge*</b>				
<b>Non current</b>				
Derivate contract asset:				
Call spread option	5,859	-	-	-
Cross currency swap	-	-	-	-
	<u>5,859</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Current</b>				
Derivate contract asset:				
Call spread option	12	-	-	-
Cross currency swap	-	-	-	-
	<u>12</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Non current</b>				
Deferred premium liability				
Call spread option	-	4,844	-	-
Cross currency swap	-	-	-	-
	<u>-</u>	<u>4,844</u>	<u>-</u>	<u>-</u>
<b>Current</b>				
Deferred premium liability				
Call spread option	-	1,281	-	-
Cross currency swap	-	36	-	-
	<u>-</u>	<u>1,317</u>	<u>-</u>	<u>-</u>

\* Refer statement of profit and loss and Combined reserves and surplus and others under Note 5(b)(iii) for the changes in the fair value of derivative financial instruments.

**Exposures in Foreign Currency**

Particulars	Foreign currency	Exchange rate (INR/USD)	Amount in INR (in millions)	Amount in USD (in millions)
<b>Assets *</b>				
<b>As at March 31, 2021</b>				
Redeemable, unlisted, unrated, 8.75% Non-Convertible Debentures issued by Identified Subsidiaries	INR	0.014	39,798	541
Interest accrued and not due on Non-Convertible Debentures	INR	0.014	294	4
<b>Total Assets (A)</b>			<u>40,092</u>	<u>545</u>
<b>Hedges by derivative contracts (B)</b>			<u>40,092</u>	<u>545</u>
<b>Unhedged assets (A-B)</b>			<u>-</u>	<u>-</u>

\* CELPL has issued 4.5% USD senior notes on February 9, 2021 and invested proceeds, net of issue expenses, in Non-Convertible Debentures (NCD) in Indian rupees (INR) issued by Identified Entities which have been eliminated while preparing these combined financial statements (Refer Note 3 on 'Basis of combination'). CELPL has entered into derivative contracts to mitigate the risk arising from cash flow volatility due to foreign exchange fluctuations on principal repayments of NCD and interest thereon, which is accounted as per Cash Flow hedge accounting model.



**CONTINUUM RESTRICTED GROUP**  
**NOTES TO THE SPECIAL PURPOSE COMBINED FINANCIAL STATEMENTS**  
(All amounts in INR millions, unless otherwise stated)

**37 COVID-19 Impact assessment:**

The Restricted Group has considered the possible effects that may result from the pandemic relating to COVID-19 and more severe outbreak of the second wave of Covid 19 pandemic in recent months on the carrying amounts of property, plant and equipment, investments, receivables and other current assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions including conditions in India because of this pandemic, The Restricted Group, as at the date of approval of these Special Purpose Combined financial statements has evaluated the performance till the said date along with internal and external sources on the expected future performance of the Restricted Group. The Restricted Group, based on the recent performance and considering current estimates expects the carrying amount of these property, plant and equipment, investments, receivables and other current assets are fairly stated and fully recoverable. Considering, the Restricted Group is in the business of generation and supply of power (renewable energy) being classified under essential category, believes that impact of COVID-19 on the special purpose combined financial statements is not material.

**38 Subsequent event**

No events occurred from the Balance sheet date which has material impact on the financial statements at that date or for the period then ended.

**39**

Amount less than INR 0.5 appearing in the special purpose combined financial statements are disclosed as "0" due to presentation in millions.

**40 Previous year comparatives**

Previous year figures have been regrouped / reclassified, where ever necessary, to conform to current year's classification.

As per our report of even date.

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



Priteeb Maheshwari  
Partner  
Membership No. : 118746

Place : Ahmedabad  
Date : June 10, 2021



On behalf of the Board of Directors of  
Continuum Energy Levanter Pte. Ltd.  
(for Restricted Group)



Pan Pohwen  
Director

Place : Singapore  
Date : June 10, 2021



Tarun Bhargava  
Chief Financial Officer

Place : Mumbai  
Date : June 10, 2021

