सेकी
SECI
सूर्य सदैव SUN FOR EVER

दसवीं वार्षिक रिपोर्ट

10th Annual Report 2020-21

VISION

To build 'Green India' through harnessing abundant Solar radiation and to achieve energy security for the country.

MISSION

To become the leader in development of large scale Solar installation, Solar Plants and Solar Parks and to promote and commercialize the use of Solar Energy to reach remotest corners of India.

To become leader in exploring new technologies and their development to harness solar energy.

OBJECTIVES

Development Ultra Mega and large scale plants including Solar Parks

Own, operate, develop & manage both and connected & off grid Solar installations including Rooftops

To take up energy access programs for rural and remote areas through Solar Energy

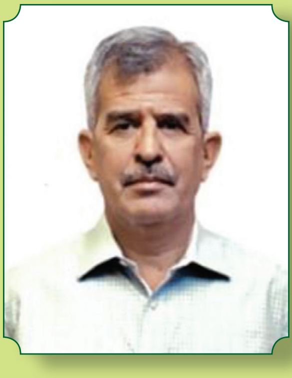
To test new technologies in Solar through pilot projects leading to commercialization

To exchange, distribute & trade power in furtherance of JNNSM goals

To promote integrated power generation projects of Solar with conventional & renewable sources.

CONTENTS

BOARD OF DIRECTORS



Indu Shekhar Chaturvedi
Chairman

Suman Sharma
Managing Director

Vimalendra Anand Patwardhan
Govt. Nominee Director

Amitesh Kumar Sinha
Govt. Nominee Director

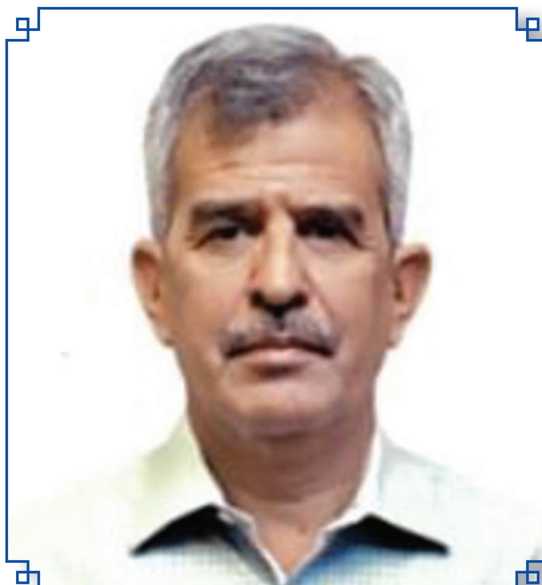
C. Kannan
Director (Finance)

Shailesh Kumar Mishra
Director (PS)

Mukesh Kumar Mishra
Independent Director

Rashmi Singh
Independent Director

Chairman's Message



Dear Shareholders,

The past has been challenging for the whole world on account of the COVID-19 pandemic. Each one of us has faced difficulties, and I am humbled by the tireless efforts put in by all front-line Corona warriors and others who have been striving to bring back normalcy to our lives.

In the fiscal year 2020-21, large scale disruptions caused by the pandemic impacted the industrial sector as a whole and the power sector was not an exception. During the initial lockdown, an unprecedented drop of over 25% in power demand was observed. Renewable Energy (RE) capacity addition plans were also adversely impacted.

During FY 2020-21, SECI continued in its journey of catalyzing the growth and advancement of the country's RE sector. The company awarded 15.9 GW of Solar, Wind and Hybrid project capacity, helped in commissioning of 1733 MW of Solar and Wind Power Projects awarded under earlier tenders, and traded ₹ 14.82 billion units of RE power. Additionally SECI awarded 400 MW capacity under Round-the-clock (RTC) RE Power Supply Tender (RTC-1) which is the first-of-its-kind in India and would enable supply of 24x7 RE power with an annual CUF of 80%.

During FY 2020-21 SECI also executed major projects under its own investment and through Project Management consultancy modes. The company commissioned about 159 MW Solar Power Projects in Telangana and Kerala for its clients and also commissioned its own 10 MW Solar Project in Karnataka.

Commensurate with the physical achievements, SECI also made significant financial progress during the Fiscal year 2020-21. With Revenue from Operations of ₹ 5442.88 Cr. SECI crossed the revenue milestone of ₹ 5000 Cr. and also recorded a jump of 17.67% over the previous year. Operating profit of ₹ 215.79 Cr was registered, demonstrating a year-on-year growth of 7.55%. As on 31.03.2021, SECI's Net Worth stand at ₹ 873.58 Cr. registering year-on-year growth of 25.56%.

SECI is committed to ethics and transparency in its work and to observing the highest standards of corporate governance. It has continuously made efforts to ensure compliance of the applicable DPE Guidelines. The company endeavors towards 'giving back' to society through its CSR activities. During FY 2020-21, the company contributed towards the PM Cares Fund for Covid relief measures and also undertook initiatives to prevent human-animal conflicts and promote education in various areas.

SECI is working keeping in view the target set for the country by Hon'ble Prime Minister to achieve installed RE capacity of 450 GW by the year 2030. It has also been making efforts to make RE power more attractive to Discoms. Government of India has announced major initiatives for RE such as 'One Sun One World One Grid' (OSOWOG), 'National Hydrogen Energy Mission' and 'Carbon Neutral Ladakh', and today the RE sector is full of opportunities for investors and developers. SECI is working to make progress in the areas of Energy Storage Systems and new technologies, such as Green Hydrogen, Pumped Hydro Storage etc. by seeking to drive market investments in these segments.

In conclusion, I express my heartfelt gratitude towards the Ministry of New and Renewable Energy, Central Government Ministries, State Governments, Central and State Regulatory Commissions, Central Electricity Authority, Funding Institutions, Transmission and Distribution companies, State Nodal Agencies, Project Developers, Investors, Esteemed clients, employees and all the stakeholders who have stood with SECI and helped in its achievements.

With best wishes,
Yours faithfully,

Sd/-
Indu Shekhar Chaturvedi
Chairman
DIN No.: 09324896

Place: New Delhi
Date: 29.09.2021

NOTICE FOR 10TH ANNUAL GENERAL MEETING

Notice is hereby given that Tenth Annual General Meeting of the Members of the Solar Energy Corporation of India Limited (SECI) will be held on 30th September, 2021 (Thursday) at 11.45 a.m in the Board Room of SECI, 1st Floor, NBCC Office Block, Tower 4, East Kidwai Nagar, New Delhi to transact the following business: -

ORDINARY BUSINESS

Item No. 1.

To receive, consider and adopt the audited Balance Sheet as at 31st March 2021and Statement of Profit & Loss, Statement of Change in Equity and Cash Flow Statement (alongwith accounting policies and notes to the accounts) for the financial year ended on that date together with Report of the Board of Directors and Auditors Report thereon (Standalone and Consolidated Financial Statement).

Members are requested to consider the above proposal and if thought fit to pass with or without modification(s) the following resolution as an Ordinary Resolution: -

"**RESOLVED THAT,** the Audited Balance Sheet & Statement of Profit and Loss, Statement of Change in Equity and Cash Flow Statement (along with the Accounting Policies and notes to the accounts) for the financial year ended March 31, 2021 along with the Auditor's Report (Standalone and Consolidated Financial Statement) and the Directors' Report as circulated to the shareholders and laid before the meeting, be received, considered and adopted."

Item No. 2.

To declare the Dividend of ₹150.60 (rounded off to two digits) per share aggregating to ₹ 53,31,24,000/- for the Financial Year 2020-21.

Members are requested to consider the above proposal and if thought fit to pass with or without modification(s) the following resolution as an Ordinary Resolution

"**RESOLVED THAT,** Final Dividend of ₹ 150.60 (rounded off to two digits) per equity share on 35,40,000 equity shares (aggregating to ₹ 53,31,24,000/-), as recommended by the Board of Directors of the Company, for the Financial Year 2020-21, be and is hereby declared and the same be paid to the eligible members of the Company."

Item No. 3.

To consider the fixation of remuneration of M/s. S C V & CO LLP as Statutory Auditors for the Financial Year 2021-22.

Members are requested to consider the above proposal and if thought fit to pass with or without modification(s) the following resolution as an Ordinary Resolution: -

RESLOVED THAT, M/s. S C V & CO LLP, who has been appointed as the Statutory Auditor of Solar Energy Corporation of India Limited by the C & AG for the financial year 2021-22 vide Letter No. CA. V/ COY/CENTRAL GOVERNMENT, SECI(0)/445 dated 19/08/2021, shall be paid the consolidated fee of ₹ 6,00,000/- (Standalone and Consolidated Financial Statements) plus out of pocket expenses not exceeding 10% of the fee, plus taxes as applicable, for the Financial Year 2021-22.

FURTHER RESOLVED THAT, Managing Director, be and is hereby authorised to finalize the terms of engagement with M/s. S C V & CO LLP, for any change in the remuneration and to do such other acts or deeds incidental or ancillary in connection there with."

SPECIAL BUSINESS

Item No. 4.

Consent of the Shareholders for Borrowing in excess of the paid up capital and free reserves not exceeding ₹ 3000 Crore in aggregate

Members are requested to consider the above proposal and if thought fit to pass with or without modification(s) the following resolution as Special Resolution: -

"**RESOLVED THAT,** pursuant to the provisions of Section 180(1)(c) of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) & any other applicable laws and provisions of Articles of Association of the Company, consent of the Company be and is hereby accorded to the Board of Directors of the Company (the "Board") to borrow such moneys or sum of moneys, from time to time, at its discretion, with or without security, and upon such terms and conditions as the Board may think fit, for the purpose of business of the Company in excess of the aggregate of the paid up capital of the Company and its free reserves (that is to say reserves not set apart for any specific purpose) provided that such borrowing together with the money already borrowed by the Company (apart from the temporary loans obtained from the Company's bankers in the ordinary course of business), shall not exceed a sum of 3000 crore.

FURTHER RESOLVED THAT, the Board of Directors of the Company (including any Committee duly constituted by the Board of Directors or any authority as approved by the Board of Directors in this regard) be and is hereby authorized to do and execute all such acts, deeds and things as may be necessary for giving effect to the above resolution."

By Order of the Board of Directors

Sd/-
(Sunil Kumar)
Company Secretary

Place: New Delhi
Date : 29.09.2021

NOTE:

1. A Member entitled to attend and vote at the Meeting is entitled to appoint proxy to attend and vote instead of himself/herself and proxy need not be a Member of the Company. A proxy form is enclosed.

PROXY FORM

I/We ………………………………………………….. S/o …………………………………………….. In the district of …………………… being a member of the above-named company hereby appoint ………………………………….. S/o …………………………………… in the district of ………………………….. Or failing him / her ………………………………. S/o ……………………………… In the district of …………………. as my proxy to vote for me and on my behalf at the 10th Annual General Meeting of the Company to be held on 30th September,2021 (Thursday) at 11.45 A.M. and at any adjournment thereof.

Signed this ………….. day of ………………….., 2021.

Signature

Note :

The proxy form must be returned so as to reach the Registered Office of the Company not less than 48 hours before the time for holding the aforesaid meeting. The Proxy need not be a shareholder of the Company.

Annexure to the Notice

Explanatory Statement pursuant to Section 102 of the Companies Act, 2013:

Item No. 4.

The Board of Directors of SECI in its 69th Meeting, to be held on 30th September, 2021, will consider the proposal (subject to the approval by the Shareholder in General Meeting),for the borrowing of the loan, along with the grant, aggregating to US$ 200 Million from World Bank directly by bearing the foreign exchange risk on its own, on the terms and conditions as stipulated by the World Bank

As part of SECI's Corporate vision of setting up of various projects through own investment, SECI has been continuously proposing for setting up various innovative Solar, Wind and Hybrid projects to various States/UTs. In pursuance of this goal, following projects have been identified for implementation in near future.

1. 100 MW Solar + BESS Chhattisgarh project
2. 100 MW Floating Solar Jharkhand project
3. Ramagiri project

The above projects are to be implemented out of SECI's internal resources available and resorting to borrowing from domestic and multi-lateral and bilateral agencies. The current Net Worth enables SECI to borrow to the extent of Rs. 2620.74 crores at a Debt Equity ratio of 3:1.

Accordingly, SECI approached Government of India to seek World Bank funding for the projects proposed to be implemented by SECI through MNRE. Ministry of Finance (MoF) through Department of Economic Affairs (DEA) recommended to the World Bank to explore the possibility of financing of innovative Solar, Wind and Hybrid projects proposed to be implemented by SECI. In response to DEA and SECI's request, World Bank has issued the in-principle approval for funding of US$ 200 million.

The World Bank had carried out various missions to SECI to assess the SECI's financing requirement and viability through various factors. Subsequently, the World Bank proposed a loan negotiation meeting with SECI and DEA on 01.03.2019 in Delhi and the legal agreements have been negotiated and terms were agreed between DEA, MNRE, World Bank and SECI. The funding proposal has been approved by World Bank's Board.

Accordingly, the proposal to be considered by the Board of Directors in its 69^{th} Meeting to be held on 30th September, 2021, to borrow such moneys or sum of moneys , from time to time, for the purpose of business of the Company in excess of the aggregate of the paid up capital of the Company and its free reserves (that is to say reserves not set apart for any specific purpose) provided that such borrowing together with the money already borrowed by the Company (apart from the temporary loans obtained from the Company's Bankers in the ordinary course of business), shall not exceed a sum of Rs. 3000 crores.

None of the Directors, Key Managerial Personnel and their relatives, are in any way, concerned or interested in the said resolution.

The resolution as set out in item No. 4 of this Notice is accordingly recommended for your approval by way of Special Resolution.

By Order of the Board of Directors

Sd/-
(Sunil Kumar)
Company Secretary

Place: New Delhi
Date : 29.09.2021

Directors' Report 2020-21

To

The Shareholders,

The Board of Directors have pleasure in presenting before you the 10th Annual Report on the business and operations of the Company along with the Audited Financial Statements for the Financial Year ending 31st March, 2021.

In line with the Company's growth trend, FY 2020-21 has been a year of significant Physical and Financial progress.

1. Performance Highlights

- Highlights of Physical and Financial performance during FY 2020-21 are as follows:
- Award of innovative projects, viz. 8000 MW capacity under Manufacturing Linked Solar tender and 400 MW Round-the-Clock RE power.
- Award of aggregate capacity of 15,950 MW (Solar: 12270 MW, Wind: 2170 MW, Hybrid: 1510 MW).
- Commissioning of 1733 MW capacity of Solar (610 MW) and Wind Projects (1123 MW).
- Traded 14819 MU of Solar and Wind Power, an increase of 28.32% in power trading volume over previous year.
- Commissioned own project capacity of 10 MW Solar Power Plant at DRDO Karnataka.
- Total income increased by 17.32 % to ₹ 5464.68 Cr. compared to previous year's total income of ₹ 4657.73 Cr.
- Profit Before Tax (PBT) increased by 2.12% to ₹ 237.59 Cr compared to ₹ 232.65 Cr. in the previous year.
- Increase of 25.56% in Net Worth over previous year (Net Worth of the company stood at ₹ 873.58 Cr.).

2. Financial Performance

Highlights of Financial performance for fiscal year 2020-21, with comparative position of the previous year, are mentioned here under:

Amount (in ₹ Crores)

Particulars	For the Financial Year Ended 31st March, 2021	For the Financial Year Ended 31st March, 2020
Share capital	354.00	354.00
Net Worth	873.58	695.72
Total Revenue	5,464.68	4,657.73
Profit/(Loss) Before Tax	237.59	232.65
Profit/(Loss) After Tax	177.71	178.94

- The total income of the company by way of Trading of Power, Project Monitoring Fees, Sale of Power of own Project and other income is ₹ 5,464.68 Cr. as against corresponding previous year figure of ₹ 4,657.73 Cr. registering an increase of 17.32%.
- Profit before tax works out to ₹ 237.59 crores as against the previous year figure of ₹ 232.65 crores and profit after tax (PAT) is ₹ 177.71 crores as against the previous year figure of ₹ 178.94 crores. Thus, registering an increase in PBT of 2.12% & decrease in PAT by 0.69%.
- The Net Worth of the company stood at ₹ 873.58 Cr as against the figure of ₹ 695.72 Cr for the previous year, registering an increase of 25.56%.

3. Dividend

As per the Department of Investment & Public Asset Management (DIPAM) guidelines dated 27th May, 2016, the company would require to pay 5 % of the Net worth as on 31.03.2021 or 30 % of Profit after Tax (PAT) for the year 2020-21, whichever is higher.

Accordingly, Directors have proposed dividend for the F.Y 2020-21 of ₹ 53.31 Cr. i.e., 30 % of Profit After Tax (PAT). Final dividend for the year ended 31st March, 2021 of ₹ 53.31 Cr. has not been recognized since the proposed dividend is subject to the approval of shareholders in the ensuing Annual General Meeting.

4. Share Capital

The Issued and Paid-up Capital of the company as on 31.03.2021, ₹ 354 Cr. (i.e., 35,40,000 Equity shares of ₹ 1000/- each) against Authorized Share Capital of ₹ 2,000 crores (i.e. 2,00,00,000 shares of ₹ 1,000/- each). 100 % of the Paid-up Equity Share Capital of the company is held by The President of India.

5. Fund and Non- Fund Based Facility

The Company has been sanctioned non fund based facility of Rs.300 Crore and fund based facility of Rs.275 Crore from HDFC Bank, non fund based facility of 75 Crore from Yes Bank , non fund based facility of Rs. 100 Crore from ICICI Bank and non fund based Facility (sublimit of fund based limit) of Rs.75 crore from Axis Bank . The limit sanctioned by HDFC Bank and Axis Bank is against hypothecation of all present and future receivables. During the year, the Company has not borrowed any loan and there is no outstanding debt in its books.

6. Business Activities

I. Tenders for Solar Power Projects

SECI is the implementing agency for development of Solar Projects under the National Solar Mission (NSM). In this role, SECI floats tenders for selection of developers for setting up of Solar Projects on Pan-India/State-specific basis. After selection of developers on the basis of Tariff-Based Competitive bidding, SECI signs 25-year PPA for procurement of power from these projects. The power procured is in turn sold to Discoms through 25-year PSAs. In FY 2020-21, SECI has tendered and awarded 5355 MW and 12270 MW of Solar Projects respectively.

SECI is also the implementing agency for CPSU (Phase-II) Scheme of MNRE which aims at boosting demand for domestically manufactured Solar Cells and Modules. Under this scheme, SECI has tendered 3500 MW and awarded 2026 MW.

300 MW Solar Project in Rajasthan Under ISTS-III tendered by SECI)

Apart from ground-based Solar Projects, the company has been active in promoting Floating Solar Technology as an alternative solution for harnessing Solar Power in areas with constraints on land availability/usage. SECI is setting up floating solar projects in Jharkhand and Odisha.

Under the Ministry's scheme for augmenting manufacturing capacity of Solar Cells & Modules, SECI has tendered and awarded 4000 MW capacity of Solar Power Projects coupled with manufacturing capacity of 1000 MW during FY 2019-20. Subsequently, 8000 MW project capacity coupled with manufacturing capacity of 2000 MW have been awarded in FY 2020-21.

In total, SECI has awarded a total capacity of 12270 MW of Solar PV Projects during FY 2020-21, thereby bringing the cumulative awarded capacity (Solar) by SECI to 32691 MW.

During the financial year, 610 MW capacity was successfully commissioned, thereby bringing the aggregate commissioned capacity to 6133 MW (till 31.03.2021).

II. Tenders for Wind Power Projects

SECI is the implementing agency for setting up of large-scale Wind Power Projects on Pan-India basis, towards fulfilment of National target.

Under this activity, SECI floats tenders for selection of developers for setting up of Wind Power projects on Pan-India basis. After selection of developers on the basis of Tariff-based Competitive bidding, SECI signs 25-year PPA for procurement of power from these projects. The power procured is in turn sold to Discoms through 25-year PSAs. SECI's initiatives in this sector have brought about rationalization of Wind Power Tariffs through a system of competitive procurement process and has strengthened competition in the industry. These tenders have also made it possible for all states to avail the benefits of Wind Energy at economical tariffs by enabling large scale inter-state transfer of Wind Power.

The company has awarded 2170 MW capacity of Wind Projects during FY 2020-21, thereby bringing the cumulative awarded capacity (Wind) by SECI to 11530.7 MW.

Of the awarded capacity, 1123 MW of projects have been successfully commissioned during FY 2020-21, resulting in aggregate commissioned capacity through SECI tenders to 3084.4 MW.

III. Tenders for Hybrid Power projects

To cater to the requirements of Discoms for firm and flexible RE power, SECI has brought out innovative tenders, viz. Solar-Wind Hybrid Projects, RE with assured supply during peak hours and Round the Clock (RTC) RE Power. For these projects, SECI is to float tenders for selection of developers, through tariff-based competitive bidding, for setting up of projects on pan-India basis, and to sign 25-year PPA for procurement of power from these projects for supply of such power to willing Discoms through back-to-back 25-year Power Sale Agreements (PSAs).

During FY 2020-21, SECI has awarded 1110 MW capacity of hybrid capacity and 400 MW of Round-the-clock (RTC) power projects.

390 MW Hybrid Project in Hybrrid Tranche 1 Tender

IV Grid Connected Roof-Top Programme

SECI has played a pivotal role in promoting Rooftop Solar through competitive bidding route in the country under various schemes of MNRE.

During FY 2020-21, 78.3 MW capacity has been under implementation for rooftop solar tender awarded in previous year.

V. Other Schemes of MNRE for promotion of RE

SECI is also implementing various schemes of MNRE in which it also plays the role of disbursing Central Financial Assistance to the project implementing agencies on the basis of pre-defined scheme milestones. Brief of these activities are given in this section:

(a) **Solar Parks Scheme:** The scheme was introduced by MNRE with an objective to facilitate the Solar Project

Developers to set up projects in a Plug and Play Model. In such Solar Parks, all infrastructural support including developed land, power evacuation facilities and water are provided to developers for setting up of Solar Projects. Under the scheme, SECI is overseeing implementation of 46 no. of Solar Parks with a capacity of 37091 MW and an outlay of ₹ 8000 Cr. of CFA. During FY 2020-21, CFA of ₹ 68.18 Cr. has been disbursed by SECI to the various Solar Park implementation agencies.

Further, as per scheme provisions, Solar Parks in the states of Andhra Pradesh, Karnataka, Madhya Pradesh, Kerala, Uttar Pradesh and Himachal Pradesh are being implemented through Joint Venture companies of SECI with the respective state designated agencies.

(b) **Canal Top/ Canal Bank Scheme:** The objective of this scheme is to utilize the areas available on Canal-Tops and at Canal-Banks for development of Solar Projects. Till 31.03.2021, 94 MW capacity of projects have been commissioned in 7 states. During FY 2020-21, CFA of ₹ 19.41 Cr. has been disbursed by SECI to the various implementation agencies.

(c) **Scheme for Defence Establishments:** This scheme was launched by MNRE to encourage Defence establishments to set up Solar Power Projects, and 181.4 MW of projects have been commissioned till 31.03.2021. CFA of ₹ 10.90 Cr. has been disbursed by SECI under the scheme during FY 2020-21.

VI. Project Development

Apart from implementation of tenders/schemes for setting up of large scale Solar and Wind Projects through third party investments, SECI also engages in development of RE projects through its own investment. The company also offers Project Management Consultancy Services to other Govt. Agencies/PSUs for RE projects. Some of these initiatives are listed below:

Projects under PMC-SECI is implementing about 400 MW of projects for various entities under PMC mode out of which about 150 MW capacity (cumulative) has been commissioned. Some of the major projects under execution in FY 2020-21 are as follows:

- 300 MW for SCCL- SECI is undertaking development of 300 MW aggregate capacity of Solar Projects in different locations of Telangana, on behalf of Singareni Collieries Company Ltd. (SCCL). The projects are under various stages of execution and the first project of 10 MW commissioned.
- 2 MW for MES, Meerut - A 2 MW Solar Project at Military Engineer Services (MES), Meerut has been successfully commissioned by SECI in January, 2021.
- Rooftop Solar projects at BHU- SECI is undertaking development of Rooftop Solar Projects at Banaras Hindu University (BHU), Varanasi. 6.025 MW capacity has been charged.
- 50 MW Solar Project for THDC- A 50 MW Solar Project was developed in Kasaragod, Kerala. The project was commissioned in 31.12.2020.

CAPEX Projects- SECI has operational projects of 21 MW capacity under its ownership and the company is looking to expand its portfolio in Renewable Energy. Details of existing and ongoing projects are as follows:

- The first Solar PV Project of 10 MW capacity of SECI was commissioned in Badi Sid, Jodhpur district of Rajasthan on 31.03.2016.
- Further, SECI has installed 1 MW Rooftop Solar Power Project in Andaman & Nicobar Islands. The project was commissioned in June, 2017 and is under operation.
- Further, a 10 MW project has been set up at DRDO Kolar premises in Karnataka under a MoU signed with DRDO. The project was commissioned in October 2020.

10 MW solar project in DRDO Karnataka

- SECI is also developing a 100 MW (AC) Solar PV Project (160 MWp DC Capacity) with 40MW /120 MWh Battery Energy Storage System at Rajnandgaon Chhattisgarh. The project is being developed to demonstrate supply of Solar Power in the non-daylight hours through use of large scale Battery Storage. This is first of its kind in the country and also will see the largest ever deployment of Battery Storage in India.
- To help Jharkhand to develop Solar Plants in the State in face of land constraint, SECI is planning to develop a 100 MW FSPV Power Plant in Getalsud Dam, Jharkhand. DPR for the project has been prepared. Water lease and PPA documents are under the approval of Jharkhand Bijli Vitran Nigam Limited (JBVNL).
- SECI, responding to the call of Hon'ble PM to create Diesel-Mukt Lakshadweep, is working to solarize Lakshadweep Islands with a proposed capacity of 1.95 MW Floating / Ground Mounted Plant with 2.15 MWh BESS. Currently, project is under implementation.

- SECI is also developing a 20 MW/50 MW (dc) with 50 MWh BESS in Leh: EPC tender has been awarded in August, 2021 Project is being set up under J&K PMDP 2015 scheme and work has commenced.

VII. Power Trading

SECI is a Category-1 trading licensee for trading of power on Pan-India basis. It is the power procurement intermediary for projects being set up through SECI tenders, procuring power from developers and selling to Discoms through long term PPAs/PSAs.

Currently, SECI is the premier trader of RE power in the country. It has cumulatively signed PPA/PSAs of 28.105 GW and is currently trading Renewable Energy with 24 States/ union territories. The annual trading volume has increased by 28.32% during FY 2020-21 over previous year with 14819 million units of electricity being traded.

7. Human Resource Management

The Human Resource Management function in SECI focusses on alignment of its human capital with the Company's strategic goals by propagating an employee friendly work environment, bolstered by constant skill enrichment and employee friendly work policies. Human resources in SECI, has emerged as a pivotal function, integral to the business by helping it grow and evolve.

SECI Ltd have always strived to ensure that its workforce is representative of all sections of the society. The Equal Opportunity Policy is framed in compliance of the provisions of the Rights of people with Disability Act, 2016 (RPWD Act 2016), SECI Ltd commits comply with the said Act and has been notified vide circular dated 04.06.2020. SECI recognizes the value of diverse workforce and is committed to provide equal opportunities to Persons with Disabilities in employment and creating an inclusive workplace and culture in which all employees are treated with respect and dignity.

Considering the requirement amendments have been brought in SECI Leave Rules and SECI Career Progression Policies to make the policies more employee friendly.

During the year employees were exposed to various online web-based learning programmes, considering the COVID norms to leverage modern technology and provide appropriate facilities to groom our talented workforce.

Total 11 candidates were selected through Campus Placement from various IITs to infuse new talent in the organisation. A focused induction training programme of 3- months for our new joinees was conducted to acquire them required skill set which shall help in performing their jobs efficiently.

SECI has inducted Apprentices for providing on-the-job training in various fields like human resource, finance, renewable and solar disciplines.

Enterprise Resource Planning Software (SAP) have been introduced in HR for to bring out more transparency in HR processes and to maintain centralized data base.

8. Particulars of Employees

The total permanent manpower as on 31.03.2021 is 97 (including Directors) with 09 employees belonging to SC, 3 employees belonging to ST and 17 employees belonging to OBC and 19 women employees. We have 02 numbers of Divyang employees.

9. Official Language

In conformity with the Official Language policy of the Government of India to promote the use of Hindi in our daily official work and to achieve the targets prescribed by the Department of Official Language in their Annual program, multi-pronged efforts have been made to increase the use of Hindi in our official work. For this purpose, during the year, four workshops were organized in which officers and employees were acquainted with the requirements of Official Language Act and Rules framed thereunder. Besides these, officers and employees were also imparted training on working in Hindi on computers. The company also internally conducts quarterly review of the progress made in the Rajbhasha implementation and the reports were sent to Administrative Ministry. Four meetings of official language implementation committee were held during the year. All the forms and standard drafts within the company have been made bilingual; in Hindi and English.

Various Competitions like Poster, Essay, Slogan, Chitra Abhivyakti were organised during Hindi Pakhwada observed from 01 September 2020 to 14th September 2020 and winners were awarded.

Hindi Pratiyogita organized under the aegis of City Official Language Implementation Committee

International Women's Day celebration on 8th March, 2021

10. Right to Information Act

The Company has made mandatory disclosure of Information under Right to Information Act, 2005 on SECI website. Company provides information to the citizens of India and also to maintain accountability and transparency in the working of the company. The company has a designated Public Information Officer (PIO) and Appellate Authority at its registered office. During FY 2020-21, 109 RTI applications were received, all of which were duly processed and replied to.

11. Prevention of Sexual Harassment

As per the requirement of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, and Rules made thereunder, the company has constituted Internal Complaint Committee (ICC) to redress complaints received regarding sexual harassment. During the FY 2020-21, one complaint was received and ICC submitted its report which is under examination.

12. Information Technology

SECI is maintaining a modern and secure structured data network with centralized server facility and latest desktops/laptops for users. Server room is equipped with network and internet security devices with high speed LAN and WAN connectivity. Video conferencing (VC) facility is being used for virtual meetings with client/s and between employees as well. Company has a corporate website (www.seci.co.in) and secure E-mail connectivity. The responsive corporate website is compatible with all kinds of mobile and desktop devices and has the facility of dynamic transliteration to major national and international languages as per the user's choice. Cloud enabled SAP ERP System which integrates major business and back office functions of the company has also been deployed. Company has also deployed cloud enabled NIC E-Office for electronic movement & tracking of files and strengthens the Government's vision of Digital India. The company is continually portraying its activities and major accomplishments through social networking websites like Twitter & Facebook. An Intranet website is deployed to facilitate dissemination of company-related information to the employees. For knowledge enrichment of employees, e-Library has been hosted on cloud wherein content can be accessed on various categories such as Solar, Health, Fiction, S&T, e-magazines, e-newspaper, e-journals etc.

13. Joint Ventures (JV)

The company has six joint venture companies:

S. No.	Name	Shareholding pattern
1	Andhra Pradesh Solar Power Corporation Private Limited	SECI (50%), APGENCO (41%) & NREDCAP (9%)
2	Karnataka Solar Power Development Corporation Limited	SECI (50%) & KREDL (50%)
3	Lucknow Solar Power Development Corporation Limited	SECI (50%) & UPNEDA (50%)
4	Renewable Power Corporation of Kerala Limited	SECI (50%) & KSEB (50%)
5	Rewa Ultra Mega Solar Limited	SECI (50%) & MPUVNL (50%)
6	Himachal Renewables Limited	SECI (50%) & HPSEBL (50%)

These joint ventures have been set up primarily to set up large scale Solar Parks and related infrastructure and Solar Parks of a combined capacity of 7600 MW have been developed through them.

14. Vigilance

SECI has vigilance department to ensure transparency, efficiency and integrity and adoption of best corporate practices in the working of organization. It seeks to promote the highest ethical standards in the organization.

The Company also has a Whistle-blower Policy meant for employees to raise any ethical issues within the organisation. Vigilance department is headed by Chief Vigilance Officer (CVO) acts as a link between the organization and Chief Vigilance Commission (CVC), to ensure compliance of the instructions/guidelines issued by the CVC.

The Vigilance Department plays an advisory role to the top management in matters pertaining to vigilance. The Department ensures implementation of laid down guidelines/procedures through preventive checks of tenders and contracts, execution of works, and other functions as well as carries out investigations into complaints.

As per the provision of Integrity Pact and relevant guidelines of Central Vigilance Commission, 02 numbers of Independent External Monitor (IEM) have also been appointed to examine complaints from the bidder and give their report to the Chief Executive of the organization and also to monitor compliance of the integrity pact. Vigilance strives to achieve its objective of promoting an impartial, fearless, and transparent environment in the functioning of the organisation by taking steps to prevent unethical practices.

Vigilance Awareness Week-2020 (VAW) was observed from 27th October to 2nd November, 2020. The theme of Vigilance Awareness Week- 2020 was "सतर्क भारत समृद्ध भारत - Satark Bharat Samriddh Bharat" (Vigilant India Prosperous India)". During the week, various activities such as Essay writing, Drawing and Slogan writing Competitions were held to promote awareness. Other events, such as training workshop for SECI employees and vendors/ customer interaction workshop was also conducted.

15. Particulars of Loans, Guarantees or Investments under Section 186

The company has not extended any loans to any person or other body corporates. The company has given indemnity/counter guarantee to banks for issuing guarantees/Letter of Credit(s) in favour of transmission companies, tax authorities, developers and others. The outstanding guarantee(s) as on 31.03.2021 are of Rs. 443.07 Crores. The company, as per the approved Investment Policy, has invested surplus funds of SECI. Payment Security Mechanism funds, funds received from MNRE towards VGF/Grant etc. have been kept in interest bearing accounts with banks.

16. Particulars Regarding Conservation of Energy, Technology Absorption and Foreign Exchange Earnings & Outgo

The company has not made any foreign currency earnings. The expenditure of foreign currency during the period is Rs. 0.08 Crore mainly for official tours and travels, training, business promotion, subscription & purchase of software.

17. Audit of Accounts

M/s Pandey & Company, Chartered Accountants, were appointed as Statutory Auditors for the year 2020-21 by the Comptroller and Auditor General of India, New Delhi. The Report of Statutory Auditors for Standalone and Consolidated Financial Statements for 2020-21 is placed at **Annexure-A**. Comments of C&AG is placed at **Annexure-B**.

18. Corporate Governance

The Company is committed to sound Corporate Practices based on conscience, openness, fairness, professionalism and accountability for achieving sustainable long term growth to achieve the Mission set by the Government.

A Report on Corporate Governance forming part of the Directors Report is given at **Annexure-C**. Moreover, a certificate of the compliance of the prescribed Corporate Governance Guidelines, received from the Practicing Secretary, M/s Vikas Gera and Associates, Company Secretaries, is given at **Annexure-D**.

19. Extract of Annual Return

In accordance with the provisions of section 134(3) of the Companies Act, 2013, an Extract of Annual return in prescribed format is enclosed as **Annexure-E**.

20. Internal Financial Control

The Board has adopted the policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the business policies, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of accounting records, and timely preparation of reliable financial disclosures.

21. Code of Conduct

In compliance with the DPE Guidelines, the Company has framed the Code of Conduct and Ethics ('The Code') which is applicable to all the Board Members and Senior Managerial Personnel one level below the Board. The affirmation regarding the Compliance of 'The Code' has been obtained from all the Board Members and Senior Managerial Personnel one level below the Board.

22. Directors' Responsibility Statement

- The applicable Accounting Standards have been followed along with proper explanation relating to material departures, if any;
- Appropriate Accounting Policies have been selected and applied consistently and have made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company as at March 31, 2021 and Statement of the Profit and Loss of the Company for the year ended March 31, 2021;
- Proper and sufficient care has been taken for the maintenance of adequate Accounting Records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and preventing and detecting fraud and other irregularities; and;
- The Annual Accounts have been prepared on a going concern basis.
- Proper Internal Financial Controls were followed by the Company and such Internal Financial Controls are adequate and were operating effectively;
- Proper systems are devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

23. Secretarial Auditors

Pursuant to the provisions of section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of the Managerial Personnel) Rules 2014, the Board of Directors has approved the appointment of M/s Vikas Gera and Associates, Company Secretaries, for conducting Secretarial Audit of the company for the FY 2020-21. A copy of the Secretarial Audit Report is placed as **Annexure-F**.

24. Acknowledgement

The Directors wish to express their sincere gratitude to the Ministry of New and Renewable Energy for the continued support and guidance. The Directors are thankful to all stakeholders, Central and State Govt. Ministries and Departments, NITI Aayog, Central and State Electricity (generation, transmission and distribution) companies, Grid operators, Central and State Electricity Regulatory Commissions, Central Electricity Authority, State Nodal Agencies, Multi-Lateral/ Bilateral Agencies etc. for their continued support to SECI.

The Directors appreciate the faith and confidence reposed by all clients, investors, funding agencies, lenders and stakeholders in SECI's business activities.

Last but not the least, the Directors are grateful for the untiring efforts and contributions made by the employees at all levels to ensure that the company continues to grow and excel.

For and behalf of the Board of Directors

Sd/-
Suman Sharma
Managing Director
DIN No.: 09319566

Sd/-
C. Kannan
Director (Finance)
DIN No.: 06458185

Place : New Delhi
Date : 29.09.2021

Annexure-A

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INDEPENDENT AUDITORS' REPORT

To the Members of Solar Energy Corporation of India Limited.
Report on the Audit of the Standalone IND AS Financial Statements

Opinion

We have audited the Standalone IND AS financial statements of Solar Energy Corporation Of India Ltd ("the company") which comprise the balance sheet as at 31st March 2021, and the statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity, and Statement of Cash Flows for the year ended on that date, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone IND AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("IND AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Standalone IND AS Financial Statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Standalone IND AS Financial Statements.

Emphasis of Matter

We draw attention to the following matters in notes to the Standalone IND AS Financial Statements

1. **Note no. 45.2.2 -** The Solar Power Developers have filed petitions (36 cases) in Central Electricity Regulatory Commission (CERC) against Solar Energy Corporation Of India. The estimated claim value indicated by the developers in 10 cases is ₹ 81,765.16 Lakhs and in balance 26 cases by developers have not quantified the claim under various sections of Electricity Act, seeking claim of reimbursement of GST/Safeguard duty due to change in law. The amount of claim is contingent. Further, the same will be recoverable from the respective buying utilities on back to back basis. (also Refer Note No. 72).

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2. **Note no. 61 –** Solar Energy Corporation of India planned for establishing the project is about 889.90 acres, out of which advance possession for 690.68 Acres of land has been obtained. However, as per new export policy, A.P government stated that the land now will be allocated to Solar Energy Corporation of India on lease basis only and lease rent will commence from the date of advance possession. Solar Energy Corporation of India stated to NREDCAP that the proposed lease rental start date from the advance possession date is unacceptable to Solar Energy Corporation Of India. The matter is under consideration with A.P Government.

3. **Note no. 70 –** Regarding outbreak of Covid - 19 and assessment of its impact made by the management on its business and operations. The Company believes that the impact due to the outbreak of COVID-19 is likely to be short-term in nature and does not anticipate any medium to long-term risks in the Company's ability to continue as a going concern. The actual impact may not be in line with the estimates made by the entity.

   Our opinion is not modified in respect of these matters.

Other Matter

1. **Note no. 59 –** Regarding the Service tax audit conducted for the period 01.04.2014 – 30.06.2017 conducted by auditors appointed by Service tax department. Based on the audit, Service Tax Department had raised Service Tax demand of ₹ 559.35 Lakhs (₹ 244.18 Lakhs service tax liability, ₹ 278.54 Lakhs interest on service tax demand and ₹ 36.63 lakhs penalty on service tax demand) which was paid by the company.

   Our opinion is not modified in respect of this matter.

Information Other than the Standalone IND AS Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Company's annual report but does not include the Standalone IND AS financial statements and our auditor's report thereon.

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

In connection with our audit of the Standalone IND AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone IND AS financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Standalone IND AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Standalone IND AS financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the company in accordance with the accounting principles generally accepted in India, including the

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Indian accounting Standards (IND AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Standalone IND AS Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If

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we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

Materiality is the magnitude of misstatements in the Standalone IND AS financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone IND AS Financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication. The company being unlisted reporting as per SA-701 "Communicating key audit matters in Independent Auditor's report" is not mandatory.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of subsection (11) of section 143 of the Companies Act, 2013, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by section 143(5) of the act, on the basis of such checks of books and records of the company as we considered appropriate and according to the information and explanation given to us, we give in Annexure B, a statement on the directions and sub- directions issued by the Comptroller and Auditor General of India.

3. As required by Section 143(3) of the Act, we report that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

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b) In our opinion, proper books of account as required by law have been kept by the company so far as it appears from our examination of those books.

c) The standalone Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), and the Cash Flow Statement and the Statement of Change in Equity dealt with by this Report are in agreement with the books of account.

d) In our opinion, the aforesaid Standalone IND AS financial statements comply with the Indian Accounting Standards (IND AS) specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2015.

e) Being a Government Company pursuant to the Notification No. GSR 463(E) dated 5 June 2015 issued by the Ministry of Corporate Affairs, Government of India, provisions of sub-section (2) of Section 164 of the Act, are not applicable to the Company.

f) With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate Report in Annexure C.

g) As per Notification No. GSR 463(E) dated 5 June 2015 issued by the Ministry of Corporate Affairs, Government of India, Section 197 of the Act is not applicable to the Government Companies. Accordingly, reporting in accordance with requirement of provisions of section 197(16) of the Act is not applicable on the Company.

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

   i. The company has disclosed the impact of pending litigations on its financial position in its financial statements refer Note 45.2 to the Standalone IND AS financial statements.

   ii. The company does not have any long-term contracts including derivative contracts as at 31st March 2021 for which there were any material foreseeable losses.

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

For Pandey & Co.
Chartered Accountants
Firm Registration No: 000357C

Sd/-
CA Amit Pandey
(Senior Partner)
Membership No: 402377
UDIN: 21402377AAAAI7443

Place: New Delhi
Date: 31.07.2021

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Chartered Accountants

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Annexure A to Independent Auditors Report

Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date to the members of Solar Energy Corporation of India Limited on the Standalone Financial Statements for the year ended 31 March 2021

i. (a) The Company has generally maintained proper records showing full particulars including quantitative details and situation of fixed assets (Property, Plant & Equipment).

(b) The Company is having an annual programme of physical verification of all fixed assets (Property, Plant & Equipment), which, in our opinion, is reasonable having regard to the size of the Company and the nature of its fixed assets. No material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us the company does not have any immovable property under its ownership. Accordingly, clause 3(i) (c) is not applicable.

ii. The company does not hold any physical inventory. Accordingly, provisions of clause 3(ii) are not applicable.

iii. The Company has not granted any loans, secured or unsecured to any companies, firms, limited liability partnership or other parties covered in the register maintained under Section 189 of the Act. In view of the above, reporting under clause 3 (iii)(a), 3 (iii)(b) and 3 (iii)(c) of the Order is not applicable.

iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Act, as applicable, in respect of loans advanced to subsidiary companies & joint venture company and investments made in the subsidiary and joint venture companies. The Company has not given any guarantee or provided any security in respect of which the provisions of section 185 and 186 of the Act are applicable.

v. The Company has not accepted deposits from the public. As such, the directives issued by the Reserve Bank of India, the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder are not applicable to the Company

vi. According to the information and explanations given to us, the maintenance of cost records under sub-section (1) of Section 148 of the Act read with Companies (Cost Records & Audit) Rules, 2014, as amended are not required to be maintained by the company.

vii. (a) Undisputed statutory dues including provident fund, income tax, sales tax, goods and service tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues have generally been regularly deposited with the appropriate authorities and there are no undisputed statutory dues outstanding as on 31 March 2021 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us there are no material dues of income tax, sales tax, service tax, cess, goods and service tax, service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute.

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viii. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to financial institutions, banks or dues to debenture holders. The company has not taken any loan from the Government.

ix. The Company has not raised any money by way of initial public offer or further public offer (including debt instruments). According to the information and explanations given to us, the money raised by the Company by way of term loans have been applied for the purposes for which they were obtained.

x. According to the information and explanations given to us and as represented by the Management and based on our examination of the books and records of the Company and in accordance with generally accepted auditing practices in India, no case of fraud by the Company or any fraud on the Company by its officers or employees has been noticed or reported during the year.

xi. As per Notification No. GSR 463(E) dated 5 June 2015 issued by the Ministry of Corporate Affairs, Government of India, Section 197 of the Act is not applicable to the Government Companies. Accordingly, provisions of clause 3 (xi) of the Order are not applicable to the Company.

xii. The provisions of clause 3 (xii) of the Order, for Nidhi Company, are not applicable to the Company.

xiii. The Company has complied with the provisions of Section 177 and 188 of the Act w.r.t. transactions with the related parties, wherever applicable. Details of the transactions with the related parties have been disclosed in the Standalone Financial Statements in note no. 42 as required by the applicable Indian Accounting Standards.

xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, provisions of clause 3 (xiv) of the Order are not applicable to the Company.

xv. Based on the audit procedures performed and information provided by the management the Company has not entered into any non-cash transactions with the directors or persons connected with them as covered under Section 192 of the Act.

xvi. According to information and explanation given to us, the Company is not required to be registered under section 45-IA of Reserve Bank of India Act, 1934. Accordingly, provision of clause 3(xvi) of the Order is not applicable to the Company.

For Pandey & Co.
Chartered Accountants
Firm Registration No: 000357C

Sd/-
CA Amit Pandey
(Senior Partner)
Membership No: 402377
UDIN: 21402377AAAAAI7443

Place: New Delhi
Date: 31.07.2021

Pandey & Co.
Chartered Accountants

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ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date to the members of SOLAR ENERGY CORPORATION OF INDIA LIMITED on the Standalone Financial Statements for the year ended 31 March 2021.

Report on the Revised Directions issued by the Comptroller and Auditor General of India under Section 143(5) of the Companies Act, 2013 for the Financial Year 2020-21.

Sl. No.	Directions u/s 143(5) of the Companies Act, 2013	Auditors' reply on action taken on the directions	Impact on financial statement
1.	Whether the company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.	As per the information and explanations given to us, the Company has a system in place to process all the accounting transactions through IT system. SAP- ERP has been implemented for all the processes like Financial Accounting, Controlling, Sales and Distribution, Payroll / Human Capital Management, Material Management, Commercial billing / Industry Solution Utilities etc. Based on the audit procedures carried out and as per the information and explanations given to us, there are no implications on integrity of accounts due to processing of transactions other than financial accounting outside IT System	Nil
2.	Whether there is any restructuring of an existing loan or cases of waiver/ write off of debts /loans/interest etc. made by a lender to the company due to the company's inability to repay the loan? If yes, the financial impact may be stated. Whether such cases are properly accounted for? (In case, lender is a Government company, then this direction is also applicable for Statutory Auditor of lender company).	According to the information and explanations given to us, there was no restructuring of existing loans or cases of waiver/write off of debts/ loans/ interest etc. made by the lender to the company due to the company's inability to repay the loan.	Nil

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3.	Whether funds (Grants/subsidy etc.) received/receivable for specific schemes from Central / State Government or its agencies were properly accounted for/ utilized as per its term and conditions? List the cases of deviation.	Based on the audit procedures carried out and as per the information and explanations given to us, the funds (Grant / subsidy etc.) received/ receivable for specific schemes from central /State agencies were properly accounted for /utilized as per the respective terms and conditions.	Nil

For Pandey & Co.
Chartered Accountants
Firm Registration No: 000357C

Sd/-
CA Amit Pandey
(Senior Partner)
Membership No: 402377
UDIN: 21402377AAAAAI7443

Place: New Delhi
Date: 31.07.2021

Pandey & Co.
Chartered Accountants

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ANNEXURE C TO THE INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 3 (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date to the members of SOLAR ENERGY CORPORATION OF INDIA LIMITED on the Standalone Financial Statements for the year ended 31 March 2021.

Report on the Internal Financial Controls with reference to the Standalone Financial Statement under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act").

We have audited the internal financial controls with reference to the Standalone Financial Statements of SOLAR ENERGY CORPORATION OF INDIA Limited ("the Company") as of 31 March 2021 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to the Standalone Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to the Standalone Financial Statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial control with reference to the standalone Financial Statements and their operating effectiveness. Our audit of internal financial control with reference to the Standalone Financial Statements included obtaining an understanding of internal financial control with reference to the Standalone Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls with reference to the Standalone Financial Statements

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

Inherent Limitations of Internal Financial Controls with reference to the Standalone Financial Statements

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial control with reference to the Standalone Financial Statements in place and such internal financial controls with reference to the Standalone Financial Statements were operating effectively as at 31 March 2021, based on the internal controls over financial reporting criteria established by the Company considering the components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the ICAI.

For Pandey & Co.
Chartered Accountants
Firm Registration No: 000357C

Sd/-
CA Amit Pandey
(Senior Partner)
Membership No: 402377
UDIN: 21402377AAAAAI7443

Place: New Delhi
Date: 31.07.2021

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COMPLIANCE CERTIFICATE

We have conducted the audit of annual accounts of Solar Energy Corporation of India Limited (CIN: U40106DL2011GOI225263) for the year ended 31 March, 2021 in accordance with directions/ sub directions issued by the CAG of India under section 143(5) of the Companies Act, 2013 and certify that we have complied with all the directions and sub directions.

For Pandey & Co. Chartered Accountants
Firm Registration No: 000357C

Sd/-
CA Amit Pandey
(Senior Partner)
Membership No: 402377
UDIN: 21402377AAAAAI7443

Place: New Delhi
Date: 31.07.2021

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INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF SOLAR ENERGY CORPORATION OF INDIA LIMITED

Report on the Audit of the Consolidated Financial Statements

Qualified Opinion

We have audited the accompanying Consolidated Financial Statements of **SOLAR ENERGY CORPORATION OF INDIA LIMITED** (hereinafter referred to as "the Company") and its joint ventures (the Company and its joint ventures together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at 31 March, 2021, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the Consolidated Financial Statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us except for the effect on the financial statements of the matters described in basis for qualified opinion paragraph, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and gives a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs (financial position) of the Group and its joint ventures as at March 31, 2021, and their consolidated net profit (financial performance including other comprehensive income), their consolidated changes in equity and consolidated cash flows for the year ended on that date.

Basis for Qualified Opinion

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

1) **Andhra Pradesh Solar Power Corporation Private Limited:** APSPCPL has a net profit of Rs. 5673.91 lakhs for the year ended on 31.03.2021 out of which Rs.2836.96 lakhs being Solar Energy Corporation of India Limited's share has been considered in consolidated financial statements.

   a) Sale of two transformers (sold at a profit of Rs. 1,29,30,044) has been credited to CWIP leading to understatement of CWIP and understatement of profit by Rs. 1,29,30,044. Also. income tax provision is understated and MAT credit is overstated on the mentioned amount.

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b) GST input is claimed on Building and infrastructure (immovable assets) where as per the provisions of GST Act such input is not available. To the extent of GST input, CWIP under Non-current assets are understated and current assets are over stated.

2) **Lucknow Solar Power Development Corporation Limited:** LSPDCL has a net profit of Rs. 164.50 lakhs for the year ended on 31.03.2021 out of which Rs.82.25 lakhs was Solar Energy Corporation of India Limited's share but has not been considered in consolidated financial statements for the reason of the qualifications in its audit report.

A. Property, Plant & Equipment

i. **Land - On 'Right to use' Basis** - The Company has not declared any accounting policy for land acquired on Right to use basis free of costs. Company response is that these have been dealt in policy of Government Grant while land of this nature requires a specific dedicated accounting policy.

ii. **Plant and Machinery –**

- Company has not declared any accounting policy for upgradation/extension of existing sub stations of UPPTCL, connection agreements with UPPTCL in 2016-2017 and STU Grid strengthening expenditure. Amount already spent on existing Sub Stations of UPPTCL till 31.03.2021 is Rs. 2581 Lakhs (exclusive of GST) out of total estimate of Rs. 3584 Lakhs (inclusive of GST) and on STU Grid strengthening is Rs. 2637 Lakhs.

iii. **Government Grants –**

- The company received the non-monetary grant in the form of Land in the accounting year 2015-2016 and it remained unaccounted till 2019-2020. It has been accounted in the restated Financial Statements (FS) for the year 2019-2020. The Declared Accounting Policy would relate to period in which the transaction had taken place i.e., 2015-2016 and not otherwise. The non-monetary grant, as per IND AS 20 guidelines in the year 2015-2016 was to account for 'Land Provided free of costs for at fair value', amortizes over the period of Grant on straight line and recognize Government Grant as deferred income over the period of Grant on straight line basis. The Company has not followed IND AS 20 guidelines while making its restated FS for the year 2019-2020.

- The Accounting policy declared for accounting of non-monetary Government Grants is at Rs. 1.The option to account for Land provided free of costs at Rs. 1 came in effect from 01.04.2018 vide second amendment dated 20.09.2018. The Company could move to this option following the provisions of "IND AS 8 - Change in Accounting Policies" with due approvals from its Board of Directors but same has not been followed.

iv. **Local Area Development Charges -LADC**

- The declared accounting policy on the subject is not confirming to IND AS guidelines applicable to classification of assets/liabilities as 'any assets / liability, inter-alia, not held Primary for the purpose of

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trading' are to be treated as non-current assets. Company in its basis of preparation for Current & Non-Current Classification has confirmed this Classification.

- Local Area Development Fund Account (LADF) is not held 'Primarily for the purpose of trading'. The liability and the dedicated bank balance are, therefore, to be shown as non-current liabilities/assets while it has been shown as current liabilities & assets.
- It has also been provided in declared Accounting Policy that no revenue shall be recognized on this account. It is worthwhile to mention here that The Authority for Advance Ruling in Karnataka vide its order in case no KAR ADRG 10/2020 dated 18.03.2020 in a similar case of Karnataka Solar Power Development Corporation has decided that LADC is Revenue from operations and liable for payment of GST. This has resulted in violation of CGST Act, 2017.

v. Revenue - One Time Upfront Development Charges

- Company declares that these charges have been treated as advance till Solar Park are developed & capitalized and are recognized as Contract Liability and shown as non- current liability as per IND AS 115.The invoice raised in the year 2016-2017 did not mention any advance, has treated this as service rendered in 2016-2017 and full- service tax has been charged as the services have been rendered in full.
- The accounting policy further provides that One-time development charges are recognized as income in the Statement of Profit & Loss on proportionate basis over the lease period with the developer after the capitalization of Solar Park Assets. One Time Development charges should be recognized for revenue under IND AS 115 once the obligations under ODE have been fully discharged. Their spread over 25 years for revenue recognition is not as per provisions of IND AS 115. While every year, the Profit & Loss Prepared and Income offered to Income Tax in accordance thereof, 1/25 of this is revenue for the year. Rs. 261 Lakhs has been considered as revenue for income tax for the year 2020-2021. No Revenue is declared on this account for income tax in the year 2016-2017.

vi. Company as the Lessee

- Accounting policy provides for analysis of a contract as to whether a contract contain a lease, i.e., a Right to control the use of asset for a period in exchange for consideration. Therefore, disclosures required by IND AS 116 have not been made.

vii. Impairment of Non-Financial Assets

- Company has declared an accounting policy but has not implemented it. It is 6th Financial Statement of the Company, but no Impairment test reports are availing with the company while it has substantial assets as on 31.03.2021 & provision of IND AS 14 requires this test to be applied every year.
- Reference can be drawn to 'under construction and partially complete asset' of Rs. 5218 Lakhs and construction has been put 'on Hold" before August 2019 for want of projects and funds. These assets are classic cases for impairments.

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viii. Land - On 'Right to use' Basis -

- The Company is provided Land 'Free of Costs' by Government of Uttar Pradesh on "Right to Use" (ROU) basis. ROU is not for any 'specified period'. ROU, therefore, cannot be said to have conferred any long-term privilege to Company in the absence of any 'specified period'. The Company has considered the period of ROU as 25 years on its own and capitalised the asset accordingly. This is primarily based on its agreement with Solar Power Developers for 25 years. Both these are standalone Contracts with its own operability. Hence such cannot be considered 'Long Term' unless specified in writing by UP Government, until then it should be considered as 'Short-Term Land' for all accounting purposes.

- Company has allotted the portions of these Land to Solar Power Developers for putting up their Solar Power Plant on ROU Land. A Privilege of ROU does not confer on the company, the right to deal with the Land in any other way than ROU. Company has not followed, rather contravened, the ROU conferred on it by the Government of Uttar Pradesh.

ix. Roads

- LSPDCL has capitalized 'Carpeted Roads – RCC' for Rs. 226 Lakhs. As per Detailed Project Report (DPR), these are single lane approach Roads, use of which is not in 'control' of Company. In terms of IND AS guidelines, these are revenue expenses. Revenue expenses of 2017-2018 & 2018-2019 have, therefore, been understated by Rs. 129 Lakhs & 97 Lakhs, respectively and Property, Plant & Equipment (PPE) have, therefore, been overstated by Rs. 126 Lakhs & 97 Lakhs in the year 2018-2019 & 2019- 2020 respectively as the capitalization of these expenses have been done in the subsequent year.

x. Plant & Machinery

- Under Property Plant & Equipment, Internal Transmission lines are capitalised by the company as Plant & Machinery which have been constructed by UPPTCL-The State Transport Utility (STU), at the cost to the Company. However, the 'control' of the Internal Transmission Lines has not been transferred to Company by UPPTCL as entire Intra - State transmission network is Controlled by the UPPTCL.

- The Capitalised amount of Plant & Machinery are based on documents other than tax invoices (not received by company) for Mirzapur plant. Also, there is a mismatch of amount as per UPPTCL and amount capitalised in the books of the company. As per UPPTCL, the cost of Mirzapur Plant including GST is Rs. 704 Lakhs while the value considered by the company is Rs. 590 Lakhs. Resulting in under capitalization of Rs. 114 Lakhs for the Plant of Mirzapur and under charging of depreciation and under recognizing of Government Grant as Deferred Income accordingly. Amount indeterminate.

- Based on third-party communications, there is over Capitalisation to the extent of Rs. 1607 Lakhs (inclusive of GST) of substation which is under construction and partially complete, depreciation and Deferred Grant Income has been overstated. Amount indeterminate.

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B. Other Non-current Assets

i. Capital Advance-Transmission Lines: Rs. 2562 Lakhs

- Company has booked Capital Advance at Rs. 2562 Lakhs as on 31.03.2021, It has not fully accounted for the amount spent by UPPTCL for assets 'under construction and partially complete for Rs. 5218 Lakhs'. Only Rs. 1607 Lakhs (inclusive of GST) has been accounted for by Company and balance amount has not been accounted for on the ground of the dispute of utilisation of Government Grant of Rs. 1719 Lakhs. As such Capital Advance has been overstated by Rs. 2562 Lakhs and Liability to UPPTCL has been understated by Rs.1345 Lakhs (Rs. Lakhs 5514-2562-1607) and Capital Work in Progress has been understated by Rs. 3907 Lakhs (5514-1607).
- Company has also overstated Government Grants receivable at Rs. 1402 Lakhs because of wrong Capitalisation of Rs. 1607 Lakhs (inclusive of GST). Amount indeterminate.
- This capital work in progress / capital advance, as may be called, is liable for 'Impairment' in terms of IND AS 36 – Impairment of Non- Financial Assets. IND AS 36 provides for impairment to be done at each Balance Sheet Date and needful corrections are carried out based on the result of impairment testing.
- Amount of 'under construction and partially complete work' on hold since August 2019 is Rs. 5218 Lakhs (exclusive of GST). Impairment test has not been done by the company and requirement of IND AS 36 has not been fulfilled which may have substantial bearing in the financials of the year. Amount indeterminate.

C. Current Financial Assets – Bank Balances – Cash & cash equivalents

i. Company has shown Bank Balance of Rs. 257 Lakhs as on 31.03.2021.

ii. This has been understated by Rs. 40,24,831 by two transactions as follows:

- Transaction done through Digital Mode on 28.06.2021 for Rs. 39,40,000 and Rs. 84,831, have been recorded on 31.3.2021 as Transaction Type 'Cheque /DD', however the value of transaction debited by bank on 28.06.2021 is for a single value of Rs.46,90,700 and it has been accounted for in two financial years i.e. 2020- 2021 and 2021-2022.
- Such transactions tantamount to falsification of Financial Status and render Cash & Cash Equivalents as on Balance Sheet Date as untrue and unfair.
- Company has considered TDS deducted by SPD for LADC payments from the year 2018-2019 to 2020-2021 amounting to Rs.6.33 Lakhs as its own tax payment while TDS are from Local Area Development Funds. Company was supposed to pay this amount back into LADF Bank Account in the respective years. As Such its Cash & Equivalents are overstated by this amount of Rs. 6.33 Lakhs in all as on 31.03.2021.

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D. Current Financial Assets – Bank balances other than cash equivalents

i. It includes Bank Balance in PNB CA no. 6194002100000252 for Rs. 490 Lakhs though it's not a Bank balance for the Company as its use is restricted by MNRE as Local Area

Development Fund are parked here. As such current assets have been overstated and non- current assets have been understated by Rs. 490 Lakhs.

ii. The Liability on this account is for Rs. 496.45 Lakhs. There is a mismatch of Rs. 6.45 Lakhs between this asset and corresponding liability which as per information provided is on account of TDS deducted by SPD. However, the amount of TDS is Rs. 6.33 Lakhs and after considering the same, there is still unexplained difference of Rs. 0.12 Lakhs.

E. Government Grant Accounting

i. Company is in receipt of Government Grant of Rs. 2082 Lakhs up to 31.3.2016 as Grant from MNRE out of which Rs. 1614 Lakhs is payable to MNRE as on 31.03.2021 as the projects have not been commissioned for 275 MW out of 440 MW as on Balance Sheet Date.

ii. The Grant was supposed to be kept in a dedicated bank account for proper monitoring of Grant including interest accounting. The Company has not kept separate bank account for Government Grant, mixed the Grant funds with other funds and no interest have been provided on Government Grants up to 31.03.2021. The interest earned on funds have been considered as other income of the company.

iii. In the restated accounted of 2019-2020 an interest of Rs. 18 Lakhs has been provided payable on Government Grant. Interest liability has been underprovided as interest on Grant funds of Rs. 1614 Lakhs (due as on 31.03.2016 and remained unpaid as on 31.3.2021) from 01.04.2016 to 31.03.2021 @ Rs. 6% works out to Rs. 484 Lakhs. and profit of respective years are overstated to that extent.

F. Revenue from Operations

i. Solar Power Park Project Development (One Time Development expenditure) (ODE)

- Solar Power Project Development (One Time Development Expenditure) has been collected from Solar Power Developers by the company in 2016 @ Rs. 39 Lakhs Per MW total Rs. 6435 Lakhs. Service Tax @ 14% & Cess 1% has been charged implying thereby that it is receipt of the year 2016-2017. Also, no advance has been carried forward in the books and in CGST Portal by the company under the Tran I / Tran II mechanism. The Company, in its service tax return 2016-2017 reported this receipt of Rs. 6435 Lakhs as "Value of Taxable Service" but same receipt of Rs. 6435 Lakhs has neither been reported as revenue in the P&L Account for the year 2016-2017 nor reported in Income Tax. The Company, for the purposes of Income Tax, is recognizing proportionate receipt every year as revenue from operations and declared its policy to spread this receipt over a period of 25 years. Unamortized balance is shown a non-current liability at Rs. 6460 Lakhs and Rs. 838 Lakhs as liability due within a year while the payment received by Company is non-refundable and there is nothing payable by the company.

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- The revenue from operation during the year for Rs. 838 Lakhs- and Finance Costs of Rs. 746 Lakhs- are therefore overstated and does not reflect a true and fair view of the revenue from operations.

ii. Amortization of Deferred Revenue of Rs. 76 Lakhs

- the value of Capitalisation done by the company is not proper as this amortization of deferred revenue which is calculated based on depreciation of the year is not in order.

iii. Other Income

- Interest income of Rs. 0.85 Lakhs which is earned on Local Area development fund has been reduced from total interest income instead of that to be shown as Finance Cost. Interest Income needs to be reported at Gross values as per Interest Income certificate issued by Bank.

iv. Local Area Development Fund liability (LADF): Rs. 496 Lakhs

- The liability and asset in this respect are understated by at least Rs. 330 Lakhs as revenue of Rs. 165 Lakhs due in the year 2016-2017 & 2017- 2018 has not been raised by the company as they were said to be deferred by the company till the commissioning of the plants. LADF, which should have been at least Rs. 825 Lakhs as on March 31, 2021 (exclusive of interest), is just at Rs. 496 Lakhs in Financial Statements of 2020-2021.
- The company has raised Tax Invoice for the collection of LADF but has not charged GST on ground that there is no supply in this charge.
- Therefore, the revenue and profits from operation for the 5 years 2016--2017 to 2019- 2021 have been understated by this amount of Rs. 165 Lakhs per year, Liability of GST on output services have neither been collected and nor paid which is Rs. 29.70 Lakhs per year. Such default will attract interest & penalty for late payment.

v. Penalty claim is made by Solar Energy Corporation of India Limited, for late commissioning of project, on the company for Rs. 34.52 Lakhs. The Company has not provided this known liability in the FS stating that it has applied for a waiver from Solar Energy Corporation of India Limited, who is co-promotor. No waiver has been received by the company. As such, profits for the previous years are overstated by this amount. Disclosure in the notes to Accounts does not suffice.

G. Non - Compliances of Goods & Service Tax Act 2017

Company is a taxable person within the meaning of CGST ACT, 2017 and accordingly registered with the CGST Authorities. However, Company is lacking GST compliances in major way.

i. Company is supposed to issue Tax Invoices u/s 31 of CGST ACT, 2017 giving particulars required u/r 46 for its 'revenue from operations' and generate self-Invoice for services which are covered under Reverse Charge Mechanism -RCM of GST.

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- No Tax Invoice has been issued by Company for the proportionate ODE it considered as 'revenue from operations' during the years from 2017-2018 till 2020-2021. Accordingly, due GST on the ODE has neither been collected nor paid to Government. If has paid the due Service Tax in this respect in advance in the year 2016-2017. If so, the advance paid should have been carried forward in CGST regime thru Tran I / Tran II mechanism of CGST and proportionate credit of the advance GST paid should have been taken in the Tax Invoice. This has not been done by the company.

ii. Company, a GST Registered person, has not insisted UPPTCL to raise 'receipt voucher' for advances the company made to UPPTCL, GST Registered person:

- Company paid advance of Rs. 7781 Lakhs to UPPTCL but failed to take receipt voucher for advances prescribed u/s 31(3)(d). Under this situation, the payment of GST of Rs. 1400 Lakhs have been avoided by the company and enabled the company to earn interest on such funds more than Rs. 84 Lakhs every year @ of 6%, the average rate at which Company earned interest on bank deposits which has been declared as "income from other source" by the company However, the company has not paid the GST on Tax Invoices raised by UPPTCL during 2020-2021 amounting to Rs. 625 Lakhs (Rs. 369 Lakhs + Rs. 256 Lakhs). Out of this ITC Credit for Rs. 369 Lakhs has also been availed.

iii. Company has not charged GST on the Tax Invoices issued by it.

- Company issued Tax Invoices for Local Area Development Charges but No GST has been Charged as Company believes that there is no Supply as per section 7 of CGST Act 2017. Which is in contravention of ruling mentioned in G(iv) above.

iv. Company has not paid GST due on Reverse Charge Mechanism -RCM

- Company has availed the services of State Government / Local Authority for the construction of approach roads of the three plant. These services are covered under entry no 5 of Notification no 13/2017 Dated 28.06.2017 for payment of GST under RCM and accordingly the company was required to pay the GST under Mechanism of Reverse Charge but same was not paid. Company is required to pay GST, interest and penalties under RCM which is pending since the accounting year 2017-2018.

v. Company has claimed Input Tax Credit- 'ITC' not admissible under section 16(2), of CGST Act 2017 read with CGST rules 36, 46 & 47.

- Company has claimed ITC of Rs. 378 Lakhs which is not admissible under CGST Act, 2017. No provision has been made by the company of GST outward tax liability along with interest u/s 16(2)(d) for the full amount of Input Tax Credit claimed. Therefore, non-provisioning has overstated profits by Rs. 369 Lakhs.

- GST Liability has not been charged to the Profit & Loss account of the year 2020- 2021. There is amount of GST of Rs. 634 Lakhs, which needs to be charged to profit & loss of the year 2020-2021.As a result, profit for the year is overstated by Rs. 634 Lakhs and Current Assets (GST Receivables) are overstated by Rs. 378 Lakhs and liability are understated by Rs. 256 Lakhs to UPPTCL.

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- Non insistence of Tax Invoice for revenue expenditures. Company has provided the expenses on contractual liability exclusive of GST wherever Tax Invoices have not been received by the Company. Under the said practice Tax Invoices are not available with the Company for years together which leads to avoidance of payment of GST.

H. Accrual method of accounting not followed consistently:

i. Company is neither practicing Accrual method nor Cash method consistently and classification of assets / liabilities are also not as per IND AS.

ii. Many Accounting effects which company is supposed to put through in Financial Statements to reflect its Financial Positions as true & Fair has not been done and the non-provisions are mentioned by way of note to accounts.

I. Non-Compliance of Income Tax Act:

i. The company has not complied with the provisions of Income Tax Act, 1961 which may result in tax, penalties and interest under the said act. The amount of the same is indeterminate.

Emphasis of Matter

Considering the requirement of Standard on Auditing (SA 600) on 'Using the work of Another Auditor' including materiality, we draw attention to the following matters:

1. **Note no. 44.2.2** - The Solar Power Developers have filed petitions (36 cases) in Central Electricity Regulatory Commission (CERC) against Solar Energy Corporation of India Limited. The estimated claim value indicated by the developers in 10 cases is ₹ 81,765.16 Lakhs and in balance 26 cases the developers have not quantified the claim under various sections of Electricity Act, seeking claim of reimbursement of GST/Safeguard duty due to change in law. The amount of claim is contingent. Further, the same will be recoverable from the respective buying utilities on back to back basis. (also Refer Note No. 72).

2. **Note no. 61** – Solar Energy Corporation of India Limited planned for establishing the project in about 889.90 acres of land, out of which advance possession for 690.68 acres of land has been obtained. However, as per new export policy, A.P Government stated that the land now will be allocated to Solar Energy Corporation of India Limited on lease basis only and lease rent will commence from the date of advance possession. Solar Energy Corporation of India Limited stated to NREDCAP that the proposed lease rental start date from the advance possession date is unacceptable to Solar Energy Corporation of India Limited. The matter is under consideration with A.P Government.

3. **Note no. 70** – Regarding outbreak of Covid - 19 and assessment of its impact made by the management on its business and operations. The Company believes that the impact due to the outbreak of COVID-19 is likely to be short-term in nature and does not anticipate any medium to long-term risks in the Company's ability to continue as a going concern. The actual impact may not be in line with the estimates made by the entity.

Pandey & Co.
Chartered Accountants

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4. In **Himachal Renewables Limited** (Joint venture), the company recorded Rs. 11,21,679.00 as land under development and Rs. 39,10,346.00 as capital advance to its parent company which is directly paid to forest department and the same has not been accounted for in the books of HPSEBL as per certificate dated 25.06.2021 from HPSEBL.

5. In **Andhra Pradesh Solar Power Corporation Private Limited** (Joint venture),

   a. APGENCO (related party holding 41% equity) has to pay one-time development fees, LADF, Lease rental and operational and maintenance charges as per PO for development of solar power. The amount of Rs. 203.26 crores recognized as receivables in books of APSPC Pvt Ltd is still outstanding. Total interest due from them is Rs 87.67 crores.

   b. Company has made a lease provision for lease rental liability in respect of land allocated by government on lease basis. The lease liability has been created on estimation basis from the date of original allotment. However, in GO No. 35 dated 18.11.2019 effective date of imposition of lease rental is not clearly stated.

   c. As per the delegation of powers, order above Rs 1 crore is required to be approved by the board. However, an order of Rs. 1,52,22,000 was short closed at Rs. 95,13,750 for the reason that "most of the work is done in planning of new solar projects". However, it is not clear whether any design changes were affected to enable reduce the time frame involved.

6. In **Karnataka Solar Power Development Corporation Limited,** the company acquired land from farmers on lease rental basis for 28 years at annual lease rent of Rs 21,000 per acre. As per TDS provisions company is liable to deduct TDS u/s 194I of Income Tax Act,1961 at the applicable rates however the farmers disagreed with same and demanded entire lease rental of Rs 21,000 per acre without any deduction. Matter was taken before Department of Energy and it was stated that "it is considered not to deduct any amount from the lease rental due to farmer. No loss is caused to KSPDCL as the amount is received from developers."

Our opinion is not modified in respect of these matters.

Other matters

1. Note no. 59 – Regarding the Service tax audit conducted for the period 01.04.2014 – 30.06.2017, conducted by auditors appointed by Service Tax Department. Based on the audit, Service Tax Department had raised Service Tax demand of ₹ 559.35 Lakhs (₹ 244.18 Lakhs service tax liability, ₹ 278.54 Lakhs interest on service tax demand and ₹ 36.63 lakhs penalty on service tax demand) which was paid by the company.

   Our opinion is not modified in respect of this matter.

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Annual Report related to the Consolidated Financial Statements, but does not include the Consolidated Financial Statements and our auditor's report thereon. The other information is expected to be made available to us after the date of this auditor's report.

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Our opinion on the Consolidated Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate actions, if required.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Company's Board of Directors is responsible for the preparation and presentation of these Consolidated Financial Statements in terms of the requirements of the Act, that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated Statement of Changes in Equity and consolidated cash flows of the Group including its joint ventures in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended. The respective Board of Directors of the companies included in the Group and of its joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its joint ventures and for preventing and detecting frauds and other irregularities; the 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 accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Directors of the Company, as aforesaid.

In preparing the Consolidated Financial Statements, the respective Board of Directors of the companies included in the Group and of its joint ventures are responsible for assessing the ability of the Group and of its joint ventures to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its joint ventures are responsible for overseeing the financial reporting process of the Group and of its joint ventures.

Auditors' Responsibility for the audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted

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in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated Financial Statements.

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

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

2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company and its joint ventures incorporated in India have adequate internal financial controls system in place and the operating effectiveness of such controls.

3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

4. Conclude on the appropriateness of Company's management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its joint ventures to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its joint ventures to cease to continue as a going concern.

5. Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and joint ventures to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the Consolidated Financial Statements of which we are the independent auditors. For the other entities included in the Consolidated Financial Statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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Materiality is the magnitude of misstatements in the Consolidated IND AS financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Consolidated financial statements.

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

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

Other Matters

a) We did not audit the financial statements/ financial information of five joint ventures included in the Consolidated Financial Statement, whose financial statements reflects total Assets of Rs. 4,27,439.66 lakhs and Net Assets Rs 45,073.68 lakhs as at 31 March 2021; as considered in the Consolidated Financial Statements. The Consolidated Financial Statement also includes the Group's share of net profit using the equity method, of Rs. 5882.89 Lakhs for the year ended 31 March 2021, as considered in the consolidated financial results. These financial statements have been audited by their respective independent auditors and our opinion on the Statement, in so far as it relates to the aforesaid joint ventures is based solely on the reports of the other auditors and the procedures performed by us are as stated Auditor's Responsibility section above after considering the requirement of Standard on Auditing (SA 600) on 'Using the work of Another Auditor' including materiality.

S. No	Name of Joint Venture	Company's share innet profit for the year ended 31.03.2021 (In Lakhs)	Company's share in net othercomprehensive income for theyear ended 31.03.2021 (In Lakhs)	Company's share total (In Lakhs)
1.	Rewa Ultra Mega Solar Limited	672.60	-	672.60
2.	Karnataka Solar Power Development Corporation Limited	2,271.51	-	2,271.51
3.	Himachal RenewablesLimited	5.71	-	5.71
4.	Andhra Pradesh Solar Power Corporation Private Limited	2,836.96	-	2,836.96
5.	Renewable Power Corporation of Kerala Limited	96.12	-	96.12
Total		**5,882.89**	**-**	**5882.89**

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b) The Consolidated Financial Statements does not include the Group's share of net profit using equity method of Rs. 82.25 lakhs for the year ended 31 March 2021 in respect of one joint venture whose financial statements/ financial information are audited but not included taking into the consideration the qualifications reported by the respective auditor.

S. No	Name of Joint Venture	Company's share in net profit for the year ended 31.03.2021 (In Lakhs)	Company's share in net other comprehensive income for theyear ended 31.03.2021 (In Lakhs)	Company'sshare total (In Lakhs)
1.	Lucknow Solar PowerDevelopment Corporation Limited	82.25	-	82.25
Total		**82.25**	**-**	**82.25**

Our opinion on the Consolidated Financial Statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the matters as stated in para (a) & (b), above, with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

1. As required by section 143(5) of the act, on the basis of such checks of books and records of the company as we considered appropriate and report of the other auditors of joint ventures and according to the information and explanation given to us, we give in Annexure A, a statement on the directions and sub- directions issued by the Comptroller and Auditor General of India.

2. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of joint ventures as noted in the 'Other Matters' paragraph, we report, to the extent applicable, that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Financial Statements.

   b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

   c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Financial Statements.

   d) In our opinion, the aforesaid Consolidated Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended.

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e) Being a Government Company, pursuant to the Notification No. GSR 463(E) dated 5th June 2015 issued by Ministry of Corporate Affairs, Government of India, provisions of sub-section (2) of Section 164 of the Act, are not applicable to the company and its Joint Ventures.

f) With respect to the adequacy of the Internal Financial Controls with reference to consolidated financial statements of the Company and its joint ventures incorporated in India and the operating effectiveness of such controls, refer to our separate report in Annexure 'B'.

g) As per Notification No. GSR 463(E) dated 5 June 2015 issued by the Ministry of Corporate Affairs, Government of India, Section 197 of the Act is not applicable to the Government Companies. Accordingly, reporting in accordance with requirement of provisions of section 197(16) of the Act is not applicable to the company and its Joint Ventures.

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements and also the other financial information of the joint ventures, as mentioned in the 'Other Matters' paragraph:

   i. The Consolidated Financial Statements disclose the impact of pending litigations on the consolidated financial position of the Group. Refer Note No. 44.2 to the Consolidated Financial Statements;

   ii. The company and its joint ventures, incorporated in India does not have any long- term contracts including derivative contracts as at 31st March 2021 for which there were any material foreseeable losses.;

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

For Pandey & Co.
Chartered Accountants
Firm Registration No: 000357C

Sd/-
CA Amit Pandey
(Senior Partner)
Membership No: 402377
UDIN: 21402377AAAAAK4369

Place: New Delhi
Date: 12.08.2021

Pandey & Co.
Chartered Accountants

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ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date to the members of SECI LIMITED on the Consolidated Financial Statements for the year ended 31 March 2021.

Sl. No.	Directions u/s 143(5) of the Companies Act, 2013	Auditors' reply on action taken on the directions	Impact onfinancial statement
1.	Whether the company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.	As per the information and explanations given to us, the Company has a system in place to process all the accounting transactions through IT system. SAP-ERP has been implemented for all the processes like Financial Accounting (FI), Controlling (CO), Sales and Distribution (SD), Payroll / Human Capital Management (HCM), Material Management (MM), Commercial billing / Industry Solution Utilities (ISU), etc. In respect of the joint ventures incorporated in India, the companies has system in place to process all accounting transactions through IT system and no transactions are processed outside IT system except in case of **Andhra Pradesh Solar Power Corporation Private Limited**, a joint venture, where the system to process all the accounting transaction through IT system was not available. The processing of accounting transactions was carried out manually as per the directions and delegation of power granted by the board of directors. In **Lucknow Solar Power Development Corporation Limited**, a joint venture, the IT system does not deal with all aspects of accounting such as Fixed Assets accounting, payroll accounting, Digital payments Accounting and soft approval of accounting transactions etc. Based on the audit procedures carried out and as per the information and explanations given to us, no accounting transactions have been processed /carried outside the IT system. Accordingly, there are no implications on the integrity of the accounts.	Nil

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2.	Whether there is any restructuring of an existing loan or cases of waiver/write off of debts /loans/ interest etc. made by a lender to the company due to the company's inability to repay the loan? If yes, the financial impact may be stated.	Based on the audit procedures carried out and as per the information and explanations given to us, there was no restructuring of existing loans or cases of waiver/write off of debts/ loans/ interest etc. made by the lender to the company due to the company's inability to repay the loan. In respect of the joint ventures incorporated in India there was no restructuring of existing loans or cases of waiver/write off of debts/ loans/ interest etc. made by the lender to the company due to the company's inability to repay the loan	Nil
3.	Whether the funds received/ receivable for specific schemes from central/ state agencies were properly accounted for/ utilized as per its term and conditions? List the cases of deviation	Based on the audit procedures carried out and as per the information and explanations given to us, the funds received/receivable for specific schemes from Central/State agencies were properly accounted for/utilized as per the respective terms and conditions by the company and joint ventures except: - In **Lucknow Solar Power Development Corporation Limited,** the company has not kept separate Bank account for Government Grant and funds are not properly accounted for as per its term and conditions. **In Renewable Power Corporation of Kerala Limited,** the grant receivable under Central Finance Assistance from MNRE is estimated and accounted on the basis of DPR. The terms and conditions of grant has been complied with.	Nil

For Pandey & Co.
Chartered Accountants
Firm Registration No: 000357C

Sd/-
CA Amit Pandey
(Senior Partner)
Membership No: 402377
UDIN: 21402377AAAAAK4369

Place: New Delhi
Date: 12.08.2021

Pandey & Co.
Chartered Accountants

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ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 2 (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date to the members of SOLAR ENERGY CORPORATION OF INDIA LIMITED on the Consolidated Financial Statements for the year ended 31 March 2021

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

In conjunction with our audit of the Consolidated Financial Statements of the Group as of and for the year ended 31 March 2021, we have audited the internal financial controls with reference to Consolidated Financial Statements of Solar Energy Corporation of India Limited and its joint ventures, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to Consolidated Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, both, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to Consolidated Financial Statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to Consolidated Financial Statements was established and maintained and if such controls operated effectively in all material respects.

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

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We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the subsidiaries and joint ventures, incorporated in India, in terms of their reports referred to in the 'Other Matters' paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to Consolidated Financial Statements.

Meaning of Internal Financial Controls with reference to Consolidated Financial Statements

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

Inherent Limitations of Internal Financial Controls with reference to Consolidated Financial Statements

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the Company, and its joint ventures, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls with reference to Consolidated Financial Statements in place and such internal financial controls with reference to Consolidated Financial Statements were operating effectively as at 31 March 2021, based on the internal controls over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by ICAI except in Lucknow Solar Power Development Corporation Limited, a joint venture as reported by its auditor.

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Lucknow Solar Power Development Corporation Limited

i. System of maintenance of records in respect of Advances to Contractors was found to be weak, lacks proper documentation and agreements, no timely identification of long pending advances with vendors and its closure.

ii. There exist no effective system / controls on timely adjustments of previously released advances with proper documentary evidence.

iii. Accounting entries are authorized based on non-auditable documents.

iv. Capitalization of fixed assets is not proper, lack compliance of IND AS.

v. Payment/booking of expenses for supply of services has been made against the Utilization Certificate without taking into consideration the Tax Invoice issued under GST.

vi. System for putting dates on bills submitted by contractors and its processing for payments at various levels were generally not observed, which requires to be streamlined for proper monitoring & control on payment of advances & bills. The services have been obtained but payments are pending for years together for wants of service contracts and service rendering bills.

vii. System of monitoring of the progress of work, revision of cost of works from time to time, cost control mechanism needs to be streamlined and strengthened for proper and effective monitoring and control on the cost and advances of the Corporation.

For Pandey & Co.
Chartered Accountants
Firm Registration No: 000357C

Sd/-
CA Amit Pandey
(Senior Partner)
Membership No: 402377
UDIN: 21402377AAAAAK4369

Place: New Delhi
Date: 12.08.2021

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COMPLIANCE CERTIFICATE

We have conducted the audit of Consolidated Annual Accounts of Solar Energy Corporation of India Limited (CIN: U40106DL2011GOI225263) for the year ended 31 March, 2021 in accordance with directions/ sub directions issued by the CAG of India under section 143(5) of the Companies Act, 2013 and certify that we have complied with all the directions and sub directions.

For Pandey & Co.
Chartered Accountants
Firm Registration No: 000357C

Sd/-
CA Amit Pandey
(Senior Partner)
Membership No: 402377
UDIN: 21402377AAAAAK4369

Place: New Delhi
Date: 12.08.2021

Annexure-B

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF SOLAR ENERGY CORPORATION OF INDIA LIMITED FOR THE YEAR ENDED 31 MARCH 2021

The preparation of financial statements of Solar Energy Corporation Of India Limited for the year ended 31 March 2021 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 Act. is the responsibility of the management of the company. The statutory auditor/ auditors appointed by the Comptroller and Auditor General of India under section 139(5) of the Act is/are responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 31.07.2021.

I, on the behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of Solar Energy Corporation of India Limited for the year ended 31 March 2021 under section 143(6)(a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records.

On the basis of my supplementary audit nothing significant has come to my knowledge which give rise to any comment upon or supplement to statutory auditors' report under section 143(6)(b) of the Act.

For and on behalf of the
Comptroller & Auditor General of India

Sd/-
Sanjay Kumar Jha
Director General of Audit
(Environment & Scientific Department)

Place : New Delhi
Dated : 27.09.2021

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6) (b) READ WITH SECTION 129 (4) OF THE COMPANIES ACT, 2013 ON THE CONSOLIDATED FINANCIAL STATEMENTS OF SOLAR ENERGY CORPORATION OF INDIA LIMITED FOR THE YEAR ENDED 31 MARCH 2021

The preparation of consolidated financial statements of Solar Energy Corporation of India Limited for the year ended 31 March 2021 in accordance with the financial reporting framework prescribed under the-Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditor/auditors appointed by the Comptroller and Auditor General of India under section 139 (5) read with section 129 (4) of the Act is/are responsible for expressing opinion on the financial statements tinder section 143 read with section 129 (4) of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 12.08.2021.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the consolidated financial statements of Solar Energy Corporation of India Limited for the year ended 31 March 2021 under section 143(6)(a) read with section 129(4) of the Act. We conducted a supplementary audit of the financial statements of **Solar Energy Corporation of India Limited** (Standalone), **Himachal Renewables Limited, Lucknow Solar Power Development Corporation Limited, Karnataka Solar Power Development Corporation Limited, Andhra Pradesh Solar Power Corporation Private Limited and Renewable Power Corporation of Kerala Limited** but did not conduct supplementary audit of the financial statements of **Rewa Ultra Mega Solar Limited** for the year ended on that date. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records.

On the basis of my supplementary audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditors' report under section 143(6)(b) of the Act.

For and on behalf of the
Comptroller & Auditor General of India

Sd/-
Sanjay Kumar Jha
Director General of Audit
(Environment & Scientific Department)

Place : New Delhi
Dated : 27.09.2021

Annexure C

REPORT ON CORPORATE GOVERNANCE

The Company is committed to sound Corporate Practices based on conscience, openness, fairness, professionalism and accountability for achieving sustainable long term growth to achieve the Mission set under JNNSM.

1. COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE.

The Company firmly believes and has consistently practiced good Corporate Governance. The Company's Policy is reflected by the values of transparency, professionalism and accountability. The Company constantly strives towards betterment of these aspects and thereby generating long term economic value for its customers, employees, stakeholders and the society as a whole.

SECI is committed to be a competitive, client-friendly and development-oriented organization for promoting Renewable Energy Projects.

2. BOARD OF DIRECTORS

The Board of Directors of SECI provide leadership and strategic guidance, objective judgment independent of management and exercise control over the Company while remaining at all times accountable to the Shareholders.

2.1 Composition of the Board of Directors

The composition of Board of Directors of SECI has an appropriate mix of Executive Directors represented by Functional Directors including MD and Non- Executive Directors represented by Government Nominees and Independent Director.

During the Financial Year 2020 –21 (upto the date of report). The composition of the Board is as follows:

2.1.1 Whole-time Executive (Functional) Directors

1. Shri Jatindra Nath Swain, Chairman and Managing Director (upto 29.08.2021)
2. Smt. Suman Sharma, Managing Director (w.e.f. 29.08.2021)
3. Shri C. Kannan, Director (Finance)
4. Shri Shailesh Kumar Mishra, Director (Power Systems)
5. Shri Manoj Mathur, Director (Solar) upto 30.06.2021

2.1.2 Part-Time Official Director (Government Nominees)

1. Shri Indu Shekhar Chaturvedi, Chairman (w.e.f. 07.09.2021)
2. Shri Vimalendra Anand Patwardhan, Govt. Nominee
3. Shri Amitesh Kumar Sinha, Govt. Nominee

2.1.3 Part-Time Non-Official Independent Director

1. Dr. Mukesh Kumar Mishra
2. Smt. Rashmi Singh (w.e.f. 08.05.2020)

Both the Directors have furnished a declaration that they meet the criteria of independent as provided under section 149(6) of the Companies Act 2013 and fulfill the conditions as specified in the Companies Act 2013. In the opinion of the Board, the independent director fulfils the conditions specified in the Act and the rules made thereunder and the directors are independent of the Management. The Independent Directors were appropriately familiarized to the operations and functioning of the Company. The Independent Directors are paid sitting fees in accordance with the provisions of the Companies Act, 2013 and the prescribed DPE Guidelines.

2.2 Details of Board Meetings held during the Financial Year 2020-21

During the Financial Year 2020-21, Eleven Board meetings were held as per the details given below: -

S. No.	Number of Board Meeting	Date of Board Meeting
1	54th Board Meeting	03.04.2020
2	55th Board Meeting	08.05.2020
3	56th Board Meeting	02.06.2020
4	57th Board Meeting	09.07.2020
5	58th Board Meeting	05.09.2020
6	59th Board Meeting	23.09.2020
7	60th Board Meeting	08.12.2020
8	61st Board Meeting	31.12.2020
9	62nd Board Meeting	30.01.2021
10	63rd Board Meeting	24.02.2021
11	64th Board Meeting	18.03.2021

The Board has complete access to all the relevant information within the Company including those prescribed in the DPE Guidelines on Corporate Governance.

2.3 Attendance record of Directors at Board Meetings and Annual General Meeting and number of other Directorships / Committee Memberships / Chairmanships

Attendance of each Director at the Board Meetings held during the year 2020-21 (i.e. upto 31st March 2021) and at the last Annual General Meeting held on 31st December 2020 and number of other Directorships / Committee Memberships / Chairmanships in other companies are given below:

Name of Director & Designation	No. of Board Meetings		Details of Directorship in other companies	Membership in the Committees of other Companies		Attendance at the last AGM 31.12.2020)
	Held during the tenure of the Director	Attended		Member	Chairman	
Shri Indu Shekhar Chaturvedi, Chairman (w.e.f. 07.09.2021)	NIL	NIL	NIL	NIL	NIL	NA
Shri Jatindra Nath Swain Chairman and Managing Director (upto 29.08.2021)	11	11	NIL	NIL	NIL	Attended
Smt. Suman Sharma, Managing Director (w.e.f. 29.08.2021)	NIL	NIL	NIL	NIL	NIL	NA
Shri Vimalendra Anand Patwardhan Govt. Nominee Director	11	10	7	1	NIL	Attended
Shri Amitesh Kumar Sinha Govt. Nominee Director	11	10	1	NIL	NIL	Attended
Shri C. Kannan Director (Finance)	11	11	NIL	NIL	NIL	Attended
Shri Shailesh Kumar Mishra Director (PS)	11	10	NIL	NIL	NIL	Attended
Shri Manoj Mathur Director (Solar) (upto 30.06.2021)	11	11	NIL	NIL	NIL	Attended
Dr. Mukesh Kumar Mishra	11	11	NIL	NIL	NIL	Attended
Smt. Rashmi Singh	10	10	NIL	NIL	NIL	Attended

3. Audit Committee

Solar Energy Corporation of India Limited has a duly constituted Audit Committee of the Board. The present composition of the Audit Committee is as under:

Sl. No.	Name of the Director	Designation
1.	Dr. Mukesh Kumar Mishra	Chairman
2.	Shri Vimalendra Anand Patwardhan	Member
3	Shri Amitesh Kumar Sinha (upto 23.09.2021)	Member
4.	Smt. Rashmi Singh (w.e.f. 23.09.2020)	Member

Director (Finance) is the permanent invitee to the Audit Committee Meeting. Internal Auditors and Statutory Auditors were special invitees in the Audit Committee meetings. The minutes of the Audit Committee were placed before the Board for information.

3.1 Details of Audit Committee Meetings held during the FY 2020-21

During the year 2020-21, Five Audit Committee Meetings were held as per the details given below: -

S. No.	Number of Meeting of the Audit Committee	Date of Audit Committee Meeting
1	24th Audit Committee Meeting	09.07.2020
2	25th Audit Committee Meeting	05.09.2020
3	26th Audit Committee Meeting	08.12.2020
4	27th Audit Committee Meeting	31.12.2020
5	28th Audit Committee Meeting	24.02.2021

3.2 Attendance record of the Members at the Audit Committee Meeting is given below:

Sl. No.	Name of the Director	Designation	No. of meeting held during the tenure	No. of Meeting attended
1.	Dr Mukesh Kumar Mishra	Chairman	5	5
2	Shri Vimalendra Anand Patwardhan	Member	5	5
3	Shri Amitesh Kumar Sinha	Member (upto 23.09.2020)	2	2
4	Smt. Rashmi Singh	Member (w.e.f.23.09.2020)	3	3

4. Details of the Committees of SECI

4.1.1 CSR Committee

Solar Energy Corporation of India Limited has a duly constituted CSR Committee of the Board. The present composition of the CSR Committee is as under:

Sl. No.	Name of the Director	Designation
1.	Dr. Mukesh Kumar Mishra	Chairman
2.	Shri C. Kannan	Member
3.	Shri Shailesh Kumar Mishra	Member

4.1.2 Details of CSR Committee Meetings held during the Financial Year 2020-21

During the year 2020-21, two CSR Committee Meetings were held as per the details given below: -

S. No.	Number of Meeting of the CSR Committee	Date of CSR Committee Meeting
1	3rd CSR Committee Meeting	03.04.2020
2	4th CSR Committee Meeting	30.01.2021

4.1.3 Details of the meeting attended by the Members of the CSR Committee is given below:

Sl. No.	Name of the Director	Designation	No. of meeting held during the tenure	No. of Meeting attended
1.	Dr. Mukesh Kumar Mishra	Chairman	2	2
2	Shri C. Kannan	Member	2	2
3	Shri Shailesh Kumar Mishra	Member	2	2

4.1.4 Details of CSR Funds Spent During the Year

Corporate Social Responsibility

SECI's CSR policy focusses on areas of national importance like health, education, rural development, etc with the aim to empower weaker, less privileged and marginalized sections of society.

During the year 2020-21, SECI spent an amount of ₹ 341.16 lakhs towards the CSR activities. The Company has utilized the amount for the identified CSR activities. Details of CSR Funds spent during the year are given below:

CSR Activity for the year 2020-21

S. No.	Particulars of CSR Activities	Amount Spent (Rs) in lakhs
1	Contribution to PM CARES Fund	300.00
2	CSR project on installation of Solar street lights/Fox lights in association with Wildlife Trust of India	20.79
3	Support to Smart Class in Dhenkanal District (Aspirational District in Odisha)	20.37
	Total	**341.16**

Project wise details are given at annexure 1 to the Corporate Governance Report

4.2.1 Remuneration Committee

Solar Energy Corporation of India Limited has a duly constituted Remuneration Committee of the Board. The present composition of the Remuneration Committee is as under:

Sl. No.	Name of the Director	Designation
1.	Dr. Mukesh Kumar Mishra	Chairman
2.	Shri Vimalendra Anand Patwardhan (Upto 23.09.2020)	Member
3	Shri C. Kannan (Upto 23.09.2020)	Member
4	Shri Amitesh Kumar Sinha(w.e.f. 23.09.2020)	Member
5	Smt. Rashmi Singh (w.e.f. 23.09.2020)	Member

Director (Finance) and Director Incharge of HR Department are Permanent Invitee to the Remuneration Committee Meetings.

4.2.2 Details of Remuneration Committee Meetings

During the year 2020-21, one Meeting of Remuneration Committee was held as per the details given below:

S. No.	Number of Meeting of the Remuneration Committee	Date of Meeting
1	5th Remuneration Committee Meeting	03.04.2020

4.2.3 Details of the meeting attended by the Members of the Remuneration Committee is given below:

Sl. No.	Name of the Director	Designation	No. of meeting held during the tenure	No. of Meeting attended
1.	Dr. Mukesh Kumar Mishra	Chairman	1	1
2	Shri Vimalendra Anand Patwardhan (upto 23.09.2020)	Member	1	1
3	Shri C. Kannan (upto 23.09.2020)	Member	1	1
4	Shri Amitesh Kumar Sinha (w.e.f. 23.09.2020)	Member	N.A.	N.A.
5	Smt. Rashmi Singh (w.e.f. 23.09.2020)	Member	N.A.	N.A.

4.3.1 Remuneration Policy

Solar Energy Corporation of India Limited is a CPSU wherein all the member of the Board are appointed by the Government of India through the Administrative Ministry i.e. Ministry of New and Renewable Energy (MNRE) which inter-alia fixes the remuneration of the Whole time Directors through their respective appointment orders. The appointment and remuneration of other employees of the company is done as per the DPE Guidelines.

Evaluation of the performance of all the Board members including Independent Directors is done by the Administrative Ministry.

4.4.1 Project Committee

Solar Energy Corporation of India Limited has constituted a Project Committee of the Board on 21st July 2017. The present composition of the Project Committee is as under:

Sl. No.	Name of the Director	Designation
1.	Managing Director	Chairman
2.	Director (Finance)	Member
3.	Director (PS)	Member
4.	Director (Solar)	Member

4.4.2 Details of Project Committee Meetings held during the FY 2020-21

During the year 2020-21, seven Project Committee Meetings were held as per the details given below:

S. No.	Number of Meeting of the Project Committee	Date of Meeting
1	10th Project Committee Meeting	27.04.2020
2	11th Project Committee Meeting	08.05.2020
3	12th Project Committee Meeting	04.08.2020
4	13th Project Committee Meeting	24.08.2020
5	14th Project Committee Meeting	08.12.2020
6	15th Project Committee Meeting	08.01.2021
7	16th Project Committee Meeting	23.02.2021

4.4.3. Details of the meeting attended by the Members of the Project Committee is given below:

Sl. No.	Name of the Director	Designation	No. of meeting held during the tenure	No. of Meeting attended
1.	Managing Director	Chairman	7	7
2	Director (Finance)	Member	7	7
3	Director (PS)	Member	7	7
4	Director (Solar)	Member	7	7

5. General Body Meetings

The details of last three Annual General Meetings of SECI i.e Date, Time and Location, are given as under:

Financial Year	AGM	Date	Time	Location
2017-18	7th	29.09.2018	1215 hrs	In the conference room of Ministry of New and Renewable Energy, CGO Complex, Lodhi Road, New Delhi
2018-19	8th	30.09.2019	1030 hrs	Room no. 207, 2nd floor, Ministry of New and Renewable Energy, Block No.14, CGO complex, Lodhi Road, New Delhi 110003
2019 - 20	9th	31.12.2020	1615 hrs	Solar Energy Corporation of India Ltd., D-3, 5th Floor, Wing-B, Prius Platinum, District Centre, Saket, New Delhi 110017

6. DISCLOSURES

i. Related party Transactions

The disclosure on transactions entered with the related parties as required by the Ind (AS) is mentioned in the Notes to Accounts of the Financial Statements of the company.

ii. Remuneration of Directors

The Non-Executive Director had no pecuniary relations or transactions vis-à-vis the company during the year (in their tenure of service). None of the Non-executive Director held any share/convertible instrument of the Company except one share as the nominee of the President of India. Details of Remuneration paid to Directors are given in Form MGT-9 forming part of the Directors Reports.

iii. Non- compliances/ penalties & stricture imposed on the company

There were no instances of non-compliance by the Company, penalties & stricture imposed on the Company by any Statutory/Regulatory Authorities, or any other matter.

iv. Accounting Treatment

In preparation of financial statements, the Company has followed the accounting standard referred in section 129 of the Companies Act, 2013. The significant accounting policies which are constantly applied are set out in the Annexure to notes to the Accounts.

v. Details of compliances with the requirements of DPE Guidelines on Corporate Governance

All mandatory requirements of the DPE Guidelines on Corporate Governance for CPSEs have been duly complied with (to the extent within the ambit of the corporation).

vi. Compliance with the Code of Conduct:

The duly approved Code of Conduct has been circulated to all the Board Members and the Senior Management Personals and affirmation of the Compliance of the same has been received from them

vii. Risk Management

SECI has a duly approved Risk Management Policy which lays down the procedure for identification, assessment and management of risk in SECI. It is an enabling mechanism that aids the management in effective decision making by providing advance information about the potential risks, providing a systematic method to assess the risk, suggesting preventive/mitigation measures to reduce the negative impact of such risks and streamlining the Risk Management Process.

viii. Compliance with the applicable Laws

The Board of Directors of SECI take note of the status of compliance of applicable Laws and DPE Guidelines which is submitted to the Board after the receipt from all the concerned departments.

ix. Compliance of the Applicable Secretarial Standards

The Company Comply with the applicable Secretarial Standards.

7. TRAINING TO BOARD MEMBERS : It is need based.

Report on CSR Activities for FY 20-21

1. A brief outline of the Company's CSR policy, including overview of the projects or programs proposed to be undertaken and reference to the web-link to the CSR Policy and projects or programs

   In accordance with the provisions of the Companies Act, 2013 ('Act') and the Rules framed there under, the Board of Directors of the Company, have on the recommendation of the CSR Committee, adopted a CSR Policy for undertaking and monitoring the CSR programs, projects in the areas stated in Schedule VII of the Act. The policy has been uploaded on the website of the Company at https://www.seci.co.in/about/csr-and-sustainability-policy-of-seci.

   During the year under review, CSR initiatives have been made mainly in the areas of PM CARES fund for COVID care, ecological sustainability and school education.

2. The composition of the CSR Committee:

   i. Shri Mukesh Kumar Mishra, Independent Director, Chairman

   ii. Shri C Kannan, Director (Finance), Member

   iii. Shri Shailesh Kumar Mishra, Director (PS), Member

3. Average Net Profit of the Company for the last 3 financial years: ₹ 17066.88 lakh

4. Prescribed CSR expenditure (2% of amount mentioned at 3 above): ₹ 341.34 lakh

5. Details of CSR activities/projects undertaken during the year:

   a. Total amount spent for the financial year: ₹ 341.16 lakh

   b. Amount unspent, if any: ₹ 0.18 lakh

   c. Manner in which the amount spent during financial year is detailed below:- Details are given in the Attachment

6. In case the Company has failed to spend the 2% of the average net profit of the last 3 financial years or any part thereof, reasons for not spending the amount in its Board report:

   The unspent amount was in view of the AMC charges payable as per the terms of the Contract towards Solar street lights /Fox light project. The unspent amount will be carried forward to the next financial year.

7. The CSR Committee confirms that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.

Sd/-
Suman Sharma
Managing Director

Sd/-
Mukesh Mishra
Chairman (CSR Committee)

Sl. No.	CSR Project (or) Activitiy Identified	Sector in which the Project / Activity is civered	Projects or Programmes: (1) Local area or other (2) Specify the State and Districts where projects or programmes were undertaken	Amount Amount outlay (Budget) Project or Programme wise (Rs.) in lakhs	Amount Spent on the Project or Programmes Sub-heads : (1) Direct Expenditure on Projects or Programme (2) Overheads (Rs.) in lakhs	Cumulative Expenditure upto the Reporting period (Rs.) in lakhs	Amount Spent: Direct or through implementing Agency
1	Contribution to PM Cares fund	Health care	Other / PAN India	300.00	(1) Direct Project Expediture - Rs. 300 lakhs	300.00	Direct
2	Contribution to CSR project on installation of Solar Street lights / Fox lights in association with Wildlife Trust of India at Katerniaghat Wild life sanctuary	Ecological Balance	Other / Bahraich / UP	20.97	(1) Direct Project Expenditure - Rs. 20.79 lakhs	20.79	Direct
3	Support for Project Quality Education through Smart Class for Schools in Dhenkanal District of Odisha (an Aspirational district)	Education	Other / Dhenkanal / Odisha	20.37	(1) Direct Project Expenditure - Rs. 20.37 lakhs	20.37	Implementing Agency
	TOTAL			**341.34**	**341.16**	**341.16**	

Annexure - D

CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members
SOLAR ENERGY CORPORATION OF INDIA LIMITED
6th Floor, Plate B NBCC Office Block Tower-2,
East Kidwai Nagar
New Delhi 110023

I have examined the compliance conditions of Corporate Governance by Solar Energy Corporation of India Limited (herein after referred as Company) for the year ended on 31.03.2021 as stipulated in the DPE Guidelines on Corporate Governance for Central Public Sector Enterprises (DPE Guidelines) and in accordance with the provisions of the Companies Act, 2013.

The compliance of conditions of Corporate Governance is the responsibility of the management. My examination was limited to procedures and implementation thereof, adopted by the company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of the opinion on the financial Statements of the Corporation.

In my opinion and to the best of my information and according to the examinations of relevant records and the explanations given to me, I hereby certify that the Company has complied with the conditions of Corporate Governance as stipulated in the DPE Guidelines.

I further state that such compliance is neither an assurance as to the future viability of the company nor the efficiency or effectiveness with which the management has conducted the affairs of the company.

For Vikas Gera & Associates
Company Secretaries

Sd/-
(Vikas Gera)
FCS No. 5248
CP No. 4500
UDIN: F005248C000909206

Place: New Delhi
Dated: 06th September, 2021

Annexure - E

EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2021

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

I. REGISTRATION & OTHER DETAILS:

1	CIN	U40106DL2011GOI225263
2	Registration Date	20/09/2011
3	Name of the Company	SOLAR ENERGY CORPORATION OF INDIA LIMITED
4	Category/Sub-category of the Company	COMPANY LIMITED BY SHARES
		GOVERNMENT COMPANY
5	Address of the Registered office & contact details	6th FLOOR, PLATE B, NBCC OFFICE BLOCK TOWER - 2, EAST KIDWAI NAGAR, NEW DELHI-110023 Telephone No.-(011) 24666200, Email: corporate@seci.co.in
6	Whether listed company	NO
7	Name, Address & contact details of the Registrar & Transfer Agent, if any.	M/s Alankit Assignments Limited

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

(All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

S. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	SALE OF SOLAR POWER	35105	97.59

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

SN	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	ANDHRA PRADESH SOLAR POWER CORPORATION PRIVATE LIMITED ADDRESS- 3rd Floor, Vidyut Soudha, Gunadala Vijayawada, Krishna, Andhra Pradesh 520004	U40300AP 2014PTC 109375	ASSOCIATE COMPANY (JOINT VENTURE)	50	SECTION 2(6)
2	RENEWABLE POWER CORPORATION OF KERALA LIMITED ADDRESS- C/O KERALA STATE ELECTRICITY BOARD LIMITED VYDYUTHI BHAVANAM, PATTOM THIRUVANANTHAPURAM THIRUVANANTHAPURAM KL 695004 IN	U40106KL 2016PLC 039891	ASSOCIATE COMPANY (JOINT VENTURE)	50	SECTION 2(6)
3	REWA ULTRA MEGA SOLAR LIMITED ADDRESS- URJA BHAWAN LINK ROAD NO 2 SHIVAJI NAGAR BHOPAL BHOPAL MP 462003 IN	U40102MP 2015PLC 034450	ASSOCIATE COMPANY (JOINT VENTURE)	50	SECTION 2(6)
4	LUCKNOW SOLAR POWER DEVELOPMENT CORPORATION LIMITED ADDRESS- UPNEDA BUILDING, VIBHUTIKHAND, GOMTI NAGAR, LUCKNOW 226010	U40300UP 2015PLC 072134	ASSOCIATE COMPANY (JOINT VENTURE)	50	SECTION 2(6)
5	KARNATAKA SOLAR POWER DEVELOPMENT CORPORATION LIMITED ADDRESS- BEEJ RAJA SEED COMPLEX, 2ND FLOOR, SOUTH SIDE, HEBBAL BENGALURU BANGALORE KA 560024 IN	U40107KA 2015PLC 079223	ASSOCIATE COMPANY (JOINT VENTURE)	50	SECTION 2(6)
6	HIMACHAL RENEWABLES LIMITED ADDRESS- HIMACHAL PRADESH STATE ELECTRICITY BOARD LTD, VIDYUT BHAWAN, SHIMLA, HP 171004	U40106HP 2016PLC 006347	ASSOCIATE COMPANY (JOINT VENTURE)	50	SECTION 2(6)

IV. SHARE HOLDING PATTERN

(Equity share capital breakup as percentage of total equity)

(i) Category-wise Share Holding

Category of Shareholders	**No. of Shares held at the beginning of the year [As on 1st April 2020]**				**No. of Shares held at the end of the year [As on 31st March-2021]**				**% Change during the year**
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) **Indian**									
a) Individual/ HUF	6		6	0	6	0	6	0	_
b) Central Govt	35,39,994		35,39,994	100	35,39,994	0	35,39,994	100	_
c) State Govt(s)									
d) Bodies Corp.									
e) Banks / FI									
f) Any other	-								
Sub Total (A) (1)	**35,40,000**		**35,40,000**	**100**	**35,40,000**	**0**	**35,40,000**	**100**	_
(2) **Foreign**									
a) NRI Individuals									
b) Other Individuals									
c) Bodies Corp.									
d) Any other									
Sub Total (A) (2)									
TOTAL (A)	**35,40,000**		**35,40,000**	**100**	**35,40,000**	**0**	**35,40,000**	**100**	_
B. Public Shareholding									
1. Institutions									
a) Mutual Funds									
b) Banks / FI									
c) Central Govt									
d) State Govt(s)									
e) Venture Capital Funds									
f) Insurance Companies									
g) FIIs									
h) Foreign Venture Capital Funds									
i) Others (specify)									
Sub-total (B)(1):-	-	-	-	-	-	-	-	-	-

2. Non-Institutions									
a) Bodies Corp.									
i) Indian									
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh									
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh									
c) Others (specify)									
Non Resident Indians									
Overseas Corporate Bodies									
Foreign Nationals									
Clearing Members									
Trusts									
Foreign Bodies - D R									
Sub-total (B)(2):-	-								
Total Public (B)	-								
C. Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)	**35,40,000**		**35,40,000**	**100**	**35,40,000**	**0**	**35,40,000**	**100**	**-**

(ii) Shareholding of Promoter

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	PRESIDENT OF INDIA	35,39,994	100	0	35,39,994	100	0	0
2	SHRI JATINDRA NATH SWAIN	1	0	0	1	0	0	0
3	SHRI AMITESH KUMAR SINHA	1	0	0	1	0	0	0
4	SHRI DILIP NIGAM	1	0	0	0	0	0	0
5	SHRI BHANU PRATAP YADAV	0	0	0	1	0	0	0
6	SHRI C.KANNAN	1	0	0	1	0	0	0
7	SHRI RUCHIN GUPTA	1	0	0	1	0	0	0
8	SHRI SHAILESH KUMAR MISHRA	1	0	0	1	0	0	0
	TOTAL	**35,40,000**	**100**	**0**	**35,40,000**	**100**	**0**	**0**

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

SN	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
	At the beginning of the year			35,39,994	100	35,39,994	100
	Changes during the year			NIL	NIL	NIL	NIL
	At the end of the year			35,39,994		35,39,994	100

(iv) Shareholding Pattern of top ten Shareholders

(Other than Directors, Promoters and Holders of GDRs and ADRs):

SN	For each of the Top 10 shareholders	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	Name						
	At the beginning of the year			-	-	-	-
	Changes during the year			-	-	-	-
	At the end of the year			-	-	-	-
2	Name						
	At the beginning of the year			-	-	-	-
	Changes during the year			-	-	-	-
	At the end of the year			-	-	-	-

(v) Shareholding of Directors and Key Managerial Personnel:

SN	Shareholding of each Directors and each Key Managerial Personnel	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	SHRI JATINDRA NATH SWAIN						
	At the beginning of the year			1	0	1	0
	Changes during the year			-	0	-	0
	At the end of the year			1	0	1	0
2	SHRI C.KANNAN						
	At the beginning of the year			1	0	1	0
	Changes during the year			-	0	-	0
	At the end of the year			1	0	1	0
3	SHRI SHAILESH KUMAR MISHRA						
	At the beginning of the year			1	0	1	0
	Changes during the year			-	0	-	0
	At the end of the year			1	0	1	0
4	SHRI AMITESH KUMAR SINHA						
	At the beginning of the year			1	0	1	0
	Changes during the year			-	0	-	0
	At the end of the year			1	0	1	0

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment.

(Amt. Rs./Lacs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount		-		-
ii) Interest due but not paid		-		-
iii) Interest accrued but not due	-	-		-
Total (i+ii+iii)	-	-	-	-
Change in Indebtedness during the financial year				
* Addition	-			-
* Reduction				-
Net Change	-	-	-	-
Indebtedness at the end of the financial year				
i) Principal Amount	-			-
ii) Interest due but not paid	-	-		-
iii) Interest accrued but not due	-	-		-
Total (i+ii+iii)	-	-	-	-

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager			
	Name	Jatindra Nath Swain	C.KANNAN	SHAILESH KUMAR MISHRA	MANOJ MATHUR
	Designation	**MANAGING DIRECTOR**	**DIRECTOR (FINANCE)**	**DIRECTOR (POWER SYSTEM)**	**DIRECTOR (SOLAR)**
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	31,34,328	92,30,696	83,15,017	49,36,910
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	57,720	23,120	25,075	15,600
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	- as % of profit	-	-	-	-
	- others, specify	-	-	-	-
5	Others, please specify	-	-	-	-
	Total (A)	**31,92,048**	**92,53,816**	**83,40,092**	**49,52,510**
	Ceiling as per the Act				

B. Remuneration to other Directors

SN.	Particulars of Remuneration	Name of Directors			Total Amount
					(Rs)
1	Independent Directors		**DR. MUKESH KUMAR MISHRA**	Attended 19 Board and Committee meetings	
	Fee for attending board/ committee meetings				3,80,000
	Commission				-
	Others, please specify				-
	Total (1)	-	-		
2	Independent Directors		**SMT. RASHMI SINGH**	Attended 13 Board and Committee meetings	2,40,000
	Fee for attending board/ committee meetings				
	Commission				-
	Others, please specify				-
	Total (1+2)	-	-	-	**6,20,000**
3	Other Non-Executive Directors				-
	Fee for attending board committee meetings				-
	Commission				-
	Others, please specify				-
	Total (2)	-	-	-	-
	Total (B)=(1+2)	-	-	-	
	Total Managerial Remuneration				
	Overall Ceiling as per the Act				

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD			
SN.	**Particulars of Remuneration**	**Name of Key Managerial Personnel**	**Total Amount**
	Name	**Sunil Kumar Mehlawat**	**(Rs)**
	Designation	**COMPANY SECRETARY**	
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	24,93,526	24,93,526
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	33,432	33,432
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961		
2	Stock Option		
3	Sweat Equity		
4	Commission		
	- as % of profit		
	- others, specify		
5	Others, please specify		
	Total	**25,26,958**	**25,26,958**

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty					
Punishment					
Compounding					
B. DIRECTORS					
Penalty					
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

Annexure - F

Form No. MR-3

SECRETARIAL AUDIT REPORT
For the Financial Year Ended 31st March, 2021
[Pursuant to section 204(1) of the Companies Act, 2013 and rule No. 9 of the Companies (Appointment and Remuneration of Personnel) Rules, 2014]

To,
The Members,
SOLAR ENERGY CORPORATION OF INDIA LIMITED
6th Floor, Plate B NBCC Office Block Tower-2,
East Kidwai Nagar, New Delhi 110023

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good Corporate Governance Practice by **SOLAR ENERGY CORPORATION OF INDIA LIMITED** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the Corporate Conducts / Statutory Compliances and expressing our opinion thereon.

Based on our verification of the Company's Books, Papers, Minutes Books, Forms and Returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the financial year ended 31st March, 2021, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

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

(ii) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of foreign Direct Investment, Overseas Direct Investment, External Commercial Borrowings;

Other Laws as are and to the extent applicable to the company, namely;

(i) Payment of Bonus Act 1965

(ii) Payment of Gratuity Act, 1972

(iii) Apprentice Act,1961

(iv) Maternity benefit Act,1961

(v) Indian Stamp act,1899

(vi) Employee Provident Fund and Miscellaneous Provisions Act, 1952.

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

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

(ii) The Company has not entered into listing agreements with any Stock Exchange, being an unlisted entity.

(iii) The Department of Public Enterprises (DPE) Guidelines on Corporate Governance issued by the Ministry of Heavy Industries and Public Enterprises, Govt. of India-

I further report that

During the period under review the Company has complied with the provisions of the Acts, Rules, Regulations, Guidelines, Standards, etc. mentioned above and there is no non-compliance/observation/audit qualification, reservation or adverse remarks in respect of above paras.

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There is change in the composition of the Board of Directors during the period under review.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent as per the provisions of the Companies Act and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Decisions at the Board meetings, as represented by the management, were taken unanimously.

I further report that

There are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that

There is no non-compliance/observation/audit qualification, reservation or adverse remarks in respect of the Board Structures/system and processes relating to the Audit period.

For Vikas Gera &Associates

Sd/-
Vikas Gera
Practicing Company Secretary
FCS No. 5248
C P No.: 4500
UDIN: F005248C000909184

Place: New Delhi
Date: 06th September, 2021

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

The Members, **Annexure A**
SOLAR ENERGY CORPORATION OF INDIA LIMITED
6th Floor, Plate B NBCC Office
Block Tower-2, East Kidwai Nagar
New Delhi 110023

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

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

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

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company as the same have been subject to review by the Statutory Financial Auditor and any other designated professional.

4. The Compliances done by the company of the applicable Financial Laws like Direct and Indirect Tax Laws have not been reviewed by us as the same have been subject to review by the Statutory Financial Auditor and any other designated professional.

5. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

6. The compliance of the provisions of Corporate Governance and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.

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

For Vikas Gera & Associates

Sd/-
Vikas Gera
Practicing Company Secretary
FCS No. 5248
C P No.: 4500
UDIN-F005248C000909184

Place: New Delhi
Date: 06th September, 2021

Management Discussion and Analysis Report 2020-21

I. Industry structure and developments

a. Renewable Energy Potential and Achievement

India has large Renewable Energy (RE) potential from sources such as wind, solar, biomass, small hydro, among others. With an estimated wind potential of more than 300 GW , solar potential of about 750 GW, small hydro potential of about 20 GW, and bio-energy potential of 25 GW, there is a huge scope for tapping into renewable resources for meeting the country's energy needs. (source: MNRE Annual Report 2020-21).

During the Conference of Parties (COP-21) at Paris in the year 2015, the Government of India has committed for reduction of emission intensity of the economy by one-third (as compared to year 2005 levels) and to have at least 40% of electric power generation capacity from clean energy sources by the year 2030.

Towards this objective, the target of installation of 175 GW of RE by the year 2022 has been set, and a host of incentive schemes and programs have been brought out, for expansion of the RE sector in the country. This target has been further enhanced to 450 GW by the year 2030.

RE sector in India has grown substantially in recent years. Solar projects installation was 40085.37 MW as on 31.03.2021 in comparison to 6762.85 MW as on 31.03.2016, thereby recording growth of 492.7%. Similarly, installed capacity of Wind power projects was 39247.05 MW as on 31.03.2021 in comparison to 26866.66 MW as on 31.03.2016, thereby recording growth of 46.1%.

During FY 2020-2021 India has added 7406.11 MW of Renewable Energy (RE) capacity. The cumulative installed RE capacity as on 31.03.2021 was 94433.79 MW (source: CEA).

b. Role of SECI in the development of RE sector

Solar Energy Corporation of India Limited (SECI), being the Implementing Agency of MNRE, has been assisting MNRE in: (i) Conducting several rounds of tenders for development of solar, wind and hybrid projects on pan-India level; (ii) Procuring RE power at a central level and supplying to various Power Distribution Companies (Discoms), thereby reducing the off-taker risk of developers; (iii) Implementation of Govt. schemes and disbursal of Central Financial Assistance, Viability Gap Funding (VGF), subsidies etc.; (iv) Setting up of own innovative and pilot projects; and (v) Providing consultancy services to other Govt. organizations and Public Sector Undertakings (PSUs).

Presently, projects of about 48.371 GW of capacity have been awarded by SECI, and this has catalysed huge market investments. These projects are being set up through third party investments and in most of these, SECI is the power trading intermediary. Of this, almost 9.98 GW of capacity has been commissioned and the balance projects are under various stages of implementation. As power trading intermediary, SECI has reduced off-taker risk of investors through various payment security mechanisms. Through its work in development of innovative RE projects under its ownership and Project Management Consultancy (PMC) services, SECI has facilitated in technology advancement and large-scale replication of RE projects in the country.

II. Opportunities and Threats

The nature and volume of SECI's activities are closely coordinated with the Government's policies for the RE sector. At present, the steadily growing market for RE generation provides a number of opportunities for the company's growth, as listed below:

A. Opportunities

- **Growth in domestic demand for energy**

  India has plans to boost the country's economic growth-rate through industrial expansion and job-creation, and economic stimuli have been given by the Govt. from time to time to accelerate the process. A rise in demand for energy, especially electrical power, is expected from Discoms & bulk consumers, and can be catered through renewable energy wherein SECI can supply power. Herein, the domestic market offers huge potential for SECI's business activities.

- **Grid-Price parity of RE**

  The generation tariff of RE technologies, particularly solar and wind energy, have fallen drastically during past 2-3 years, to the point of parity with conventional energy sources. The tariffs that are discovered under SECI's tenders are lower than the average power procurement cost of most Discoms. This makes RE procurement through SECI a commercially attractive proposition for Discoms and bulk consumers.

- **Focus on Technology optimization and seamless Grid-integration**

  Given the issue of grid balancing & intermittency in RE, power offtakers are progressively demanding RE power that is both firm & flexible. In this direction, solar-wind hybridization, energy storage technologies etc., are emerging as prominent segments, and have opened up diverse opportunities for SECI in project development, consultancy and grid-support services.

- **Indigenization of RE power generation supply chain**

  Another area that is being prioritized in the country is towards indigenization of the supply chain for RE power generation, particularly, solar power generation, which presently relies heavily on imports.

  SECI has already ventured into this area through its manufacturing linked solar tender, to promote setting up of solar module/cell/wafer manufacturing facilities in the country. Cumulatively SECI has awarded 12000 MW of solar projects capacity linked with manufacturing facilities under this tender (4000 MW was awarded in FY 2019-20 and balance capacity was awarded in FY 2020-21). Going forth, with rise in domestic demand & scale of operations, the indigenous solar manufacturing sector is expected to become globally competitive, and therefore, presents a big opportunity for expansion of SECI's activities.

- **Rising Global investments in RE**

  Renewables dominate investment in new power generation and are expected to account for 70% of 2021's total of USD 530 billion spent on all new generation capacity as per IEA World Energy Investment 2021 report, this presents a unique opportunity to SECI for expanding its business activities beyond the boundaries of India on the basis of experience in the Indian market.

B. Threats

With an overall investment friendly climate for RE, the rapid face of expansion presents some unique challenges in the sector that can impact the company's future growth trajectory. The major concerns are highlighted below:

- **Alignment of National versus States' RE Policies and Targets**

  Due to non- alignment between Central and State-level RE targets, ensuring sustained commitment from the states for RE development is a concern for SECI, as many states are yet to adopt a long term trajectory for RE procurement. The renewable purchase obligation (RPO) mechanism that was devised to create a long term visibility is not strictly enforced, due to which a number of consumers do not comply with the obligations. However, going forth, it is expected that these regulations will become more coherent, that would enable all stakeholders to plan for projects in advance.

- **Availability of Land and Transmission infrastructure**

  Availability of suitable land and the pace of development of power evacuation infrastructure is becoming a challenge for timely commissioning of RE projects, which have short gestation period.

III. Strengths and weaknesses

- **Alignment with National Priorities**

  SECI has emerged as a front-runner for stimulating capital inflow into the RE sector, mainly on account of SECI's 100% government ownership and coordination with the nodal ministry, MNRE. Further, the company's transparency, speed of operation and payment security mechanisms have been appreciated by developers and offer confidence to global investors in doing business with SECI. Going forth, SECI's continuation in this role would depend, to a great extent, on the sustenance and strengthening of these systems.

- **Strong Credit history**

  SECI has established a track-record of making timely payments to developers and honouring the PSA provisions. As on 31.03.2021, no instance of default in payment to developers has been observed. This, coupled with the company's credit rating of AAA (ICRA), makes SECI a bankable business partner.

- **Transparency and Stakeholder relations**

  The tenders implemented by SECI are undertaken entirely through a secure electronic tendering platform. The bidding and reverse-auctioning mechanism on real-time basis is fully transparent, with minimal scope for collusion/unfair practices.

- **Technology leadership**

  The RE market dynamics are fast-paced, and staying abreast of the changes in technology and market models is key to thriving in this competitive environment. SECI has been pioneering in innovative models to develop these on commercial scales. SECI is working closely with the industry, the Government and other stakeholders for the promotion of innovations in RE. However, as the perceived risk in newer technologies is higher than conventional projects, it is crucial that thorough due-diligence for their suitability for Indian conditions must be carefully assessed before-hand for successful performance under Indian conditions.

IV. Segment-wise performance

The company's performance in its operational areas during FY 2020-21 is as per the Directors' report.

V. Outlook

- **Enhancement of National footprint**

The Economic Survey 2019-20 has indicated that India aspires to be a USD 5 trillion economy by the year 2025, with a likely infrastructure spending of USD 1.4 trillion over three years. In sync with the expected economic expansion and improvement in the quality of life for its citizens, the country's energy consumption is expected to increase substantially. This will contribute to substantial increase in demand for electricity from RE sources which constitutes the core business of SECI.

Further, after the impact of Covid-19 pandemic, Economic Survey 2020-21 points towards a 'V-shape' recovery of the country's economy.

- **Technology diversification**

Gradually as the RE market is evolving towards maturity, improving resource utilization, improving plant productivity & enabling better grid integration is being demanded. In this direction, solar-wind hybridization, storage systems, floating solar, off-shore wind technologies etc. are emerging as prominent segments. Further, coupling of energy storage systems with generation and transmission assets are being discussed as a solution for mitigation of grid stability concerns. Indigenization of the solar photovoltaic (PV) supply chain is also an important segment to focus on, to reduce dependence on imports. SECI can position itself in these segments as a market maker and through asset ownership model.

- **Product diversification**

India's solar and wind energy sectors have transitioned from a feed-in tariff regime to a market-based competitive-bidding mechanism. RE capacity addition through central power procurement agency has emerged as a preference for many investors and consumers, as these are mostly on pan-India basis and both investors and off-takers the flexibility of generating/procuring power from the best sites in the country. SECI's positioning as a pan- India intermediate power procurer gives it a distinct edge over other players in the RE market.

SECI is also exploring several new business areas such as Green Hydrogen, Pumped Hydro Storage Projects (PSP), Waste to Energy and Electric Mobility segments.

- **Creation of International Presence**

Across the world, against the backdrop of growing climate concerns to limit the rise in global temperatures to less than 2 degrees Celsius under the Paris agreement, there has been a fundamental change in the investment culture, with an increasing number of multilateral/bilateral agencies, sovereign wealth funds etc. showing a distinct preference for investing into renewable energy. As per the Global Trends in Renewable Energy Investment 2020 report published by the United Nations Environment Programme (UNEP), about 826 GW of new non-hydro renewable power capacity is committed globally by the year 2030, at a likely cost of USD 1 trillion. This provides a wide arena for SECI to expand its operations to other countries, banking on its experience of the Indian market.

- **New Areas & Upcoming Technologies**

A. **Waste to Energy (WTE):** SECI is in the process of finalizing an MOU with government of Uttar Pradesh for setting up Waste to energy plants in Prayagraj and Kanpur.

B. **Pumped Storage Hydro Projects (PSHP or PSP):** MOP has constituted a committee under Chairmanship of CMD, SECI for the promotion of PSP in the Country. The Committee has members from MOP, CEA, CERC, POSOCO. Recommendations of committee was also presented to the Hon'ble Minster. As part of recommendations, it has been proposed that Guidelines for Bidding and tender Documents be prepared by SECI, in consultation with other stakeholders.

C. **Electric Mobility:** With an intention of capturing Electric Mobility, SECI has empaneled 5 (Five) agencies and discussions are being undertaken with various entities like NHAI, DHI, Goa etc.

D. **Data Driven Decision Making Model:** To create a new business opportunity, SECI intends to help different DISCOMs in crafting power procurement strategy and optimization of power procurement cost by way of carrying out in-depth data / agreement analysis. In this regard, SECI has also written to few DISCOMs.

E. **Supply of Green Power and collaboration in RE & Transport Sector:** SECI has entered into MOU with NCRTC (National Capital Region Transport Corporation) and MOU with NHRSCL (National High-Speed Rail Corporation Limited) is under discussion.

F. **RTC (Round the Clock) Power (RE Blended with Thermal Power):** First of its kind of tender, wherein developer(s) is/ are required to supply Round the Clock Power with min. 51% of RE Power. Tender for 2500 MW is live.

G. **One Nation One Tariff:** With the approval of Hon'ble Minister, MNRE has floated a concept paper for 'One Nation One Tariff'. SECI was tasked to prepare a table. SECI has prepared a test model and presented to Secretary, MNRE. The model was also presented to the Chairperson, CERC. CERC has agreed to make it a part of agenda for FoR (Forum of Regulators). MNRE is to carry out consultation with DISCOMs. This is an interdepartmental initiative of Solar & PS.

H. **Green Hydrogen and Green Ammonia:** As part of exploring various opportunities of RE and bringing new technologies in India, under 'Atmanirbhar Bharat', SECI has been making efforts towards 'Green Hydrogen' and its application, particularly in Agriculture (Fertilizer Sector). A closed-door online meeting with representatives from various EU members was organised with the help of MNRE and DG Energy, European Union (EU) on 9th Oct 2020. Thereafter, meetings with various stakeholders have been organised. In this process, the Embassy of Italy approached SECI and proposed that M/s SNAM, an Italy based company to sign an MoU with SECI in the field of Green Hydrogen. The draft of MoU was forwarded by MEA through MNRE, and is under Approval. ONGC has also approached SECI for signing of MoU for mutual cooperation in the field of Green Hydrogen, RE powered E-Vehicles and RTC Power. Discussion with ONGC team is at an advanced stage for finalization of MoU.

I. **Focus on Technology optimization and seamless Grid-integration:** Given the issue of grid balancing & intermittency in RE, power offtakers are progressively demanding RE power that is both firm & flexible. In this direction, solar-wind hybridization, energy storage technologies etc., are emerging as prominent segments, and have opened up diverse opportunities for SECI in project development, consultancy and grid-support services.

   An emerging area of prominence that could potentially establish SECI as a true 'integrator' and enabler for renewable energy in the country is - energy storage systems (ESS). ESSs can provide a wide range of services that support RE integration, address challenges of variability and uncertainty of RE Sources while also enabling better utilization of the country's power transmission infrastructure network (or savings on transmission network infrastructure development going forward).

The policy environment is conducive for ESS, with the CERC recently publishing Draft Ancillary Services Regulations, that could enable the emergence of demand for grid integration services in the near future. Moreover, SECI is working together closely with the stakeholders in the power sector including CEA, CERC, POSOCO, CTU, Powergrid to roll out a Pilot Scheme for Battery Energy Storage Systems (BESS) to encourage the creation of a more participative energy market that would offer increased options to the off-takers while also addressing RE grid integration issues. Business Models can be worked out for establishing SECI in the role of an 'energy integrator' that would be seen as tremendous value addition to the renewable energy sector in the country.

VI. Risks and Concerns

- **Market risk**

  The RE market has been observed to be price-sensitive to global developments, primarily owning to component supplies from other countries and fluctuations in the dollar: rupee conversion rates. While a general trend of price reduction over the long term has been observed, however, short-term variations of prices impact the tariffs discovered for RE projects and can derail construction schedules.

- **Payment risk**

  Delays in payments from Discoms with the increasing portfolio of RE projects being set up, and the tendency of Discoms to attempt re-negotiating the existing PPAs, in the wake of downward-spiraling tariffs, pose risk to SECI's ability to make timely payments to developers. Availability of strong enforceable mechanisms of payment security, to cover the payment delays, is essential to maintain SECI's credibility as a power-procurement intermediary.

- **Policy risk**

  Electricity being a concurrent subject under the Indian constitution, ensuring sustained commitment from the states for RE development is a notable factor for SECI's operations.

VII. Internal control systems & their Adequacy

To ensure regulatory and statutory compliances as well as to provide highest level of corporate governance the company is building robust internal systems and processes for smooth and efficient conduct of business. Preparation of standard bid documents, financial concurrence in the decision-making process and standard operating procedures make the project-implementation process effective. Standardization of technical specifications, including detailed specification and quality plans ensure quality across projects. Towards standardization of the process, Procurement policy and Risk management policy are being followed in the company.

Internal audit, through experienced Chartered Accountant firms, is undertaken on periodic basis. Audit committee meetings are also held at regular intervals.

The internal control systems are commensurate with the size of the company.

VIII. Financial Performance with respect to Operational Performance

The physical performance of SECI is elaborated in the Directors report. Highlights of Standalone Annual Accounts for the financial year ended 31st March, 2021,in brief, are mentioned here under:

The total income of the company by way of Trading of Power, Project Monitoring Fees, Sale of power of own project and other income is Rs. 5464.68 Cr. as against corresponding previous year figure of Rs. 4657.73 Cr. registering an increase of 17.32%.

The total expenditure including purchase of power for the year stood at Rs. 5227.09 Cr. as against previous year figure of Rs. 4425.08 Cr. registering an increase of 18.12%.

Profit before tax works out to Rs. 237.59 Cr. as against the previous year figure of Rs. 232.65 Cr. and profit after tax (PAT) is Rs. 177.71 Cr. as against the previous year figure or Rs. 178.94 Cr. Thus registering an increase in PBT of 2.12% and decrease in PAT of 0.69% respectively.

a. Impact of COVID-19 on Company's Business

Due to outbreak of COVID-19 globally and in India, the Company has made an initial assessment of its likely adverse impact on business and its associated financial risks. The Company is in the business of trading of renewable energy, providing project management services and generation and sale of power. The generation and sale of Power is an essential service as emphasized by the Ministry of New and Renewable Energy (MNRE), Government of India (GOI). By taking a number of proactive steps and keeping in view the safety of all its stakeholders, the Company has ensured the availability of contracted solar power plants to generate solar power and has continued to supply solar power during the period of lockdown.

The Company believes that the impact due to the outbreak of COVID-19 is likely to be short-term in nature and does not anticipate any medium to long-term risks in the Company's ability to continue as a going concern, meeting its liabilities as and when they fall due and recoverability of financial assets. Impact assessment of COVID-19 is a continuing process considering the uncertainty involved thereon. The company will continue to closely monitor any material changes to the future economic conditions.

IX. Human Resources and Industrial Relations

The Human Resource Management function in SECI focuses on alignment of its human capital with the Company's strategic goals by propagating an employee friendly work environment, bolstered by constant skill enrichment and employee friendly work policies. Human resources in SECI, has emerged as a pivotal function, integral to the business by helping it grow and evolve.

SECI has always strived to ensure that its workforce is representative of all sections of the society. The Equal Opportunity Policy is framed in compliance of the provisions of the Rights of people with Disability Act, 2016 (RPWD Act 2016), SECI Ltd commits comply with the said Act and the Policy has been notified vide Circular dated 04.06.2020. SECI recognizes the value of diverse workforce and is committed to provide equal opportunities to Persons with Disabilities in employment and creating an inclusive workplace and culture in which all employees are treated with respect and dignity.

Considering the requirement amendments have been brought in SECI Leave Rules and SECI Career Progression Policies to make the policies more employee friendly.

During the year employees were exposed to various online web-based learning programmes, considering the COVID norms to leverage modern technology and provide appropriate facilities to groom our talented workforce.

Total 11 candidates were selected through Campus Placement from various IITs to infuse new talent in the organisation. A focused induction training programme of 3- months for our new joinees was conducted to acquire them required skill set which shall help in performing their jobs efficiently.

SECI has inducted Apprentices for providing on-the-job training in various fields like human resource, finance, renewable and solar disciplines.

In this uncertain time of pandemic, SECI being an Ethical Employer has facilitated, its employees in many facets and has helped them for their well-being. SECI has conducted vaccination drives for its stakeholders.

Enterprise Resource Planning Software (SAP) have been introduced in HR to bring out more transparency in HR processes and to maintain centralized data base.

a. Particulars of Employees

The total permanent manpower as on 31.03.2021 is 97 (including Directors) with 09 employees belonging to SC, 3 employees belonging to ST and 17 employees belonging to OBC and 19 women employees. We have 02 numbers of Divyang employees.

X. Environmental Protection & Conservation, Technological Conservation, Foreign Exchange Conservation

Foreign Exchange Earnings and Outgo

The company has not made any foreign currency earnings. The expenditure of foreign currency during the period is Rs 0.08 crores mainly for official tour and travels, training, business promotion and purchase of software.

XI. Corporate Social Responsibility

SECI's CSR policy focuses on areas of national importance like health, education, rural development, etc with the aim to empower weaker, less privileged and marginalized sections of society.

During the year 2020-21, SECI had allocated an amount of ₹ 341.34 lakhs towards the CSR activities. The Company has utilized Rs. 341.16 lakhs in the identified CSR activities. Details of CSR Funds spent during the year are given below:

S. No.	Particulars of CSR Activities	Amount Spent (Rs) in lakhs
1	Contribution to PM CARES Fund	300.00
2	CSR project on installation of Solar street lights/Fox lights in association with Wildlife Trust of India	20.79
3	Support to Smart Class in Dhenkanal District (Aspirational District in Odisha)	20.37
	Total	**341.16**

Certification / Declaration of Financial Statements by the Chief Executive / Chief Finance Officer of the Company

We, Suman Sharma, Managing Director and C. Kannan, Director (Finance) of Solar Energy Corporation of India, certify that in respect of the financial year ended on 31st March 2021:

(1) We have reviewed the financial statements and the cash flow statements of the year and that to the best of our knowledge and belief:

(i) These statements do not contain any materially untrue statement or omit any material fact or contain any statement that might be misleading; and

(ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

(2) There are to the best of our knowledge and belief, no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's code of conduct.

(3) We accept responsibility for establishing and maintaining internal control for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting.

(4) We have indicated, wherever applicable, to the Auditors and Audit Committee:

(a) Significant changes, if any, in the internal control over financial reporting during the year;

(b) Significant changes, if any, in the accounting policies during the year and that the same has been disclosed in the notes to the financial statements; and

(c) Instances of significant fraud, if any, wherein there has been involvement of management or an employee having a significant role in the Company's internal control system over financial reporting.

Sd/-
C. Kannan
Director (Finance)

Sd/-
Suman Sharma
Managing Director

Place: New Delhi
Date: 29.09.2021

SOLAR ENERGY CORPORATION OF INDIA LIMITED

(Formerly known as Solar Energy Corporation of India)

Standalone Balance Sheet as at 31st March 2021

₹ Lakhs

Particulars	Note No.	As at 31st March 2021	As at 31st March 2020
ASSETS			
Non-current assets			
Property, Plant and Equipment	2	9,246.19	5,491.07
Right of Use	3	21,108.19	2,034.66
Capital work-in-progress	4	317.86	2,823.44
Intangible assets	5	1,339.59	46.20
Intangible assets under development	6	1.89	17.26
Investment in Joint venture(s)	7	476.00	476.00
Financial Assets			
Loans & Advances	8	79.22	46.46
Other non current financial assets	9	50,743.57	35,557.44
Other non current assets	10	2,527.63	20,315.22
Total Non Current Assets		**85,840.14**	**66,807.75**
Current Assets			
Financial Assets			
Trade Receivable	11	85,381.54	117,351.51
Cash and cash equivalents	12	137,037.50	145,560.63
Bank balances other than cash & cash equivalents	13	22,113.12	30,663.58
Loans & Advances	14	772.79	516.93
Other financial assets	15	64,904.41	64,343.17
Other current assets	16	459.36	1,247.58
Current Tax Assets (Net)	17	612.21	302.98
Total Current Assets		**311,280.93**	**359,986.38**
Total Assets		**397,121.07**	**426,794.13**
EQUITY AND LIABILITIES			
Equity			
Equity Share capital	18	35,400.00	35,400.00
Other Equity	19	51,958.34	34,172.42
Total Equity		87,358.34	69,572.42
LIABILITIES			
Non-current liabilities			
Financial Liabilities			
Borrowings			
Other financial liabilities	20	54,673.97	39,006.18
Provisions	21	723.80	576.57
Deferred tax liabilities (Net)	22	380.84	308.78
Other Non-current liabilities	23	500.08	1,110.95
Total Non Current Liabilities		**56,278.69**	**41,002.48**

SOLAR ENERGY CORPORATION OF INDIA LIMITED

(Formerly known as Solar Energy Corporation of India)

Standalone Balance Sheet as at 31st March 2021

₹ Lakhs

Particulars	Note No.	As at 31st March 2021	As at 31st March 2020
Current liabilities			
Financial Liabilities			
Borrowings	24	-	-
Trade payables	24A		
Total outstanding dues of micro enterprises and small enterprises		-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises		43,922.59	42,578.88
Other financial liabilities	25	187,584.51	251,816.27
Provisions	26	795.24	789.34
Other current liabilities	27	4,071.53	3,155.29
Current Tax Liabilities (Net)	28	-	-
Total Current Liabilities		**236,373.87**	**298,339.78**
Deferred Revenue	29	17,110.17	17,879.45
Total Equity and Liabilities		**397,121.07**	**426,794.13**
Significant accounting policies	**1**		

The accompanying notes 1 to 75 form integral part of these financial statements.

For and on behalf of the Board of Directors

Sd/-
(Sunil Kumar)
Company Secretary
M. No. 17693

Sd/-
(C Kannan)
Director (Finance)
DIN 06458185

Sd/-
(Jatindra Nath Swain)
Managing Director
DIN 01969056

In terms of our audit report of even date
For Pandey and Company
Chartered Accountants
FR No. 000357C

Sd/-
(CA Amit Pandey)
Partner
Membership No. 402377

Place : New Delhi
Date : 31.07.2021

SOLAR ENERGY CORPORATION OF INDIA LIMITED

(Formerly known as Solar Energy Corporation of India)

Standalone Statement of Profit and Loss for the year ended 31st March 2021

₹ Lakhs

Particulars	Note No.	For the year ended 31st March 2021	For the year ended 31st March 2020
Income			
Revenue from operations	30	544,288.07	462,571.79
Other income	31	2,180.05	3,201.56
Total Income		**546,468.12**	**465,773.35**
Expenses			
Purchase of Solar Power	32	514,601.07	435,717.17
Employee Benefits Expense	33	2,583.80	2,159.49
Finance costs	34	359.39	309.24
Depreciation & Amortisation	35	764.28	498.40
Other Expenses	36	4,400.34	3,823.59
Total expenses		**522,708.88**	**442,507.89**
Profit before Exceptional Items & Tax		**23,759.24**	**23,265.46**
Exceptional Items			
Compensation to SPD on account of Change in Law (Refer Note No. 72)		21,855.54	47,864.69
Compensation from DISCOM on account of change in Law (Refer Note No. 72)		(21,855.54)	(47,864.69)
Profit before tax		**23,759.24**	**23,265.46**
Tax expense			
Current tax			
Current Years		5,846.34	5,599.68
Earlier Years		75.34	34.99
Deferred tax		66.92	(262.73)
Total Tax Expenses		**5,988.60**	**5,371.94**
Profit/(loss) for the year		**17,770.64**	**17,893.52**
Other Comprehensive Income			
Items that will not be reclassified to profit or loss (net of tax)			
Re-measurement gains (losses) on defined benefit plans transferred to OCI		20.42	(47.85)
Income tax relating to items that will be reclassified to profit or loss		(5.14)	11.19

SOLAR ENERGY CORPORATION OF INDIA LIMITED

(Formerly known as Solar Energy Corporation of India)

Standalone Statement of Profit and Loss for the year ended 31st March 2021

₹ Lakhs

Particulars	Note No.	For the year ended 31st March 2021	For the year ended 31st March 2020
Total Comprehensive Income for the year (Comprising Profit(Loss) and Other Comprehensive Income for the year)		**17,785.92**	**17,856.86**
Earnings per equity share			
Basic (₹)		**502.00**	**505.47**
Diluted (₹)		**502.00**	**505.47**
Significant accounting policies	1		

The accompanying notes 1 to 75 form integral part of these financial statements.

For and on behalf of the Board of Directors

Sd/-
(Sunil Kumar)
Company Secretary
M. No. 17693

Sd/-
(C Kannan)
Director (Finance)
DIN 06458185

Sd/-
(Jatindra Nath Swain)
Managing Director
DIN 01969056

In terms of our audit report of even date
For Pandey and Company
Chartered Accountants
FR No. 000357C

Sd/-
(CA Amit Pandey)
Partner
Membership No. 402377

Place : New Delhi
Date : 31.07.2021

SOLAR ENERGY CORPORATION OF INDIA LIMITED

(Formerly known as Solar Energy Corporation of India)

Standalone Cash Flow Statement for the year ended 31st March, 2021

₹ Lakhs

Particulars	For the year ended 31st March 2021	For the year ended 31st March 2020
A. CASH FLOW FROM OPERATING ACTIVITY		
Net Profit before tax	**23,759.24**	**23,265.46**
Add: Other Comprehensive Income/(Expense)	20.42	(47.85)
	23,779.66	**23,217.61**
Adjustments for:		
Depreciation, amortisation and Impairment Of Property, Plant And Equipment and Intangible Assets	764.28	498.40
Finance Costs - Lease Liability	14.97	14.56
Loss on disposal of property, plant and equipment	1.09	0.31
Expenses Written Off	10.32	-
Finance Costs - Interest on Loan	-	-
Provision Others	40.73	-
Provision for impairment loss	14.61	9.12
Unwinding of discount on Performance Guarantee Deposit & Retention Money	295.49	260.47
Recognised From Deferred revenue expenses security deposit receivable	0.76	0.76
Recognised From Deferred revenue income Performance Guarantee Deposit	(764.27)	(772.31)
Unwinding of discount on security deposit receivables	(0.32)	(0.30)
Deferred payroll Expenditure	53.40	1.02
Recognised from Deferred Income - Government Grant	(17.99)	(18.04)
Dividend Income	(662.40)	(1,199.94)
Interest Income	(721.29)	(1,211.38)
Operating Profit before Working Capital Changes	**22,809.04**	**20,800.28**

SOLAR ENERGY CORPORATION OF INDIA LIMITED

(Formerly known as Solar Energy Corporation of India)

Standalone Cash Flow Statement for the year ended 31st March, 2021

₹ Lakhs

Particulars	For the year ended 31st March 2021	For the year ended 31st March 2020
Adjustment For:		
(Increase)/Decrease in Trade Receivables	31,955.36	(46,535.98)
(Increase)/Decrease in Bank balances other than cash & cash equivalent, Loans & Advances and other financial assets	(7,539.37)	47,088.43
(Increase)/Decrease in Other Non Current Assets	5.12	(194.19)
(Increase)/Decrease in Other Current Assets	788.22	(962.42)
Increase/(Decrease) in Trade Payables, Provisions and Other Liabilities	(47,089.03)	104,049.42
Cash generated/(used) from Operations	**929.34**	**124,245.54**
Direct taxes paid	(6,230.91)	(5,448.89)
Net cash flow/(used) from/in Operating Activities- A	(5,301.57)	118,796.65
B. CASH FLOW FROM INVESTING ACTIVITY		
(Increase)/Decrease in Capital Advances	17,782.47	1,820.43
Investment in Joint Ventures	-	(196.00)
Dividend Income	662.40	1,199.94
Interest Income	721.29	1,211.38
Investment in Capital work-in-progress	(3,014.74)	(2,596.74)
Investment in Intangible Assets under development	15.37	(3.07)
Disposal of fixed assets	0.58	0.12
Purchase of fixed assets	(19,377.99)	(1,998.05)
Net Cash Flow from Investing Activities - B	**(3,210.62)**	**(561.99)**

SOLAR ENERGY CORPORATION OF INDIA LIMITED

(Formerly known as Solar Energy Corporation of India)

Standalone Cash Flow Statement for the year ended 31st March, 2021

₹ Lakhs

Particulars	For the year ended 31st March 2021	For the year ended 31st March 2020
C. CASH FLOW FROM FINANCING ACTIVITY		
Proceeds from Issue of Equity Share Capital	-	-
Repayment of long term borrowings	-	-
Lease Liability Paid	(10.94)	(10.10)
Interest Paid	-	-
Dividend Paid	-	(3,881.95)
Tax on Dividend	-	(797.95)
Net Cash Flow from Financing Activities - C	**(10.94)**	**(4,689.99)**
Net (Decrease)/ Increase in cash and cash equivalents (A+B+C)	(8,523.13)	113,544.67
Cash and cash equivalents in the beginning of the year (See note 1&2 below)	145,560.63	32,015.96
Cash and cash equivalents at the end of the year (See note 1&2 below)	137,037.50	145,560.63

NOTES:

1. Cash and cash equivalents consist of balances with banks in current accounts, auto-sweep fixed deposits,fixed deposits having original maturity period upto 3 months and interest accrued thereon
2. Reconciliation of cash and cash equivalents: cash and cash equivalents as per Note 12.
3. Previous year figures have been regrouped/rearranged wherever considered necessary.
4. Refer note no. 46 for Undrawn borrowing facilities.

For and on behalf of the Board of Directors

Sd/-
(Sunil Kumar)
Company Secretary
M. No. 17693

Sd/-
(C Kannan)
Director (Finance)
DIN 06458185

Sd/-
(Jatindra Nath Swain)
Managing Director
DIN 01969056

In terms of our audit report of even date
For Pandey and Company
Chartered Accountants
FR No. 000357C

Sd/-
(CA Amit Pandey)
Partner
Membership No. 402377

Place : New Delhi
Date : 31.07.2021

SOLAR ENERGY CORPORATION OF INDIA LIMITED

(Formerly known as Solar Energy Corporation of India)

Standalone Statement of Changes in Equity

A. Equity Share Capital

For the year ended 31st March 2021

₹ Lakhs

Balance as at 1st April 2020	Changes in equity during the year	Balance as at 31st March 2021
35,400	-	35,400

For the year ended 31st March, 2020

₹ Lakhs

Balance as at 1st April 2019	Changes in equity during the year	Balance as at 31st March 2020
35,400	-	35,400

B. Other Equity

For the year ended 31st March 2021

₹ Lakhs

Particulars	Reserve and surplus	Total
	Retained Earnings	
Balance as at 1st April 2020	**34,172.42**	**34,172.42**
Profit for the year	17,770.64	17,770.64
Other Comprehensive Income	15.28	15.28
Total Comprehensive Income	**51,958.34**	**51,958.34**
Transfer to/from Retained Earnings		
Final Dividend - FY 2019-20 (Refer Note no 18)	-	-
Balance as at 31st March 2021	**51,958.34**	**51,958.34**

SOLAR ENERGY CORPORATION OF INDIA LIMITED

(Formerly known as Solar Energy Corporation of India)

Standalone Statement of Changes in Equity

For the year ended 31st March 2020

₹ Lakhs

Particulars	Reserve and surplus	Total
	Retained Earnings	
Balance as at 1st April 2019	**20,995.45**	**20,995.45**
Profit for the year	17,893.52	17,893.52
Other Comprehensive Income	(36.66)	(36.66)
Total Comprehensive Income	**38,852.31**	**38,852.31**
Transfer to/from Retained Earnings		-
Final Dividend - FY 2018-19 (Refer Note no 18)	(3,881.95)	(3,881.95)
Dividend distribution tax on final dividend	(797.95)	(797.95)
Balance as at 31st March 2020	**34,172.42**	**34,172.42**

For and on behalf of the Board of Directors

Sd/-
(Sunil Kumar)
Company Secretary
M. No. 17693

Sd/-
(C Kannan)
Director (Finance)
DIN 06458185

Sd/-
(Jatindra Nath Swain)
Managing Director
DIN 01969056

In terms of our audit report of even date
For Pandey and Company
Chartered Accountants
FR No. 000357C

Sd/-
(CA Amit Pandey)
Partner
Membership No. 402377

Place : New Delhi
Date : 31.07.2021

SOLAR ENERGY CORPORATION OF INDIA LIMITED

(Formerly known as Solar Energy Corporation of India)

Company Information and Significant Accounting Policies

Notes forming part of Standalone Financial Statements

Note: 1:

A. Reporting entity

Solar Energy Corporation of India Limited is a company domiciled in India and limited by shares (CIN: U40106DL2011GOI225263). The address of the Company's registered office is 6th Floor, Plate B, NBCC Office Block Tower -2, East Kidwai Nagar, New Delhi -110023. The company is primarily engaged in implementation of a number of schemes of MNRE, major ones being the VGF schemes for large-scale grid-connected solar power projects under JNNSM, Wind Power projects,Solar Park Schemes and Grid-Connected Solar Rooftop Schemes along with a host of other specialized schemes. The company is also engaged in auctioning of Solar,Wind,Hybrid & Floating Power Projects. The company has a Power Trading license and is active in this domain through trading of renewable power from projects set up under the schemes being implemented by it. The company is also involved in rendering project management consultancy services for setting up of Solar Power Projects. The company is also engaged in generation and sale of renewable energy power.

B. Basis of preparation

1. Statement of Compliance

These standalone financial statements are prepared on going concern basis following accrual basis of accounting and comply with the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and subsequent amendments thereto, the Companies Act, 2013 (to the extent notified and applicable), applicable provisions of the Companies Act, 1956, to the extent applicable, the Electricity Act 2003 to the extent applicable.

These financial statements were approved by Board of Directors vide Board Meeting held on 31.07.2021

2. Basis of measurement

The financial statements have been prepared on the historical cost basis except for certain financial assets and liabilities that are measured at fair value (refer accounting policy Point No. 18 i.e. "financial instruments"). The methods used to measure fair values are discussed further in notes to Financial Statements.

3. Functional and presentation currency

These financial statements are presented in Indian Rupees (INR), which is the Company's functional currency. All financial information presented in INR has been rounded to the nearest lakhs (up to two decimals), except as stated otherwise.

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

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

An asset is current when it is:

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

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is due primarily for the purpose of normal course of business;
- It is due to be settled within twelve months after the reporting period; or
- There is no conditional right to defer settlement of the liability for at least Twelve months after the reporting period.

All other liabilities are classified as non-current.

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

C. Significant Accounting Policies

A summary of the significant accounting policies applied in the preparation of the financial statements are as given below. These accounting policies have been applied consistently to all periods presented in the financial statements.The Company has elected to utilize the option under Ind AS 101 by not applying the provisions of Ind AS 16 and Ind AS 38 retrospectively and continue to use the previous GAAP carrying amount as a deemed cost under Ind AS at the date of transition to Ind AS i.e. 1 April 2016. Therefore , the carrying amount of property, plant and equipment and intangible assets as per the previous GAAP as at 1 April 2016, i.e. the Company's date of transition to Ind AS, were maintained on transition to Ind AS.

1. Property, plant and equipment

1.1. Initial recognition and measurement

An item of property, plant and equipment is recognized as an asset if and only if it is probable that future economic benefits associated with the itemwill flow to the Company and the cost of the item can be measured reliably.

Items of property, plant and equipment are initially recognized at cost.

Subsequentmeasurement is done at cost less accumulated depreciation/amortization and accumulated impairment losses. Cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

When parts of an item of property, plant and equipment have different useful lives, they are recognized separately.

Deposits, payments/liabilities made provisionally towards compensation, rehabilitation and other expenses relatable to land in possession are treated as cost of land.

In the case of assets put to use, where final settlement of bills with contractors is yet to be affected, capitalization is done on provisional basis subject tonecessary adjustment in the year of final settlement.

Items of spare parts, stand-by equipment and servicing equipment which meet the definition of property, plant and equipment are capitalized upon acquisition. Other spare parts are carried as inventory and recognized in the statement of profit and loss on consumption.

Construction of assets on leasehold land is capitalized as building/improvements as and when construction is completed on actual cost incurred and are depreciated over the term of lease.

1.2. <u>Subsequent costs</u>

Subsequent expenditure is recognized as an increase in the carrying amount of the asset when it is probable that future economic benefits deriving from the cost incurred will flow to the enterprise and the cost of the item can be measured reliably.

The cost of replacing part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. The costs of the day-to-day servicing of property, plant and equipment is recognized in profit or loss as incurred.

1.3. <u>Derecognition</u>

Property, plant and equipment is derecognized when no future economic benefits are expected from their use or upon their disposal. Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognized in the statement of profit and loss.

1.4. <u>Depreciation/Amortization</u>

Depreciation on Property plant and equipment of Power generating Units of the Company is charged to the Statement of Profit & Loss on straight-line method following the rates and methodology as notified by CERC for the fixation of tariff and in accordance with schedule II of Companies Act 2013

Buildings relating to generation of electricity business are depreciated following the rates and methodology notified by the CERC tariff regulations.

ROU Assets are amortised over the Lease period.

Depreciation on assets other than the assets specified above is provided on straight line method following the useful life specified in the Schedule II of Companies Act, 2013.

Depreciation on addition to/deletion from Property, plant and equipment during the year is charged on pro rata basis from/up to the date on which the asset becomes available to use/is disposed off.

Where the cost of depreciable assets has undergone a change during the year due to increase/decrease in long term liabilities on account of exchange fluctuation, price adjustment, change in duties or similar factors, the unamortized balance of such asset is charged off prospectively over the remaining useful life determined following the applicable accounting policies relating to depreciation.

Assets costing Rs 5,000 or less are fully depreciatedin the year of acquisition on account of materiality.

1.5 Leases

1) The Company as a lessee

The Company's lease asset classes primarily consist of leases for land, buildings and Solar Power Plant under Power Purchase Agreements (PPA). The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

At the commencement date, the lease payments included in the measurement of the lease liability comprise the fixed payments less any lease incentives receivable and variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date. In case of Solar Power Plant under Power Purchase Agreement, as variable lease payment is purely dependent on the quantity of output from the identified asset, these payments are not to be included in determining the measurement of lease liability and Right of Use Asset. The company shall charge these variable lease payments in profit or loss as and when they become payable. (Refer point 10).

2) The Company as a lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the ROU asset arising from the head lease. For operating leases, rental income is recognized on a straight-line basis over the term of the relevant lease.

2. **Capital work-in-progress**

The cost of self-constructed assets includes the cost of materials & direct labour, any other costs directly attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the manner intended by management and borrowing costs.

3. Intangible assets and intangible assets under development

3.1. Initial recognition and measurement

An intangible asset is recognized if and only if it is probable that the expected future economic benefits that are attributable to the asset will flow to the Company and the cost of the asset can be measured reliably.

Intangible assets that are acquired by the Company, which have finite useful lives, are recognized at cost. Subsequent measurement is done at cost less accumulated amortization and accumulated impairment losses. Cost includes any directly attributable incidental expenses necessary to make the assets ready for its intended use. Expenditure incurred which are eligible for capitalizations under intangible assets are carried as intangible assets under development till they are ready for their intended use.

3.2. Derecognition

An intangible asset is derecognized when no future economic benefits are expected from their use or upon their disposal. Gains and losses on disposal of an item of intangible assets are determined by comparing the proceeds from disposal with the carrying amount of intangible assets and are recognized in the statement of profit and loss.

3.3. Amortization

Intangible assetsare amortized on straight line method over a period of legal right to use or 5 years whichever is lower.

4. Borrowing costs

Borrowing costs consist of (a) interest expense calculated using the effective interest method asdescribed in Ind AS 109 - 'Financial Instruments ' (b) finance charges in respect of lease liability recognized in accordance with Ind AS 116 - 'Leases' and (c) exchange differences arising fromforeign currency borrowings to the extent that they are regarded as an adjustment to interest costs.

Borrowing costs that are directly attributable to the acquisition, construction/exploration/ development or erection of qualifying assets are capitalized as part of cost of such asset until such time the assets are substantially ready for their intended use. Qualifying assets are assets which take a substantial period of time to get ready for their intended use or sale.

When the Company borrows funds specifically for the purpose of obtaining a qualifying asset, the borrowing costs incurred are capitalized. When Company borrows funds generally and uses them forthe purpose of obtaininga qualifying asset, the capitalization of the borrowing costs is computed based on the weighted average cost ofgeneral borrowing that are outstanding during the period and used for the acquisition, construction/exploration or erection of the qualifying asset.

Capitalization of borrowing costs ceases when substantially all the activities necessary to prepare the qualifying assets for their intended uses are complete. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

Borrowing costs include exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs.

Other borrowing costs are recognized as an expense in the year in which theyare incurred.

5. Inventories

Inventories are valued at the lower of cost and net realizable value. Cost includes cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Costs of purchased inventory are determined after deducting rebates and discounts. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

6. Cash and cash equivalents

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

7. Government grants

Government grants are recognized initially as deferred income when received and/or on there is reasonable assurance that they will be received and the Company will comply with the conditions associated with the grant. Grants that compensate the Company for the cost of an asset are recognized in profit or loss on a systematic basis over the useful life of the related asset. Grants that compensate the Company for expenses incurred are recognized over the period in which the related costs are incurred and deducted from the related expenses.

Interest earned on fund investment out of unutilized grant is treated as grant.

8. Provisions, contingent liabilities and contingent assets

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

Contingent liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events not wholly within the control of the Company. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Contingent liabilities are disclosed on the basis of judgment of the management/independent experts. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate.

Contingent assets are possible assets that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Contingent assets are disclosed in the financialstatements when inflow of economic benefits is probable on the basis of judgment of management. These are assessed continually to ensure that developments are appropriately reflected in the financial statements.

9. Revenue

Company's revenues arise from sale of power, consultancy, project management & supervision services and other income.

9.1. Revenue from sale of power/Variable Lease Receipts based on output.

Revenue is measured based on the consideration that is specified in a contract with a customer or is expected to be received in exchange for the products or services and excludes amounts collected on behalf of third parties. The company recognizes revenue when (or as) control over the products or services is transferred to a customer.

Revenue from sale of power/variable lease receipts is recognized on the basis of terms and conditions of Power Sale Agreements (PSA) with the Buying Utilities and as per rates agreed with the Buying Utilities. The Units (KWh) are recognized on the basis of Joint Meter Reading / State Energy Accounting (JMR)/(SEA) in case of Intra State power sale and Regional Energy Accounting (REA) in case of Inter State Power sale.

Sales transactions are reconciled at regular intervals in order to reconcile with the units traded.

Rebates allowed to beneficiaries as early payment incentives are deducted from the amount of revenue.

9.2. Revenue from services

Revenue from consultancy, project management, supervision and other services rendered is measured based on the consideration that is specified in a contract with a customer or is expected to be received in exchange for the services and excludes amounts collected on behalf of Third Parties. The Company recognizes revenue when (or as) the performance obligation is satisfied, which typically occurs when (or as) control over the services is transferred to a customer.

Contract modifications are accounted for when additions, deletions or changes are approved either to the contract scope or contract price. The accounting for modifications of contracts involves assessing whether the services added to an existing contract are distinct and whether the pricing is at the standalone selling price. Services added that are not distinct are accounted for on a cumulative catchup basis, while those that are distinct are accounted for prospectively, either as a separate contract, if the additional services are priced at the standalone selling price, or as a termination of the existing contract and creation of a new contract if not priced at the standalone selling price.

9.2.1 Revenue recognition in case of Grid/Off Grid - Rooftop Projects/Solar Power Projects/Wind power projects/Hybrid Projects/Floating Power Projects.

MNRE provides 3%/2% of Central Financial Assistance (CFA) in respect of Rooftop Projects towards Publicity, Orientation, Awareness Programme, Workshops, Field Visits, Monitoring and Technical guidance etc. Revenue from Project monitoring and Technical Guidance in respect of Rooftop Projects – Grid/Off Grid is recognized on a systematic basis related to stage of progress and respective terms of the projects/Schemes. In case of particular scheme, where the revenue has been recognized and the scheme is closed/capacity commissioned subsequently, any impact of revenue recognized earlier is accordingly reversed.

The actual expenditure incurred towards Publicity, Orientation, Awareness Programme, Workshops and Field visits is deducted from the revenue recognized above and the net income is disclosed. In case the expenditure incurred are in excess during the year as compared to revenue recognized in line with the policy, the same is adjusted out of the revenue recognized, in the subsequent year.

The service charges received/receivable (net of incentives payable, if any) from the developer under Rooftop Projects are being recognized as income in the year in which the project capacity is sanctioned.However, the service charges are adjusted based on change in benchmark cost applicable(if any) at the time of commissioning/actual capacity commissioned.

Fund handling charges under various MNRE Schemes are recognized as income in proportion to funds disbursed as per terms of sanction letter issued by MNRE.

The Success fee in respect of the Solar /Wind /Hybrid/Floating power projectsis being charged from the Solar/ Wind /Hybrid/ FloatingPower Developers. 90% of the total Success fees is recognized as income on accrual basis at the time of issuance of LoA/LoI based on the completion of various activities/services rendered as per technical estimates and balance 10% is recognized at the time of commissioning of Solar/Wind/Hybrid/ FloatingPower Projects.

9.3 Revenue Recognition – Other operational Income & other income

Revenue from other operational income and other income comprises interest from banks, employees, contractors etc., dividend from investments in joint venture and subsidiary companies, dividend from mutual fund investments, surcharge received from customers for delayed payments, tender fee, sale of scrap, other miscellaneous income, etc.

Interest income is recognized, when no significant uncertainty as to measurability or collectability exists, on a time proportion basis taking into account the amount outstanding and the applicable interest rate, using the effective interest rate method (EIR).

Scrap is accounted for as and when sold. Insurance claims for loss of profit are accounted for in the year of acceptance. Other insurance claims are accounted for based on certainty of realization.

For debt instruments measured either at amortized cost or at fair value through other comprehensive income (OCI), interest income is recorded using the EIR. EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortized cost of a financial liability.

When calculating the EIR, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

Interest income is included in other income in the statement of profit and loss. The interest/surcharge on late payment/overdue sundry debtors for sale of power is recognized when no significant uncertainty as to measurability or collectability exists.

Interest/surcharge recoverable on advances to suppliers as well as warranty claims, interest charges on the late payment of service charges, liquidated damages, forfeiture of Performance bank guarantee, delay charges on late submissionbank guarantees and tender fees wherever there is uncertainty of realization/acceptance are not treated as accrued and are therefore, accounted for on receipt/acceptance.

Dividend income is recognized in profit or loss only when the right to receive is established, it is probable that the economic benefits associated with the dividend will flow to the company and the amount of dividend can be measured reliably.

10. Purchase of Power/ Variable Lease Payments based on Output

Purchase of power/ variable lease payment based on output is accounted for on the basis of Joint Meter Reading /State Energy Accounting/Regional Energy Accounting (JMR/SEA/REA) as per the terms of Power Purchase Agreements (PPA) executed with Solar Power Developers (SPDs). Purchase transactions are reconciled at regular intervals in order to reconcile with the units traded.Any excess of purchased units over billed units to DISCOMS, the same is recovered from the SPDs. (Refer point 1.5.)

Rebates received from suppliers as early payment incentives are deducted from the amount of purchase.

11. Employee benefits

Employee benefits, inter-alia includes provident fund, pension, gratuity, leave benefits and post-retirement benefits.

11.1. Short Term Benefit

Short term employee benefits are recognised as an expense at the undiscounted amount in the Statement of Profit and Loss for the year in which the related services are rendered.

A liability is recognized for the amount expected to be paid under performance related pay if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

11.2. Defined contribution plans

Defined contribution plans are those plans in which an entity pays fixed contribution into separate entities and will have no legal or constructive obligation to pay further amounts. Company's contribution paid/ payable during the year to Provident Fund and Pension Fund is recognized in the Statement of Profit and Loss on accrual basis.The Company has a defined contribution pension scheme which is administered through a separate trust.

Post retirement other superannuation plan:

The company has obligation to pay towards the post-employment benefits to the extent of amount not exceeding 30% of basic pay and dearness allowance.Accordingly, the company provide the liability after considering employer's contribution towards provident fund, Pension fund, gratuity, post-retirement medical benefit (PRMB) or any other retirement benefits. The same is charged to the statement of profit and loss.

11.3. <u>Defined benefit plans</u>

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan.

Company's liability towards gratuity, leave benefits, post-retirement medical benefits is determined on the basis of actuarial valuation at the end of financial year using the projected unit credit method.

The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. Any unrecognized past service costs and the fair value of any plan assets are deducted. The discount rate is based on the prevailing market yields of Indian government securities as at the reporting date that have maturity dates approximating the terms of the Company's obligations and that are denominated in the same currency in which the benefits are expected to be paid.

The calculation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a liability to the company, the present value of liability is recognized as provision for employee benefit. Any actuarial gains or losses are recognized in OCI in the period in which they arise.

11.4. <u>Long Term Employee Benefit</u>

Benefits under the Company's leave encashment constitute other long term employee benefits.Leave Encashment is determined based on the available leave entitlement at the end of the year and actuarial valuation using the projected unit credit method.

The Company's net obligation in respect of leave encashment is the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefitis discounted to determine its present value, and the fair value of any related assets is deducted. The discount rate is based on the prevailing market yields of Indiangovernment securities as at the reporting date that have maturity dates approximating the terms of the Company's obligations. Any actuarial gains or losses are recognized in profit or loss in the period in which they arise.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

11.5. <u>Deputation</u>

Liability in respect of leave encashment and superannuation benefits of employees on deputation with the Company are accounted for on the basis of terms and conditions of deputation of the parent organizations.

12. Foreign currency transactions and translation

Transactions in foreign currencies are initially recorded at the functional currency spot rates at the date thetransaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetaryitems are recognized in profit or loss in the year in which it arises.

Non-monetary items are measured in terms of historical cost in a foreign currency are translated using the exchangerate at the date of the transaction.

13. Income taxes

Income tax expense comprises current and deferred tax. Current tax expense is recognized in profit or loss except to the extent that it relates to items recognized directly in other comprehensive income (OCI) or equity, in whichcase it is recognized in OCI or equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted and as applicable at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognized using balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority.

Deferred tax is recognized in profit or loss except to the extent that it relates to items recognized directly in OCI or equity, in which case it is recognized in OCI or equity.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Additional income taxes that arise from the distribution of dividends are recognized at the same time that the liability to pay the related dividend is recognized.

14. Impairment of non-financial assets

The carrying amounts of the Company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment considering the provisions of Ind AS 36 'Impairment of Assets'. If any such indication exists, then the asset's recoverable amount is estimated. The recoverable amount of an asset is the higher of its fair value less costs to disposal and its value in use. 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.

An impairment loss is recognized if the carrying amount of an asset exceeds its estimated recoverable amount.

Impairment losses are recognized in profit or loss. Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

15. Material prior period errors

Material prior period errors are corrected retrospectively by restating the comparative amounts for the prior periods presented in which the error occurred. If the error occurred before the earliest period presented, the opening balances of assets, liabilities and equity for the earliest period presented, are restated.

16. Earnings per share

Basic earnings per equity share are computed by dividing the net profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the financial year.

Diluted earnings per equity share is computed by dividing the net profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

17. Cash flow statement

Cash flow statement is prepared in accordance with the indirect method prescribed in Ind AS 7 'Statement of Cash Flows'.

18. Financial instruments

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

18.1. Financial assets

Initial recognition and measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to theacquisition or issue of the financial asset.

Subsequent measurement

Debt instruments at amortized cost

A 'debt instrument' is measured at the amortized cost if both the following conditions are met:

(a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

(b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the EIR method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the profit or loss. The losses arising from impairment are recognized in the profit or loss. This category generally applies to trade and other receivables.

Debt instrument at FVTOCI (Fair Value through OCI)

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

(a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

(b) The asset's contractual cash flows represent SPPI

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the OCI. However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the profit and loss. On derecognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified from the equity to profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt instrument at FVTPL (Fair value through profit or loss)

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.In addition, the Company may elect to classify a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss.

Equity investments

Equity investments in joint ventures and subsidiaries are measured at cost.

Derecognition

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

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either
  (a) the Company has transferred substantially all the risks and rewards of the asset, or

  (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

(a) Financial assets that are debt instruments, and are measured at amortized cost e.g., loans, debt securities, deposits, trade receivables and bank balance.

(b) Financial assets that are debt instruments and are measured as at FVTOCI.

(c) Lease receivables under Ind AS 116.

(d) Trade receivables under Ind AS 115.

(e) Loan commitments which are not measured as at FVTPL.

(f) Financial guarantee contracts which are not measured as at FVTPL.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12-month ECL.

18.2. Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss. All financial liabilities are recognized initially at fair value and, in the case of borrowings, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables, borrowings including bank overdrafts, financial guarantee contracts.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at amortized cost

After initial measurement, such financial liabilities are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance costs in the profit or loss. This category generally applies to borrowings, trade payables and other contractual liabilities.

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

Gains or losses on liabilities held for trading are recognized in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/losses attributable to changes in own credit risk are recognized in OCI. These gains/losses are not subsequently transferred to profit and loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognized in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

Derecognition

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

19. Operating segments

In accordance with Ind AS 108, the operating segments used to present segment information are identified on the basis of internal reports used by the Company's Management to allocate resources to the segments and assess their performance. The Board of Directors is collectively the Company's 'Chief Operating Decision Maker' or 'CODM' within the meaning of Ind AS 108. The indicators used for internal reporting purposes may evolve in connection with performance assessment measures put in place.

Segment results that are reported to the CODM include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly corporate expenses, finance expenses and income tax expenses.

Revenue directly attributable to the segments is considered as segment revenue. Expenses directly attributable to the segments and common expenses allocated on a reasonable basis are considered as segment expenses.

Segment capital expenditure is the total cost incurred during the period to acquire property, plant and equipment, and intangible assets other than goodwill.

Segment assets comprise property, plant and equipment, intangible assets, trade and other receivables, inventories and other assets that can be directly or reasonably allocated to segments. For the purpose of segment reporting for the year, property, plant and equipment have been allocated to segments based on the extent of usage of assets for operations attributable to the respective segments. Segment assets do not include investments, income tax assets, capital work in progress, capital advances, corporate assets and other current assets that cannot reasonably be allocated to segments.

Segment liabilities include all operating liabilities in respect of a segment and consist principally of trade and other payables, employee benefits and provisions. Segment liabilities do not include equity, income tax liabilities, loans and borrowings and other liabilities and provisions that cannot reasonably be allocated to segments.

20. Dividends

Dividendpaid/payable and interim dividend to Company's shareholders is recognized as changes in equity in the period in which they are approved by the shareholders' meeting and the Board of Directors.

21. Central Financial Assistance (CFA) for disbursement

SECI is working as an implementing agency of MNRE and is involved in disbursement of CFA under various schemes of MNRE, as per the terms of the respective sanction orders.

The CFA received from MNRE is shown under other financial current liability and interest earned on these funds is also credited to the respective CFA.

The CFA is disbursed to the respective parties as per the mile stone achieved and also as per the terms of respective sanction orders.

22. Payment Security Fund (PSF)

In Accordance with Government guidelines regarding 750MW, 2000 MW and 5000 MW, the Payment Security Fund(PSF) has been set up in order to ensure timely payment to the developers. Ministry of New and Renewable Energy (MNRE) has vide its order dated 4th February 2019 issued Payment Security Mechanism Guidelines for VGF Schemes.

The money received from encashment of Bank Guarantees (BGs), interest earned on this fund, incentive for early payment (in case amount utilized for early payment has been paid out of PSF) and the grants from Government shall be credited to this fund &levy of fee per unit (if any) payable by developers/ power producers shall also be credited in this fund.

As per the order the fund shall be utilized:

(a) To make timely payment to Solar Project Developers in case of delay in realizing the payment from the buying utilities.

(b) For providing security in the form of Letter of Credit/ Bank Guarantee (BG) for the purpose of obtaining long term open access, transmission charges etc. not envisaged at the time of signing of PSA/PPA and applicable charges as per Bulk Power Transmission agreement (BPTA) signed with CTU/STU in line with the applicable regulations.

(c) To make the differential payment to the developers from the agreed PPA rate in case of short recovery of tariff from the buyer due to the policy/regulatory issues/decisions and transmission-evacuation/open access constraints etc.

(d) To make the payment on account of short-term open access charges, as per applicable regulations.

(e) Towards any charges on account of litigations and arbitration award, etc. related to implementation of the scheme including issues arising out of operational difficulties of PPA/PSA/VGF Securitization.

As per terms of PPA signed with various SPDs there are some cases in which tariff payable has been reduced below the signed PPA under various scheme. Any amount of reduction in purchase of solar power due to reduction in tariff is being directly credited to the PSF.

Any difference arising in units of sales and purchase of Power due to State Energy Accounting (SEA)/ Regional Energy Accounting (REA)/ Joint Meter Reading (JMR) is properly dealt with in accounts. In case of excess of sold units over purchased units, the difference is credited to Payment Security Fund (PSF).

Any difference arising due to payment made to Transmission Companies and payment received by SECI from DISCOM/Buying Utilities for transmission charges is transferred to PSF.

Extension Money received/Interest earned on Performance Guarantee Deposit shall also be credited as per provisions contained in MNRE Guidelines on 2000 MW/5000 MW VGF Schemes.

The delay charges received from Solar Park Implementing Agencies(SPIA) shall also be credited as per provisions contained in MNRE Guidelines on 2000 MW/5000 MW VGF Schemes.

Fund lying in the PSF Account is shown under Current liabilities as financial liabilities.

D. Use of estimates and management judgments

The preparation of financial statements requires management to make judgments, estimates and assumptions that may impact the application of accounting policies and the reported value of assets, liabilities, income, expenses and related disclosures concerning the items involved as well as contingent assets and liabilities at the balance sheet date. The estimates and management's judgments are based on previous experience and other factors considered reasonable and prudent in the circumstances. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. In order to enhance understanding of the financial statements, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is as under

1. Useful life of property, plant and equipment

The estimated useful life of property, plant and equipment is based on a number of factors including the effects of obsolescence, demand, competition and other economic factors such as the stability of the industry and known technological advances and the level of maintenance expenditures required to obtain the expected future cash flows from the asset. The Company reviews at the end of each reporting date the useful life of property, plant and equipment and are adjusted prospectively, if appropriate.

2. Recoverable amount of property, plant and equipment

The recoverable amount of plant and equipment is based on estimates and assumptions regarding in particular the expected market outlook and future cash flows associated with the power plants. Any changes in these assumptions may have a material impact on the measurement of the recoverable amount and could result in impairment.

3. Post-employment benefit plans

Employee benefit obligations are measured on the basis of actuarial assumptions which include mortality and withdrawal rates as well as assumptions concerning future developments in discount rates, the rate of salary increases and the inflation rate. The Company considers that the assumptions used to measure its obligations are appropriate and documented. However, any changes in these assumptions may have a material impact on the resulting calculations.

4. Revenues

The Company records revenue from sale of power based on tariff rates as specified in the respective agreements and as per principles enunciated under Ind AS 115. In cases where units are yet to be ascertained, provisional units are to be considered for the purpose of recognition of revenue.

5. Assets held for sale

Significant judgment is required to apply the accounting of non-current assets held for sale under Ind AS 105 'Non-current Assets Held for Sale and Discontinued Operations'. In assessing the applicability, management has exercised judgment to evaluate the availability of the asset for immediate sale, management's commitment for the sale and probability of sale within one year to conclude if their carrying amount will be recovered principally through a sale transaction rather than through continuing use.

6. Provisions and contingencies

The assessments undertaken in recognizing provisions and contingencies have been made in accordance with Ind AS 37, 'Provisions, Contingent Liabilities and Contingent Assets'. The evaluation of the likelihood of the contingent events has required best judgment by management regarding the probability of exposure to potential loss. Subsequently if circumstances change unforeseeable developments, this likelihood could alter.

7. Impairment test of non-financial assets

The recoverable amount of investment in joint ventures is based on estimates and assumptions regarding in particular the future cash flows associated with the operations of the investee company. Any changes in these assumptions may have a material impact on the measurement of the recoverable amount and could result in impairment.

SOLAR ENERGY CORPORATION OF INDIA LIMITED

(Formerly known as Solar Energy Corporation of India)

Notes to Accounts

Note 2: Non Current Assets - Property, Plant & Equipment

As at 31st March 2021

₹ Lakhs

Particulars	Gross block				Depreciation, Amortization and Impairments				Net book value	
	As at 1st April 2020	Additions	Deductions/ Adjustment	As at 31st March 2021	Upto 1st April 2020	For the Year	Deductions/ Adjustment	Upto 31st March 2021	As at 31st March 2021	As at 31st March 2020
Building	81.31	-	-	81.31	18.96	4.74	-	23.70	57.61	62.35
Plant & Machinery	6,838.56	3,924.49	-	10,763.05	1,532.66	473.81	-	2,006.47	8,756.58	5,305.90
Computer-End User Device	89.02	57.37	(2.15)	144.24	51.01	27.82	(2.03)	76.80	67.44	38.01
Computer-Server & Network	6.50	4.14	-	10.64	4.55	0.94	-	5.49	5.15	1.95
Furniture & Fixture- Office	15.28	139.69	-	154.97	4.64	1.92	-	6.56	148.41	10.64
Motor Cars	52.80	40.45	-	93.25	38.32	11.51	-	49.83	43.42	14.48
Office Equipment	108.17	131.81	(3.08)	236.90	50.43	20.42	(1.53)	69.32	167.58	57.74
TOTAL	**7,191.64**	**4,297.95**	**(5.23)**	**11,484.36**	**1,700.57**	**541.16**	**(3.56)**	**2,238.17**	**9,246.19**	**5,491.07**

As at 31st March 2020

₹ Lakhs

Particulars	Gross block				Depreciation, Amortization and Impairments				Net book value	
	As at 1st April 2019	Additions	Deductions/ Adjustment	As at 31st March 2020	Upto 1st April 2019	For the Year	Deductions/ Adjustment	Upto 31st March 2020	As at 31st March 2020	As at 31st March 2019
Building	81.31	-	-	81.31	14.22	4.74	-	18.96	62.35	67.09
Plant & Machinery	6,838.56	-	-	6,838.56	1,133.67	398.99	-	1,532.66	5,305.90	5,704.89
Computer-End User Device	61.57	27.86	(0.41)	89.02	35.34	15.93	(0.26)	51.01	38.01	26.23
Computer-Server & Network	6.50	-	-	6.50	3.50	1.05	-	4.55	1.95	3.00
Furniture & Fixture- Office	11.72	3.74	(0.18)	15.28	3.46	1.27	(0.09)	4.64	10.64	8.26
Motor Cars	52.80	-	-	52.80	28.74	9.58	-	38.32	14.48	24.06
Office Equipment	75.94	34.96	(2.73)	108.17	35.16	17.81	(2.54)	50.43	57.74	40.78
TOTAL	**7,128.40**	**66.56**	**(3.32)**	**7,191.64**	**1,254.09**	**449.37**	**(2.89)**	**1,700.57**	**5,491.07**	**5,874.31**

Notes :

2.1 Building of ₹ 81.31 Lakhs (As at 31st March 2020 ₹ 81.31 Lakhs) is constructed on leasehold land.

2.2 During the year 10 MW project at DRDO premises Kolar Karnataka was commissioned on 23.10.2020. Accordingly, an amount of ₹ 3,924.49 lakh has been capitalized during the year.

Note 3 : Non Current Assets - Right of Use

As at 31st March 2021

₹ Lakhs

Particulars	Gross Block					Depreciation, Amortization and Impairments				Net book value	
	As at 1st April 2020	Reclassification	Additions	Deductions/ Adjustment	As at 31st March 2021	Upto 1st April 2020	For the Year	Deductions/ Adjustment	Upto 31st March 2021	As at 31st March 2021	As at 31st March 2020
Right of Use - Residential - Flats	1,734.06	-	-	-	1,734.06	18.59	57.77	-	76.36	1,657.70	1,715.47
Right of Use - Land 10MW Rajasthan (On Transition)	332.17	-	-	-	332.17	12.98	12.95	-	25.93	306.24	319.19
Right of Use - NBCC Commercial Building	-	-	19,223.03	-	19,223.03	-	78.78	-	78.78	19,144.25	-
Total	**2,066.23**	**-**	**19,223.03**	**-**	**21,289.26**	**31.57**	**149.50**	**-**	**181.07**	**21,108.19**	**2,034.66**

As at 31st March 2020

₹ Lakhs

Particulars	Gross Block					Depreciation, Amortization and Impairments				Net book value	
	As at 1st April 2019	Reclassification	Additions	Deductions/ Adjustment	As at 31st March 2020	Upto 1st April 2019	For the Year	Deductions/ Adjustment	Upto 31st March 2020	As at 31st March 2020	As at 31st March 2019
Right of Use - Residential - Flats	-	-	1,734.06	-	1,734.06	-	18.59	-	18.59	1,715.47	-
Right of Use - Land 10MW Rajasthan (On Transition)	160.91	171.26	-	-	332.17	-	12.98	-	12.98	319.19	-
Total	**160.91**	**171.26**	**1,734.06**	**-**	**2,066.23**	**-**	**31.57**	**-**	**31.57**	**2,034.66**	**-**

3 (i) During the year, Physical possession of Commercial Building for a period of 30 years on Leasehold basis (Amount of ₹ 19,223.03 Lakhs) at Kidwai Nagar Complex was taken and the same has been treated as Right of Use as per IND AS 116.

Note 4: Non Current Assets - Capital work-in-progress

As at 31st March 2021

₹ Lakhs

Particulars	As at 1st April 2020	Additions	Deductions/ Adjustment	Capitalized	Upto 31st March 2021
10MW DRDO (KREDL)					
Registration Charges	3.07	-	-	-	3.07
Feasibility Study	0.59	-	-	-	0.59
Other Professional Charges	0.65	-	-	-	0.65
Extension Charges	11.80		-	-	11.80
10MW DRDO					
Rent-Office	1.30	2.63	-	(3.93)	-
Site Expenses	0.27	0.18	-	(0.45)	-
Sub Contract Expense	1,650.05	2,270.06	-	(3,920.11)	-
160 MW Hybrid Project					
Registration Charges	132.16		-	-	132.16
Advertisement	10.32		(10.32)		-
Other Professional Charges	79.91		-	-	79.91
Lakshadweep					
Other Professional Charges	47.28	35.46	-	-	82.74
100 MW Chhattisgarh					
Other Professional Charges	0.57	5.66	-	-	6.23
Site Expenses		0.71	-	-	0.71
SECI Office Space at Kidwai Nagar					
Interior	885.47	700.04	-	(1,585.51)	-
TOTAL	**2,823.44**	**3,014.74**	**(10.32)**	**(5,510.00)**	**317.86**

As at 31st March, 2020 ₹ Lakhs

Particulars	As at 1st April 2019	Additions	Deductions/ Adjustment	Capitalized	Upto 31st March 2020
10MW DRDO (KREDL)					
Registration Charges	3.07	-	-	-	3.07
Feasibility Study	0.59	-	-	-	0.59
Other Professional Charges	0.65	-	-	-	0.65
Extension Charges	-	11.80	-	-	11.80
Rent-Office	-	1.30	-	-	1.30
Site Expenses	-	0.27	-	-	0.27
Sub Contract Expense	-	1,650.05	-	-	1,650.05
160 MW Hybrid Project					
Registration Charges	132.16	-	-	-	132.16
Advertisement	10.32	-			10.32
Other Professional Charges	79.91	-	-	-	79.91
Lakshadweep					
Other Professional Charges	-	47.28	-	-	47.28
100 MW Chhattisgarh					
Other Professional Charges	-	0.57	-	-	0.57
SECI Office Space at Kidwai Nagar					
Interior	-	885.47	-	-	885.47
TOTAL	**226.70**	**2,596.74**	**-**	**-**	**2,823.44**

Note:

4.1 Addition of ₹ 35.46 Lakhs(Previous Year ₹ 47.28 Lakhs) under Lakshadweep Project is on account of feasibility study.

4.2 Addition of ₹ 5.66 Lakhs(Previous Year ₹ 0.57 Lakhs) under 100MW Chhatisgarh Project is on account of topograpical survey.

4.3 For Contractual Commitment with respect to Capital WIP refer Note No. 45.3 (Commitments)

Note 5: Non Current Assets - Intangible Assets

As at 31st March 2021

₹ Lakhs

Particulars	Gross block				Amortization				Net book value	
	As at 1st April 2020	Additions	Deductions/ Adjustment	As at 31st March 2021	Upto 1st April 2020	For the Year	Deductions/ Adjustment	Upto 31st March 2021	As at 31st March 2021	As at 31st March 2020
Computer Software	100.68	1,367.01	-	1,467.69	54.48	73.62	-	128.10	1,339.59	46.20
TOTAL	**100.68**	**1,367.01**	**-**	**1,467.69**	**54.48**	**73.62**	**-**	**128.10**	**1,339.59**	**46.20**

As at 31st March 2020

₹ Lakhs

Particulars	Gross block				Amortization				Net book value	
	As at 1st April 2019	Additions	Deductions/ Adjustment	As at 31st March 2020	Upto 1st April 2019	For the Year	Deductions/ Adjustment	Upto 31st March 2020	As at 31st March 2020	As at 31st March 2019
Computer Software	73.40	27.28	-	100.68	37.02	17.46	-	54.48	46.20	36.38
TOTAL	**73.40**	**27.28**	**-**	**100.68**	**37.02**	**17.46**	**-**	**54.48**	**46.20**	**36.38**

Notes :

5.1 During the year SAP (ERP) has been implemented on 18-01-2021 in the company . Accordingly, amount of ₹ 1,325.88 lakh has been capitalized during the year.

Note 6: Non Current Assets - Intangible Assets under Development

As at 31st March 2021

₹ Lakhs

Particulars	As at 1st April 2020	Additions	Deductions/ Adjustment	Capitalized	Upto 31st March 2021
Mobile Based Attendence System	-	1.89	-	-	1.89
E-Office	17.26	3.72	-	(20.98)	-
TOTAL	**17.26**	**5.61**	**-**	**(20.98)**	**1.89**

As at 31st March 2020

₹ Lakhs

Particulars	As at 1st April 2019	Additions	Deductions/ Adjustment	Capitalized	Upto 31st March 2020
Mobile Application	1.11	-	-	(1.11)	-
E-Office	14.19	3.07	-	-	17.26
TOTAL	**15.30**	**3.07**	**-**	**(1.11)**	**17.26**

Note 7: Non Current Assets - Investment in Joint venture(s)

₹ Lakhs

Investment in Equity Share	No. of Equity shares Current Year/ (Previous Year)	Face Value of shares Current Year/ (Previous Year)	As at 31st March 2021 (₹ Lakhs)	As at 31st March 2020 (₹ Lakhs)
Andhra Pradesh Solar Power Corporation Private Limited	50,000 (50,000)	10 (10)	5.00	5.00
Himachal Renewables Limited	22,100 (22,100)	1,000 (1,000)	221.00	221.00
Karnataka Solar Power Development Corporation Limited	500,000 (500,000)	10 (10)	50.00	50.00
Lucknow Solar power Development Corporation Limited	500,000 (500,000)	10 (10)	50.00	50.00
Renewable Power Corporation of Kerala Limited	5,000 (5,000)	1,000 (1,000)	50.00	50.00
Rewa Ultra Mega Solar Limited	10,000 (10,000)	1,000 (1,000)	100.00	100.00
TOTAL			**476.00**	**476.00**

7.1. Investments in Joint Venture(s) are valued as per accounting policy no. 1.C.18.1

7.2. All investments in Joint Venture are unquoted investments and are valued at Cost less permanent dimunition in value of investments if any.

7.3. Investments made in the shares of Joint Venture Companies viz. Lucknow Solar Power Development Corporation Limited , Rewa Ultra Mega Solar Limited & Himachal Renewables Limited is subject to lock-in-period of 5 years from the date of incorporation of the respective Joint Venture company during which period the Company cannot sell or transfer its shareholding in the Joint Venture company.

Note 8: Non Current Financial Assets - Loans & Advances

₹ Lakhs

Particulars	As at 31st March 2021	As at 31st March 2020
Security Deposit Receivable	5.64	5.31
Advances to Employees		
Advances - Secured	73.58	41.15
TOTAL	**79.22**	**46.46**

Note 9: Non Current Financial Assets - Other Non-Current Financial Assets

₹ Lakhs

Particulars	As at 31st March 2021	As at 31st March 2020
Recoverable From DISCOM (Refer Note No. 72)	50,743.57	35,557.44
TOTAL	**50,743.57**	**35,557.44**

Note 10: Other Non Current Assets

₹ Lakhs

Particulars	As at 31st March 2021	As at 31st March 2020
Advances		
Capital Advances	2,145.61	19,928.08
Other Advances	349.97	362.61
Others		
Deferred Revenue Expenditure - Security Deposit	14.47	15.23
Deferred Revenue Expenditure - Vehicle Advance to employees	17.58	9.30
TOTAL	**2,527.63**	**20,315.22**

10.1 Capital advances includes ₹ Nil (As at 31st March 2020 ₹ 17,805.30 Lakhs) towards advance payment to NBCC in respect of commercial building located at Kidwai Nagar, New Delhi & ₹ 2,120.71 Lakhs (As at 31st March 2020 ₹ 2120.71 Lakhs) paid to District collector, Ananthapur towards land acquisition at Ramagiri Village & Muthuvakuntla Village for 160 MW Solar-Wind Hybrid Project at Andhra Pradesh (Refer Note No 61).

10.2 Capital Advances includes ₹ 24.90 Lakhs (As at 31st March 2020 ₹ 17,807.37 Lakhs) pertaining to related parties.

Note 11: Current Financial Assets - Trade Receivables

₹ Lakhs

Particulars	As at 31st March 2021	As at 31st March 2020
Trade Receivables considered good - Secured	23,839.89	25,934.68
Trade Receivables considered good - Unsecured	61,541.65	91,385.21
	85,381.54	**117,319.89**
Trade Receivables which have significant increase in Credit Risk; and	-	67.36
Less: Provision for bad & doubtful debt (Impairment)	-	**(35.74)**
	-	**31.62**
Trade Receivables - credit impaired	173.02	151.42
Less: Provision for bad & doubtful debt (Impairment)	(173.02)	(151.42)
	-	-
TOTAL	**85,381.54**	**117,351.51**

11.1. Trade Receivable includes ₹ 3,102.63 lakhs pertaining to related parties (As at 31st March 2020 ₹ 606.06 Lakhs)

Note 12: Current Financial Assets - Cash & Cash Equivalents

₹ Lakhs

Particulars	As at 31st March 2021	As at 31st March 2020
Balance with bank (Including Interest Accrued)		
Current Accounts	113,041.29	145,560.63
CC/OD Accounts	23,996.21	-
TOTAL	**137,037.50**	**145,560.63**

12.1 Current Accounts includes Auto Sweep Fixed Deposits and interest accrued thereon.

12.2 Current Financial Assets - Bank balance other than Cash and Cash equivalents includes:

Particulars	As at 31st March 2021	As at 31st March 2020
Government Grant/Funds	10,400.42	82,955.11
Payment Security Mechanism (includes extension money) (Refer Note 60)	75,445.32	45,297.19
Others	51,191.76	17,308.33
TOTAL	**137,037.50**	**145,560.63**

Note 13: Current Financial Assets - Bank balance other than Cash and Cash equivalents

₹ Lakhs

Particulars	As at 31st March 2021	As at 31st March 2020
Balance with bank (Including Interest Accrued)		
Fixed deposits with original maturity period of more than 3 month, maturing within 12 months	22,075.77	30,625.29
Ear marked fixed deposits with bank other than non current deposits	37.35	38.29
TOTAL	**22,113.12**	**30,663.58**

13.1 The Balance with bank (including interest accrued) includes fixed deposits on account of:

₹ Lakhs

Particulars	As at 31st March 2021	As at 31st March 2020
Government Grant/Funds	-	-
Payment Security Mechanism (includes extension money) (Refer Note 60)	563.12	774.50
Performance Guarantee Deposit	21,550.00	21,550.00
Others	-	8,339.08
TOTAL	**22,113.12**	**30,663.58**

13.1.1 Interest earned on PGD deposits is included in Payment Security Mechanism.

Note 14: Current Financial Assets - Loans & Advances

₹ Lakhs

Particulars	As at 31st March 2021	As at 31st March 2020
Advances to Employees		
Advances - Secured	23.11	12.45
Advances - Unsecured	5.68	11.08
Advances to Others		
Unsecured	283.21	15.00
Amount Recoverable		
Related Parties	-	-
Others	82.11	102.38
Security Deposit Receivable	378.68	376.02
TOTAL	**772.79**	**516.93**

Note 15: Current Assets - Other Financial Current Assets

₹ Lakhs

Particulars	As at 31st March 2021	As at 31st March 2020
Unbilled Revenue	53,259.16	53,771.00
Unbilled Transmission Charges	272.12	320.21
Recoverable From DISCOM (Refer Note No. 72)	11,373.13	10,251.96
TOTAL	**64,904.41**	**64,343.17**

15.1 Unbilled Revenue of ₹ 53,259.16 Lakhs (As at 31st March 2020, ₹ 53,771.00 Lakhs) includes revenue of ₹ 53,236.89 Lakhs (As at 31st March 2020, ₹ 53,748.99 Lakhs) towards the sale of power but invoices were not raised up to 31st March 2021 as per terms of PSA & revenue of ₹ 22.27 Lakhs (As at 31st March 2020, ₹ 22.01 Lakhs) towards the Sharing of Trading Margin but invoices were not raised up to 31st March 2021.

15.2 Unbilled Transmission Charges includes ₹ 272.12 Lakhs (As at 31st March 2020, ₹ 320.21 Lakhs) pertaining to the transmission charges for which invoices were not raised up to 31st March 2021.

15.3 For Unbilled Revenue (Lease Rentals on PSAs considered as lease), refer note number 30.1.2 .

Note 16: Current Assets - Other Current Assets

₹ Lakhs

Particulars	As at 31st March 2021	As at 31st March 2020
Advances		
Related Parties		
Unsecured	23.21	18.67
Employees		
Unsecured	2.49	9.92
Others		
Unsecured	30.50	300.67
Balances with Revenue/Government Authorities	24.85	81.79
Income Tax Refund	307.86	729.13
Prepaid Expenses	32.06	83.40
Others	38.39	24.00
TOTAL	**459.36**	**1,247.58**

Note 17: Current Tax Asset

₹ Lakhs

Particulars	As at 31st March 2021	As at 31st March 2020
Current Tax Liabilities	(5,846.34)	(5,599.68)
Advance Tax	5,036.00	4,369.00
TCS Paid on Purchase	171.62	-
TDS Receivables	1,250.93	1,533.66
TOTAL	**612.21**	**302.98**

17.1 Refer Point No. 15 of Significant Accounting Policy on Income Tax.

Note 18: Equity Share Capital

₹ Lakhs

Particulars	As at 31st March 2021	As at 31st March 2020
Equity Share Capital		
Authorised		
2,00,00,000 Equity Shares of par value ₹ 1000 each (2,00,00,000 Equity Shares of par value ₹ 1000 each as at 31st March 2020)	200,000	200,000
Issued & Subscribed		
60,00,000 Equity Shares of par value ₹ 1000 each (60,00,000 Equity Shares of par value of ₹ 1000 each as at 31st March 2020)	60,000	60,000
Fully paid up		
35,40,000 Equity Shares of par value ₹ 1000 each (35,40,000 Equity Shares of par value of ₹ 1000 each as at 31st March 2020)	35,400	35,400

[A] Reconciliation of the Equity Share Capital outstanding at the beginning and at the end of the year :

₹ Lakhs

Particulars	As at 31st March 2021		As at 31st March 2020	
	No. of Shares	Amount	No. of Shares	Amount
Shares outstanding at beginning of the year	3,540,000	35,400	3,540,000	35,400
shares issued during the year	-	-	-	
Shares outstanding at end of the year	**3,540,000**	**35,400**	**3,540,000**	**35,400**

[B] Terms and Rights attached to Equity Shares :

The Company has issued only one kind of equity shares with voting rights proportionate to the share holding of the shareholders. These voting rights are exercisable at meeting of shareholders. The holders of the equity shares are also entitled to receive dividend as declared from time to time for them.

[C] Details of shareholders holding more than 5% shares in the company :

₹ Lakhs

Particulars	As at 31st March 2021		As at 31st March 2020	
	No. of Share	Percentage	No. of Share	Percentage
President of India	3,540,000	100%	3,540,000	100%

[D] Dividends :

₹ Lakhs

	Particulars	As at 31st March 2021	As at 31st March 2020
(i)	**Equity Shares - Dividend paid during the year**		
	Final dividend for the year ended 31st March 2020- ₹ Nil (31st March 2019: ₹109.66) per fully paid share.In view of the exemption from payment of dividend received from DIPAM for the FY 2019-20, proposed dividend of ₹ 5,368.06 was not paid.	-	3,881.95
(ii)	**Equity Shares - Dividend not recognised at the end of the reporting period** In addition to the above dividends, since year end the directors have recommended payment of final dividend of ₹ 150.60 (31st March 2020: ₹ 151.64) per fully paid equity share. The Proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting.	5,331.19	5,368.06

Notes :

18.1. At the time of incorporation of the company, the subscribers to the memorandum and article of association had undertaken to subscribe 60,00,000 Equity Shares of ₹ 1000 each, out of which 35,40,000 Equity Shares of ₹ 1000 each have been subscribed and paid by the subscribers. The remaining number of shares are yet to be subscribed as at 31st March 2021.

18.2. In terms of Department of Investment & Public Asset Management (DIPAM) guidelines dated 27th May,2016, the company would require to pay 5 % of the Net worth as on 31.03.21 or 30 % of Profit after Tax (PAT) for the year 2020-21, whichever is higher. Accordingly, directors have Proposed dividend for the F.Y. 2020-21 of ₹ 5,331.19 Lakhs i.e. 30% of PAT. Final dividend for the year ended 31st March, 2021 of ₹ 5,331.19 Lakhs has not been recognized since the proposed dividend is subject to the approval of shareholders in the ensuing Annual General Meeting.

Note 19: Other Equity

₹ Lakhs

Particulars	As at 31st March 2021	As at 31st March 2020
Retained Earnings	51,958.34	34,172.42
TOTAL	**51,958.34**	**34,172.42**

Retained earnings

₹ Lakhs

Particulars	As at 31st March 2021	As at 31st March 2020
Opening Balances	34,172.42	20,995.45
Add: Profit for the year as per statement of Profit and Loss	17,770.64	17,893.52
Less: Final dividend paid	-	(3,881.95)
Less: Tax on Final dividend paid	-	(797.95)
Less: Interim dividend paid	-	-
Less: Tax on Interim dividend paid	-	-
Items of other comprehensive income directly recognised in Retained Earnings		
Net Actuarial gain/(loss) on Defined Benefit Plans, net of tax	15.28	(36.66)
Closing Balance	51,958.34	34,172.42

Note 20: Non Current Liabilities - Other Financial liabilities

₹ Lakhs

Particulars	As at 31st March 2021	As at 31st March 2020
Retention money	345.69	134.22
Performance Guarantee Deposit	3,426.80	3,160.08
Payable to SPD's - (Refer Note No. 72)	50,743.57	35,557.44
Lease Liability - (Refer Note No. 38 for Ind AS 116)	157.91	154.44
TOTAL	**54,673.97**	**39,006.18**

20.1 The performance guarantee deposits of ₹ 3,426.80 Lakhs (₹ 3,160.08 Lakhs as at 31st March 2020) includes deposits made by Solar Power Developers (SPD's) as per terms of RFS.

Note 21: Non Current Liabilities - Provisions

₹ Lakhs

Particulars	As at 31st March 2021	As at 31st March 2020
Provision for Employee Benefits	723.80	576.57
TOTAL	**723.80**	**576.57**

21.1 Disclosure as per IND AS 19 on 'Employee benefits' is made in Note No. 39.

Note 22: Non Current Liabilities - Deferred Tax Liabilities

₹ Lakhs

Particulars	As at 31st March 2021	As at 31st March 2020
Deferred Tax Liabilities	380.84	308.78
TOTAL	**380.84**	**308.78**

22.1 Movement in Deferred tax Liabilities

₹ Lakhs

Particulars	As at 31st March 2021	As at 31st March 2020
Deferred tax liabilities as at beginning of the year	308.78	582.70
Addition :		
Difference in book depreciation and tax depreciation	104.49	(299.35)
Less :		
On account of Employee Benefits	(23.15)	13.60
On account of Others	(9.28)	11.83
Deferred tax liabilities as at closing of the year	**380.84**	**308.78**

Note 23: Other Non Current Liabilities

₹ Lakhs

Particulars	As at 31st March 2021	As at 31st March 2020
Advance from Customers	500.08	1,110.95
TOTAL	**500.08**	**1,110.95**

23.1 Advance from Customers includes ₹ 500.08 Lakhs (As at 31st March 2020, ₹ 1,110.95 Lakhs) towards success fee received in advance as per accounting policy (Refer point no. 1.C.9.2.1)

Note 24: Current Financial Liabilities - Borrowings

₹ Lakhs

Particulars	As at 31st March 2021	As at 31st March 2020
Loans repayable on demand		
From Banks		
Secured		
Cash Credit/OD	-	-
Unsecured		
Cash Credit/OD	-	-
Total	**-**	**-**

24.1 Cash Credit/OD from Banks, is secured by first parri passu charge on Receivables/ book debts of the company including present and future. The accounts has a debit balance of ₹23,996.21 lakhs. The amount has been shown in Current Financial Assets - Cash and Cash Equivalents (Refer Note No 12). For undrawn borrowing facilities refer note no. 45.

Note 24 A : Current Financial Liabilities - Trade payables

₹ Lakhs

Particulars	As at 31st March 2021	As at 31st March 2020
Trade Payables		
Total outstanding dues of micro enterprises and small enterprises (Refer Note No. 51)	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	43,922.59	42,578.88
TOTAL	**43,922.59**	**42,578.88**

Note 25: Current Liabilities - Other Financial Liabilities

₹ Lakhs

Particulars	As at 31st March 2021	As at 31st March 2020
Grant received from MNRE	1.40	86.89
Payable against Capital Expenditure	18.26	19.17
Payable against Expenses	929.24	294.00
Payment Security Funds (Refer note 60)	117,789.26	103,192.83
Unbilled payables -solar power	44,753.75	53,597.88
Unbilled payables -Wind power	7,223.55	-
Bank Guarantee Encashment - Wind Power Project (Refer Note No. 69)	1,947.47	495.10
Security Deposit Payable	417.45	611.24
Subsidy for Disbursement	9,931.68	81,877.97
Subsidy Payable	-	0.80
Payable to SPD's (Refer Note No. 72)	2,912.85	10,251.96
Retention Money	866.62	294.81
Lease Liability-Land 10MW Rajasthan (Refer Note No. 38)	11.49	10.94
Other Payable	781.49	1,082.68
TOTAL	**187,584.51**	**251,816.27**

25.1 The Security Deposit Payable includes ₹ 417.45 Lakhs (As at 31st March 2020 ₹ 611.24 Lakhs) towards the amount deposited by parties as per the terms of various RFSs issued by company.

25.2 Unbilled payable - solar power and wind power includes ₹ 51,977.30 Lakhs (As at 31st March 2020, ₹ 53,597.88 Lakhs) towards the purchase of power but invoices were not raised upto 31st March 2021 as per terms of RFS.

25.3 Subsidy for disbursement ₹ 9,931.68 Lakhs (As at 31st March 2020, ₹ 81,877.97 Lakhs) is towards Central Financial Assistance received from MNRE for further Disbursement (Refer Accounting policy 1.C.21). It includes ₹ 1,140.27 Lakhs (As at 31st March 2020, ₹ 3,880.08 Lakhs) on account of net interest (interest earned less refunded back to MNRE) credited during the year, which is payable to MNRE.

25.4 Other Payable includes Dispute Resolution Fee, along with interest, (Refer Note 68) to the tune of ₹ 574.55 Lakhs (Previous Year - ₹ 398.91 Lakhs).

25.5 For unbilled payables (Lease Rentals on PPAs considered as lease) Refer note number 32.3.

Note 26: Current Liabilities - Provisions

₹ Lakhs

Particulars	As at 31st March 2021	As at 31st March 2020
Provision For Employee Benefits	754.51	789.34
Other Provisions	40.73	-
TOTAL	**795.24**	**789.34**

26.1 Disclosure as per IND AS 19 on 'Employee benefits' is made in Note No. 39.

Note 27: Current Liabilities - Other Current Liabilities

₹ Lakhs

Particulars	As at 31st March 2021	As at 31st March 2020
Advance from Customers	2,393.57	987.70
Advance from Others	9.81	9.81
Security Deposit	76.24	76.24
Statutory Dues	522.32	550.42
Unaccrued fund handling fee - MNRE	23.11	477.80
Other Payable	1,046.48	1,053.32
TOTAL	**4,071.53**	**3,155.29**

27.1 Advance from Customers includes ₹ 2,345.45 Lakhs (As at 31st March 2020, ₹ 955.56 Lakhs) towards success fee received in advance as per accounting policy (Refer point no. 1.C.11.2.1)

27.2 The advance from others includes ₹ 9.81 Lakhs (As at 31st March 2020 ₹ 9.81 lakhs) towards advance money received for implementation of Rural Electrification of villages in Arunachal Pradesh.

27.3 The other payable includes an amount of ₹ 648.00 Lakhs paid by M/s Welspun Energy Private Limited, which has been accounted as Money received under dispute, the said amount has been kept in an interest bearing account and interest accrued thereon till 31st Mar, 2021 is ₹ 67.49 Lakhs. Both of the amount has been kept in abeyance & suitable action based on the directions of the court will be taken accordingly. (Refer Note No 64)

Note 28: Current Tax Liabilities

₹ Lakhs

Particulars	As at 31st March 2021	As at 31st March 2020
Current Tax Liabilities	-	-
Advance Tax	-	-
TDS Receivables	-	-
TOTAL	**-**	**-**

Note 29: Deferred Revenue

₹ Lakhs

Particulars	As at 31st March 2021	As at 31st March 2020
Deferred Income - Grant for Rooftop	380.31	398.30
Deferred revenue Income - Retention Money	31.97	18.51
Deferred revenue Income - Performance Guarantee Deposit	16,697.89	17,462.64
TOTAL	**17,110.17**	**17,879.45**

29.1 Deferred Income - Grant for rooftop of ₹ 380.31 Lakhs (₹ 398.30 Lakhs as at 31st March 2020) is towards the Government Grant received from MNRE pertaining to 1 MW rooftop solar power plant in Andaman & Nicobar Islands.

Note 30 : Revenue from Operations

₹ Lakhs

Particulars	For the year ended 31st Mar, 2021	For the year ended 31st Mar, 2020
Sale of Power	531,190.30	447,993.56
Sale of Services	11,610.47	13,146.70
Other Operating Income	1,487.30	1,431.53
TOTAL	**544,288.07**	**462,571.79**

Notes:

30.1. Sale of Power is net of rebate amounting to ₹ 461.60 lakhs (For the year ended 31st March 2020 ₹ 973.60 lakhs).

30.1.1 Sale of Power includes provisional unbilled sales of ₹ 53,236.90 Lakhs (For the year ended 31st March 2020 ₹ 53,748.99 lakhs) for which bills are being raised in subsequent month as per terms of PSA.

30.1.2 The unbilled sales of ₹ 53,236.90 lakhs includes Income from Lease rentals (on PSAs considered as lease) of ₹ 1,244.95 Lakhs from Discoms.

30.2. Sale of Services includes the following -

₹ Lakhs

Particulars	For the year ended 31st Mar, 2021	For the year ended 31st Mar, 2020
Consultancy Income	3,075.17	1,462.93
Project Monitoring Fees	7,396.02	10,835.41
Others	1,139.28	848.36
TOTAL	**11,610.47**	**13,146.70**

30.2.1 Others include provisional unbilled revenue of Sharing of Trading Margin @25.50% (inclusive of taxes) of 0.07 paisa per unit in respect of Wind Power Project contract with PTC of ₹ 22.27 Lakhs (For the year ended 31st March 2020 - ₹ 22.01 Lakhs) for which bills is being raised in subsequent month.

30.3. Other operating income includes the following -

₹ Lakhs

Particulars	For the year ended 31st Mar, 2021	For the year ended 31st Mar, 2020
Tender Fees	1,012.32	810.89
Rooftop - Other Receipts (Refer Note No. 65)	10.66	19.56
Recognised from Deferred Income - Government Grant	17.99	18.04
Miscellaneous	446.33	583.04
TOTAL	**1,487.30**	**1,431.53**

Note 31 : Other Income

₹ Lakhs

Particulars	For the year ended 31st Mar, 2021	For the year ended 31st Mar, 2020
Interest Income	721.29	1,211.38
Recognised From Deferred revenue income performance Guarantee deposit	764.27	772.31
Deferred Revenue Income-Retention Money Payable	17.67	1.18
Unwinding of discount on security deposit receivables	0.32	0.30
Dividend Received From Joint Venture	662.40	1,199.94
Other Non-operating income	14.10	16.45
TOTAL	**2,180.05**	**3,201.56**

31.1 Interest income includes interest on Fixed Deposit's / Autosweep Fixed Deposit's, Mobilisation advance & Vehicle Advance to employees of ₹ 721.29 Lakhs (For the year ended 31st March 2020 ₹1,211.38 Lakhs).

Note 32 : Purchase of Solar Power

₹ Lakhs

Particulars	For the year ended 31st Mar, 2021	For the year ended 31st Mar, 2020
Purchase of Solar Power	514,601.07	435,717.17
TOTAL	**514,601.07**	**435,717.17**

32.1 Purchase of Power is net of rebate amounting to ₹ 5,275.39 Lakhs (For the year ended 31st March 2020 ₹ 4,014.15 Lakhs).

32.2 Purchase of Power includes provisional unbilled purchases of ₹ 51,633.97 Lakhs (For the year ended 31st March 2020 ₹ 53,254.54 Lakhs) for which bills are being received in subsequent month as per terms of PPA.

32.3 The Unbilled purchase of ₹ 51,633.97 Lakhs Include Lease Rentals (on PPAs considered as lease) of ₹ 1,204.64 Lakhs from Power Developers.

Note 33 : Employee Benefit Expenses

₹ Lakhs

Particulars	For the year ended 31st Mar, 2021	For the year ended 31st Mar, 2020
Salaries, Wages, Allowances & Benefits	2,243.17	1,896.62
Contribution to Provident & Other Funds	312.86	249.79
Staff Welfare	27.77	13.08
TOTAL	**2,583.80**	**2,159.49**

33.1. Salaries, Wages, Allowances & Benefits and Contribution to funds includes Provision for PRP. (Refer Note no. 54.)

33.2. Disclosure as per IND AS 19 on 'Employee benefits' is made in Note No. 39.

Note 34 : Finance Costs

₹ Lakhs

Particulars	For the year ended 31st Mar, 2021	For the year ended 31st Mar, 2020
Unwinding of discount on Performance Guarantee Deposit	278.61	259.33
Unwinding of Discount on Retention Money Payable	16.88	1.14
Finance Cost on Lease Liability (IND AS 116)	14.97	14.56
BG/LC Charges	48.17	33.45
Recognised From Deferred Revenue Expenses Security Deposit Receivable	0.76	0.76
TOTAL	**359.39**	**309.24**

34.1 The company is having sanctioned Non Fund Based Credit Limit of ₹ 10,000 Lakhs from ICICI Bank, ₹ 7,500 Lakhs from Yes Bank, ₹ 7,500 Lakhs from Axis Bank and ₹ 30,000 Lakhs from HDFC Bank.

Note 35 : Depreciation, Amortization and Impairment Expense

₹ Lakhs

Particulars	For the year ended 31st Mar, 2021	For the year ended 31st Mar, 2020
On Property, Plant and Equipment - (Refer Note 2)	541.16	449.37
On Right to Use - (Refer Note 3)	149.50	31.57
On Intangible Assets - (Refer Note 5)	73.62	17.46
TOTAL	**764.28**	**498.40**

Note 36 : Other Expenses

₹ Lakhs

Particulars	For the year ended 31st Mar, 2021	For the year ended 31st Mar, 2020
Advertisement & Publicity	76.18	53.60
Auditor's Remuneration	5.76	4.95
Bank Charges	2.18	1.83
Insurance Expenses	0.42	1.13
Interest expense	-	190.73
Legal & Professional Charges	391.19	410.96
License Fees	40.00	40.00
Loss on Sale of Asset/ Written Off	1.09	0.31
Meeting Expenses	23.96	43.97
Membership Fees	10.09	4.37
Miscellaneous Expenses	69.23	44.32
Office Repair & Maintenance	148.40	137.75
Printing, Postage & Stationary	28.68	63.35
Professional Books & Journals	2.98	7.30
Rent	1,297.99	1,230.55
Repair & Maintenance of Building	178.61	181.47
SECI Foundation Day Exp.	0.72	57.70
Security & Manpower Expenses	493.50	375.70
Sponsorship Exp	71.32	58.72
Support Service Charges	30.69	30.41
Telephone, Mobile Expenses and Internet Expenses	52.12	45.08
Training & Recruitment Expenses	36.26	50.60
Travelling & Conveyance Expenses	150.32	228.10
Water, Power & electricity Charges	51.77	19.58
Vehicle hire/running & Maintenance Exp	123.16	83.06
Operation and maintenance expenses	67.41	73.92
Provision for bad & doubtful debt (Impairment)	14.61	9.12
Donation	83.00	100.00
Provisions Others	40.73	-
SAP -O&M Cost	7.47	-
Service Tax Exp.(including interest and penalty) (Refer Note No. 59)	559.34	-
SUB TOTAL	**4,059.18**	**3,548.58**
Corporate Social Responsibilities Expenses (Refer Note No 66)	341.16	275.01
TOTAL	**4,400.34**	**3,823.59**

36.1 Details in respect of payment to auditors

₹ Lakhs

Particulars	For the year ended 31st Mar, 2021	For the year ended 31st Mar, 2020
As Auditors		
Audit Fee	5.31	4.50
Reimbursement of Expenditure	0.45	0.45
TOTAL	**5.76**	**4.95**

37. Disclosure As per Ind AS-12 'Income Taxes'

a) Income tax expense

(i) Income tax recognized in Statement of Profit and Loss

₹ Lakhs

Particulars	For the year ended	
	31st March 2021	31st March 2020
Current tax expense		
Current year	5,846.34	5,599.68
Adjustment for earlier years	75.34	34.99
Total current tax expense	5,921.68	5,634.67
Deferred tax expense		
Origination and reversal of temporary differences	66.92	(262.73)
Total deferred tax expense	66.92	(262.73)
Total income tax expense	**5,988.60**	**5,371.94**

(ii) Income tax recognized in other comprehensive income

₹ Lakhs

Particulars	For the year ended 31st March 2021			For the year ended 31st March 2020		
	Before tax	Tax expense/ (benefit)	Net of tax	Before tax	Tax expense/ (benefit)	Net of tax
Net actuarial gains/(losses) on defined benefit plans	20.42	(5.14)	15.28	(47.85)	11.19	(36.66)

(iii) Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate

₹ Lakhs

Particulars	For the year ended	
	31st March 2021	31st March 2020
Profit before tax	23,759.24	23,265.46
Tax using company's domestic tax rate 25.168 % (P.Y. 25.168%)	5,979.73	5,855.45
Tax effect of:		
Add/(Less): Earlier Year tax	75.34	34.99
Add/(Less): Deferred Tax Expense	66.92	(262.73)
Add: Expenses not Allowed in Income Tax (net)	37.85	50.77
Less: Exempt Income	(171.24)	(306.54)
Tax as per Statement of Profit & Loss	**5,988.60**	**5,371.94**

38. Disclosure as per Ind AS-116 'Leases'

Effective April 1, 2019, the Company adopted Ind AS 116, Leases and applied the standard to all lease contracts existing on April 1, 2019 using the modified retrospective method, on the date of initial application.

Following are the changes in the carrying value of Right of Use Assets for the year ended March 31, 2021:

₹ Lakhs

Particulars	Right of Use Asset			
	Building	Land	Power Purchase Agreement	Total
Balance as at April 1, 2020	1,715.47	319.19	-	2,034.66
Reclassified on account of adoption of Ind AS 116	-	-	-	**-**
Additions	19,223.03	-	-	**19,223.03**
Deletions	-	-	-	**-**
Amortisation	136.55	12.95	-	**149.50**
Balance as at March 31, 2021	**20,801.95**	**306.24**	**-**	**21,108.19**

Following are the changes in the carrying value of Right of Use Assets for the year ended March 31, 2020:

₹ Lakhs

Particulars	Right of Use Asset			
	Building	Land	Power Purchase Agreement	Total
Balance as at April 1, 2019	-	160.91	-	160.91
Reclassified on account of adoption of Ind AS 116	-	171.26	-	**171.26**
Additions	1,734.06	-	-	**1,734.06**
Deletions	-	-	-	**-**
Amortisation	18.59	12.98	-	**31.57**
Balance as at March 31, 2020	**1,715.47**	**319.19**	**-**	**2,034.66**

The aggregate depreciation expense on Right of Use Assets is included under Depreciation and Amortization expense in the Statement of Profit and Loss.

The following is the break-up of current and non-current

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Lease Liability as on Year end	169.40	165.37
Current Lease Liability	11.49	10.94
Non- Current Lease Liability	157.91	154.43

The following is the movement in Lease Liability during the year ended March 31, 2021:

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Balance as at April 1, 2020	165.37	160.91
Additions:		
Finance cost accrued during the period	14.97	14.56
Deletions:		
Payment of Lease Liability	10.94	10.10
Balance at the end	**169.40**	**165.37**

Maturity Analysis of Lease Liability

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Maturity Analysis – Contractual undiscounted cash flows		
Less than one year	11.49	10.94
One to five years	51.98	49.51
More than five years	447.70	461.67
Total undiscounted lease liability as at Year end	511.17	522.11
Lease Liabilities included in the Statement of Financial Position at Year end	169.40	165.37

Amount Recognised in Profit and Loss

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Interest on Lease Liabilities	14.97	14.56
Amortisation	149.50	31.57
Variable lease payment not included in measurement of lease liabilities (Solar/Wind/ Hybrid/Floating Power Plant under PPA)	1,204.64	-
Income from sub-leasing right of use asset	-	-
Expenses related to short term leases	1297.99	1,230.55
Expenses related to leases of low value of assets, excluding short term leases		-
Net decrease in Profit before tax on account of implementation of IND AS 116 during the period ended 31st March, 2021 is ₹ 10.30 Lakhs		

Arrangements as per various Power Purchase Agreements/Power Sale Agreements (PPAs/PSAs) is considered as lease where payments to Solar Power Developers/receipts from Discoms solely depends on output generated by the Solar Power Plants. During the commencement of IND AS 116 company has opted for practical expedient and accordingly PPAs/PSAs entered prior to 1st April 2019 are not considered as lease. The PPAs /PSAs entered after 1st April 2019 are considered as lease and variable payments /receipts are disclosed as Lease Rentals (on PPAs considered as lease/on PSAs considered as lease).

SECI has signed an MOU with DRDO, for setting up of 10MW solar project at DRDO Campus, Kolar Karnataka. In pursuance of the above MOU, DRDO has signed Licence deed/ Land use permission Agreement on 11.02.2019 for Lease land on Right to Use basis. As per the terms of agreement, DRDO has provided 50 Acres of land at a nominal lease rent of ₹ 1 (per month) fixed for the entire period of 25 years of PPA, which may be extend for a further period as mutually decided. The lease rent is payable with effect from the date of commencement of supply of power. The project is commissioned on 23.10.2020. SECI has not recognized the above lease payment as ROU Asset as the lease payment is very insignificant.

39. Disclosure as per Ind AS-19, Employee benefits

Defined Contribution Plans:

Employer's contribution to Provident Fund:

The company pays fixed contribution to provident fund at predetermined rates to Employees Provident Fund Organization. The amount recognized as expense (including administration charges) and charged to the Statement of Profit and Loss is as under:

₹ Lakhs

Particulars	For Year ended 31st March 2021	For Year ended 31st March 2020
Amount paid/payable to EPFO	131.26	105.51
Amount paid to the Parent organization for employees on deputation	-	-
Less: Transferred to Grant/capitalized	-	-
Amount recognized as expense in the Statement of Profit and Loss	**131.26**	**105.51**

Employer's contribution to Pension Scheme:

The defined contribution pension scheme of the Company for its employees which is effective from 1st June 2012 has been approved by MNRE. As per the Scheme, SECI Defined Contributory Pension Trust pays fixed contribution at predetermined rates to LIC on monthly basis.

Defined benefit plan

Gratuity:

The Company has a defined benefit gratuity plan. Every employee who has rendered continuous service of five years or more is entitled to gratuity at 15 days salary (15/26 X last drawn basic salary plus dearness allowance) for each completed year of service subject to a maximum of ₹20 Lakhs on superannuation, resignation, termination, disablement or on death. The liability towards gratuity has been provided on the basis of actuarial valuation. The liability is unfunded.

Post-Retirement Medical Scheme (PRMS):

The Company has formulated Post-Retirement Medical Scheme, under which retired employee and his/her spouse are provided medical facilities.. They can also avail treatment as Out-Patient subject to a ceiling fixed by the company. The liability towards the Post-Retirement medical expenses has been provided on the basis of actuarial valuation. The liability is unfunded.

Following table sets out the status of net defined assets/liability based on actuarial valuation obtained in this respect as at balance sheet date:

₹ Lakhs

Particulars	Gratuity		Post retirement medical benefit (PRMB)	
	31st March 2021	31st March 2020	31st March 2021	31st March 2020
Change in defined benefit obligations:				
Defined benefit obligation, beginning of the year	179.41	100.67	62.88	33.84
Acquisition adjustment	-	10.00		
Current service cost	41.12	34.50	14.40	12.03
Interest cost	12.42	7.70	4.35	2.59
Past service cost	-	-	-	-
Benefits paid	(14.78)	(5.31)	(0.76)	(1.58)
Actuarial (gains)/losses	(10.93)	31.85	(9.49)	16.00
Defined benefit obligation, end of the year	**207.23**	**179.41**	**71.38**	**62.88**

Amount recognized in the balance sheet consists of:

₹ Lakhs

Particulars	Gratuity		Post retirement medical benefit (PRMB)	
	31st March 2021	31st March 2020	31st March 2021	31st March 2020
Present value of defined benefit obligation	207.23	179.41	71.38	62.88
Fair value of plan assets	-	-	-	-
Net liability	**207.23**	**179.41**	**71.38**	**62.88**
Amounts in the balance sheet:				
Current Liability	3.99	21.85	0.06	0.18
Non–current liabilities	203.25	157.56	71.32	62.70
Net liability	**207.23**	**179.41**	**71.38**	**62.88**

Total amount recognized in Profit or Loss consists of:

₹ Lakhs

Particulars	Gratuity		Post retirement medical benefit (PRMB)	
	31st March 2021	31st March 2020	31st March 2021	31st March 2020
Current service cost	41.12	34.50	14.40	12.03
Net Interest	12.42	7.70	4.35	2.59
Total Expense recognised in statement of profit or loss	**53.53**	**42.20**	**18.75**	**14.62**

Net Interest Consists:

₹ Lakhs

Particulars	Gratuity		Post retirement medical benefit (PRMB)	
	31st March 2021	31st March 2020	31st March 2021	31st March 2020
Interest Expenses/(Income)	12.42	7.70	4.35	2.59
Net Interest	**12.42**	**7.70**	**4.35**	**2.59**

Amount recognized in other comprehensive income consists of:

₹ Lakhs

Particulars	Gratuity		Post retirement medical benefit (PRMB)	
	31st March 2021	31st March 2020	31st March 2021	31st March 2020
Actuarial Gain/(Loss)on Obligation	10.93	(31.85)	9.49	(16.00)
Return on Plan Assets excluding net Interest	-	-	-	-
Total Actuarial Gain/(Loss) recognised in (OCI)	**10.93**	**(31.85)**	**9.49**	**(16.00)**

Actuarial (Gain)/Loss on obligation Consists:

₹ Lakhs

Particulars	Gratuity		Post retirement medical benefit (PRMB)	
	31st March 2021	31st March 2020	31st March 2021	31st March 2020
Actuarial (gains)/losses arising from changes in demographic assumptions	-	0.29	-	0.15
Actuarial (gains)/losses arising from changes in financial assumptions	-	15.80	-	3.88
Actuarial (gains)/losses arising from changes in experience adjustments	(10.93)	15.76	(9.49)	11.97
Total Actuarial (Gain)/Loss	**(10.93)**	**31.85**	**(9.49)**	**16.00**

Return on Plan Assets excluding net Interest Consists

₹ Lakhs

Particulars	Gratuity		Post retirement medical benefit (PRMB)	
	31st March 2021	31st March 2020	31st March 2021	31st March 2020
Actual Return on plan assets	-	-	-	-
Interest Income included in Net Interest	-	-	-	-
Return on Plan Assets excluding net Interest	**-**	**-**	**-**	**-**

Information for funded plans with a defined benefit obligation less than plan assets:

₹ Lakhs

Particulars	Gratuity		Post retirement medical benefit (PRMB)	
	31st March 2021	31st March 2020	31st March 2021	31st March 2020
Defined benefit obligation	-	-	-	-
Fair value of plan assets	-	-	-	-
Net Liability	-	-	-	-

Actuarial Assumption :

The assumptions used in accounting for the Gratuity and Leave Encashment are set out below:

Particulars	Gratuity		Post retirement medical benefit (PRMB)	
	31st March 2021	31st March 2020	31st March 2021	31st March 2020
Discount rate	6.92%	6.92%	6.92%	6.92%
Mortality	100 % of IALM (2012-14)	100 % of IALM (2012-14)	100 % of IALM (2012-14)	100 % of IALM (2012-14)
Expected average remaining services (in Years)	24.47	24.28	24.60	24.27
Retirement age	60.00	60.00	60.00	60.00
Employee Attrition rate: (in %)				
Up to 30 Years	3.00	3.00	3.00	3.00
From 31 to 44 Years	2.00	2.00	2.00	2.00
Above 44 Years	1.00	1.00	1.00	1.00
Weighted Average duration of PBO	18.98	18.85	18.98	18.85

Sensitivity Analysis :

The table below outlines the effect on the service cost, the interest cost and the defined benefit obligation in the event of a decrease/increase of 0.50% in the assumed rate of discount rate.

₹ Lakhs

Assumptions	Change in assumption	Change in PV of obligation Gratuity	Change in assumption	Change in PV of obligation PRMB
Impact of change in Discount rate	Increase of 0.50%	(13.91)	Increase of 0.50%	(8.76)
	Decrease of 0.50%	15.43	Decrease of 0.50%	8.54
Impact of change in Salary escalation rate/ Medical cost rate in case of PRMB	Increase of 0.50%	15.49	Increase of 0.50%	8.95
	Decrease of 0.50%	(14.08)	Decrease of 0.50%	(8.91)

Maturity Profile of Defined Benefit Obligation

₹ Lakhs

Year	Amount	
	Gratuity	PRMB
0 to 1 Year	3.99	0.06
1 to 2 Year	3.73	0.40
2 to 3 Year	16.38	1.93
3 to 4 Year	10.67	0.70
4 to 5 Year	11.59	1.45
5 to 6 Year	9.41	1.09
6 Year onwards	151.47	65.75

Earned Leave Encashment

The company has defined benefit leave encashment plan for its Employees. Under this plan they are entitled to encashment of earned leaves subject to certain limits and other conditions specified for the same. The liability towards leave encashment has been provided on the basis of actuarial valuation. The liability is unfunded.

Half Pay Leave Encashment

The company has defined benefit half pay leave encashment plan for its Employees. Under this plan they are entitled to encashment of half pay leaves subject to certain limits and other conditions specified for the same. The liability towards leave encashment has been provided on the basis of actuarial valuation. The liability is unfunded.

Following table sets out the status of net defined assets/liability based on actuarial valuation obtained in this respect as at balance sheet date:

₹ Lakhs

Particulars	Earned Leave Liability		Half Pay Leave Liability	
	31st March 2021	31st March 2020	31st March 2021	31st March 2020
Change in defined benefit obligations:				
Defined benefit obligation, beginning of the year	255.32	153.63	85.31	52.19
Acquisition adjustment	-	7.63	4.03	4.55
Current service cost	64.89	52.89	24.12	18.35
Interest cost	17.67	11.75	5.90	3.99
Past service cost	-	-	-	-
Benefits paid	(42.18)	(2.34)	-	(0.72)
Actuarial (gains)/losses	8.54	31.75	(10.02)	6.95
Defined benefit obligation, end of the year	**304.24**	**255.32**	**109.35**	**85.31**

Amount recognized in the balance sheet consists of:

₹ Lakhs

Particulars	Earned Leave Liability		Half Pay Leave Liability	
	31st March 2021	31st March 2020	31st March 2021	31st March 2020
Present value of defined benefit obligation	304.24	255.32	109.35	85.31
Fair value of plan assets	-	-	-	-
Net liability	**304.24**	**255.32**	**109.35**	**85.31**
Amounts in the balance sheet:				
Current Liability	14.92	30.51	4.64	9.01
Non–current liabilities	289.31	224.81	104.71	76.29
Net liability	**304.24**	**255.32**	**109.35**	**85.31**

Total amount recognized in Profit or Loss consists of:

₹ Lakhs

Particulars	Earned Leave Liability		Half Pay Leave Liability	
	31st March 2021	31st March 2020	31st March 2021	31st March 2020
Current service cost	64.89	52.89	24.12	18.35
Net Interest	17.67	11.75	5.90	3.99
Net actuarial (gain) or loss recognized in the period	8.54	31.75	(10.02)	6.95
Total Expense recognised in statement of profit or loss	**91.10**	**96.40**	**20.01**	**29.29**

Net Interest Consists:

₹ Lakhs

Particulars	Earned Leave Liability		Half Pay Leave Liability	
	31st March 2021	31st March 2020	31st March 2021	31st March 2020
Interest Expenses/(Interest income)	17.67	11.75	5.90	3.99
Net Interest	**17.67**	**11.75**	**5.90**	**3.99**

Actuarial (Gain)/Loss on obligation Consists:

₹ Lakhs

Particulars	Earned Leave Liability		Half Pay Leave Liability	
	31st March 2021	31st March 2020	31st March 2021	31st March 2020
Actuarial (gains)/losses arising from changes in demographic assumptions	-	0.12	-	0.04
Actuarial (gains)/losses arising from changes in financial assumptions	-	22.88	-	7.71
Actuarial (gains)/losses arising from changes in experience adjustments on plan liabilities	8.54	8.75	(10.02)	(0.80)
Total Actuarial (Gain)/Loss	**8.54**	**31.75**	**(10.02)**	**6.95**

The assumptions used in accounting for the Leave Encashment are set out below:

₹ Lakhs

Particulars	Earned Leave Liability		Half Pay Leave Liability	
	31st March 2021	31st March 2020	31st March 2021	31st March 2020
Discount rate	6.92%	6.92%	6.92%	6.92%
Mortality	100% of IALM (2012-14)		100% of IALM (2012-14)	
Expected average remaining services	24.47	24.27	24.60	24.27
Retirement age	60.00	60.00	60.00	60.00
Employee Attrition rate: (in %)				
Up to 30 Years	3.00	3.00	3.00	3.00
From 31 to 44 Years	2.00	2.00	2.00	2.00
Above 44 Years	1.00	1.00	1.00	1.00
Weighted Average duration of PBO	18.98	18.85	18.98	18.85

The table below outlines the effect on the service cost, the interest cost and the defined benefit obligation in the event of a decrease/increase of 0.50% in the assumed rate of discount rate.

₹ Lakhs

Assumptions	Change in assumption	Change in PV of obligation Earned Leave Liability	Change in assumption	Change in PV of obligation half Pay Leave Liability
Discount rate	Increase of 0.50%	(20.75)	Increase of 0.50%	(7.25)
	Decrease of 0.50%	22.61	Decrease of 0.50%	7.90
Salary escalation rate	Increase of 0.50%	22.80	Increase of 0.50%	(7.25)
	Decrease of 0.50%	(20.74)	Decrease of 0.50%	7.90

Maturity Profile of Defined Benefit Obligation

₹ Lakhs

Year	Amount	
	Earned Leave Liability	Half Pay Leave Liability
0 to 1 Year	14.92	4.64
1 to 2 Year	6.01	2.16
2 to 3 Year	18.86	9.55
3 to 4 Year	13.59	4.61
4 to 5 Year	19.48	6.22
5 to 6 Year	15.76	5.33
6 Year onwards	215.62	76.84

Other Long Term Employee benefit

Post-Retirement Superannuation Benefits

DPE Guidelines on Revision of Pay Scales (Industrial DA Patterns) of employees include superannuation benefits up to 30% of Basic Pay & DA which include PF, Gratuity, Post superannuation medical facilities and Pension. As per guidelines, the CPSEs are to make their own schemes in this regard. Provision for Gratuity and PRMS is made based on Actuarial Valuations as the liability is unfunded. However actual payment to all employees shall be restricted to said DPE limits.

The details of provisions made as per DPE guidelines, for employees other than employees on deputation as under:

₹ Lakhs

SR No.	Particulars	For the Year ended 2021	For the Year ended 2020
1	Defined Contribution Plan – Provident Fund	123.87	101.28
2	Defined Contribution Plan – Pension	103.13	84.35
3	Defined Benefit Plan- Gratuity	42.59	74.05
4	Defined Benefit Plan – PRMS	9.25	30.62
5	Post Retirement other benefits	-	-
	Total	**278.84**	**290.30**

Risk Exposure

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

a) Asset volatility:

The company does not have any plan assets in respect of its obligations. Hence it is not exposed to any risk in this respect.

b) Changes in Discount rate:

A decrease in discount rate will increase plan liabilities, although this will be partially offset by an increase in the value of the plans' bond holdings.

c) Inflation risks:

In the pension plans, the pensions in payment are not linked to inflation, so this is a less material risk.

d) Life expectancy:

The pension plan obligations are to provide benefits for the life of the member, so increases in life expectancy will result in an increase in the plans' liabilities. This is particularly significant where inflationary increases result in higher sensitivity to changes in life expectancy.

The Company ensures that the investment positions are managed within an asset-liability matching (ALM) framework that has been developed to achieve long-term investments that are in line with the obligations under the employee benefit plans. Within this framework, the Company's ALM objective is to match assets to the pension obligations by investing in long-term fixed interest securities with maturities that match the benefit payments as they fall due and in the appropriate currency.

The Company actively monitors how the duration and the expected yield of the investments are matching the expected cash outflows arising from the employee benefit obligations. The Company has not changed the processes used to manage its risks from previous periods. Investments are well diversified, such that the failure of any single investment would not have a material impact on the overall level of assets.

40. Disclosure as per Ind AS 20 Accounting for Government Grants and Disclosure of Government Assistance

During the Financial Year 2017-18, ₹ 450 Lakhs was received from MNRE towards implementation of an aggregate capacity of 1 MWp grid connected rooftop solar power plants at different government buildings in Andaman & Nicobar Islands, under achievement linked incentive/award scheme. Out of ₹ 450 Lakhs, ₹ 69.69 Lakhs has been amortized till 31st March 2021. (Refer accounting policy no. 1.C.7.)

41. Disclosure as per Ind AS 21 'The Effects of Changes in Foreign Exchange Rates'

The amount of exchange differences recognized in profit/(loss) is ₹ 0.02 Lakhs. (31st March 2020: ₹ (0.66) Lakhs).

42. Disclosure as per Ind AS 24 'Related Parties Disclosures'

A) List of related parties

i) Joint ventures:

1. Andhra Pradesh Solar Power Corporation Private Limited
2. Himachal Renewables Limited
3. Karnataka Solar Power Development Corporation Limited
4. Lucknow Solar Power Development Corporation Limited
5. Renewable Power Corporation of Kerala Limited
6. REWA Ultra Mega Solar Limited

ii) Key Managerial Personnel:

Shri Jatindra Nath Swain	Managing Director
Shri C. Kannan	Director (Finance)
Shri Shailesh Kumar Mishra	Director (Power Systems)
Shri Manoj Mathur*	Director (Solar)
Shri Sunil Kumar	Company Secretary

* From 16th August 2019

iii) Post Employment Benefit Plans :

1. SECI Defined Contributory Pension Scheme

i v) Entities under the control of the same government

The Company is a Central Public Sector Undertaking (CPSU) controlled by Central Government by holding majority of shares (Refer Note No. 18). Pursuant to Paragraph 25 & 26 of Ind AS 24, entities over which the same government has control or joint control of, or significant influence, then the reporting entity and other entities shall be regarded as related parties. The Company has applied the exemption available for government related entities and have made limited disclosures in the financial statements. Such entities with which the Company has significant transactions include but not limited to NTPC Ltd, Rural Electrification Corporation Ltd, National Buildings Construction Corporation Ltd, Bharat Electronics Limited, Power Grid orpoation of India, Singereni Collieries Company Limited etc.

B. Transactions with the related parties are as follows:

1. Joint Ventures

₹ Lakhs

Particulars	For the year ended 31st March 2021	For the year ended 31st March 2020
i) Sales/purchase of goods and services during the year		
Contracts for works/services for services received by the Company	-	-
Contracts for works/services for services provided by the Company	-	-
Sale/purchase of goods	-	-
ii) Deputation of employees	-	-
iii) Dividend received	662.40	1,199.94
iv) Equity contributions made	-	196.00
v) Loans granted	-	-
vi) Guarantees received	-	-

₹ Lakhs

Particulars	For the year ended 31st March 2021	For the year ended 31st March 2020
Transactions with SECI Defined Contributory Pension Scheme		
Contribution made during the year	103.13	85.50
Compensation to Key Managerial Personnel		
Short-term employee benefits	280.12	239.27
Post Employment Benefits & Other Long Term Benefits	40.06	31.39
Other benefits	19.11	19.95
Total	**442.42**	**376.11**

Transactions with related parties under the control of the same government

₹ Lakhs

Sl. No.	Name of Company	Nature of Transaction	For the Year Ended 31st March 2021	For the Year Ended 31st March 2020
1	Bharat Electronics Ltd (BEL)	Grant released under 300MW Defence & OFB Scheme	714.50	515.50
		Tender Document Fees Received	0.25	0.42
2	National Building Construction Corporation Ltd	Kidwai Nagar Building Advance	-	485.10
		Electricity, Water and Maintenance Charges	74.43	538.26
3	NTPC Ltd	Success fees received	499.14	1,852.00
		Grant released under 1000MW CPSU Scheme	59,220.00	-
		Tender Fees Received	35.99	61.25
4	NTPC Vidyut Vyapar Nigam Ltd	Sale of Solar Power -Own Project	1,333.08	1,286.02
5	Power Grid Corporation of India Ltd	Business Meeting Expenses	-	4.55
		Grant released under Solar Park Scheme	40.00	11,955.54
		Post Med. Benefit Trust	1.93	4.34
		PRP	6.46	-
6	Singereni Collieries Company Limited	Consultancy Income	2,674.51	1,373.53
		Tender Fees Received	-	10.50
		Success fees received	-	171.00
		Rent accommodation payment	-	2.01
		Grant - CPSU - Govt. Producer Scheme	2,700.00	-
7	REC Power Distribution Company Limited	Payment released under DDUGJY	-	887.95
		Tender Fees Received	19.47	-
	TOTAL		**67,319.76**	**19,147.97**

C. Outstanding Balances with related parties

₹ Lakhs

Particulars	As at 31st March 2021	As at 31st March 2020
Amount Recoverable		
From Joint ventures	0.15	4.07
From Key Managerial Personnel	-	-
From Entities under the control of the same government	3,102.63	606.06
Provision in respect of Doubtful Debts of related parties		
From Entities under the control of the same government	146.46	160.60
Amount Payable		
To Joint Ventures	-	-
To Key Managerial Personnel	-	-
From Entities under the control of the same government	34.54	40.22

D. Individually significant transactions

₹ Lakhs

Particulars	Nature of relationship	For the year ended 31st March 2021	For the year ended 31st March 2020
Grant for Solar park released			
Andhra Pradesh Solar Power Corporation Private Limited	Joint Venture	-	1,806.19
Renewable Power Corporation of Kerala Limited	Joint Venture	673.94	-
Karnataka Solar Power Development Corporation Limited	Joint Venture	-	545.44

43. Disclosure as per Ind AS-27, Separate Financial Statement

43.1 The financial statements prepared are separate financial statements.

43.2 The significant investment in joint ventures are as follows: -

Investment in Joint Ventures

₹ Lakhs

Particulars	Place of Business/Country Of Incorporation	Ownership Interest		Principal activities
		As 31st March, 2021	As 31st March, 2020	
Andhra Pradesh Solar Power Corporation Private Limited	Andhra Pradesh, India	50%	50%	Development of solar parks
Himachal Renewables Limited	Himachal Pradesh, India	50%	50%	Development of solar parks and Setting up of Research & Development Projects
Karnataka Solar Power Development Corporation Limited	Karnataka, India	50%	50%	Development of solar parks
Rewa Ultra Mega Solar Limited	Madhya Pradesh, India	50%	50%	Development of solar parks
Lucknow Solar Power Development Corporation Limited	Uttar Pradesh, India	50%	50%	Development of solar parks
Renewable Power Corporation of Kerala Limited	Kerala, India	50%	50%	Development of solar parks

Equity investments in joint ventures are measured at cost as per the provisions of Ind AS 27 on 'Separate Financial Statements'

44. Disclosure as per Ind AS 33 'Earnings per Share'

₹ Lakhs

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
(i) Basic and diluted earnings per share (in ₹)	502.00	505.47
Nominal value per share	1,000.00	1,000.00
(ii) Profit attributable to equity shareholders (used as numerator) (₹ lakhs)		
From operations	17,770.64	17,893.52
(iii) Weighted average number of equity shares (used as denominator) (Nos.)		
Opening balance of issued equity shares	3,540,000	3,540,000
Effect of shares issued during the year, if any	-	-
Weighted average number of equity shares for Basic and Diluted EPS	3,540,000	3,540,000

45. Disclosure as per Ind AS 37 'Provisions, Contingent Liabilities and Contingent Assets'

45.1 Movement in Provisions

₹ Lakhs

Particulars	Provision for Doubtful Debts	
	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Carrying Amount at the beginning of the year	187.16	178.04
Additions during the year	55.34	9.12
Amount used during the year	-	-
Reversals/Adjustments during the year	(28.75)	-
Carrying amount at the year end	**213.75**	**187.16**

45.2 Contingent Liabilities

45.2.1 In respect of Company's booking with NBCC for commercial and residential space, NBCC has mentioned service tax in their payment schedule amounting to ₹ 518.64 Lakhs (Previous year ₹ 518.64 Lakhs) on the ten instalments paid by the Company till 31st March 2021. However, the same has not yet been demanded by NBCC. The same shall be paid to NBCC at the applicable service tax/GST rates as and when a demand for the same is raised by NBCC. Further, the amount paid to NBCC till 31.03.2021 has been shown as ROU Asset for residential unit and Commercial unit in the books of accounts. Accordingly, no provision for the same has been made in the books of account.

45.2.2. The Solar Power Developers(36 Nos.) have filed petitions in Central Electricity Regulatory Commission (CERC).The estimated claim value indicated by the developers (10 Nos.) is ₹ 81,765.16 Lakhs and balance Developers (26 Nos.) have not quantified the claim under various sections of Electricity Act, seeking claim of reimbursement of GST/Safeguard duty due to change in law. The amount of claim is contingent as claim amount depends on the submission of various documents which have not yet been submitted by SPD's and order of CERC. Further, the same will be recoverable from the respective buying utilities on back to back basis. (Refer Note No. 72).

45.2.3 The company has provided counter indemnity in favour of Bank(s) against issue of various Bank Guarantee(s)/Letter of credit in favour of transmission companies, VAT authorities, Project Developer(s) & PPA holder for a cumulative amount of ₹ 44,306.73 lakhs (Previous year ₹ 37,455.83 lakhs).Bank wise details of available limits and utilization of Non Fund Based Limit is mentioned below:

₹ Lakhs

Name of Bank	Sanctioned Non Fund Based Limit	Limit Utilized as on 31.03.2021
HDFC Bank	30,000.00	22,404.91
ICICI Bank	10,000.00	9,707.11
Yes Bank	7,500.00	6,683.72
Axis Bank	7,500.00	5,510.99
Total	**55,000.00**	**44,306.73**

45.2.4 The Company has recovered an amount of ₹ 1,575.29 lakhs up to 31st Mar, 2021 (up to 31st Marh, 2020- ₹ 1,564.63 lakhs) as LD/Penalty under MNRE various rooftop schemes for non/part compliance of terms and conditions of respective contracts. These LD charges have been consistently recognized as income of SECI as per accounting policy of the company. In view of the audit observations of C & AG for the FY 2017-18 & FY 2018-19 on income recognition, the same has been referred to MNRE vide letter dated 20th March 2019, 14th May 2019, 18th June 2019, 30th October 2019, 25th November 2019, 11th February 2020,30th July 2020,22nd October,2020 and 7th June, 2021 for further directions/advise.

45.2.5. M/s MBP solar has invoked the arbitration clause as provided in PPA and moved the petition to the arbitration panel with a claim of ₹ 13,381.93 Lakhs. The Arbitral Tribunal has pronounced it's decision against which SECI has filed an appeal in Delhi High Court and the matter is subjudice. Further, in case if there is any Financial impact the same would be met out of PSM funds as per PSM guidelines dated 4th February 2019.Therefore, no provision for the same has been made in the Books of Account.

45.2.6. SECI has invoked Performance Bank Guarantee of ₹ 300 Lakhs towards delay in commissioning of project allotted to M/s Krishna Wind Farms Developers Pvt Ltd under 2000MW scheme. The invocation has been challenged by SPD in CERC. However CERC has upheld the decision of invocation of BG. The company has challenged the order with APTEL. Invocation amount has been kept separately in PSM fund and there is no Financial impact on SECI from the outcome of APTEL order.

45.2.7. SECI has invoked Performance Bank Guarantee of ₹ 1,500 Lakhs towards delay in commissioning of project allotted to M/s Taletuttayi Solar Power Pvt Ltd under 2000MW scheme. The invocation has been challenged by SPD in CERC. However CERC has upheld the decision of invocation of BG. The company has challenged such order with APTEL. Invocation amount has been kept separately in PSM fund and there is no financial impact on SECI from the outcome of APTEL order.

45.2.8. SECI has invoked Performance Bank Guarantee of ₹ 1,828 Lakhs towards delay in commissioning of projects allotted to M/s Parampujya Solar energy under 2000MW scheme. The invocation has been challenged by SPD in CERC, the order of CERC is still pending. Invocation amount has been kept separately in PSM fund and there is no financial impact on SECI from the outcome of CERC order.

45.2.9 SECI has signed a Power Sale Agreement dated 04.11.2016 & 01.12.2016 with Maharashtra State Electricity Distribution company Limited (MSEDCL) for supply of 1000 MW of Power, to be procured from various developers. In view of the delay in commissioning, MSEDCL has filed a petition in Maharashtra Electricity Regulatory commission (MERC) seeking compensation of ₹ 13,172 Lakhs as losses on account of short supply by SECI & reimbursement of ₹ 1,374 Lakhs towards the amount for reduction of tariff from COD to 31.03.2019 for the solar projects.

SECI challenged the jurisdiction of MERC on the subject but MERC passed its order on the issue of jurisdiction on 14.09.2020, where it upheld its jurisdiction. SECI challenged this order before APTEL. Further, MERC passed its final order on the merits on 12.02.2021, which was further challenged by SECI before APTEL. Both the Appeals are pending before APTEL.

45.3 **Commitments**

45.3.1 Estimated amount of contracts remaining to be executed on capital account (property, plant & equipment and intangible assets) and not provided for is ₹ 193.51 Lakhs (Previous year ₹ 5,991.39 Lakhs) Details of the same are as under:

₹ Lakhs

Particulars	As at 31st March 2021	As at 31st March 2020
Property, plant & equipment	99.63	5,991.39
Intangible assets	93.88	-

45.3.2 The company does not have any long term contracts including derivative contracts as at 31st March 2021 for which there were any material foreseeable losses.

46. Disclosure as per Ind AS-107 'Financial Instruments'

Financial Risk Management

The Company's principal financial liabilities comprise trade payables and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include trade & other receivables, cash & cash equivalent, Investment, deposits that derive directly from its operations.

Company is exposed to following risk from the use of its financial instrument:

1 Credit Risk

2 Liquidity Risk

3 Market Risk

1. Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations resulting in a financial loss to the Company. Credit risk arises principally from trade receivables, loans & advances, cash & cash equivalents and deposits with banks and financial institutions.

Trade Receivable

The Company has a robust payment security mechanism. These payment security mechanisms have served the Company well over the year The Company has not experienced any significant impairment losses in respect of trade receivables in the past year since there is no concentration of credit risk.

Other Financial Instruments and Cash & Cash Equivalents

The Company held cash and cash equivalents of ₹ 1,37,037.50 Lakhs (31st March 2020 ₹ 1,45,560.63 Lakhs). The cash and cash equivalents are held with banks with high rating. The Company held deposits with banks and financial institutions of ₹ 22,113.12 Lakhs (31st March 2020 ₹ 30,663.58 Lakhs) ,In order to manage the risk, Company places deposits with only high rated banks/institutions.

₹ Lakhs

Particulars	As at 31st March 2021	As at 31st March 2020
Financial assets for which loss allowance is measured using 12 month Expected Credit Loss (ECL)		
Non-current Investment	-	-
Non-current Loans & Advances	79.22	46.46
Other Non-Current Financial Assets	50,743.57	35,557.44
Cash & Cash Equivalent	137,037.50	145,560.63
Bank balances other than cash and cash equivalents	22,113.12	30,663.58
Current Loans & Advances	772.79	516.93
Other Current Financial Assets	64,904.41	64,343.17
Financial assets for which loss allowance is measured using Lifetime Expected Credit Loss (ECL)		
Trade Receivables	85,381.54	117,351.51
Total	**361,032.15**	**394,039.72**

* Non-current Investments in Joint ventures are not disclosed above.

Provision for Expected Credit or Loss

(a) Financial assets for which loss allowance is measured using 12 month expected credit losses.

The Company has assets where the counter-parties have sufficient capacity to meet the obligations and where the risk of default is very low. Accordingly, no loss allowance for impairment has been recognised.

(b) Financial assets for which loss allowance is measured using life time expected credit losses

The Company provides loss allowance on trade receivables using life time expected credit loss and as per simplified approach.

Ageing of trade receivables

The Ageing of trade receivables is as below:

₹ Lakhs

Ageing	Not Due	Less than 3 months	3 to 6 months	6 to 12 months	1-5 years	Total
Gross Carrying amount as on 31st March 2021	44,907.51	17,500.30	8,998.17	13,179.44	969.14	**85,554.56**
Impairment loss recognised on above	-	-	-	-	(173.02)	**(173.02)**
Gross Carrying amount as on 31st March 2020	41,229.11	33,813.67	20,996.36	19,254.57	2,244.96	**117,538.67**
Impairment loss recognised on above	-	-	-	-	(187.16)	**(187.16)**

2. Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Financing arrangements

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

₹ Lakhs

Particulars	As at 31st March 2021	As at 31st March 2020
Fixed Rate Borrowings		
Term Loan	-	-
Overdraft/Cash Credit*	29,589.01	-

*The company is having sanctioned Fund Based Credit Limit of ₹ 100 Lakhs from ICICI Bank (as sublimit of non fund based limit of ₹ 10,000 Lakhs), ₹ 7,500 Lakhs from Axis Bank (as sublimit of non fund based limit of ₹ 7,500 Lakhs) and ₹ 27,500 Lakhs from HDFC Bank. Non Fund based limit of ₹ 5,510.99 Lakhs from Axis Bank has been utilized as on 31st March 2021.

₹ Lakhs

Particulars	Not Due	On Demand	3 Month or Less	3-12 Months	1-5 years	More than 5 years	Total
Year ended March 31st, 2021							
Trade Payables	43,762.70	-	-	159.89	-	-	43,922.59
Financial liabilities	-	131,223.46	52,834.84	3,497.30	20,608.64	34,094.24	242,258.48
Total	**43,762.70**	**131,223.46**	**52,834.84**	**3,657.19**	**20,608.64**	**34,094.24**	**286,181.07**
Year ended March 31st, 2020							
Trade Payables	42,520.87	-	5.83	41.44	0.29	10.45	42,578.87
Financial liabilities	-	185,476.83	58,387.12	7,917.81	22,889.01	16,151.68	290,822.46
Total	**42,520.87**	**185,476.83**	**58,392.95**	**7,959.25**	**22,889.30**	**16,162.13**	**333,401.33**

3. Market Risk

Market risk is the risk that changes in market prices, such as interest rates can affect the Company's income. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. As presently the company is not having any borrowed funds. There is no market risk exposure.

47. Disclosure as per Ind AS 108 'Operating segments'

A. General Information

The company has two reportable segments, as described below, which are it's strategic business units. The strategic business units offer different products and services, and are managed separately because they require different technology and marketing strategies. The following summary describes the operations in each of the Company's reportable segments:

A.1. Power Trading & Generation: The company has a power trading license and is active in this domain through trading of solar/wind power from projects set up under the schemes being implemented by it.Further the company is also in the business of power generation.

A.2. Consultancy & Project management: It includes providing consultancy and project management services etc.

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit before income tax, as included in the internal management reports that are reviewed by the Board of Directors. Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries. Transfer prices between operating segments are on an arm's length basis in a manner similar to transactions with third parties.

B. Information about reportable segments and reconciliations to amounts reflected in the financial statements:

₹ Lakhs

Particulars	Business Segments					
	Power Trading & Generation		Consultancy and Project Management		Total	
	For the year ended		For the year ended		For the year ended	
	31st March 2021	31st March 2020	31st March 2021	31st March 2020	31st March 2021	31st March 2020
Segment Revenue						
Revenue from Operations	531,990.23	448,785.09	11,621.13	13,166.26	543,611.36	461,951.35
Unallocated Interest and Other Income	-	-	-	-	2,856.76	3,822.00
Total	**531,990.23**	**448,785.09**	**11,621.13**	**13,166.26**	**546,468.12**	**465,773.35**
Segment Result	16,325.10	12,192.99	11,413.16	12,836.30	27,738.26	25,029.29
Unallocated expenses, Interest and finance charges	-	-	-	-	6,835.78	5,585.83
Profit before tax	-	-	-	-	23,759.24	23,265.46
Provision for taxes	-	-	-	-	5,988.60	5,371.94
Profit after tax	-	-	-	-	17,770.64	17,893.52
Depreciation and Amortization	497.00	421.99	130.73	57.82	627.73	479.81
Unallocated Depreciation	-	-	-	-	136.55	18.59
Non Cash Expenses other than depreciation	-	-	1.09	0.31	1.09	0.31
Capital Expenditure	3,924.49	2.82	1,740.47	91.02	5,664.96	93.84
Unallocated Capital Expenditure					19,223.03	1,734.06

₹ Lakhs

Particulars	Business Segments					
	Power Trading & Generation		Consultancy and Project Management		Total	
	For the year ended		For the year ended		For the year ended	
	31st March 2021	31st March 2020	31st March 2021	31st March 2020	31st March 2021	31st March 2020
Other Information:						
Segment Assets	3,06,385.21	2,91,898.32	4,215.97	11,266.08	3,10,601.19	3,03,164.40
Unallocated Assets	-	-	-	-	86,519.88	1,23,629.73
Total Assets	**3,06,385.21**	**2,91,898.32**	**4,215.97**	**11,266.08**	**3,97,121.07**	**4,26,794.13**
Segment Liabilities	2,75,592.32	2,68,533.49	12,987.29	84,897.30	2,88,579.62	3,53,430.79
Unallocated Liabilities	-	-	-	-	21,183.11	3,790.92
Total Liabilities	**275,592.32**	**268,533.49**	**12,987.29**	**84,897.30**	**309,762.73**	**357,221.71**

C. Information about major customers

Revenue from major customers more than 10% of the Company's total revenues

₹ Lakhs

Debtors' Name	For the year ended		For the year ended	
	2020-21	% age	2019-20	% age
U.P. Power Corporation Limited	91,321.81	16.78	51,716.57	11.18
Rajasthan Urja Vikas Nigam Limited	61,279.07	11.26	58,431.61	12.63
Maharashtra State Electricity Distribution Company Limited	79,408.58	14.59	78,346.01	16.94

48. Disclosure as per Ind AS 113 - Fair Value Measurement

Financial Instruments By Category

₹ Lakhs

Particulars	As at 31st March 2021			As at 31st March 2020		
	FVTPL	FVTOCI	Amortized cost	FVTPL	FVTOCI	Amortized cost
Financial Assets:						
Investment						
- Equity Instrument*	-	-	-	-	-	-
- Others	-	-	-	-	-	-
Loans	-	-	852.01	-	-	563.39
Trade Receivables	-	-	85,381.54	-	-	117,351.51
Cash and Cash Equivalents	-	-	137,037.50	-	-	145,560.63
Other Bank Balance	-	-	22,113.12	-	-	30,663.58
Other financial assets	-	-	115,647.98	-	-	99,900.61
Total Financial Assets	**-**	**-**	**361,032.15**	**-**	**-**	**394,039.72**
Financial Liability:						
Borrowings	-	-	-	-	-	-
Trade Payable	-	-	43,922.59	-	-	42,578.88
Other Financial Liabilities	-	-	242,258.48	-	-	290,822.45
Total Financial Liability	**-**	**-**	**2,86,181.07**	**-**	**-**	**3,33,401.33**

*Investments in Joint ventures amounting to ₹ 476 Lakhs are not disclosed above.

49. Disclosure as per Ind AS 115 - Revenue from Contract with Customers

I. Nature of goods and services

The revenue of the Company comprises of income from power sales, sale of power through trading, consultancy and other services. The following is a description of the principal activities:

(a) Revenue from power sales (own generation)

The revenue of the Company comes from power sales from own plants. The Company sells electricity to bulk customers, mainly electricity utilities owned by State Governments as well as private Discoms operating in States. Sale of electricity is generally made pursuant to long-term Power Sale Agreements (PSAs) entered into with the customers.

Below are the details of nature, timing of satisfaction of performance obligations and significant payment terms under contracts for power sales:

Product / Service	Nature, timing of satisfaction of performance obligations and significant payment terms
Power Sales (Own Generation)	The Company recognizes revenue from contracts for power sales over time as the customers simultaneously receive and consume the benefits provided by the Company. The tariff for computing revenue from power sales is determined in terms of Power Sale Agreements (PSAs). The amounts are billed on a monthly basis and are payable within contractually agreed credit period.

(b) Revenue from power trading

(i) Sale of Power through trading

The Company is purchasing power from the developers and selling it to the Discoms on principal to principal basis.

Below are the details of nature, timing of satisfaction of performance obligations and significant payment terms under contracts for sale of power through trading:

Product/ Service	Nature, timing of satisfaction of performance obligations and significant payment terms
Sale of Power through trading	The Company recognizes revenue from contracts for sale of power through trading over time as the customers simultaneously receive and consume the benefits provided by the Company. The tariff for computing revenue from sale of power through trading is determined as per - the terms of the agreements. The amounts are billed on a monthly basis and are payable within contractually agreed credit period.

(c) Revenue from sale of services

The Company undertakes Project Management Consultancy contracts for development of solar power projects and other consultancy contracts.

Below are the details of nature, timing of satisfaction of performance obligations and significant payment terms under contracts for consultancy and other services:

Product/ Service	Nature, timing of satisfaction of performance obligations and significant payment terms
Project Monitoring Fees	The Company recognizes revenue from contracts for project monitoring fees at a point in time/over time based on milestone(s) achieved. The revenue from project monitoring fees is determined as per the terms of the contracts. The amount of revenue recognized is adjusted for variable consideration, wherever applicable, which are estimated based on the historical data available with the Company. The amounts are billed as per the terms of the contracts and are payable within contractually agreed credit period.
Consultancy Services	The Company recognizes revenue from contracts for consultancy services over time based on milestones achieved as the customers simultaneously receive and consume the benefits provided by the Company. The revenue from consultancy services is determined as per the terms of the contracts. The. amount of revenue recognized is adjusted for variable consideration, wherever applicable, which are estimated based on the historical data available with the Company. The amounts are billed as per the terms of the contracts and are payable within contractually agreed credit period.

II. Disaggregation of Revenue

In the following table, revenue is disaggregated by type of product and services, geographical market and timing of revenue recognition:

₹ Lakhs

Particulars	Power Sales (Own Generation)	Sale of Power through trading	Project Monitoring Fees	Consultancy Services	Others	Total
	For the year ended 31st March 2021					
Timing of Revenue recognition						
Products and Services transferred over time	1,650.50	529,539.80	7,013.24	3,075.17	365.02	541,643.73
Products and Services transferred at a point in time	-	-	382.78	-	774.26	1,157.04
	1,650.50	**529,539.80**	**7,396.02**	**3,075.17**	**1,139.28**	**542,800.77**

₹ Lakhs

Particulars	Power Sales (Own Generation)	Sale of Power through trading	Project Monitoring Fees	Consultancy Services	Others	Total
	For the year ended 31st March 2020					
Timing of Revenue recognition						
Products and Services transferred over time	1,361.50	446,632.06	10,265.03	1,462.93	317.66	460,039.18
Products and Services transferred at a point in time	-	-	570.38	-	530.70	1,101.08
	1,361.50	**446,632.06**	**10,835.41**	**1,462.93**	**848.36**	**461,140.26**

III. Reconciliation of revenue recognized with contract price:

₹ Lakhs

Particulars	As at 31st March, 2021	As at 31st March, 2020
Contract Price	543,262.37	462,113.86
Adjustments for: Rebates	(461.60)	(973.60)
Revenue Recognized	**542,800.77**	**461,140.26**

IV. Contract Balances

Contract assets are recognized when there is excess of revenue earned over billings on contracts. Contract assets are transferred to unbilled revenue when there is unconditional right to receive cash and only passage of time is required, as per contractual terms. The contract liabilities primarily relate to the advance consideration received from the customers which are referred as 'advance from customers'.

The following table provides information about trade receivables, unbilled revenue and advance from customers:

₹ Lakhs

Particulars	As at 31st March, 2021		As at 31st March, 2020	
	Current	Non-Current	Current	Non-Current
Trade Receivables	85,381.54	-	117,351.51	-
Unbilled Revenue	53,259.16	-	53,771.00	-
Advance from Customers	2,393.57	500.08	987.70	1,110.95

50. Recent accounting pronouncements

The Ministry of Corporate Affairs (MCA) has notified the Companies (Indian Accounting Standards/ Ind AS) Amendment Rules, 2020 on June18, 2021, whereby the amendments to various Indian Accounting Standards has been made applicable with immediate effect from the date of the notification i.e. effective for Financial Year ended March 21, 2022 onwards. The amendments made vide aforesaid notification dated June 18, 2021 are largely clarificatory and editorial in nature, the Company is evaluating the requirements of the same and its effect on the Financial Statements is not likely to be material.

51. Information in respect of micro and small enterprises as at 31 March 2021 as required by Micro, Small and Medium Enterprises Development Act, 2006

₹ Lakhs

Particulars	As at 31st March 2021	As at 31st March 2020
a) Amount remaining unpaid to any supplier:		
Principal Amount	-	-
Interest due thereon	-	-
b) Amount of interest paid in terms of Section 16 of MSMED Act along with the amount paid to the suppliers beyond the appointed day	-	-
c) Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act.	-	-
d) Amount of interest accrued and remaining unpaid	-	-
e) Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest due as above are actually paid to the small enterprises, for the purpose of disallowances as a deductible expenditure under Section 23 of MSMED Act	-	-

52. In accordance with approval of the Board of Directors, surplus funds available with the Company are placed periodically in short term deposits, taking into account the Government guidelines issued for the purpose.

53. The company has two independent director on the board, and the constitution of audit committee & remuneration committee is as per the provisions of Section 177 & 178 of the Companies Act 2013 & DPE Guidelines on Corporate Governance. There is a woman director on the board as on 31st March, 2021.

54. A net provision of ₹ 362.24 Lakhs (Previous Year ₹ 340.61 Lakhs) towards Performance related pay (PRP) has been made in current year. The payment of the same shall be released on the approval of the Competent Authority.

55. Trade receivable and payable outstanding as on 31st March 2021 are to the tune of ₹ 85,381.54 lakhs and ₹ 43,922.59 lakhs respectively. As per the requirement, confirmation letters were sent to all the parties. Amount of ₹ 42,397.50 Lakhs against the trade payable outstanding has been confirmed. Trade receivable outstanding to the tune of ₹ 10,523.79 Lakhs has been confirmed and an amount of ₹ 54,171.00 Lakhs has been received from the Discoms and other parties by 20th July 2021 against the trade receivable outstanding as on 31.03.2021.

56. Balances of Trade Receivables and Recoverable shown under 'Current Assets' and Trade and Other Payables shown under 'Current Liabilities' include balances subject to confirmation/reconciliation and consequential adjustment, if any. Reconciliations are carried out on-going basis. Provisions, wherever considered necessary, have been made. Adjustments, if any, will be accounted for on confirmation /reconciliation of the same with the concerned parties, which in the opinion of the management will not have a material impact.

57. The Trade Receivables and Trade Payables includes ₹9.34 lakh (₹ 12.99 Lakhs as on 31.03.2020) receivable from Bangalore Electricity Supply Company Ltd (BESCOM) and payable to Karnataka Power Corporation Limited, towards KVarh charges (Kilo Volt Amps Reactive Charges), meter reading charges and rebate @ 2% against energy sold, deducted by BESCOM which is not as per the terms of PSA.

58. Vento Power Projects Private Limited having 40 MW Project capacity commissioning declared on 22nd December 2018 and COD on 21st January 2019. However, the SPD did not raise any invoices to SECI for generation and export of power during the previous year 2019-20 and therefore SECI also could not raise any invoice for the corresponding sale to DISCOM as per terms of PSA during the previous year 2019-20. The corresponding sale and purchase have been booked in the F. Y. 2020-21 commencing from 21st Jan 2019 to Feb 21 and unbilled revenue and purchase payable for the month of Mar 21.

59. During the FY 2020-21 Service Tax Audit was conducted by M/s DCG & Co. Chartered Accountant, who were appointed by the Service Tax Department for conducting the audit for the period 01-04-2014 to 30-06-2017. Based on the audit, Service Tax Department had raised Service Tax demand of ₹ 559.35 Lakhs(₹ 244.18 Lakhs service tax liability, ₹ 278.54 Lakhs interest on service tax demand and ₹ 36.63 lakhs penalty on service tax demand) which was paid by the company on 19.03.2021.

60. MNRE vide order dated 04th February 2019 issued PSM guidelines. Accordingly, PSM fund is being operated as per the MNRE guidelines. Payment security Fund (PSF) includes ₹ 50,000.00 Lakhs (As at 31st March 2020 ₹ 50,000.00 Lakhs) received from MNRE. The total PSM funds of ₹ 117789.26 Lakhs includes BG encashment, extension money, amount on account of tariff reduction etc. Amount drawn and utilized up to 31.03.2021 is ₹ 33544.58 Lakhs on account of overdue from Discoms against energy bills and ₹ 8891.25 Lakhs on account of overdue from Discoms against change in law (GST/SGD) claims.

61. SECI was in the process of developing a large scale solar-wind hybrid project with Battery Energy Storage Solutions (BESS) with a capacity of 160 MW in which solar is 120 MW and Wind is 40 MW in Ramagiri district, Andhra Pradesh. The total land planned for establishing the project is about 889.90 acres, out of which advance possession for 690.68 Acres of land has been obtained. The total ex-gratia amount of ₹ 2,120.71 Lakhs was paid to District collector, Ananthapur towards the assigned land during FY 2018-19 and the same has been shown as capital advance. Based on SECI request vide letter dated 10.03.2021, MNRE vide letter dated 13.04.2021 cancelled the 160 MW Solar Park Scheme and now SECI will establish the project under CPSU/Hybrid scheme & the decision will be taken during the next Financial Year based on the development . During the year New & Renewable Energy Development Corporation of Andhra Pradesh (NREDCAP) vide letters dated 11.08.2020 and 30.09.2020 has intimated SECI about the new export policy and stated that the land now will be allocated to SECI on lease basis only and lease rent will commence from the date of advance possession. The ex-gratia amount paid by SECI will be adjusted in the lease rentals and no interest will be paid to SECI on the advance ex-gratia amount. SECI vide their letter dated 28.09.2020, 14.06.2021 and 21.06.2021 has stated to NREDCAP that the proposed lease rental start date from the advance possession date is unacceptable to SECI. As the complete and contiguous land is not handed over by A.P Government till date, therefore starting of lease from the date of advanced possession is not right and to reconsider the decision of A.P. Government for charging of lease rent from the date when the complete and contiguous land is made available to SECI to start the project activities. Also the notification of the new land policy by the state government is much later than the advanced possession date of major land parcels, in which case the policy cannot be made applicable retrospectively. The matter is under consideration with A.P Government. Accordingly ROU Asset and Lease Liablity has not been recognized on the 160 MW project as per IND AS-116.

62. In the year 2019-20, the company has taken the physical possession of 6 Nos. of Residential flats allotted by NBCC at Kidwai nagar Complex against earlier payments made by SECI. The cost corresponding to such flats amounts to ₹ 1,734.06 Lakhs . The Flats are on lease hold basis for a period of 30 Years and the same is treated as Right of Use Asset in the books of account . Further during the FY 2020-21, the company has also taken the physical possession of the office space of NBCC Blocks located at Kidwai nagar.The Office space is on lease hold basis for a period of 30 Years and the amount of ₹ 19,223.03 Lakhs has been treated as ROU Assets in the books of accounts. The Lease agreement of both Residential and Commercial office space is yet to be executed.

63. SECI has signed PSA with 5 ESCOMS of Karnataka. Karnataka Electricity Regulatory Commission (KERC) has passed an order dated 20th Sep, 2018 for reduction of tariff to ₹ 4.36 per unit as against ₹ 4.50 per unit. The said order was challenged in APTEL which has directed the respective ESCOMS to make 50% of the disputed tariff billing (outstanding of all ESCOMs) by 3rd October 2019 and balance 50 % amount by 31st October 2019. Total amount recoverable due to this in trade receivables includes a sum of ₹ 964.82 Lakhs (Previous Year ₹ 2,296.40 Lakhs) However, the ESCOMs have challenged the said order in the Honourable Supreme Court and obtained stay against the order. Therefore, the matter is pending with SC for final disbursal of order on merit. SECI has not made any provision against the outstanding receivable amount as the disputed amount is covered under PSM sanction by MNRE. As per the provisions of PSM guidelines, any reduction in tariff due to order of court may be recovered from PSM fund. Therefore, no provision has been made.

64. CERC has passed an order dated 17th Dec, 2018 in case of petition filed by M/s Welspun Energy Private Limited against SECI that directs SECI for re-instatement of PPA amongst other to condone the delay in fulfilment of conditions of subsequent and to re-instate the PPA & financial implication of the same is on back to back basis with the Discom. Therefore, no provision is required to be made in the books. Further, an amount of ₹ 648.00 Lakhs has been paid by M/s Welspun Energy Private Limited, which has been accounted as Money received under dispute & classified as other payable under the head current liabilities, the said amount has been kept in an interest bearing account and interest accrued thereon till 31st Mar, 2021 is ₹ 67.49 Lakhs(Previous Year ₹ 43.22 Lakhs). Both of the amount has been kept in abeyance, as the matter is subjudice in APTEL.

65. The Rooftop - Other Receipts under Other Operating Income includes ₹10.66 Lakhs (Previous year ₹ 19.46 Lakhs) recovered towards LD/Penalty/Non meeting of CUF requirements as per RFS In view of the audit observations of C & AG for the FY 2017-18 on income recognition, the same has been referred to MNRE vide letter dated 20th March 2019, 14th May 2019, 18th June 2019, 30th October 2019, 25th November 2019, 11th February 2020, 30th July 2020, 22nd October,2020 and 7th June, 2021 for further directions/advise. Pending directions/advise from MNRE the same has been considered as income of SECI as per accounting policy no 1.C.9.2.

66. Corporate Social Responsibility Expenses (CSR)

66.1 The company is required to spend, in every financial year, at least two percent of the average net profits of the company made during the three immediately financial years in accordance with its CSR Policy. Based on above, the CSR amount to be spent by the company during 2020-21 is ₹ 341.34 Lakhs (Previous year ₹ 250.00 Lakhs). Accordingly Amounts have been spent towards CSR Expenditure as shown in table below:

₹ Lakhs

Serial No.	Particulars	As at 31st March 2021	As at 31st March 2020
1	PM Cares fund	300.00	117.73
2	Purchase of Ultrasound Machine at SNM Hospital, Leh	-	29.33
3	Swachh Bharat Kosh	-	20.00
4	Clean Ganga Fund	-	10.00
5	Project - "Eckovation for Quality Education in Schools in Dhenkenal District Odisha"	20.37	73.04
6	Renovation Work in Seminar Hall of Institution of Engineers (India), Dehradun (Shortfall of 2018-19)	-	24.91
7	Procurement of Solar Light & Fox Light	20.79	-
	Total	**341.16**	**275.01**

66.1.1 Further, a sum of ₹ 3.90 lakhs pertaining to FY 2017-18 is payable as per the payment terms of the contract.

₹ Lakhs

Particulars	31st March 2021	31st March 2020
A. Amount required to be spent during the year	341.34	250.00
B. Shortfall amount of previous year	-	25.00
C. Total (A+B)	**341.34**	**275.00**
D. Amount spent during the year	341.16	275.01
Shortfall Amount	**0.18**	**-**

67. SECI has signed PSA with Andhra Pradesh Power Coordination Committee (APPCC) for sale of power procured from various developers. Amount outstanding against APPCC as on 31st March 2021 is ₹ 34,170.93 Lakhs (previous year ₹ 32,061.21 Lakhs). However, no provision has been made against the above outstanding amount as SECI up to 28th June 2021 has already received Rs. 15,221.97 Lakhs out of such outstanding amount. For balance amount TPA invocation request has been sent to MNRE and is under consideration.

68. MNRE vide order dated 18 June 2019 and its subsequent amendments thereof, has issued guidelines for setting up of a Dispute Resolution Mechanism. In compliance of the guidelines, developers have approached DRC and have deposited till 31st March, 2021 ₹ 544.01 lakhs (Previous year ₹ 390 Lakhs), the same is kept in a separate interest bearing bank account and interest accrued thereon till 31st March 2021 is ₹ 30.54 Lakhs (Previous year ₹ 8.91 Lakhs). As per the guidelines the amount is refundable back to the party in case order to that effect is passed as per the recommendations of Dispute Resolution committee. Any decision not in favour of developer then the fee deposited by the developers shall be credited to PSM fund maintained by SECI in line with the DRC guidelines dated 18.06.2019 and all relevant amendments thereof.

69. **Encashment of BG for delayed / Non-commissioning of WPD**

SECI has marked 2 number of BG's and received payment against invocation amounting to ₹ 1344.44 lakhs during the current year(P.Y ₹492.54 Lakhs). In terms of the provisions of RFS / PPA, the invocation proceeds of BG towards delayed / non-commissioning of projects is to be kept separately towards creation of PSF. However, pending issue of Guidelines for creation / Administration of PSF for Wind projects, the invocation proceeds is kept in a separate interest bearing account.Further the interest accrued thereon till 31st Mar, 2021 is ₹ 105.93 Lakhs (Previous Year ₹ 2.56 Lakhs).

70. Due to outbreak of COVID-19 globally and in India, the Company has made an initial assessment of its likely adverse impact on business and its associated financial risks. The Company is in the business of trading of renewable energy, providing project management services and generation and sale of power. The generation and sale of Power is an essential service as emphasized by the Ministry of New and Renewable Energy (MNRE), Government of India (GOI). By taking a number of proactive steps and keeping in view the safety of all its stakeholders, the Company has ensured the availability of contracted solar power plants to generate solar power and has continued to supply solar power during the period of lockdown. The Company believes that the impact due to the outbreak of COVID-19 is likely to be short-term in nature and does not anticipate any medium to long-term risks in the Company's ability to continue as a going concern, meeting its liabilities as and when they fall due and recoverability of financial assets. Impact assessment of COVID-19 is a continuing process considering the uncertainty involved thereon. The company will continue to closely monitor any material changes to the future economic conditions.

71. Due to change in ABT metering of 6 developers, APPCC Discom did not sign the JMR for the period from 25.09.2018 to 30.09.2018. The generation billed during the corresponding period has not been accepted by APPCC. However, the developers have raised the invoice for an amount of ₹ 343.33 Lakhs for the the same period and SECI has not accepted the same. Therefore the provision for power purchase amounting to ₹ 343.33 Lakhs made during the previous year continues to be outstanding as on 31.03.2021 as the same is yet to be accepted by corresponding Discoms.

72. Central Electricity Regulatory Commission (CERC) has passed various orders directing SECI to pay SPD's towards reimbursement of GST/Safeguard duty due to change in law. Further as per the terms of PPA, the same will be recoverable from the respective buying utilities on back to back basis, this has also been affirmed by CER C in its Order. Accordingly, the company has booked expenses of ₹ 21,855.54 Lakhs including interest amount (previous year amount ₹ 47,864.69 Lakhs) as "compensation to SPD's on account of change in law" under 'Exceptional items" in FY 2020-21. Further as per the CERC orders, the same is to be recovered from DISCOM's therefore the company has also booked a total sum of ₹ 21,855.54 Lakh (previous year amount ₹ 47,864.69 Lakhs) in FY 2020-21 as income under the head "compensation from DISCOM" on account of change in law under 'Exceptional items'. The expenses and income are on account of purchase and sale of power as the compensation is directly related to tariff. The same has been treated as exceptional item as claims made by SPD's and recoverable from DISCOM due to change in law is significant amount and is unusual during the normal cycle of business. During the FY 2020-21, Company has paid ₹ 14008.51Lakh (previous year amount ₹ 2,055.29 Lakh) to SPD's on account of change in law as per CERC order and accordingly demand the same from DISCOM on back to back basis as per CERC order. Out of total claim raised to DISCOM, amount received in FY 2020-21 is ₹ 5548.23 Lakh (previous year amount ₹ 2,055.29 Lakh). As the company has applied for annuity based payment mechanism instead of lump sum payment, the payable and recoverable

during the period of twelve month has been classified as current and remaining amount has been shown as non-current. Accordingly, amount of ₹ 53,656.42 Lakh is shown as "payable to SPD's" Current Financial liability ₹ 2,912.85 Lakh and Non-Current Financial liability ₹ 50,743.57 Lakh (previous year Current Financial liability ₹ 10,251.96 Lakh and Non-Current Financial liability ₹ 35,557.44 Lakh). Amount of ₹ 62,116.71 Lakh recoverable from DISCOM against such claim has been shown as "recoverable from DISCOM" as current Financial assets ₹ 11,373.13 Lakh and Non-Current Financial Assets ₹ 50,743.58 Lakh (previous year current Financial assets ₹ 10,251.96 Lakh and Non-Current Financial Assets ₹ 35,557.44 Lakh) as at 31st March 2021.

Some of DISCOM has taken the matter before APTEL and in case of any decision/ direction of the Tribunal against the said orders, the amount payable to SPD's / recoverable from DISCOM may be further revised.

73. There is no event that has been taken place after the date of Balance Sheet, which has significant impact on the Financials for the year ended 31st March, 2021.

Operating Cycle

74. Based on the nature of activities of the Company and the normal time between acquisition of assets and their realization in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

75. Previous year's figures have been rearranged or regrouped wherever necessary to make them comparable with the current year.

For and on behalf of the Board of Directors

Sd/-
(Sunil Kumar)
Company Secretary
M. No. 17693

Sd/-
(C Kannan)
Director (Finance)
DIN 06458185

Sd/-
(Jatindra Nath Swain)
Managing Director
DIN 01969056

In terms of our audit report of even date
For Pandey and Company
Chartered Accountants
FR No. 000357C

Sd/-
(CA Amit Pandey)
Partner
Membership No. 402377

Place : New Delhi
Date : 31.07.2021

SOLAR ENERGY CORPORATION OF INDIA LIMITED

(Formerly known as Solar Energy Corporation of India)

Consolidated Balance Sheet as at 31st March 2021

₹ Lakhs

Particulars	Note No.	As at 31st March 2021	As at 31st March 2020
ASSETS			
Non-current assets			
Property, Plant and Equipment	2	9,246.19	5,491.07
Right of Use	3	21,108.19	2,034.66
Capital work-in-progress	4	317.86	2,823.44
Intangible assets	5	1,339.59	46.20
Intangible assets under development	6	1.89	17.26
Investment in Joint venture(s)	7	22,536.86	15,254.60
Financial Assets			
Loans & Advances	8	79.22	46.46
Other non current financial assets	9	50,743.57	35,557.44
Other non current assets	10	2,527.63	20,315.22
Total Non Current Assets		**107,901.00**	**81,586.35**
Current Assets			
Financial Assets			
Trade Receivable	11	85,381.54	117,351.51
Cash and cash equivalents	12	137,037.50	145,560.63
Bank balances other than cash & cash equivalents	13	22,113.12	30,663.58
Loans & Advances	14	772.79	516.93
Other financial assets	15	64,904.41	64,343.17
Other current assets	16	459.36	1,247.58
Current Tax Assets (Net)	17	612.21	302.98
Total Current Assets		**311,280.93**	**359,986.38**
Total Assets		**419,181.93**	**441,572.73**
EQUITY AND LIABILITIES			
Equity			
Equity Share capital	18	35,400.00	35,400.00
Other Equity	19	74,019.20	48,951.02
Total Equity		**109,419.20**	**84,351.02**
LIABILITIES			
Non-current liabilities			
Financial Liabilities			
Borrowings			
Other financial liabilities	20	54,673.97	39,006.18
Provisions	21	723.80	576.57

SOLAR ENERGY CORPORATION OF INDIA LIMITED

(Formerly known as Solar Energy Corporation of India)

Consolidated Balance Sheet as at 31st March 2021

₹ Lakhs

Particulars	Note No.	As at 31st March 2021	As at 31st March 2020
Deferred tax liabilities (Net)	22	380.84	308.78
Other Non-current liabilities	23	500.08	1,110.95
Total Non Current Liabilities		**56,278.69**	**41,002.48**
Current liabilities			
Financial Liabilities			
Borrowings	24	-	-
Trade payables	24A		
Total outstanding dues of micro enterprises and small enterprises		-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises		43,922.59	42,578.88
Other financial liabilities	25	187,584.51	251,816.27
Provisions	26	795.24	789.34
Other current liabilities	27	4,071.53	3,155.29
Current Tax Liabilities (Net)	28	-	-
Total Current Liabilities		**236,373.87**	**298,339.78**
Deferred Revenue	29	17,110.17	17,879.45
Total Equity and Liabilities		**419,181.93**	**441,572.73**
Significant accounting policies	1		

The accompanying notes 1 to 75 form integral part of these financial statements.

For and on behalf of the Board of Directors

Sd/-
(Sunil Kumar)
Company Secretary
M. No. 17693

Sd/-
(C Kannan)
Director (Finance)
DIN 06458185

Sd/-
(Jatindra Nath Swain)
Managing Director
DIN 01969056

In terms of our audit report of even date
For Pandey and Company
Chartered Accountants
FR No. 000357C

Sd/-
(CA Amit Pandey)
Partner
Membership No. 402377

Place : New Delhi
Date : 31.07.2021

SOLAR ENERGY CORPORATION OF INDIA LIMITED

(Formerly known as Solar Energy Corporation of India)

Consolidated Statement of Profit and Loss for the year ended 31st March 2021

₹ Lakhs

Particulars	Note No.	For the year ended 31st March 2021	For the year ended 31st March 2020
Income			
Revenue from operations	30	544,288.07	462,571.79
Other income	31	1,517.65	2,001.62
Total Income		**545,805.72**	**464,573.41**
Expenses			
Purchase of Solar Power	32	514,601.07	435,717.17
Employee Benefits Expense	33	2,583.80	2,159.49
Finance costs	34	359.39	309.24
Depreciation & Amortisation	35	764.28	498.40
Other Expenses	36	4,400.34	3,823.59
Total expenses		**522,708.88**	**442,507.89**
Profit before Exceptional Items & Tax		23,096.84	22,065.52
Exceptional Items			
Compensation to SPD on account of Change in Law (Refer Note No. 72)		21,855.54	47,864.69
Compensation from DISCOM on account of change in Law (Refer Note No. 72)		(21,855.54)	(47,864.69)
Add: Share of net profits of Joint Ventures accounted for using Equity Method		5,882.89	6,549.38
Profit before tax		**28,979.73**	**28,614.90**
Tax expense			
Current tax			
Current Years		5,846.34	5,599.68
Earlier Years		75.34	34.99
Deferred tax		66.92	(262.73)
Total Tax Expenses		**5,988.60**	**5,371.94**
Profit/(loss) for the year		**22,991.13**	**23,242.96**

SOLAR ENERGY CORPORATION OF INDIA LIMITED

(Formerly known as Solar Energy Corporation of India)

Consolidated Statement of Profit and Loss for the year ended 31st March 2021

₹ Lakhs

Particulars	Note No.	For the year ended 31st March 2021	For the year ended 31st March 2020
Other Comprehensive Income			
Items that will not be reclassified to profit or loss (net of tax)			
Re-measurement gains (losses) on defined benefit plans transferred to OCI		20.42	(47.85)
Income tax relating to items that will be reclassified to profit or loss		(5.14)	11.19
Total Comprehensive Income for the year(Comprising Profit(Loss) and Other Comprehensive Income for the year)		**23,006.41**	**23,206.30**
Earnings per equity share			
Basic (₹)		649.47	656.58
Diluted (₹)		649.47	656.58
Significant accounting policies	**1**		

The accompanying notes 1 to 75 form integral part of these financial statements.

For and on behalf of the Board of Directors

Sd/-
(Sunil Kumar)
Company Secretary
M. No. 17693

Sd/-
(C Kannan)
Director (Finance)
DIN 06458185

Sd/-
(Jatindra Nath Swain)
Managing Director
DIN 01969056

In terms of our audit report of even date
For Pandey and Company
Chartered Accountants
FR No. 000357C

Sd/-
(CA Amit Pandey)
Partner
Membership No. 402377

Place : New Delhi
Date : 31.07.2021

SOLAR ENERGY CORPORATION OF INDIA LIMITED

(Formerly known as Solar Energy Corporation of India)

Consolidated Cash Flow Statement for the year ended 31st March, 2021

₹ Lakhs

Particulars	For the year ended 31st March 2021	For the year ended 31st March 2020
A. CASH FLOW FROM OPERATING ACTIVITY		
Net Profit before tax	**28,979.73**	**28,614.90**
Add: Other Comprehensive Income/(Expense)	20.42	(47.85)
	29,000.15	**28,567.05**
Adjustments for:		
Share of profit of Joint Ventures	(5,882.89)	(6,549.38)
Depreciation, amortisation and Impairment Of Property, Plant And Equipment and Intangible Assets	764.28	498.40
Finance Costs - Lease Liability	14.97	14.56
Loss on disposal of property, plant and equipment	1.09	0.31
Expenses Written Off	10.32	-
Finance Costs - Interest on Loan	-	-
Provision Others	40.73	
Provision for impairment loss and others	14.61	9.12
Unwinding of discount on Performance Guarantee Deposit & Retention Money	295.49	260.47
Recognised From Deferred revenue expenses security deposit receivable	0.76	0.76
Recognised From Deferred revenue income Performance Guarantee Deposit	(764.27)	(772.31)
Unwinding of discount on security deposit receivables	(0.32)	(0.30)
Deferred payroll Expenditure	53.40	1.02
Recognised from Deferred Income - Government Grant	(17.99)	(18.04)
Interest Income	(721.29)	(1,211.38)
Operating Profit before Working Capital Changes	**22,809.04**	**20,800.28**
Adjustment For:		
(Increase)/Decrease in Trade Receivables	31,955.36	(46,535.98)
(Increase)/Decrease in Bank balances other than cash & cash equivalent, Loans & Advances and other financial assets	(7,539.37)	47,088.43
(Increase)/Decrease in Other Non Current Assets	5.12	(194.19)
(Increase)/Decrease in Other Current Assets	788.22	(962.42)
Increase/(Decrease) in Trade Payables, Provisions and Other Liabilities	(47,089.03)	104,049.43
Cash generated/(used) from Operations	**929.34**	**124,245.55**
Direct taxes paid	(6,230.91)	(5,448.89)
Net cash flow/(used) from/in Operating Activities- A	**(5,301.57)**	**118,796.66**
B. CASH FLOW FROM INVESTING ACTIVITY		
(Increase)/Decrease in Capital Advances	17,782.47	1,820.43
Investment in Joint Ventures	-	(196.00)
Dividend Income	662.40	1,199.94

₹ Lakhs

Particulars	For the year ended 31st March 2021	For the year ended 31st March 2020
Interest Income	721.29	1,211.38
Investment in Capital work-in-progress	(3,014.74)	(2,596.74)
Investment in Intangible Assets under development	15.37	(3.07)
Disposal of fixed assets	0.58	0.12
Purchase of fixed assets	(19,377.99)	(1,998.05)
Net Cash Flow from Investing Activities - B	**(3,210.62)**	**(561.99)**
C. CASH FLOW FROM FINANCING ACTIVITY		
Proceeds from Issue of Equity Share Capital	-	-
Repayment of long term borrowings	-	-
Lease Liability Paid	(10.94)	(10.10)
Interest Paid	-	-
Dividend Paid	-	(3,881.95)
Tax on Dividend	-	(797.95)
Net Cash Flow from Financing Activities - C	**(10.94)**	**(4,690.00)**
Net (Decrease)/ Increase in cash and cash equivalents (A+B+C)	**(8,523.13)**	**113,544.67**
" Cash and cash equivalents in the beginning of the year (See note 1&2 below) "	**145,560.63**	**32,015.96**
" Cash and cash equivalents at the end of the year (See note 1&2 below) "	**137,037.50**	**145,560.63**

NOTES:

1. **Cash and cash equivalents consist of balances with banks in current accounts, auto-sweep fixed deposits,fixed deposits having original maturity period upto 3 months and interest accrued thereon.**
2. **Reconciliation of cash and cash equivalents: cash and cash equivalents as per Note 12.**
3. **Previous year figures have been regrouped/rearranged wherever considered necessary.**
4. **Refer note no. 45 for Undrawn borrowing facilities.**

For and on behalf of the Board of Directors

Sd/-	**Sd/-**	**Sd/-**
(Sunil Kumar)	**(C Kannan)**	**(Jatindra Nath Swain)**
Company Secretary	**Director (Finance)**	**Managing Director**
M. No. 17693	**DIN 06458185**	**DIN 01969056**

In terms of our audit report of even date
For Pandey and Company
Chartered Accountants
FR No. 000357C

Sd/-
(CA Amit Pandey)
Partner
Membership No. 402377

Place : New Delhi
Date : 31.07.2021

SOLAR ENERGY CORPORATION OF INDIA LIMITED

(Formerly known as Solar Energy Corporation of India)

Consolidated Statement of Changes in Equity

A. Equity Share Capital

For the year ended 31st March 2021

₹ Lakhs

Balance as at 1st April 2020	Changes in equity during the year	Balance as at 31st March 2021
35,400	-	35,400

For the year ended 31st March, 2020

₹ Lakhs

Balance as at 1st April 2019	Changes in equity during the year	Balance as at 31st March 2020
35,400	-	35,400

B. Other Equity

For the year ended 31st March 2021

₹ Lakhs

Particulars	Reserve and surplus	Total
	Retained Earnings	
Balance as at 1st April 2020	**48,951.02**	**48,951.02**
Profit for the year	22,991.13	22,991.13
Add/Less: Impact of adjustment in share of net profit of joint venture accounted for using equity method pertaining to previous year	(319.40)	(319.40)
Add: Share on account of Sub Lease as per IND AS 116 of JV's	3,295.00	3,295.00
Less: Share of impact of deferred tax of Ind AS 116 of JV's	(829.29)	(829.29)
Less: Utilized from CSR reserves	(40.01)	(40.01)
Less: Share in Income tax refund for FY 15-16 and FY 16-17 written off	(44.54)	(44.54)
Other Comprehensive Income	15.28	15.28
Total Comprehensive Income	**74,019.20**	**74,019.20**
Transfer to/from Retained Earnings		
Final Dividend - FY 2019-20 (Refer Note no 18)	**-**	**-**
Balance as at 31st March 2021	**74,019.20**	**74,019.20**

For the year ended 31st March, 2020

₹ Lakhs

Particulars	Reserve and surplus	Total
	Retained Earnings	
Balance as at 1st April 2019	**28,683.25**	**28,683.25**
Profit for the year	23,242.96	23,242.96
Share of transition effect on adoption of 116 of JV's	2,325.85	2,325.85
Share of Deferred Tax impact on Ind AS 116 of JV's	(584.48)	(584.48)
Other Comprehensive Income	(36.66)	(36.66)
Total Comprehensive Income	**53,630.92**	**53,630.92**
Transfer to/from Retained Earnings		
Final Dividend - FY 2018-19 (Refer Note no 18)	(3,881.95)	(3,881.95)
Dividend distribution tax on final dividend	(797.95)	(797.95)
Balance as at 31st March 2020	**48,951.02**	**48,951.02**

For and on behalf of the Board of Directors

Sd/-
(Sunil Kumar)
Company Secretary
M. No. 17693

Sd/-
(C Kannan)
Director (Finance)
DIN 06458185

Sd/-
(Jatindra Nath Swain)
Managing Director
DIN 01969056

In terms of our audit report of even date
For Pandey and Company
Chartered Accountants
FR No. 000357C

Sd/-
(CA Amit Pandey)
Partner
Membership No. 402377

Place : New Delhi
Date : 31.07.2021

SOLAR ENERGY CORPORATION OF INDIA LIMITED

(Formerly known as Solar Energy Corporation of India)

Group Information and Significant Accounting Policies

Notes forming part of Consolidated Financial Statements

Note: 1:

A. Reporting entity

Solar Energy Corporation of India Limited is a Company domiciled in India and limited by shares (CIN: U40106DL2011GOI225263). The address of the Company's registered office is 6th Floor, Plate B, NBCC Office Block Tower -2, East Kidwai Nagar, New Delhi -110023. These Consolidated Financial Statements comprise the Financial Statements of the Company and it's interest in its joint ventures (referred to collectively as the 'Group'). The Group is primarily engaged in implementation of a number of schemes of MNRE, major ones being the VGF schemes for large-scale grid-connected solar power projects under JNNSM, Wind Power Projects, solar park schemes and grid-connected solar rooftop schemes along with a host of other specialized schemes. The Group is also engaged in auctioning of solar, wind, hybrid and Floating Power projects. The Group has a power trading license and is active in this domain through trading of solar power from projects set up under the schemes being implemented by it. The Group is also involved in rendering project management consultancy services for setting up of Solar Power Projects. The Group is also engaged in generation and sale of renewable energy power.

B. Basis of preparation

1. Statement of Compliance

These Consolidated Financial Statements are prepared on going concern basis following accrual basis of accounting and comply with the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and subsequent amendments thereto, the Companies Act, 2013 (to the extent notified and applicable), applicable provisions of the Companies Act, 1956, to the extent applicable, the Electricity Act 2003 to the extent applicable.

These consolidated financial statements were approved by Board of Directors vide Board Meeting held on 31.07.2021.

2. Basis of measurement

The Consolidated Financial Statements have been prepared on the historical cost basis except for certain financial assets and liabilities that are measured at fair value (refer accounting policy Point No. 20 i.e. "financial instruments"). The methods used to measure fair values are discussed further in notes to Consolidated Financial Statements.

3. Functional and presentation currency

These Consolidated Financial Statements are presented in Indian Rupees (INR), which is the Group's functional currency. All financial information presented in INR has been rounded to the nearest lakhs (up to two decimals), except as stated otherwise.

4. Current and non-current classification

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

An asset is current when it is:

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

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is due primarily for the purpose of normal course of business;
- It is due to be settled within twelve months after the reporting period; or
- There is no conditional right to defer settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

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

C. Significant Accounting Policies

A summary of the significant accounting policies applied in the preparation of the Consolidated Financial Statements are as given below. These accounting policies have been applied consistently to all periods presented in the Consolidated Financial Statements. The Group has elected to utilize the option under Ind AS 101 by not applying the provisions of Ind AS 16 and Ind AS 38 retrospectively and continue to use the previous GAAP carrying amount as a deemed cost under Ind AS at the date of transition to Ind AS i.e. 1 April 2016. Therefore, the carrying amount of property, plant and equipment and intangible assets as per the previous GAAP as at 1 April 2016, i.e. the Group's date of transition to Ind AS, were maintained on transition to Ind AS.

1. Basis of Consolidation

The financial statements of Joint Ventures are drawn up to the same reporting date as of the Group for the purpose of consolidation.

1.1. Joint Arrangements

Under Ind AS 111 'Joint Arrangements', Investment in joint arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligation of each Investor, rather than the legal structure of the joint arrangement. The group has six joint Ventures.

Joint Venture

Interest in Joint Venture are accounted for using the Equity Method (See 1.2 below), after initially being recognised at cost in the Consolidated Balance Sheet.

1.2 Equity Method

Under the Equity method of accounting, the Investment in a Joint Venture is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the Joint Venture since the acquisition date.

The Statement of profit and loss reflects the Group's share of the results of operations of the Associate or Joint Venture. Any change in OCI of those Investees is presented as a part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the Joint Venture, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transaction between the Group and the Joint Venture are eliminated to the extent of the interest in the joint Venture. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted material investees have been changed where necessary to ensure consistency with the policies adopted by the group.

Upon loss of internal control over Joint Venture, the Group measures and recognises any retained investment at its fair value with the change in carrying amount recognised in profit or loss. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are classified to profit or loss.

If the ownership interest in a joint venture is reduced but joint control is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate.

2. Property, plant and equipment

2.1. Initial recognition and measurement

An item of property, plant and equipment is recognized as an asset if and only if it is probable that future economic benefits associated with the itemwill flow to the Group and the cost of the item can be measured reliably.

Items of property, plant and equipment are initially recognized at cost.

Subsequent measurement is done at cost less accumulated depreciation/amortization and accumulated impairment losses. Cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

When parts of an item of property, plant and equipment have different useful lives, they are recognized separately.

Deposits, payments/liabilities made provisionally towards compensation, rehabilitation and other expenses relatable to land in possession are treated as cost of land.

In the case of assets put to use, where final settlement of bills with contractors is yet to be affected, capitalization is done on provisional basis subject tonecessary adjustment in the year of final settlement.

Items of spare parts, stand-by equipment and servicing equipment which meet the definition of property, plant and equipment are capitalized upon acquisition. Other spare parts are carried as inventory and recognized in the statement of profit and loss on consumption.

Construction of assets on leasehold land is capitalized as building/improvements as and when construction is completed on actual cost incurred and are depreciated over the term of lease.

2.2 Subsequent costs

Subsequent expenditure is recognized as an increase in the carrying amount of the asset when it is probable that future economic benefits deriving from the cost incurred will flow to the enterprise and the cost of the item can be measured reliably.

The cost of replacing part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. The costs of the day-to-day servicing of property, plant and equipment is recognized in profit or loss as incurred.

2.3 Derecognition

Property, plant and equipment is derecognized when no future economic benefits are expected from their use or upon their disposal. Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognized in the statement of profit and loss.

2.4 Depreciation/Amortization

Depreciation on Property plant and equipment of Power generating Units of the Group is charged to the Statement of Profit & Loss on straight-line method following the rates and methodology as notified by CERC for the fixation of tariff and in accordance with schedule II of Companies Act 2013.

Buildings relating to generation of electricity business are depreciated following the rates and methodology notified by the CERC tariff regulations.

Depreciation on assets other than the assets specified above is provided on straight line method following the useful life specified in the Schedule II of Companies Act, 2013.

Depreciation on addition to/deletion from Property, plant and equipment during the year is charged on pro rata basis from/up to the date on which the asset becomes available to use/is disposed off. ROU assets are amortized over the Lease Period

Where the cost of depreciable assets has undergone a change during the year due to increase/ decrease in long term liabilities on account of exchange fluctuation, price adjustment, change in duties or similar factors, the unamortized balance of such asset is charged off prospectively over the remaining useful life determined following the applicable accounting policies relating to depreciation.

Assets costing Rs 5,000 or less are fully depreciatedin the year of acquisition on account of materiality.

3. Leases

1) The Company as a lessee

The Company's lease asset classes primarily consist of leases for land, buildings and Solar Power Plant under Power Purchase Agreements (PPA). The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

At the commencement date, the lease payments included in the measurement of the lease liability comprise the fixed payments less any lease incentives receivable and variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date. In case of Solar Power Plant under Power Purchase Agreement, as variable lease payment is purely dependent on the quantity of output from the identified asset, these payments are not to be included in determining the measurement of lease liability and Right of Use Asset. The company shall charge these variable lease payments in profit or loss as and when they become payable. (Refer point 12)

2) The Company as a lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the ROU asset arising from the head lease. For operating leases, rental income is recognized on a straight-line basis over the term of the relevant lease.

4 . Capital work-in-progress

The cost of self-constructed assets includes the cost of materials & direct labour, any other costs directly attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the manner intended by management and borrowing costs.

5. Intangible assets and intangible assets under development

5.1 Initial recognition and measurement

An intangible asset is recognized if and only if it is probable that the expected future economic benefits that are attributable to the asset will flow to the Group and the cost of the asset can be measured reliably.

Intangible assets that are acquired by the Group, which have finite useful lives, are recognized at cost. Subsequent measurement is done at cost less accumulated amortization and accumulated impairment losses. Cost includes any directly attributable incidental expenses necessary to make the assets ready for its intended use. Expenditure incurred which are eligible for capitalizations under intangible assets are carried as intangible assets under development till they are ready for their intended use.

5.2 Derecognition

An intangible asset is derecognized when no future economic benefits are expected from their use or upon their disposal. Gains and losses on disposal of an item of intangible assets are determined by comparing the proceeds from disposal with the carrying amount of intangible assets and are recognized in the statement of profit and loss.

5.3 Amortization

Intangible assets are amortized on straight line method over a period of legal right to use or 5 years whichever is lower.

6. Borrowing costs

Borrowing costs consist of (a) interest expense calculated using the effective interest method as described in Ind AS 109 - 'Financial Instruments ' (b) finance charges in respect of lease liability recognized in accordance with Ind AS 116 - 'Leases' and (c) exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs.

Borrowing costs that are directly attributable to the acquisition, construction/exploration/ development or erection of qualifying assets are capitalized as part of cost of such asset until such time the assets are substantially ready for their intended use. Qualifying assets are assets which take a substantial period of time to get ready for their intended use or sale.

When the Group borrows funds specifically for the purpose of obtaining a qualifying asset, the borrowing costs incurred are capitalized. When Group borrows funds generally and uses them forthe purpose of obtaining a qualifying asset, the capitalization of the borrowing costs is computed based on the weighted average cost of general borrowing that are outstanding during the period and used for the acquisition, construction/ exploration or erection of the qualifying asset.

Capitalization of borrowing costs ceases when substantially all the activities necessary to prepare the qualifying assets for their intended uses are complete. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

Borrowing costs include exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs.

Other borrowing costs are recognized as an expense in the year in which they are incurred.

7. Inventories

Inventories are valued at the lower of cost and net realizable value. Cost includes cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Costs of purchased inventory are determined after deducting rebates and discounts. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

8. Cash and cash equivalents

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

9. Government grants

Government grants are recognized initially as deferred income when received and/or on there is reasonable assurance that they will be received and the Group will comply with the conditions associated with the grant. Grants that compensate the Group for the cost of an asset are recognized in profit or loss on a systematic basis over the useful life of the related asset. Grants that compensate the Group for expenses incurred are recognized over the period in which the related costs are incurred and deducted from the related expenses.

Interest earned on fund investment out of unutilized grant is treated as grant.

10. Provisions, contingent liabilities and contingent assets

A provision is recognized if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

Contingent liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events not wholly within the control of the Group. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Contingent liabilities are disclosed on the basis of judgment of the management/independent experts. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate.

Contingent assets are possible assets that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. Contingent assets are disclosed in the Consolidated Financial Statements when inflow of economic benefits is probable on the basis of judgment of management. These are assessed continually to ensure that developments are appropriately reflected in the Consolidated Financial Statements.

11. Revenue

Group's revenues arise from sale of power, consultancy, project management & supervision services and other income.

11.1 Revenue from sale of power/Variable Lease receipts based on output

Revenue is measured based on the consideration that is specified in a contract with a customer or is expected to be received in exchange for the products or services and excludes amounts collected on behalf of third parties. The Group recognizes revenue when (or as) control over the products or services is transferred to a customer.

Revenue from sale of power is recognized on the basis of terms and conditions of Power Sale Agreements (PSA) with the Buying Utilities and as per rates agreed with the Buying Utilities. The Units (KWh) are recognized on the basis of Joint Meter Reading / State Energy Accounting (JMR)/(SEA) in case of Intra State power sale and Regional Energy Accounting (REA) in case of Inter State Power sale.

Sales transactions are reconciled at regular intervals in order to reconcile with the units traded.

Rebates allowed to beneficiaries as early payment incentives are deducted from the amount of revenue.

11.2 Revenue from services

Revenue from consultancy, project management, supervision and other services rendered is measured based on the consideration that is specified in a contract with a customer or is expected to be received in exchange for the services and excludes amounts collected on behalf of Third Parties. The Group recognizes revenue when (or as) the performance obligation is satisfied, which typically occurs when (or as) control over the services is transferred to a customer.

Contract modifications are accounted for when additions, deletions or changes are approved either to the contract scope or contract price. The accounting for modifications of contracts involves assessing whether the services added to an existing contract are distinct and whether the pricing is at the standalone selling price. Services added that are not distinct are accounted for on a cumulative catchup basis, while those that are distinct are accounted for prospectively, either as a separate contract, if the additional services are priced at the standalone selling price, or as a termination of the existing contract and creation of a new contract if not priced at the standalone selling price.

11.2.1. Revenue recognition in case of Grid/Off Grid - Rooftop Projects/Solar power projects/Wind power projects/Hybrid Projects/Floating power projects

MNRE provides 3%/2% of Central Financial Assistance (CFA) in respect of Rooftop Projects towards Publicity, Orientation, Awareness Programme, Workshops, Field Visits, Monitoring and Technical guidance etc. Revenue from Project monitoring and Technical Guidance in respect of Rooftop Projects – Grid/Off Grid is recognized on a systematic basis related to stage of progress and respective terms of the projects/Schemes. In case of particular scheme, where the revenue has been recognized and the scheme is closed/capacity commissioned subsequently, any impact of revenue recognized earlier is accordingly reversed.

The actual expenditure incurred towards Publicity, Orientation, Awareness Programme, Workshops and Field visits is deducted from the revenue recognized above and the net income is disclosed. In case the expenditure incurred are in excess during the year as compared to revenue recognized in line with the policy, the same is adjusted out of the revenue recognized, in the subsequent year.

The service charges received/receivable (net of incentives payable, if any) from the developer under Rooftop Projects are being recognized as income in the year in which the project capacity is sanctioned. However, the service charges are adjusted based on change in benchmark cost applicable (if any) at the time of commissioning/actual capacity commissioned.

Fund handling charges under various MNRE Schemes are recognized as income in proportion to funds disbursed as per terms of sanction letter issued by MNRE.

The Success fee in respect of the Solar /Wind /Hybrid/Floating power projects is being charged from the Solar/Wind /Hybrid/ Floating Power Developers. 90% of the total Success fees is recognized as income on accrual basis at the time of issuance of LoA/LoI based on the completion of various activities/services rendered as per technical estimates and balance 10% is recognized at the time of commissioning of Solar/ Wind/Hybrid/ Floating Power Projects.

11.3. Revenue Recognition – Other operational Income & other income

Revenue from other operational income and other income comprises interest from banks, employees, contractors etc., dividend from investments in joint venture and subsidiary companies, dividend from mutual fund investments, surcharge received from customers for delayed payments, tender fee, sale of scrap, other miscellaneous income, etc.

Interest income is recognized, when no significant uncertainty as to measurability or collectability exists, on a time proportion basis taking into account the amount outstanding and the applicable interest rate, using the effective interest rate method (EIR).

Scrap is accounted for as and when sold. Insurance claims for loss of profit are accounted for in the year of acceptance. Other insurance claims are accounted for based on certainty of realization.

For debt instruments measured either at amortized cost or at fair value through other comprehensive income (OCI), interest income is recorded using the EIR. EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortized cost of a financial liability. When calculating the EIR, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

Interest income is included in other income in the statement of profit and loss. The interest/surcharge on late payment/overdue sundry debtors for sale of power is recognized when no significant uncertainty as to measurability or collectability exists.

Interest/surcharge recoverable on advances to suppliers as well as warranty claims, interest charges on the late payment of service charges, liquidated damages, forfeiture of Performance bank guarantee, delay charges on late submission bank guarantees and tender fees wherever there is uncertainty of realization/acceptance are not treated as accrued and are therefore, accounted for on receipt/acceptance.

Dividend income is recognized in profit or loss only when the right to receive is established, it is probable that the economic benefits associated with the dividend will flow to the Group and the amount of dividend can be measured reliably.

12. Purchase of Power / Variable Lease Payments based on output

Purchase of power / Variable Lease Payments based on output is accounted for on the basis of Joint Meter Reading /State Energy Accounting/Regional Energy Accounting (JMR/SEA/REA) as per the terms of Power Purchase Agreements (PPA) executed with Solar Power Developers (SPDs). Purchase transactions are reconciled at regular intervals in order to reconcile with the units traded. Any excess of purchased units over billed units to DISCOMS, the same is recovered from the SPDs. (Refer point 3)

Rebates received from suppliers as early payment incentives are deducted from the amount of purchase.

13. Employee benefits

Employee benefits, inter-alia includes provident fund, pension, gratuity, leave benefits and post-retirement benefits.

13.1. Short Term Benefit

Short term employee benefits are recognised as an expense at the undiscounted amount in the Statement of Profit and Loss for the year in which the related services are rendered.

A liability is recognized for the amount expected to be paid under performance related pay if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

13.2. Defined contribution plans

Defined contribution plans are those plans in which an entity pays fixed contribution into separate entities and will have no legal or constructive obligation to pay further amounts. Group's contribution paid/ payable during the year to Provident Fund and Pension Fund is recognized in the Statement of Profit and Loss on accrual basis.The Group has a defined contribution pension scheme which is administered through a separate trust.

Post retirement other superannuation plan:

The Group has obligation to pay towards the post-employment benefits to the extent of amount not exceeding 30% of basic pay and dearness allowance. Accordingly, the Group provide the liability after considering employer's contribution towards provident fund, Pension fund, gratuity, post-retirement medical benefit (PRMB) or any other retirement benefits. The same is charged to the statement of profit and loss.

13.3. Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan.

Group's liability towards gratuity, leave benefits, post-retirement medical benefits is determined on the basis of actuarial valuation at the end of financial year using the projected unit credit method.

The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. Any unrecognized past service costs and the fair value of any plan assets are deducted. The discount rate is based on the prevailing market yields of Indian government securities as at the reporting date that have maturity dates approximating the terms of the Group's obligations and that are denominated in the same currency in which the benefits are expected to be paid.

The calculation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a liability to the Group, the present value of liability is recognized as provision for employee benefit. Any actuarial gains or losses are recognized in OCI in the period in which they arise.

13.4. Long Term Employee Benefit

Benefits under the Group's leave encashment constitute other long term employee benefits. Leave Encashment is determined based on the available leave entitlement at the end of the year and actuarial valuation using the projected unit credit method.

The Group's net obligation in respect of leave encashment is the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefitis discounted to determine its present value, and the fair value of any related assets is deducted. The discount rate is based on the prevailing market yields of Indian government securities as at the reporting date that have maturity dates approximating the terms of the Group's obligations. Any actuarial gains or losses are recognized in profit or loss in the period in which they arise.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

13.5.Deputation

Liability in respect of leave encashment and superannuation benefits of employees on deputation with the Group are accounted for on the basis of terms and conditions ofdeputation of the parent organizations.

14. Foreign currency transactions and translation

Transactions in foreign currencies are initially recorded at the functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognized in profit or loss in the year in which it arises.

Non-monetary items are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

15. Income taxes

Income tax expense comprises current and deferred tax. Current tax expense is recognized in profit or loss except to the extent that it relates to items recognized directly in other comprehensive income (OCI) or equity, in which case it is recognized in OCI or equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted and as applicable at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognized using balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority.

Deferred tax is recognized in profit or loss except to the extent that it relates to items recognized directly in OCI or equity, in which case it is recognized in OCI or equity.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Additional income taxes that arise from the distribution of dividends are recognized at the same time that the liability to pay the related dividend is recognized.

Deferred tax liabilities are not recognized for temporary differences between the carrying amount and tax bases of interest in joint arrangements where the group is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets are not recognized for temporary differences between the carrying amount and tax bases of interest in joint arrangements where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilized.

16. Impairment of non-financial assets

The carrying amounts of the Group's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment considering the provisions of Ind AS 36 'Impairment of Assets'. If any such indication exists, then the asset's recoverable amount is estimated. The recoverable amount of an asset is the higher of its fair value less costs to disposal and its value in use. 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.

An impairment loss is recognized if the carrying amount of an asset exceeds its estimated recoverable amount. Impairment losses are recognized in profit or loss. Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

17. Material prior period errors

Material prior period errors are corrected retrospectively by restating the comparative amounts for the prior periods presented in which the error occurred. If the error occurred before the earliest period presented, the opening balances of assets, liabilities and equity for the earliest period presented, are restated.

18. Earnings per share

Basic earnings per equity share are computed by dividing the net profit or loss attributable to equity shareholders of the Group by the weighted average number of equity shares outstanding during the financial year.

Diluted earnings per equity share is computed by dividing the net profit or loss attributable to equity shareholders of the Group by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

19. Cash flow statement

Cash flow statement is prepared in accordance with the indirect method prescribed in Ind AS 7 'Statement of Cash Flows'.

20. Financial instruments

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

20.1. Financial assets

Initial recognition and measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to theacquisition or issue of the financial asset.

Subsequent measurement

Debt instruments at amortized cost

A 'debt instrument' is measured at the amortized cost if both the following conditions are met:

(a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

(b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the EIR method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the profit or loss. The losses arising from impairment are recognized in the profit or loss. This category generally applies to trade and other receivables.

Debt instrument at FVTOCI (Fair Value through OCI)

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

(a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

(b) The asset's contractual cash flows represent SPPI

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

Debt instrument at FVTPL (Fair value through profit or loss)

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.In addition, the Group may elect to classify a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss.

Equity investments

Equity investments in joint ventures and subsidiaries are measured at cost.

Derecognition

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

- The rights to receive cash flows from the asset have expired, or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either

(a) The Group has transferred substantially all the risks and rewards of the asset, or

(b) The Group has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

Impairment of financial assets

In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

(a) Financial assets that are debt instruments, and are measured at amortized cost e.g., loans, debt securities, deposits, trade receivables and bank balance.

(b) Financial assets that are debt instruments and are measured as at FVTOCI.

(c) Lease receivables under Ind AS 116.

(d) Trade receivables under Ind AS 115.

(e) Loan commitments which are not measured as at FVTPL.

(f) Financial guarantee contracts which are not measured as at FVTPL.

For recognition of impairment loss on other financial assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12-month ECL.

20.2. Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss. All financial liabilities are recognized initially at fair value and, in the case of borrowings, net of directly attributable transaction costs. The Group's financial liabilities include trade and other payables, borrowings including bank overdrafts, financial guarantee contracts.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at amortized cost

After initial measurement, such financial liabilities are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance costs in the profit or loss. This category generally applies to borrowings, trade payables and other contractual liabilities.

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

Gains or losses on liabilities held for trading are recognized in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/losses attributable to changes in own credit risk are recognized in OCI. These gains/losses are not subsequently transferred to profit and loss. However, the Group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognized in the statement of profit or loss. The Group has not designated any financial liability as at fair value through profit and loss.

Derecognition

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

21. Operating segments

In accordance with Ind AS 108, the operating segments used to present segment information are identified on the basis of internal reports used by the Group's Management to allocate resources to the segments and assess their performance. The Board of Directors is collectively the Group's 'Chief Operating Decision Maker' or 'CODM' within the meaning of Ind AS 108. The indicators used for internal reporting purposes may evolve in connection with performance assessment measures put in place.

Segment results that are reported to the CODM include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly corporate expenses, finance expenses and income tax expenses.

Revenue directly attributable to the segments is considered as segment revenue. Expenses directly attributable to the segments and common expenses allocated on a reasonable basis are considered as segment expenses.

Segment capital expenditure is the total cost incurred during the period to acquire property, plant and equipment, and intangible assets other than goodwill.

Segment assets comprise property, plant and equipment, intangible assets, trade and other receivables, inventories and other assets that can be directly or reasonably allocated to segments. For the purpose of segment reporting for the year, property, plant and equipment have been allocated to segments based on the extent of usage of assets for operations attributable to the respective segments. Segment assets do not include investments, income tax assets, capital work in progress, capital advances, corporate assets and other current assets that cannot reasonably be allocated to segments.

Segment liabilities include all operating liabilities in respect of a segment and consist principally of trade and other payables, employee benefits and provisions. Segment liabilities do not include equity, income tax liabilities, loans and borrowings and other liabilities and provisions that cannot reasonably be allocated to segments.

22. Dividends

Dividend paid/payable and interim dividend to Group's shareholders is recognized as changes in equity in the period in which they are approved by the shareholders' meeting and the Board of Directors.

23. Central Financial Assistance (CFA) for disbursement

SECI is working as an implementing agency of MNRE and is involved in disbursement of CFA under various schemes of MNRE, as per the terms of the respective sanction orders.

The CFA received from MNRE is shown under other financial current liability and interest earned on these funds is also credited to the respective CFA.

The CFA is disbursed to the respective parties as per the mile stone achieved and also as per the terms of respective sanction orders.

24. Payment Security Fund (PSF)

In accordance with Government guidelines regarding 750 MW, 2000 MW and 5000 MW, the Payment Security Fund (PSF) has been setup in order to ensure timely payment to the developers. Ministry of New and Renewable Energy (MNRE) has vide its order dated 4th February 2019 issued Payment Security Mechanism Guidelines for VGF Schemes.

The money received from encashment of Bank Guarantees (BGs), interest earned on this fund, incentive for early payment (in case amount utilized for early payment has been paid out of PSF) and the grants from Government shall be credited to this fund & levy of fee per unit (if any) payable by developers/ power producers shall also be credited in this fund.

As per the order the fund shall be utilized:

(a) To make timely payment to Solar Project Developers in case of delay in realizing the payment from the buying utilities.

(b) For providing security in the form of Letter of Credit/ Bank Guarantee (BG) for the purpose of obtaining long term open access, transmission charges etc. not envisaged at the time of signing of PSA/PPA and applicable charges as per Bulk Power Transmission agreement (BPTA) signed with CTU/STU in line with the applicable regulations.

(c) To make the differential payment to the developers from the agreed PPA rate in case of short recovery of tariff from the buyer due to the policy/regulatory issues/decisions and transmission-evacuation/open access constraints etc.

(d) To make the payment on account of short-term open access charges, as per applicable regulations.

(e) Towards any charges on account of litigations and arbitration award, etc. related to implementation of the scheme including issues arising out of operational difficulties of PPA/PSA/VGF Securitization.

As per terms of PPA signed with various SPDs there are some cases in which tariff payable has been reduced below the signed PPA under various scheme. Any amount of reduction in purchase of solar power due to reduction in tariff is being directly credited to the PSF.

Any difference arising in units of sales and purchase of Power due to State Energy Accounting (SEA)/ Regional Energy Accounting (REA)/ Joint Meter Reading (JMR) is properly dealt with in accounts. In case of excess of sold units over purchased units, the difference is credited to Payment Security Fund (PSF).

Any difference arising due to payment made to Transmission Companies and payment received by SECI from DISCOM/Buying Utilities for transmission charges is transferred to PSF.

Extension Money received/ Interest earned on Performance Guarantee Deposit shall also be credited as per provisions contained in MNRE Guidelines on 2000 MW/5000 MW VGF Schemes.

The delay charges received from Solar Park Implementing Agencies (SPIA) shall also be credited as per provisions contained in MNRE Guidelines on 2000 MW/5000 MW VGF schemes.

Fund lying in the PSF Account is shown under Current liabilities as financial liabilities.

D. Use of estimates and management judgments

The preparation of Consolidated Financial Statements requires management to make judgments, estimates and assumptions that may impact the application of accounting policies and the reported value of assets, liabilities, income, expenses and related disclosures concerning the items involved as well as contingent assets and liabilities at the balance sheet date. The estimates and management's judgments are based on previous experience and other factors considered reasonable and prudent in the circumstances. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. In order to enhance understanding of the Consolidated Financial Statements, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the Consolidated Financial Statements is as under

1. Useful life of property, plant and equipment

The estimated useful life of property, plant and equipment is based on a number of factors including the effects of obsolescence, demand, competition and other economic factors (such as the stability of the industry and known technological advances and the level of maintenance expenditures required to obtain the expected future cash flows from the asset. The Groupreviews at the end of each reporting date the useful life of property, plant and equipment and are adjusted prospectively, if appropriate.

2. Recoverable amount of property, plant and equipment

The recoverable amount of plant and equipment is based on estimates and assumptions regarding in particular the expected market outlook and future cash flows associated with the power plants. Any changes in these assumptions may have a material impact on the measurement of the recoverable amount and could result in impairment.

3. Post-employment benefit plans

Employee benefit obligations are measured on the basis of actuarial assumptions which include mortality and withdrawal rates as well as assumptions concerning future developments in discount rates, the rate of salary increases and the inflation rate. The Group considers that the assumptions used to measure its obligations are appropriate and documented. However, any changes in these assumptions may have a material impact on the resulting calculations.

4. Revenues

The Group records revenue from sale of power based on tariff rates as specified in the respective agreements and as per principles enunciated under Ind AS 115. In cases where units are yet to be ascertained, provisional units are to be considered for the purpose of recognition of revenue.

5. Assets held for sale

Significant judgment is required to apply the accounting of non-current assets held for sale under Ind AS 105 'Non-current Assets Held for Sale and Discontinued Operations'. In assessing the applicability, management has exercised judgment to evaluate the availability of the asset for immediate sale, management's commitment for the sale and probability of sale within one year to conclude if their carrying amount will be recovered principally through a sale transaction rather than through continuing use.

6. Provisions and contingencies

The assessments undertaken in recognizing provisions and contingencies have been made in accordance with Ind AS 37, 'Provisions, Contingent Liabilities and Contingent Assets'. The evaluation of the likelihood of the contingent events has required best judgment by management regarding the probability of exposure to potential loss. Significantly if circumstances change unforeseeable developments, this likelihood could alter.

7. Impairment test of non-financial assets

The recoverable amount of investment in joint ventures is based on estimates and assumptions regarding in particular the future cash flows associated with the operations of the investee Group. Any changes in these assumptions may have a material impact on the measurement of the recoverable amount and could result in impairment.

Notes to Accounts

Note 2: Non Current Assets - Property, Plant & Equipment
As at 31st March 2021

₹ Lakhs

Particulars	Gross block				Depreciation, Amortization and Impairments				Net book value	
	As at 1st April 2020	Additions	Deductions/ Adjustment	As at 31st March 2021	Upto 1st April 2020	For the Year	Deductions / Adjustment	Up 31st March 2021	As at 31st March 2021	As at 31st March 2020
Building	81.31	-	-	81.31	18.96	4.74	-	23.70	57.61	62.35
Plant & Machinery	6,838.56	3,924.49	-	10,763.05	1,532.66	473.81	-	2,006.47	8,756.58	5,305.90
Computer-End User Device	89.02	57.37	(2.15)	144.24	51.01	27.82	(2.03)	76.80	67.44	38.01
Computer-Server & Network	6.50	4.14		10.64	4.55	0.94		5.49	5.15	1.95
Furniture & Fixture- Office	15.28	139.69		154.97	4.64	1.92		6.56	148.41	10.64
Motor Cars	52.80	40.45		93.25	38.32	11.51		49.83	43.42	14.48
Office Equipment	108.17	131.81	(3.08)	236.90	50.43	20.42	(1.53)	69.32	167.58	57.74
TOTAL	**7,191.64**	**4,297.95**	**(5.23)**	**11,484.36**	**1,700.57**	**541.16**	**(3.56)**	**2,238.17**	**9,246.19**	**5,491.07**

As at 31st March 2020

₹ Lakhs

Particulars	Gross block				Depreciation, Amortization and Impairments				Net book value	
	As at 1st April 2019	Additions	Deductions/ Adjustment	As at 31st March 2020	Upto 1st April 2019	For the Year	Deductions / Adjustment	Upto 31st March 2020	As at 31st March 2020	As at 31st March 2019
Building	81.31	-	-	81.31	14.22	4.74	-	18.96	62.35	67.09
Plant & Machinery	6,838.56	-	-	6,838.56	1,133.67	398.99	-	1,532.66	5,305.90	5,704.89
Computer-End User Device	61.57	27.86	(0.41)	89.02	35.34	15.93	(0.26)	51.01	38.01	26.23
Computer-Server & Network	6.50	-	-	6.50	3.50	1.05	-	4.55	1.95	3.00
Furniture & Fixture- Office	11.72	3.74	(0.18)	15.28	3.46	1.27	(0.09)	4.64	10.64	8.26
Motor Cars	52.80	-	-	52.80	28.74	9.58	-	38.32	14.48	24.06
Office Equipment	75.94	34.96	(2.73)	108.17	35.16	17.81	(2.54)	50.43	57.74	40.78
TOTAL	**7,128.40**	**66.56**	**(3.32)**	**7,191.64**	**1,254.09**	**449.37**	**(2.89)**	**1,700.57**	**5,491.07**	**5,874.31**

Notes :

2.1 Building of ₹ 81.31 Lakhs (As at 31st March 2020 ₹ 81.31 Lakhs) is constructed on leasehold land.

2.2 During the year 10 MW project at DRDO premises Kolar Karnataka was commissioned on 23.10.2020. Accordingly, an amount of ₹ 3,924.49 lakh has been capitalized during the year.

Note 3 : Non Current Assets - Right of Use

As at 31st March 2021

₹ Lakhs

Particulars	Gross Block					Depreciation, Amortization and Impairments				Net book value	
	As at 1st April 2020	Reclassi-fication	Additions	Deductions/ Adjustment	As at 31st March 2021	Upto 1st April 2020	For the Year	Deductions/ Adjustment	Upto 31st March 2021	As at 31st March 2021	As at 31st March 2020
Right of Use - Residential-Flats	1,734.06	-		-	1,734.06	18.59	57.77	-	76.36	1,657.70	1,715.47
Right of Use - Land 10MW Rajasthan (On Transition)	332.17	-	-	-	332.17	12.98	12.95	-	25.93	306.24	319.19
Right of Use - NBCC Commercial Building	-	-	19,223.03	-	19,223.03	-	78.78	-	78.78	19,144.25	-
Total	**2,066.23**	**-**	**19,223.03**	**-**	**21,289.26**	**31.57**	**149.50**	**-**	**181.07**	**21,108.19**	**2,034.66**

As at 31st March 2020

₹ Lakhs

Particulars	Gross Block					Depreciation, Amortization and Impairments				Net book value	
	As at 1st April 2019	Reclassi-fication	Additions	Deductions/ Adjustment	As at 31st March 2020	Upto 1st April 2019	For the Year	Deductions/ Adjustment	Upto 31st March 2020	As at 31st March 2020	As at 31st March 2019
Right of Use - Residential-Flats	-	-	1,734.06	-	1,734.06	-	18.59	-	18.59	1,715.47	-
Right of Use - Land 10MW Rajasthan (On Transition)	160.91	171.26	-	-	332.17	-	12.98	-	12.98	319.19	-
Total	**160.91**	**171.26**	**1,734.06**	**-**	**2,066.23**	**-**	**31.57**	**-**	**31.57**	**2,034.66**	**-**

3 (i) During the year, Physical possession of Commercial Building for a period of 30 years on Leasehold basis (Amount of ₹ 19,223.03 Lakhs) at Kidwai Nagar Complex was taken and the same has been treated as Right of Use as per IND AS 116.

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Note 4: Non Current Assets - Capital work-in-progress

As at 31st March 2021

₹ Lakhs

Particulars	As at 1st April 2020	Additions	Deductions/ Adjustment	Capitalized	Upto 31st March 2021
10MW DRDO (KREDL)					
Registration Charges	3.07	-	-	-	3.07
Feasibility Study	0.59	-	-	-	0.59
Other Professional Charges	0.65	-	-	-	0.65
Extension Charges	11.80		-	-	11.80
10MW DRDO					
Rent-Office	1.30	2.63	-	(3.93)	-
Site Expenses	0.27	0.18	-	(0.45)	-
Sub Contract Expense	1,650.05	2,270.06	-	(3,920.11)	-
160 MW Hybrid Project					
Registration Charges	132.16		-	-	132.16
Advertisement	10.32		(10.32)		-
Other Professional Charges	79.91		-	-	79.91
Lakshadweep					
Other Professional Charges	47.28	35.46	-	-	82.74
100 MW Chhattisgarh					
Other Professional Charges	0.57	5.66	-	-	6.23
Site Expenses		0.71	-	-	0.71
SECI Office Space at Kidwai Nagar					
Interior	885.47	700.04	-	(1,585.51)	-
TOTAL	**2,823.44**	**3,014.74**	**(10.32)**	**(5,510.00)**	**317.86**

As at 31st March, 2020

₹ Lakhs

Particulars	As at 1st April 2019	Additions	Deductions/ Adjustment	Capitalized	Upto 31st March 2020
10MW DRDO (KREDL)					
Registration Charges	3.07	-	-	-	3.07
Feasibility Study	0.59	-	-	-	0.59
Other Professional Charges	0.65	-	-	-	0.65
Extension Charges	-	11.80	-	-	11.80
Rent-Office	-	1.30	-	-	1.30
Site Expenses	-	0.27	-	-	0.27
Sub Contract Expense	-	1,650.05	-	-	1,650.05
160 MW Hybrid Project					
Registration Charges	132.16	-	-	-	132.16
Advertisement	10.32	-			10.32
Other Professional Charges	79.91	-	-	-	79.91
Lakshadweep					
Other Professional Charges	-	47.28	-	-	47.28
100 MW Chhattisgarh					
Other Professional Charges	-	0.57	-	-	0.57
SECI Office Space at Kidwai Nagar					
Interior	-	885.47	-	-	885.47
TOTAL	**226.70**	**2,596.74**	**-**	**-**	**2,823.44**

Note:

4.1 Addition of ₹ 35.46 Lakhs (Previous Year ₹ 47.28 Lakhs) under Lakshadweep Project is on account of feasibility study.

4.2 Addition of ₹ 5.66 Lakhs (Previous Year ₹ 0.57 Lakhs) under 100MW Chhatisgarh Project is on account of topograpical survey.

4.3 For Contractual Commitment with respect to Capital WIP refer Note No. 44.3 (Commitments)

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Note 5: Non Current Assets - Intangible Assets

As at 31st March 2021

₹ Lakhs

Particulars	Gross block				Amortization				Net book value	
	As at 1st April 2020	Additions	Deductions/ Adjustment	As at 31st March 2021	Upto 1st April 2020	For the Year	Deductions/ Adjustment	Upto 31st March 2021	As at 31st March 2021	As at 31st March 2020
Computer Software	100.68	1,367.01	-	1,467.69	54.48	73.62	-	128.10	1,339.59	46.20
TOTAL	**100.68**	**1,367.01**	**-**	**1,467.69**	**54.48**	**73.62**	**-**	**128.10**	**1,339.59**	**46.20**

As at 31st March 2020

₹ Lakhs

Particulars	Gross block				Amortization				Net book value	
	As at 1st April 2019	Additions	Deductions/ Adjustment	As at 31st March 2020	Upto 1st April 2019	For the Year	Deductions/ Adjustment	Upto 31st March 2020	As at 31st March 2020	As at 31st March 2019
Computer Software	73.40	27.28	-	100.68	37.02	17.46	-	54.48	46.20	36.38
TOTAL	**73.40**	**27.28**	**-**	**100.68**	**37.02**	**17.46**	**-**	**54.48**	**46.20**	**36.38**

Notes :

5.1 During the year SAP (ERP) has been implemented on 18-01-2021 in the company. Accordingly, amount of ₹ 1,325.88 lakh has been capitalized during the year.

Note 6: Non Current Assets - Intangible Assets under Development

As at 31st March 2021

₹ Lakhs

Particulars	As at 1st April 2020	Additions	Deductions/ Adjustment	Capitalized	Upto 31st March 2021
Mobile Based Attendence System	-	1.89	-	-	1.89
E-Office	17.26	3.72	-	(20.98)	-
TOTAL	**17.26**	**5.61**	**-**	**(20.98)**	**1.89**

As at 31st March 2020

₹ Lakhs

Particulars	As at 1st April 2019	Additions	Deductions/ Adjustment	Capitalized	Upto 31st March 2020
Mobile Application	1.11	-	-	(1.11)	-
E-Office	14.19	3.07	-	-	17.26
TOTAL	**15.30**	**3.07**	**-**	**(1.11)**	**17.26**

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Note 7: Non Current Assets - Investment in Joint venture(s)

(Accounted for using the equity method)

₹ Lakhs

Investment in Equity Share	No. of shares Current Year/ (Previous Year)	Face Value of shares Current Year/ (Previous Year)	As at 31st March 2021 (₹ Lakhs)	As at 31st March 2020 (₹ Lakhs)
Andhra Pradesh Solar Power Corporation Private Limited	50,000	10	10,755.83	7,958.89
	(50,000)	(10)		
Himachal Renewables Limited	22,100	1,000	225.91	220.21
	(22,100)	(1,000)		
Karnataka Solar Power Development Corporation Limited	500,000	10	8,945.15	4,870.32
	(500,000)	(10)		
Lucknow Solar power Development Corporation Limited	500,000	10	0.0	193.73
	(500,000)	(10)		
Renewable Power Corporation of Kerala Limited	5,000	1,000	265.73	169.61
	(5,000)	(1,000)		
Rewa Ultra Mega Solar Limited	10,000	1,000	2,344.24	1,841.85
	(10,000)	(1,000)		
TOTAL			**22,536.86**	**15,254.60**

7.1. Investments in Joint Venture(s) are valued as per accounting policy no. 1.2

7.2. Investments made in the shares of Joint Venture Companies viz. Lucknow Solar Power Development Corporation Limited , Rewa Ultra Mega Solar Limited & Himachal Renewables Limited is subject to lock-in-period of 5 years from the date of incorporation of the respective Joint Venture company during which period the Company cannot sell or transfer its shareholding in the Joint Venture company.

Note 8: Non Current Financial Assets - Loans & Advances

₹ Lakhs

Particulars	As at 31st March 2021	As at 31st March 2020
Security Deposit Receivable	5.64	5.31
Advances to Employees		
Advances - Secured	73.58	41.15
TOTAL	**79.22**	**46.46**

Note 9: Non Current Financial Assets - Other Non-Current Financial Assets

₹ Lakhs

Particulars	As at 31st March 2021	As at 31st March 2020
Recoverable From DISCOM (Refer Note No. 72)	50,743.57	35,557.44
TOTAL	**50,743.57**	**35,557.44**

Note 10: Other Non Current Assets

₹ Lakhs

Particulars	As at 31st March 2021	As at 31st March 2020
Advances		
Capital Advances	2,145.61	19,928.08
Other Advances	349.97	362.61
Others		
Deferred Revenue Expenditure - Security Deposit	14.47	15.23
Deferred Revenue Expenditure - Vehicle Advance to employees	17.58	9.30
TOTAL	**2,527.63**	**20,315.22**

10.1 Capital advances includes ₹ Nil (As at 31st March 2020 ₹ 17,805.30 Lakhs) towards advance payment to NBCC in respect of commercial building located at Kidwai Nagar, New Delhi & ₹ 2,120.71 Lakhs (As at 31st March 2020 ₹ 2120.71 Lakhs) paid to District collector, Ananthapur towards land acquisition at Ramagiri Village & Muthuvakuntla Village for 160 MW Solar-Wind Hybrid Project at Andhra Pradesh (Refer Note No 61).

10.2 Capital Advances includes ₹ 24.90 Lakhs (As at 31st March 2020 ₹ 17,807.37 Lakhs) pertaining to related parties.

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Note 11: Current Financial Assets - Trade Receivables

₹ Lakhs

Particulars	As at 31st March 2021	As at 31st March 2020
Trade Receivables considered good - Secured	23,839.89	25,934.68
Trade Receivables considered good - Unsecured	61,541.65	91,385.21
	85,381.54	**117,319.89**
Trade Receivables which have significant increase in Credit Risk; and	-	67.36
Less: Provision for bad & doubtful debt (Impairment)	-	(35.74)
	-	**31.62**
Trade Receivables - credit impaired	173.02	151.42
Less: Provision for bad & doubtful debt (Impairment)	(173.02)	(151.42)
	-	-
TOTAL	**85,381.54**	**117,351.51**

11.1. Trade Receivable includes ₹ 3,102.63 lakhs pertaining to related parties (As at 31st March 2020 ₹ 606.06 Lakhs)

Note 12: Current Financial Assets - Cash & Cash Equivalents

₹ Lakhs

Particulars	As at 31st March 2021	As at 31st March 2020
Balance with bank (Including Interest Accrued)		
Current Accounts	113,041.29	145,560.63
CC/OD Accounts	23,996.21	-
TOTAL	**137,037.50**	**145,560.63**

12.1 Current Accounts includes Auto Sweep Fixed Deposits and interest accrued thereon.

12.2 Current Financial Assets - Bank balance other than Cash and Cash equivalents includes:

₹ Lakhs

Particulars	As at 31st March 2021	As at 31st March 2020
Government Grant/Funds	10,400.42	82,955.11
Payment Security Mechanism (includes extension money) (Refer Note 60)	75,445.32	45,297.19
Others	51,191.76	17,308.33
TOTAL	**137,037.50**	**145,560.63**

Note 13: Current Financial Assets - Bank balance other than Cash and Cash equivalents

₹ Lakhs

Particulars	As at 31st March 2021	As at 31st March 2020
Balance with bank (Including Interest Accrued)		
Fixed deposits with original maturity period of more than 3 month, maturing within 12 months	22,075.77	30,625.29
Ear marked fixed deposits with bank other than non current deposits	37.35	38.29
TOTAL	**22,113.12**	**30,663.58**

13.1 The Balance with bank (including interest accrued) includes fixed deposits on account of:

₹ Lakhs

Particulars	As at 31st March 2021	As at 31st March 2020
Government Grant/Funds	-	-
Payment Security Mechanism (includes extension money) (Refer Note 60)	563.12	774.50
Performance Guarantee Deposit	21,550.00	21,550.00
Others	-	8,339.08
TOTAL	**22,113.12**	**30,663.58**

13.1.1 Interest earned on PGD deposits is included in Payment Security Mechanism.

Note 14: Current Financial Assets - Loans & Advances

₹ Lakhs

Particulars	As at 31st March 2021	As at 31st March 2020
Advances to Employees		
Advances - Secured	23.11	12.45
Advances - Unsecured	5.68	11.08
Advances to Others		
Unsecured	283.21	15.00
Amount Recoverable		
Related Parties	-	-
Others	82.11	102.38
Security Deposit Receivable	378.68	376.02
TOTAL	**772.79**	**516.93**

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Note 15: Current Assets - Other Financial Current Assets

₹ Lakhs

Particulars	As at 31st March 2021	As at 31st March 2020
Unbilled Revenue	53,259.16	53,771.00
Unbilled Transmission Charges	272.12	320.21
Recoverable From DISCOM (Refer Note No. 72)	11,373.13	10,251.96
TOTAL	**64,904.41**	**64,343.17**

15.1 Unbilled Revenue of ₹ 53,259.16 Lakhs (As at 31st March 2020, ₹ 53,771.00 Lakhs) includes revenue of ₹ 53,236.89 Lakhs (As at 31st March 2020, ₹ 53,748.99 Lakhs) towards the sale of power but invoices were not raised up to 31st March 2021 as per terms of PSA & revenue of ₹ 22.27 Lakhs (As at 31st March 2020, ₹ 22.01 Lakhs) towards the Sharing of Trading Margin but invoices were not raised up to 31st March 2021.

15.2 Unbilled Transmission Charges includes ₹ 272.12 Lakhs (As at 31st March 2020, ₹ 320.21 Lakhs) pertaining to the transmission charges for which invoices were not raised up to 31st March 2021.

15.3 For Unbilled Revenue (Lease Rentals on PSAs considered as lease), refer note number 30.1.2 .

Note 16: Current Assets - Other Current Assets

₹ Lakhs

Particulars	As at 31st March 2021	As at 31st March 2020
Advances		
Related Parties		
Unsecured	23.21	18.67
Employees		
Unsecured	2.49	9.92
Others		
Unsecured	30.50	300.67
Balances with Revenue/Government Authorities	24.85	81.79
Income Tax Refund	307.86	729.13
Prepaid Expenses	32.06	83.40
Others	38.39	24.00
TOTAL	**459.36**	**1,247.58**

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Note 17: Current Tax Asset

₹ Lakhs

Particulars	As at 31st March 2021	As at 31st March 2020
Current Tax Liabilities	(5,846.34)	(5,599.68)
Advance Tax	5,036.00	4,369.00
TCS Paid on Purchase	171.62	-
TDS Receivables	1,250.93	1,533.66
TOTAL	**612.21**	**302.98**

17.1 Refer Point No. 15 of Significant Accounting Policy on Income Tax.

Note 18: Equity Share Capital

₹ Lakhs

Particulars	As at 31st March 2021	As at 31st March 2020
Equity Share Capital		
Authorised		
2,00,00,000 Equity Shares of par value ₹ 1000 each (2,00,00,000 Equity Shares of par value ₹ 1000 each as at 31st March 2020)	200,000	200,000
Issued & Subscribed		
60,00,000 Equity Shares of par value ₹ 1000 each (60,00,000 Equity Shares of par value of ₹ 1000 each as at 31st March 2020)	60,000	60,000
Fully paid up		
35,40,000 Equity Shares of par value ₹ 1000 each (35,40,000 Equity Shares of par value of ₹ 1000 each as at 31st March 2020)	35,400	35,400

[A] Reconciliation of the Equity Share Capital outstanding at the beginning and at the end of the year :

₹ Lakhs

Particulars	As at 31st March 2021		As at 31st March 2020	
	No. of Shares	Amount	No. of Shares	Amount
Shares outstanding at beginning of the year	**3,540,000**	**35,400**	**3,540,000**	**35,400**
shares issued during the year	-	-	-	-
Shares outstanding at end of the year	**3,540,000**	**35,400**	**3,540,000**	**35,400**

[B] Terms and Rights attached to Equity Shares :

The Company has issued only one kind of equity shares with voting rights proportionate to the share holding of the shareholders. These voting rights are exercisable at meeting of shareholders. The holders of the equity shares are also entitled to receive dividend as declared from time to time for them.

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[C] Details of shareholders holding more than 5% shares in the company :

₹ Lakhs

Particulars	As at 31st March 2021		As at 31st March 2020	
	No. of Share	Percentage	No. of Share	Percentage
President of India	3,540,000	100%	3,540,000	100%

[D] Dividends :

₹ Lakhs

Particulars	As at 31st March 2021	As at 31st March 2020
(i) Equity Shares - Dividend paid during the year		
Final dividend for the year ended 31st March 2020- ₹ Nil (31st March 2019: ₹109.66) per fully paid share. In view of the exemption from payment of dividend received from DIPAM for the FY 2019-20, proposed dividend of ₹ 5,368.06 lakh was not paid.	-	3,881.95
(ii) Equity Shares - Dividend not recognised at the end of the reporting period	5,331.19	5,368.06
In addition to the above dividends, since year end the directors have recommended payment of final dividend of ₹ 150.60 (31st March 2020: ₹ 151.64) per fully paid equity share. The Proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting.		

Notes :

18.1. At the time of incorporation of the company, the subscribers to the memorandum and article of association had undertaken to subscribe 60,00,000 Equity Shares of ₹ 1000 each, out of which 35,40,000 Equity Shares of ₹ 1000 each have been subscribed and paid by the subscribers. The remaining number of shares are yet to be subscribed as at 31st March 2021.

18.2. In terms of Department of Investment & Public Asset Management (DIPAM) guidelines dated 27th May,2016, the company would require to pay 5 % of the Net worth as on 31.03.21 or 30 % of Profit after Tax (PAT) for the year 2020-21, whichever is higher.

Accordingly, directors have Proposed dividend for the F.Y. 2020-21 of ₹ 5,331.19 Lakhs i.e. 30% of PAT. Final dividend for the year ended 31st March, 2021 of ₹ 5,331.19 Lakhs has not been recognized since the proposed dividend is subject to the approval of shareholders in the ensuing Annual General Meeting.

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Note 19: Other Equity

₹ Lakhs

Particulars	As at 31st March 2021	As at 31st March 2020
Retained Earnings	74,019.20	48,951.02
TOTAL	**74,019.20**	**48,951.02**

Retained earnings -

₹ Lakhs

Particulars	As at 31st March 2021	As at 31st March 2020
Opening Balances	48,951.02	28,683.25
Add/Less: Impact of adjustment in share of net profit of joint venture accounted for using equity method pertaining to previous year	(144.93)	-
Add/Less: Impact of restatement of Financial Statement of JV as on 1st April, 2018*(To the extent of equity investment)after adjusting share of current year profit	(174.48)	-
Add: Share of transition effect on adoption of Ind AS 116 of JV's	-	2,325.85
Add: Share on account of Sub Lease as per IND AS 116 of JV's	3,295.00	
Less: Share of impact of deferred tax of Ind AS 116 of JV's	(829.29)	(584.48)
Less: Utilized from CSR reserves	(40.01)	-
Less: Share in Income tax refund for FY 15-16 and FY 16-17 written off	(44.54)	-
Add: Profit for the year as per statement of Profit and Loss	22,991.13	23,242.96
Less: Final dividend paid	-	(3,881.95)
Less: Tax on Final dividend paid	-	(797.95)
Less: Interim dividend paid	-	-
Less: Tax on Interim dividend paid	-	-
Items of other comprehensive income directly recognised in Retained Earnings		
Net Actuarial gain/(loss) on Defined Benefit Plans, net of tax	15.28	(36.66)
Closing Balance	**74,019.20**	**48,951.02**

* Lucknow Solar Power Development Corporation Limited accounts has been restated for FY 2019-20.

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Note 20: Non Current Liabilities - Other Financial liabilities

₹ Lakhs

Particulars	As at 31st March 2021	As at 31st March 2020
Retention money	345.69	134.22
Performance Guarantee Deposit	3,426.80	3,160.08
Payable to SPD's - (Refer Note No. 72)	50,743.57	35,557.44
Lease Liability - (Refer Note No. 38 for Ind AS 116)	157.91	154.44
TOTAL	**54,673.97**	**39,006.18**

20.1 The performance guarantee deposits of ₹ 3,426.80 Lakhs (₹ 3,160.08 Lakhs as at 31st March 2020) includes deposits made by Solar Power Developers (SPD's) as per terms of RFS.

Note 21: Non Current Liabilities - Provisions

₹ Lakhs

Particulars	As at 31st March 2021	As at 31st March 2020
Provision for Employee Benefits	723.80	576.57
TOTAL	**723.80**	**576.57**

21.1 Disclosure as per IND AS 19 on 'Employee benefits' is made in Note No. 39.

Note 22: Non Current Liabilities - Deferred Tax Liabilities

₹ Lakhs

Particulars	As at 31st March 2021	As at 31st March 2020
Deferred Tax Liabilities	380.84	308.78
TOTAL	**380.84**	**308.78**

22.1 Movement in Deferred tax Liabilities

₹ Lakhs

Particulars	As at 31st March 2021	As at 31st March 2020
Deferred tax liabilities as at beginning of the year	308.78	582.70
Addition :		
Difference in book depreciation and tax depreciation	104.49	(299.35)
Less :		
On account of Employee Benefits	(23.15)	13.60
On account of Others	(9.28)	11.83
Deferred tax liabilities as at closing of the year	**380.84**	**308.78**

Note 23: Other Non Current Liabilities

₹ Lakhs

Particulars	As at 31st March 2021	As at 31st March 2020
Advance from Customers	500.08	1,110.95
TOTAL	**500.08**	**1,110.95**

23.1 Advance from Customers includes ₹ 500.08 Lakhs (As at 31st March 2020, ₹ 1,110.95 Lakhs) towards success fee received in advance as per accounting policy (Refer point no. 1.C.11.2.1)

Note 24: Current Financial Liabilities - Borrowings

₹ Lakhs

Particulars	As at 31st March 2021	As at 31st March 2020
Loans repayable on demand		
From Banks		
Secured		
Cash Credit/OD	-	-
Unsecured		
Cash Credit/OD	-	-
TOTAL	**-**	**-**

24.1 Cash Credit/OD from Banks, is secured by first parri passu charge on Receivables/ book debts of the company including present and future. The accounts has a debit balance of ₹23,996.21 lakhs. The amount has been shown in Current Financial Assets - Cash and Cash Equivalents (Refer Note No 12). For undrawn borrowing facilities refer note no. 45.

Note 24 A : Current Financial Liabilities - Trade payables

₹ Lakhs

Particulars	As at 31st March 2021	As at 31st March 2020
Trade Payables		
Total outstanding dues of micro enterprises and small enterprises (Refer Note No. 51)	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	43,922.59	42,578.88
TOTAL	**43,922.59**	**42,578.88**

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Note 25: Current Liabilities - Other Financial Liabilities

₹ Lakhs

Particulars	As at 31st March 2021	As at 31st March 2020
Grant received from MNRE	1.40	86.89
Payable against Capital Expenditure	18.26	19.17
Payable against Expenses	929.24	294.00
Payment Security Funds (Refer note 60)	117,789.26	103,192.83
Unbilled payables -solar power	44,753.75	53,597.88
Unbilled payables -Wind power	7,223.55	-
Bank Guarantee Encashment - Wind Power Project (Refer Note No. 69)	1,947.47	495.10
Security Deposit Payable	417.45	611.24
Subsidy for Disbursement	9,931.68	81,877.97
Subsidy Payable	-	0.80
Payable to SPD's (Refer Note No. 72)	2,912.85	10,251.96
Retention Money	866.62	294.81
Lease Liability-Land 10MW Rajasthan (Refer Note No. 38)	11.49	10.94
Other Payable	781.49	1,082.68
TOTAL	**187,584.51**	**251,816.27**

25.1 The Security Deposit Payable includes ₹ 417.45 Lakhs (As at 31st March 2020 ₹ 611.24 Lakhs) towards the amount deposited by parties as per the terms of various RFSs issued by company.

25.2 Unbilled payable - solar power and wind power includes ₹ 51,977.30 Lakhs (As at 31st March 2020, ₹ 53,597.88 Lakhs) towards the purchase of power but invoices were not raised upto 31st March 2021 as per terms of RFS.

25.3 Subsidy for disbursement ₹ 9,931.68 Lakhs (As at 31st March 2020, ₹ 81,877.97 Lakhs) is towards Central Financial Assistance received from MNRE for further Disbursement (Refer Accounting policy 1.C.23.). It includes ₹ 1,140.27 Lakhs (As at 31st March 2020, ₹ 3,880.08 Lakhs) on account of net interest (interest earned less refunded back to MNRE) credited during the year, which is payable to MNRE.

25.4 Other Payable includes Dispute Resolution Fee, along with interest, (Refer Note 68) to the tune of ₹ 574.55 Lakhs (Previous Year - ₹ 398.91 Lakhs).

25.5 For unbilled payables (Lease Rentals on PPAs considered as lease) Refer note number 32.3.

Note 26: Current Liabilities - Provisions

₹ Lakhs

Particulars	As at 31st March 2021	As at 31st March 2020
Provision For Employee Benefits	754.51	789.34
Other Provisions	40.73	-
TOTAL	**795.24**	**789.34**

26.1 Disclosure as per IND AS 19 on 'Employee benefits' is made in Note No. 39.

Note 27: Current Liabilities - Other Current Liabilities

₹ Lakhs

Particulars	As at 31st March 2021	As at 31st March 2020
Advance from Customers	2,393.57	987.70
Advance from Others	9.81	9.81
Security Deposit	76.24	76.24
Statutory Dues	522.32	550.42
Unaccrued fund handling fee - MNRE	23.11	477.80
Other Payable	1,046.48	1,053.32
TOTAL	**4,071.53**	**3,155.29**

27.1 Advance from Customers includes ₹ 2,345.45 Lakhs (As at 31st March 2020, ₹ 955.56 Lakhs) towards success fee received in advance as per accounting policy (Refer point no. 1.C.11.2.1)

27.2 The advance from others includes ₹ 9.81 Lakhs (As at 31st March 2020 ₹ 9.81) towards advance money received for implementation of Rural Electrification of villages in Arunachal Pradesh.

27.3 The other payable includes an amount of ₹ 648.00 Lakhs paid by M/s Welspun Energy Private Limited, which has been accounted as Money received under dispute, the said amount has been kept in an interest bearing account and interest accrued thereon till 31st Mar, 2021 is ₹ 67.49 Lakhs. Both of the amount has been kept in abeyance & suitable action based on the directions of the court will be taken accordingly. (Refer Note No 64)

Note 28: Current Tax Liabilities

₹ Lakhs

Particulars	As at 31st March 2021	As at 31st March 2020
Current Tax Liabilities	-	-
Advance Tax	-	-
TDS Receivables	-	-
TOTAL	**-**	**-**

Note 29: Deferred Revenue

₹ Lakhs

Particulars	As at 31st March 2021	As at 31st March 2020
Deferred Income - Grant for Rooftop	380.31	398.30
Deferred revenue Income - Retention Money	31.97	18.51
Deferred revenue Income - Performance Guarantee Deposit	16,697.89	17,462.64
TOTAL	**17,110.17**	**17,879.45**

29.1 Deferred Income - Grant for rooftop of ₹ 380.31 Lakhs (₹ 398.30 Lakhs as at 31st March 2020) is towards the Government Grant received from MNRE pertaining to 1 MW rooftop solar power plant in Andaman & Nicobar Islands.

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Note 30 : Revenue from Operations

₹ Lakhs

Particulars	For the year ended 31st Mar, 2021	For the year ended 31st Mar, 2020
Sale of Power	531,190.30	447,993.56
Sale of Services	11,610.47	13,146.70
Other Operating Income	1,487.30	1,431.53
TOTAL	**544,288.07**	**462,571.79**

Notes:

30.1. Sale of Power is net of rebate amounting to ₹ 461.60 lakhs (For the year ended 31st March 2020 ₹ 973.60 lakhs).

30.1.1 Sale of Power includes provisional unbilled sales of ₹ 53,236.90 Lakhs (For the year ended 31st March 2020 ₹ 53,748.99 lakhs) for which bills are being raised in subsequent month as per terms of PSA.

30.1.2 The unbilled sales of ₹ 53,236.90 lakhs includes Income from Lease rentals (on PSAs considered as lease) of ₹ 1,244.95 Lakhs from Discoms.

30.2. Sale of Services includes the following -

₹ Lakhs

Particulars	For the year ended 31st Mar, 2021	For the year ended 31st Mar, 2020
Consultancy Income	3,075.17	1,462.93
Project Monitoring Fees	7,396.02	10,835.41
Others	1,139.28	848.36
TOTAL	**11,610.47**	**13,146.70**

30.2.1 Others include provisional unbilled revenue of Sharing of Trading Margin @25.50% (inclusive of taxes) of 0.07 paisa per unit in respect of Wind Power Project contract with PTC of ₹ 22.27 Lakhs (For the year ended 31st March 2020 - ₹ 22.01 Lakhs) for which bills is being raised in subsequent month.

30.3. Other operating income includes the following -

₹ Lakhs

Particulars	For the year ended 31st Mar, 2021	For the year ended 31st Mar, 2020
Tender Fees	1,012.32	810.89
Rooftop - Other Receipts (Refer Note No. 65)	10.66	19.56
Recognised from Deferred Income - Government Grant	17.99	18.04
Miscellaneous	446.33	583.04
TOTAL	**1,487.30**	**1,431.53**

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Note 31 : Other Income

₹ Lakhs

Particulars	For the year ended 31st Mar, 2021	For the year ended 31st Mar, 2020
Interest Income	721.29	1,211.38
Recognised From Deferred revenue income performance Guarantee deposit	764.27	772.31
Deferred Revenue Income-Retention Money Payable	17.67	1.18
Unwinding of discount on security deposit receivables	0.32	0.30
Other Non-operating income	14.10	16.45
TOTAL	**1,517.65**	**2,001.62**

31.1 Interest income includes interest on Fixed Deposit's / Autosweep Fixed Deposit's, Mobilisation advance & Vehicle Advance to employees of ₹ 721.29 Lakhs (For the year ended 31st March 2020 ₹1,211.38 Lakhs).

Note 32 : Purchase of Solar Power

₹ Lakhs

Particulars	For the year ended 31st Mar, 2021	For the year ended 31st Mar, 2020
Purchase of Solar Power	514,601.07	435,717.17
TOTAL	**514,601.07**	**435,717.17**

32.1 Purchase of Power is net of rebate amounting to ₹ 5,275.39 Lakhs (For the year ended 31st March 2020 ₹ 4,014.15 Lakhs).

32.2 Purchase of Power includes provisional unbilled purchases of ₹ 51,633.97 Lakhs (For the year ended 31st March 2020 ₹ 53,254.54 Lakhs) for which bills are being received in subsequent month as per terms of PPA.

32.3 The Unbilled purchase of ₹ 51,633.97 Lakhs Include Lease Rentals (on PPAs considered as lease) of ₹ 1,204.64 Lakhs from Power Developers.

Note 33 : Employee Benefit Expenses

₹ Lakhs

Particulars	For the year ended 31st Mar, 2021	For the year ended 31st Mar, 2020
Salaries, Wages, Allowances & Benefits	2,243.17	1,896.62
Contribution to Provident & Other Funds	312.86	249.79
Staff Welfare	27.77	13.08
TOTAL	**2,583.80**	**2,159.49**

33.1. Salaries, Wages, Allowances & Benefits and Contribution to funds includes Provision for PRP. (Refer Note no. 54.)

33.2. Disclosure as per IND AS 19 on 'Employee benefits' is made in Note No. 39.

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Note 34 : Finance Costs

₹ Lakhs

Particulars	For the year ended 31st Mar, 2021	For the year ended 31st Mar, 2020
Unwinding of discount on Performance Guarantee Deposit	278.61	259.33
Unwinding of Discount on Retention Money Payable	16.88	1.14
Finance Cost on Lease Liability (IND AS 116)	14.97	14.56
BG/LC Charges	48.17	33.45
Recognised From Deferred Revenue Expenses Security Deposit Receivable	0.76	0.76
TOTAL	**359.39**	**309.24**

34.1 The company is having sanctioned Non Fund Based Credit Limit of ₹ 10,000 Lakhs from ICICI Bank, ₹ 7,500 Lakhs from Yes Bank, ₹ 7,500 Lakhs from Axis Bank and ₹ 30,000 Lakhs from HDFC Bank.

Note 35 : Depreciation, Amortization and Impairment Expense

₹ Lakhs

Particulars	For the year ended 31st Mar, 2021	For the year ended 31st Mar, 2020
On Property, Plant and Equipment - (Refer Note 2)	541.16	449.37
On Right to Use - (Refer Note 3)	149.50	31.57
On Intangible Assets - (Refer Note 5)	73.62	17.46
TOTAL	**764.28**	**498.40**

Note 36 : Other Expenses

₹ Lakhs

Particulars	For the year ended 31st Mar, 2021	For the year ended 31st Mar, 2020
Advertisement & Publicity	76.18	53.60
Auditor's Remuneration	5.76	4.95
Bank Charges	2.18	1.83
Insurance Expenses	0.42	1.13
Interest expense	-	190.73
Legal & Professional Charges	391.19	410.96
License Fees	40.00	40.00
Loss on Sale of Asset/ Written Off	1.09	0.31
Meeting Expenses	23.96	43.97
Membership Fees	10.09	4.37
Miscellaneous Expenses	69.23	44.32
Office Repair & Maintenance	148.40	137.75
Printing, Postage & Stationary	28.68	63.35
Professional Books & Journals	2.98	7.30
Rent	1,297.99	1,230.55
Repair & Maintenance of Building	178.61	181.47
SECI Foundation Day Exp.	0.72	57.70
Security & Manpower Expenses	493.50	375.70
Sponsorship Exp	71.32	58.72
Support Service Charges	30.69	30.41
Telephone, Mobile Expenses and Internet Expenses	52.12	45.08
Training & Recruitment Expenses	36.26	50.60
Travelling & Conveyance Expenses	150.32	228.10
Water, Power & electricity Charges	51.77	19.58
Vehicle hire/running & Maintenance Exp	123.16	83.06
Operation and maintenance expenses	67.41	73.92
Provision for bad & doubtful debt (Impairment)	14.61	9.12
Donation	83.00	100.00
Provisions Others	40.73	-
SAP -O&M Cost	7.47	-
Service Tax Exp.(including interest and penalty) (Refer Note No. 59)	559.34	-
SUB TOTAL	**4,059.18**	**3,548.58**
Corporate Social Responsibilities Expenses (Refer Note No 66)	341.16	275.01
TOTAL	**4,400.34**	**3,823.59**

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36.1 Details in respect of payment to auditors

₹ Lakhs

Particulars	For the year ended 31st Mar, 2021	For the year ended 31st Mar, 2020
As Auditors		
Audit Fee	5.31	4.50
Reimbursement of Expenditure	0.45	0.45
TOTAL	**5.76**	**4.95**

37. Disclosure As per Ind AS-12 'Income Taxes'

a) Income tax expense

(i) Income tax recognized in Statement of Profit and Loss

₹ Lakhs

Particulars	For the year ended	
	31st March 2021	31st March 2020
Current tax expense		
Current year	5,846.34	5,599.68
Adjustment for earlier years	75.34	34.99
Total current tax expense	**5,921.68**	**5,634.67**
Deferred tax expense		
Origination and reversal of temporary differences	66.92	(262.73)
Total deferred tax expense	**66.92**	**(262.73)**
Total income tax expense	**5,988.60**	**5,371.94**

(ii) Income tax recognized in other comprehensive income

₹ Lakhs

Particulars	For the year ended 31st March 2021			For the year ended 31st March 2020		
	Before tax	Tax expense/ (benefit)	Net of tax	Before tax	Tax expense/ (benefit)	Net of tax
Net actuarial gains/(losses) on defined benefit plans	20.42	(5.14)	15.28	(47.85)	11.19	(36.66)

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(iii) Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate

₹ Lakhs

Particulars	For the year ended	
	31st March 2021	31st March 2020
Profit before tax	28,979.73	28,614.90
Tax using company's domestic tax rate 25.168 % (P.Y. 25.168%)	**7,293.62**	**7,201.80**
Tax effect of:		
Add/(Less): Earlier Year tax	75.34	34.99
Add/(Less): Deferred Tax Expense	66.92	(262.73)
Less: Tax impact on share of net profits of Joint Venture	(1,480.60)	(1,648.35)
Add: Expenses not Allowed in Income Tax (net)	37.85	50.77
Less: Exempt Income	(4.53)	(4.54)
Tax as per Statement of Profit & Loss	**5,988.60**	**5,371.94**

38. Disclosure as per Ind AS-116 'Leases'

Effective April 1, 2019, the Company adopted Ind AS 116, Leases and applied the standard to all lease contracts existing on April 1, 2019 using the modified retrospective method, on the date of initial application.

Following are the changes in the carrying value of Right of Use Assets for the year ended March 31, 2021:

₹ Lakhs

Particulars	Right of Use Asset			
	Building	Land	Power Purchase Agreement	Total
Balance as at April 1, 2020	1,715.47	319.19	-	2,034.66
Reclassified on account of adoption of Ind AS 116	-	-	-	-
Additions	19,223.03	-	-	**19,223.03**
Deletions	-	-	-	-
Amortisation	136.55	12.95	-	**149.50**
Balance as at March 31, 2021	**20,801.95**	**306.24**	**-**	**21,108.19**

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Following are the changes in the carrying value of Right of Use Assets for the year ended March 31, 2020:

₹ Lakhs

Particulars	Right of Use Asset			
	Building	Land	Power Purchase Agreement	Total
Balance as at April 1, 2019	-	160.91	-	160.91
Reclassified on account of adoption of Ind AS 116	-	171.26	-	171.26
Additions	1,734.06	-	-	1,734.06
Deletions	-	-	-	-
Amortisation	18.59	12.98	-	31.57
Balance as at March 31, 2020	**1,715.47**	**319.19**	**-**	**2,034.66**

The aggregate depreciation expense on Right of Use Assets is included under Depreciation and Amortization expense in the Statement of Profit and Loss.

The following is the break-up of current and non-current

₹ Lakhs

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Lease Liability as on Year end	169.40	165.37
Current Lease Liability	11.49	10.94
Non- Current Lease Liability	157.91	154.43

The following is the movement in Lease Liability during the year ended March 31, 2021:

₹ Lakhs

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Balance as at April 1, 2020	165.37	160.91
Additions:		
Finance cost accrued during the period	14.97	14.56
Deletions:		
Payment of Lease Liability	10.94	10.10
Balance at the end	**169.40**	**165.37**

Maturity Analysis of Lease Liability

₹ Lakhs

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Maturity Analysis – Contractual undiscounted cash flows		
Less than one year	11.49	10.94
One to five years	51.98	49.51
More than five years	447.70	461.67
Total undiscounted lease liability as at Year end	511.17	522.11
Lease Liabilities included in the Statement of Financial Position at Year end	169.40	165.37

Amount Recognised in Profit and Loss

₹ Lakhs

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Interest on Lease Liabilities	14.97	14.56
Amortisation	149.50	31.57
Variable lease payment not included in measurement of lease liabilities (Solar/ Wind/Hybrid/Floating Power Plant under PPA)	1,204.64	-
Income from sub-leasing right of use asset	-	-
Expenses related to short term leases	1297.99	1,230.55
Expenses related to leases of low value of assets, excluding short term leases		-
Net decrease in Profit before tax on account of implementation of IND AS 116 during the period ended 31st March, 2021 is ₹ 10.30 Lakhs		

Arrangements as per various Power Purchase Agreements/Power Sale Agreements (PPAs/PSAs) is considered as lease where payments to Solar Power Developers/receipts from Discoms solely depends on output generated by the Solar Power Plants. During the commencement of IND AS 116 company has opted for practical expedient and accordingly PPAs/PSAs entered prior to 1st April 2019 are not considered as lease. The PPAs /PSAs entered after 1st April 2019 are considered as lease and variable payments /receipts are disclosed as Lease Rentals (on PPAs considered as lease/on PSAs considered as lease).

SECI has signed an MOU with DRDO, for setting up of 10MW solar project at DRDO Campus, Kolar Karnataka. In pursuance of the above MOU, DRDO has signed Licence deed/ Land use permission Agreement on 11.02.2019 for Lease land on Right to Use basis. As per the terms of agreement, DRDO has provided 50 Acres of land at a nominal lease rent of ₹ 1 (per month) fixed for the entire period of 25 years of PPA, which may be extended for a further period as mutually decided. The lease rent is payable with effect from the date of commencement of supply of power. The project is commissioned on 23.10.2020. SECI has not recognized the above lease payment as ROU Asset as the lease payment is very insignificant.

39. Disclosure as per Ind AS-19, Employee benefits

Defined Contribution Plans:

Employer's contribution to Provident Fund:

The company pays fixed contribution to provident fund at predetermined rates to Employees Provident Fund Organization. The amount recognized as expense (including administration charges) and charged to the Statement of Profit and Loss is as under:

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₹ Lakhs

Particulars	For Year ended 31st March 2021	For Year ended 31st March 2020
Amount paid/payable to EPFO	131.26	105.51
Amount paid to the Parent organization for employees on deputation	-	-
Less: Transferred to Grant/capitalized	-	-
Amount recognized as expense in the Statement of Profit and Loss	131.26	105.51

Employer's contribution to Pension Scheme:

The defined contribution pension scheme of the Company for its employees which is effective from 1st June 2012 has been approved by MNRE. As per the Scheme, SECI Defined Contributory Pension Trust pays fixed contribution at predetermined rates to LIC on monthly basis.

Defined benefit plan

Gratuity:

The Company has a defined benefit gratuity plan. Every employee who has rendered continuous service of five years or more is entitled to gratuity at 15 days salary (15/26 X last drawn basic salary plus dearness allowance) for each completed year of service subject to a maximum of ₹20 Lakhs on superannuation, resignation, termination, disablement or on death. The liability towards gratuity has been provided on the basis of actuarial valuation. The liability is unfunded.

Post-Retirement Medical Scheme (PRMS):

The Company has formulated Post-Retirement Medical Scheme, under which retired employee and his/her spouse are provided medical facilities.. They can also avail treatment as Out-Patient subject to a ceiling fixed by the company. The liability towards the Post-Retirement medical expenses has been provided on the basis of actuarial valuation. The liability is unfunded.

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Following table sets out the status of net defined assets/liability based on actuarial valuation obtained in this respect as at balance sheet date:

₹ Lakhs

Particulars	Gratuity		Post retirement medical benefit (PRMB)	
	31st March 2021	31st March 2020	31st March 2021	31st March 2020
Change in defined benefit obligations:				
Defined benefit obligation, beginning of the year	179.41	100.67	62.88	33.84
Acquisition adjustment	-	10.00		
Current service cost	41.12	34.50	14.40	12.03
Interest cost	12.42	7.70	4.35	2.59
Past service cost	-	-	-	-
Benefits paid	(14.78)	(5.31)	(0.76)	(1.58)
Actuarial (gains)/losses	(10.93)	31.85	(9.49)	16.00
Defined benefit obligation, end of the year	**207.23**	**179.41**	**71.38**	**62.88**

Amount recognized in the balance sheet consists of:

₹ Lakhs

Particulars	Gratuity		Post retirement medical benefit (PRMB)	
	31st March 2021	31st March 2020	31st March 2021	31st March 2020
Present value of defined benefit obligation	207.23	179.41	71.38	62.88
Fair value of plan assets	-	-	-	-
Net liability	**207.23**	**179.41**	**71.38**	**62.88**
Amounts in the balance sheet:				
Current Liability	3.99	21.85	0.06	0.18
Non–current liabilities	203.25	157.56	71.32	62.70
Net liability	**207.23**	**179.41**	**71.38**	**62.88**

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Total amount recognized in Profit or Loss consists of:

₹ Lakhs

Particulars	Gratuity		Post retirement medical benefit (PRMB)	
	31st March 2021	31st March 2020	31st March 2021	31st March 2020
Current service cost	41.12	34.50	14.40	12.03
Net Interest	12.42	7.70	4.35	2.59
Total Expense recognised in statement of profit or loss	**53.53**	**42.20**	**18.75**	**14.62**

Net Interest Consists:

₹ Lakhs

Particulars	Gratuity		Post retirement medical benefit (PRMB)	
	31st March 2021	31st March 2020	31st March 2021	31st March 2020
Interest Expenses/(Income)	12.42	7.70	4.35	2.59
Net Interest	**12.42**	**7.70**	**4.35**	**2.59**

Amount recognized in other comprehensive income consists of:

₹ Lakhs

Particulars	Gratuity		Post retirement medical benefit (PRMB)	
	31st March 2021	31st March 2020	31st March 2021	31st March 2020
Actuarial Gain/(Loss)on Obligation	10.93	(31.85)	9.49	(16.00)
Return on Plan Assets excluding net Interest	-	-	-	-
Total Actuarial Gain/(Loss) recognised in (OCI)	**10.93**	**(31.85)**	**9.49**	**(16.00)**

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Actuarial (Gain)/Loss on obligation Consists:

₹ Lakhs

Particulars	Gratuity		Post retirement medical benefit (PRMB)	
	31st March 2021	31st March 2020	31st March 2021	31st March 2020
Actuarial (gains)/losses arising from changes in demographic assumptions	-	0.29	-	0.15
Actuarial (gains)/losses arising from changes in financial assumptions	-	15.80	-	3.88
Actuarial (gains)/losses arising from changes in experience adjustments	(10.93)	15.76	(9.49)	11.97
Total Actuarial (Gain)/Loss	**(10.93)**	**31.85**	**(9.49)**	**16.00**

Return on Plan Assets excluding net Interest Consists

₹ Lakhs

Particulars	Gratuity		Post retirement medical benefit (PRMB)	
	31st March 2021	31st March 2020	31st March 2021	31st March 2020
Actual Return on plan assets	-	-	-	-
Interest Income included in Net Interest	-	-	-	-
Return on Plan Assets excluding net Interest	**-**	**-**	**-**	**-**

Information for funded plans with a defined benefit obligation less than plan assets:

₹ Lakhs

Particulars	Gratuity		Post retirement medical benefit (PRMB)	
	31st March 2021	31st March 2020	31st March 2021	31st March 2020
Defined benefit obligation	-	-	-	-
Fair value of plan assets	-	-	-	-
Net Liability	-	-	-	-

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Actuarial Assumption :

The assumptions used in accounting for the Gratuity and Leave Encashment are set out below:

₹ Lakhs

Particulars	Gratuity		Post retirement medical benefit (PRMB)	
	31st March 2021	31st March 2020	31st March 2021	31st March 2020
Discount rate	6.92%	6.92%	6.92%	6.92%
Mortality	100 % of IALM (2012-14)	100 % of IALM (2012-14)	100 % of IALM (2012-14)	100 % of IALM (2012-14)
Expected average remaining services (in Years)	24.47	24.28	24.60	24.27
Retirement age	60.00	60.00	60.00	60.00
Employee Attrition rate: (in %)				
Up to 30 Years	3.00	3.00	3.00	3.00
From 31 to 44 Years	2.00	2.00	2.00	2.00
Above 44 Years	1.00	1.00	1.00	1.00
Weighted Average duration of PBO	18.98	18.85	18.98	18.85

Sensitivity Analysis :

The table below outlines the effect on the service cost, the interest cost and the defined benefit obligation in the event of a decrease/increase of 0.50% in the assumed rate of discount rate.

₹ Lakhs

Assumptions	Change in assumption	Change in PV of obligation Gratuity	Change in assumption	Change in PV of obligation PRMB
Impact of change in Discount rate	Increase of 0.50%	(13.91)	Increase of 0.50%	(8.76)
	Decrease of 0.50%	15.43	Decrease of 0.50%	8.54
Impact of change in Salary escalation rate/ Medical cost rate in case of PRMB	Increase of 0.50%	15.49	Increase of 0.50%	8.95
	Decrease of 0.50%	(14.08)	Decrease of 0.50%	(8.91)

Maturity Profile of Defined Benefit Obligation

₹ Lakhs

Year	Amount	
	Gratuity	PRMB
0 to 1 Year	3.99	0.06
1 to 2 Year	3.73	0.40
2 to 3 Year	16.38	1.93
3 to 4 Year	10.67	0.70
4 to 5 Year	11.59	1.45
5 to 6 Year	9.41	1.09
6 Year onwards	151.47	65.75

Earned Leave Encashment

The company has defined benefit leave encashment plan for its Employees. Under this plan they are entitled to encashment of earned leaves subject to certain limits and other conditions specified for the same. The liability towards leave encashment has been provided on the basis of actuarial valuation. The liability is unfunded.

Half Pay Leave Encashment

The company has defined benefit half pay leave encashment plan for its Employees. Under this plan they are entitled to encashment of half pay leaves subject to certain limits and other conditions specified for the same. The liability towards leave encashment has been provided on the basis of actuarial valuation. The liability is unfunded.

Following table sets out the status of net defined assets/liability based on actuarial valuation obtained in this respect as at balance sheet date:

₹ Lakhs

Particulars	Earned Leave Liability		Half Pay Leave Liability	
	31st March 2021	31st March 2020	31st March 2021	31st March 2020
Change in defined benefit obligation				
Defined benefit obligation, beginning of the year	255.32	153.63	85.31	52.19
Acquisition adjustment	-	7.63	4.03	4.55
Current service cost	64.89	52.89	24.12	18.35
Interest cost	17.67	11.75	5.90	3.99
Past service cost	-	-	-	-
Benefits paid	(42.18)	(2.34)	-	(0.72)
Actuarial (gains)/losses	8.54	31.75	(10.02)	6.95
Defined benefit obligation, end of the year	**304.24**	**255.32**	**109.35**	**85.31**

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Amount recognized in the balance sheet consists of:

₹ Lakhs

Particulars	Earned Leave Liability		Half Pay Leave Liability	
	31st March 2021	31st March 2020	31st March 2021	31st March 2020
Present value of defined benefit obligation	304.24	255.32	109.35	85.31
Fair value of plan assets	-	-	-	-
Net liability	**304.24**	**255.32**	**109.35**	**85.31**
Amounts in the balance sheet:				
Current Liability	14.92	30.51	4.64	9.01
Non–current liabilities	289.31	224.81	104.71	76.29
Net liability	**304.24**	**255.32**	**109.35**	**85.31**

Total amount recognized in Profit or Loss consists of:

₹ Lakhs

Particulars	Earned Leave Liability		Half Pay Leave Liability	
	31st March 2021	31st March 2020	31st March 2021	31st March 2020
Current service cost	64.89	52.89	24.12	18.35
Net Interest	17.67	11.75	5.90	3.99
Net actuarial (gain) or loss recognized in the period	8.54	31.75	(10.02)	6.95
Total Expense recognised in statement of profit or loss	**91.10**	**96.40**	**20.01**	**29.29**

Net Interest Consists:

₹ Lakhs

Particulars	Earned Leave Liability		Half Pay Leave Liability	
	31st March 2021	31st March 2020	31st March 2021	31st March 2020
Interest Expenses/(Interest income)	17.67	11.75	5.90	3.99
Net Interest	**17.67**	**11.75**	**5.90**	**3.99**

Actuarial (Gain)/Loss on obligation Consists:

₹ Lakhs

Particulars	Earned Leave Liability		Half Pay Leave Liability	
	31st March 2021	31st March 2020	31st March 2021	31st March 2020
Actuarial (gains)/losses arising from changes in demographic assumptions	-	0.12	-	0.04
Actuarial (gains)/losses arising from changes in financial assumptions	-	22.88	-	7.71
Actuarial (gains)/losses arising from changes in experience adjustments on plan liabilities	8.54	8.75	(10.02)	(0.80)
Total Actuarial (Gain)/Loss	**8.54**	**31.75**	**(10.02)**	**6.95**

The assumptions used in accounting for the Leave Encashment are set out below:

₹ Lakhs

Particulars	Earned Leave Liability		Half Pay Leave Liability	
	31st March 2021	31st March 2020	31st March 2021	31st March 2020
Discount rate	6.92%	6.92%	6.92%	6.92%
Mortality	100% of IALM (2012-14)		100% of IALM (2012-14)	
Expected average remaining services	24.47	24.27	24.60	24.27
Retirement age	60.00	60.00	60.00	60.00
Employee Attrition rate: (in %)				
Up to 30 Years	3.00	3.00	3.00	3.00
From 31 to 44 Years	2.00	2.00	2.00	2.00
Above 44 Years	1.00	1.00	1.00	1.00
Weighted Average duration of PBO	18.98	18.85	18.98	18.85

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The table below outlines the effect on the service cost, the interest cost and the defined benefit obligation in the event of a decrease/increase of 0.50% in the assumed rate of discount rate.

₹ Lakhs

Assumptions	Change in assumption	Change in PV of obligation Earned Leave Liability	Change in assumption	Change in PV of obligation half Pay Leave Liability
Discount rate	Increase of 0.50%	(20.75)	Increase of 0.50%	(7.25)
	Decrease of 0.50%	22.61	Decrease of 0.50%	7.90
Salary escalation rate	Increase of 0.50%	22.80	Increase of 0.50%	(7.25)
	Decrease of 0.50%	(20.74)	Decrease of 0.50%	7.90

Maturity Profile of Defined Benefit Obligation

₹ Lakhs

Year	Amount	
	Earned Leave Liability	Half Pay Leave Liability
0 to 1 Year	14.92	4.64
1 to 2 Year	6.01	2.16
2 to 3 Year	18.86	9.55
3 to 4 Year	13.59	4.61
4 to 5 Year	19.48	6.22
5 to 6 Year	15.76	5.33
6 Year onwards	215.62	76.84

Other Long Term Employee benefit

Post-Retirement Superannuation Benefits

DPE Guidelines on Revision of Pay Scales (Industrial DA Patterns) of employees include superannuation benefits up to 30% of Basic Pay & DA which include PF, Gratuity, Post superannuation medical facilities and Pension. As per guidelines, the CPSEs are to make their own schemes in this regard. Provision for Gratuity and PRMS is made based on Actuarial Valuations as the liability is unfunded. However actual payment to all employees shall be restricted to said DPE limits.

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The details of provisions made as per DPE guidelines, for employees other than employees on deputation as under:

₹ Lakhs

S. No.	Particulars	For the Year ended 2021	For the Year ended 2020
1	Defined Contribution Plan – Provident Fund	123.87	101.28
2	Defined Contribution Plan – Pension	103.13	84.35
3	Defined Benefit Plan- Gratuity	42.59	74.05
4	Defined Benefit Plan – PRMS	9.25	30.62
5	Post Retirement other benefits	-	-
	Total	**278.84**	**290.30**

Risk Exposure

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

a) Asset volatility:

The company does not have any plan assets in respect of its obligations. Hence it is not exposed to any risk in this respect.

b) Changes in Discount rate:

A decrease in discount rate will increase plan liabilities, although this will be partially offset by an increase in the value of the plans' bond holdings.

c) Inflation risks:

In the pension plans, the pensions in payment are not linked to inflation, so this is a less material risk.

d) Life expectancy:

The pension plan obligations are to provide benefits for the life of the member, so increases in life expectancy will result in an increase in the plans' liabilities. This is particularly significant where inflationary increases result in higher sensitivity to changes in life expectancy.

The Company ensures that the investment positions are managed within an asset-liability matching (ALM) framework that has been developed to achieve long-term investments that are in line with the obligations under the employee benefit plans. Within this framework, the Company's ALM objective is to match assets to the pension obligations by investing in long-term fixed interest securities with maturities that match the benefit payments as they fall due and in the appropriate currency.

The Company actively monitors how the duration and the expected yield of the investments are matching the expected cash outflows arising from the employee benefit obligations. The Company has not changed the processes used to manage its risks from previous periods. Investments are well diversified, such that the failure of any single investment would not have a material impact on the overall level of assets.

**40. Disclosure as per Ind AS 20 Accounting for Government Grants and Disclosure of Government Assistance **

During the Financial Year 2017-18, ₹ 450 Lakhs was received from MNRE towards implementation of an aggregate capacity of 1 MWp grid connected rooftop solar power plants at different government buildings in Andaman & Nicobar Islands, under achievement linked incentive/award scheme. Out of ₹ 450 Lakhs, ₹ 69.69 Lakhs has been amortized till 31st March 2021. (Refer accounting policy no. 1.C.9.)

41. Disclosure as per Ind AS 21 'The Effects of Changes in Foreign Exchange Rates'

The amount of exchange differences recognized in profit/(loss) is ₹ 0.02 Lakhs. (31st March 2020: ₹ (0.66) Lakhs).

42. Disclosure as per Ind AS 24 'Related Parties Disclosures'

A) List of related parties

i) Joint ventures:

1. Andhra Pradesh Solar Power Corporation Private Limited
2. Himachal Renewables Limited
3. Karnataka Solar Power Development Corporation Limited
4. Lucknow Solar Power Development Corporation Limited
5. Renewable Power Corporation of Kerala Limited
6. REWA Ultra Mega Solar Limited

ii) Key Managerial Personnel:

Shri Jatindra Nath Swain	Managing Director
Shri C. Kannan	Director (Finance)
Shri Shailesh Kumar Mishra	Director (Power Systems)
Shri Manoj Mathur*	Director (Solar)
Shri Sunil Kumar	Company Secretary

* From 16th August 2019

iii) Post Employment Benefit Plans :

1. SECI Defined Contributory Pension Scheme

iv) Entities under the control of the same government

The Company is a Central Public Sector Undertaking (CPSU) controlled by Central Government by holding majority of shares (Refer Note No. 18). Pursuant to Paragraph 25 & 26 of Ind AS 24, entities over which the same government has control or joint control of, or significant influence, then the reporting entity and other entities shall be regarded as related parties. The Company has applied the exemption available for government related entities and have made limited disclosures in the financial statements. Such entities with which the Company has significant transactions include but not limited to NTPC Ltd, Rural Electrification Corporation Ltd, National Buildings Construction Corporation Ltd, Bharat Electronics Limited, Power Grid orpoation of India, Singereni Collieries Company Limited etc.

B. Transactions with the related parties are as follows:

1. Joint Ventures

₹ Lakhs

Particulars	For the year ended 31st March 2021	For the year ended 31st March 2020
i) Sales/purchase of goods and services during the year		
Contracts for works/services for services received by the Company	-	-
Contracts for works/services for services provided by the Company	-	-
Sale/purchase of goods	-	-
ii) Deputation of employees	-	-
iii) Dividend received	662.40	1,199.94
iv) Equity contributions made	-	196.00
v) Loans granted	-	-
vi) Guarantees received	-	-

₹ Lakhs

Particulars	For the year ended 31st March 2021	For the year ended 31st March 2020
Transactions with SECI Defined Contributory Pension Scheme		
Contribution made during the year	103.13	85.50
Compensation to Key Managerial Personnel		
Short-term employee benefits	280.12	239.27
Post Employment Benefits & Other Long Term Benefits	40.06	31.39
Other benefits	19.11	19.95
Total	**442.42**	**376.11**

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Transactions with related parties under the control of the same government

₹ Lakhs

Sl. No.	Name of Company	Nature of Transaction	For the Year Ended 31st March 2021	For the Year Ended 31st March 2020
1	Bharat Electronics Ltd (BEL)	Grant released under 300MW Defence & OFB Scheme	714.50	515.50
		Tender Document Fees Received	0.25	0.42
2	National Building Construction Corporation Ltd	Kidwai Nagar Building Advance	-	485.10
		Electricity, Water and Maintenance Charges	74.43	538.26
3	NTPC Ltd	Success fees received	499.14	1,852.00
		Grant released under 1000MW CPSU Scheme	59,220.00	-
		Tender Fees Received	35.99	61.25
4	NTPC Vidyut Vyapar Nigam Ltd	Sale of Solar Power -Own Project	1,333.08	1,286.02
5	Power Grid Corporation of India Ltd	Business Meeting Expenses	-	4.55
		Grant released under Solar Park Scheme	40.00	11,955.54
		Post Med. Benefit Trust	1.93	4.34
		PRP	6.46	-
6	Singereni Collieries Company Limited	Consultancy Income	2,674.51	1,373.53
		Tender Fees Received	-	10.50
		Success fees received	-	171.00
		Rent accommodation payment	-	2.01
		Grant - CPSU - Govt. Producer Scheme	2,700.00	-
7	REC Power Distribution Company Limited	Payment released under DDUGJY	-	887.95
		Tender Fees Received	19.47	-
			67,319.76	**19,147.97**

₹ Lakhs

Particulars	As at 31st March 2021	As at 31st March 2020
Amount Recoverable		
From Joint ventures	0.15	4.07
From Key Managerial Personnel	-	-
From Entities under the control of the same government	3,102.63	606.06
Provision in respect of Doubtful Debts of related parties		
From Entities under the control of the same government	146.46	160.60
Amount Payable		
To Joint Ventures	-	-
To Key Managerial Personnel	-	-
From Entities under the control of the same government	34.54	40.22

D. Individually significant transactions

₹ Lakhs

Particulars	Nature of relationship	For the year ended 31st March 2021	For the year ended 31st March 2020
Grant for Solar park released			
Andhra Pradesh Solar Power Corporation Private Limited	Joint Venture	-	1,806.19
Renewable Power Corporation of Kerala Limited	Joint Venture	673.94	-
Karnataka Solar Power Development Corporation Limited	Joint Venture	-	545.44

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43. Disclosure as per Ind AS 33 'Earnings per Share'

₹ Lakhs

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
(i) Basic and diluted earnings per share (in ₹)	649.47	656.58
Nominal value per share	1,000.00	1,000.00
(ii) Profit attributable to equity shareholders (used as numerator) (₹ lakhs)		
From operations	22,991.13	23,242.96
(iii) Weighted average number of equity shares (used as denominator) (Nos.)		
Opening balance of issued equity shares	3,540,000	3,540,000
Effect of shares issued during the year, if any	-	-
Weighted average number of equity shares for Basic and Diluted EPS	3,540,000	3,540,000

44. Disclosure as per Ind AS 37 'Provisions, Contingent Liabilities and Contingent Assets'

44.1 Movement in Provisions

₹ Lakhs

Particulars	Provision for Doubtful Debts	
	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Carrying Amount at the beginning of the year	187.16	178.04
Additions during the year	55.34	9.12
Amount used during the year	-	-
Reversals/Adjustments during the year	(28.75)	-
Carrying amount at the year end	**213.75**	**187.16**

44.2 Contingent Liabilities

44.2.1 In respect of Company's booking with NBCC for commercial and residential space, NBCC has mentioned service tax in their payment schedule amounting to ₹ 518.64 Lakhs (Previous year ₹ 518.64 Lakhs) on the ten instalments paid by the Company till 31st March 2021. However, the same has not yet been demanded by NBCC. The same shall be paid to NBCC at the applicable service tax/GST rates as and when a demand for the same is raised by NBCC. Further, the amount paid to NBCC till 31.03.2021 has been shown as ROU Asset for residential unit and Commercial unit in the books of accounts. Accordingly, no provision for the same has been made in the books of account.

44.2.2 The Solar Power Developers (36 Nos.) have filed petitions in Central Electricity Regulatory Commission (CERC). The estimated claim value indicated by the developers (10 Nos.) is ₹ 81,765.16 Lakhs and balance Developers (26 Nos.) have not quantified the claim under various sections of Electricity Act, seeking claim of reimbursement of GST/Safeguard duty due to change in law. The amount of claim is contingent as claim amount depends on the submission of various documents which have not yet been submitted by SPD's and order of CERC. Further, the same will be recoverable from the respective buying utilities on back to back basis. (Refer Note No. 72).

44.2.3 The company has provided counter indemnity in favour of Bank(s) against issue of various Bank Guarantee(s)/ Letter of credit in favour of transmission companies, VAT authorities, Project Developer(s) & PPA holder for a cumulative amount of ₹ 44,306.73 lakhs (Previous year ₹ 37,455.83 lakhs).Bank wise details of available limits and utilization of Non Fund Based Limit is mentioned below:

₹ Lakhs

Name of Bank	Sanctioned Non Fund Based Limit	Limit Utilized as on 31.03.2021
HDFC Bank	30,000.00	22,404.91
ICICI Bank	10,000.00	9,707.11
Yes Bank	7,500.00	6,683.72
Axis Bank	7,500.00	5,510.99
Total	**55,000.00**	**44,306.73**

44.2.4 The Company has recovered an amount of ₹ 1,575.29 lakhs up to 31st Mar, 2021 (up to 31st Mar, 2020- ₹ 1,564.63 lakhs) as LD/Penalty under MNRE various rooftop schemes for non/part compliance of terms and conditions of respective contracts. These LD charges have been consistently recognized as income of SECI as per accounting policy of the company. In view of the audit observations of C & AG for the FY 2017-18 & FY 2018-19 on income recognition, the same has been referred to MNRE vide letter dated 20th March 2019, 14th May 2019, 18th June 2019, 30th October 2019, 25th November 2019, 11th February 2020, 30th July 2020, 22nd October, 2020 and 7th June, 2021 for further directions/advise.

44.2.5 M/s MBP solar has invoked the arbitration clause as provided in PPA and moved the petition to the arbitration panel with a claim of ₹ 13,381.93 Lakhs. The Arbitral Tribunal has pronounced it's decision against which SECI has filed an appeal in Delhi High Court and the matter is subjudice. Further, in case if there is any Financial impact the same would be met out of PSM funds as per PSM guidelines dated 4th February 2019. Therefore, no provision for the same has been made in the Books of Account.

44.2.6 SECI has invoked Performance Bank Guarantee of ₹ 300 Lakhs towards delay in commissioning of project allotted to M/s Krishna Wind Farms Developers Pvt Ltd under 2000MW scheme. The invocation has been challenged by SPD in CERC. However CERC has upheld the decision of invocation of BG. The company has challenged the order with APTEL. Invocation amount has been kept separately in PSM fund and there is no Financial impact on SECI from the outcome of APTEL order.

44.2.7 SECI has invoked Performance Bank Guarantee of ₹ 1,500 Lakhs towards delay in commissioning of project allotted to M/s Taletuttayi Solar Power Pvt Ltd under 2000MW scheme. The invocation has been challenged by SPD in CERC. However CERC has upheld the decision of invocation of BG. The company has challenged such order with APTEL. Invocation amount has been kept separately in PSM fund and there is no financial impact on SECI from the outcome of APTEL order.

44.2.8 SECI has invoked Performance Bank Guarantee of ₹ 1,828 Lakhs towards delay in commissioning of projects allotted to M/s Parampujya Solar energy under 2000MW scheme. The invocation has been challenged by SPD in CERC, the order of CERC is still pending. Invocation amount has been kept separately in PSM fund and there is no financial impact on SECI from the outcome of CERC order.

44.2.9 SECI has signed a Power Sale Agreement dated 04.11.2016 & 01.12.2016 with Maharashtra State Electricity Distribution company Limited (MSEDCL) for supply of 1000 MW of Power, to be procured from various developers. In view of the delay in commissioning, MSEDCL has filed a petition in Maharashtra Electricity Regulatory commission (MERC) seeking compensation of ₹ 13,172 Lakhs as losses on account of short supply by SECI & reimbursement of ₹ 1,374 Lakhs towards the amount for reduction of tariff from COD to 31.03.2019 for the solar projects.

SECI challenged the jurisdiction of MERC on the subject but MERC passed its order on the issue of jurisdiction on 14.09.2020, where it upheld its jurisdiction. SECI challenged this order before APTEL. Further, MERC passed its final order on the merits on 12.02.2021, which was further challenged by SECI before APTEL. Both the Appeals are pending before APTEL.

44.3 Commitments

44.3.1 Estimated amount of contracts remaining to be executed on capital account (property, plant & equipment and intangible assets) and not provided for is ₹ 193.51 Lakhs (Previous year ₹ 5,991.39 Lakhs) Details of the same are as under:

₹ Lakhs

Particulars	As at 31st March 2021	As at 31st March 2020
Property, plant & equipment	99.63	5,991.39
Intangible assets	93.88	

44.3.2 The company does not have any long term contracts including derivative contracts as at 31st March 2021 for which there were any material foreseeable losses.

45. Disclosure as per Ind AS-107 'Financial Instruments'

Financial Risk Management

The Company's principal financial liabilities comprise trade payables and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include trade & other receivables, cash & cash equivalent, Investment, deposits that derive directly from its operations.

Company is exposed to following risk from the use of its financial instrument:

1 Credit Risk

2 Liquidity Risk

3 Market Risk

1. Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations resulting in a financial loss to the Company. Credit risk arises principally from trade receivables, loans & advances, cash & cash equivalents and deposits with banks and financial institutions.

Trade Receivable

The Company has a robust payment security mechanism. These payment security mechanisms have served the Company well over the year The Company has not experienced any significant impairment losses in respect of trade receivables in the past year since there is no concentration of credit risk.

Other Financial Instruments and Cash & Cash Equivalents

The Company held cash and cash equivalents of ₹ 1,37,037.50 Lakhs (31st March 2020 ₹ 1,45,560.63 Lakhs). The cash and cash equivalents are held with banks with high rating. The Company held deposits with banks and financial institutions of ₹ 22,113.12 Lakhs (31st March 2020 ₹ 30,663.58 Lakhs) ,In order to manage the risk, Company places deposits with only high rated banks/institutions.

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₹ Lakhs

Particulars	As at 31st March 2021	As at 31st March 2020
Financial assets for which loss allowance is measured using 12 month Expected Credit Loss (ECL)		
Non-current Investment	-	-
Non-current Loans & Advances	79.22	46.46
Other Non-Current Financial Assets	50,743.57	35,557.44
Cash & Cash Equivalent	137,037.50	145,560.63
Bank balances other than cash and cash equivalents	22,113.12	30,663.58
Current Loans & Advances	772.79	516.93
Other Current Financial Assets	64,904.41	64,343.17
Financial assets for which loss allowance is measured using Lifetime Expected Credit Loss (ECL)		
Trade Receivables	85,381.54	117,351.51
Total	**361,032.15**	**394,039.72**

* Non-current Investments in Joint ventures are not disclosed above.

Provision for Expected Credit or Loss

(a) Financial assets for which loss allowance is measured using 12 month expected credit losses.

The Company has assets where the counter-parties have sufficient capacity to meet the obligations and where the risk of default is very low. Accordingly, no loss allowance for impairment has been recognised.

(b) Financial assets for which loss allowance is measured using life time expected credit losses

The Company provides loss allowance on trade receivables using life time expected credit loss and as per simplified approach.

Ageing of trade receivables

The Ageing of trade receivables is as below:

₹ Lakhs

Ageing	Not Due	Less than 3 months	3 to 6 months	6 to 12 months	1-5 years	Total
Gross Carrying amount as on 31st March 2021	44,907.51	17,500.30	8,998.17	13,179.44	969.14	**85,554.56**
Impairment loss recognised on above	-	-	-	-	(173.02)	**(173.02)**
Gross Carrying amount as on 31st March 2020	41,229.11	33,813.67	20,996.36	19,254.57	2,244.96	**117,538.67**
Impairment loss recognised on above	-	-	-	-	(187.16)	**(187.16)**

2. Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Financing arrangements

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

₹ Lakhs

Particulars	As at 31st March 2021	As at 31st March 2020
Fixed Rate Borrowings		
Term Loan	-	-
Overdraft/Cash Credit*	29,589.01	-

*The company is having sanctioned Fund Based Credit Limit of ₹ 100 Lakhs from ICICI Bank (as sublimit of non fund based limit of ₹ 10,000 Lakhs), ₹ 7,500 Lakhs from Axis Bank(as sublimit of non fund based limit of ₹ 7,500 Lakhs) and ₹ 27,500 Lakhs from HDFC Bank.Non Fund based limit of ₹ 5,510.99 from Axis Bank has been utilized as on 31st March 2021.

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₹ Lakhs

Particulars	Not Due	On Demand	3 Month or Less	3-12 Months	1-5 years	More than 5 years	Total
Year ended March 31st, 2021							
Trade Payables	43,762.70	-	-	159.89	-	-	**43,922.59**
Financial liabilities	-	131,223.46	52,834.84	3,497.30	20,608.64	34,094.24	**242,258.48**
Total	**43,762.70**	**131,223.46**	**52,834.84**	**3,657.19**	**20,608.64**	**34,094.24**	**286,181.07**
Year ended March 31st, 2020							
Trade Payables	42,520.87	-	5.83	41.44	0.29	10.45	**42,578.88**
Financial liabilities	-	185,476.83	58,387.12	7,917.81	22,889.01	16,151.68	**290,822.45**
Total	**42,520.87**	**185,476.83**	**58,392.95**	**7,959.25**	**22,889.30**	**16,162.13**	**333,401.33**

3. Market Risk

Market risk is the risk that changes in market prices, such as interest rates can affect the Company's income. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. As presently the company is not having any borrowed funds. There is no market risk exposure.

46. Disclosure as per Ind AS 108 'Operating segments'

A. General Information

"The company has two reportable segments, as described below, which are it's strategic business units. The strategic business units offer different products and services, and are managed separately because they require different technology and marketing strategies. The following summary describes the operations in each of the Company's reportable segments:

A.1 **Power Trading & Generation:** The company has a power trading license and is active in this domain through trading of solar/wind power from projects set up under the schemes being implemented by it.Further the company is also in the business of power generation.

A.2 **Consultancy & Project Management:** It includes providing consultancy and project management services etc.

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit before income tax, as included in the internal management reports that are reviewed by the Board of Directors. Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries. Transfer prices between operating segments are on an arm's length basis in a manner similar to transactions with third parties.

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B. Information about reportable segments and reconciliations to amounts reflected in the financial statements:

₹ Lakhs

Particulars	Business Segments					
	Power Trading & Generation		Consultancy and Project Management		Total	
	For the year ended		For the year ended		For the year ended	
	31st March 2021	31st March 2020	31st March 2021	31st March 2020	31st March 2021	31st March 2020
Segment Revenue						
Revenue from Operations	531,990.23	448,785.09	11,621.13	13,166.26	543,611.36	461,951.35
Unallocated Interest and Other Income	-	-	-	-	2,194.36	2,622.06
Total	**531,990.23**	**448,785.09**	**11,621.13**	**13,166.26**	**545,805.72**	**464,573.41**
Segment Result	16,325.10	12,192.99	11,413.16	12,836.30	27,738.26	25,029.29
Unallocated expenses, Interest and finance charges	-	-	-	-	6,835.78	5,585.83
Profit before share of net profits of investments accounted for using equity method and tax	-	-	-	-	23,096.84	22,065.52
Add: Share of net profits of joint ventures accounted for using equity method	-	-	-	-	5,882.89	6,549.38
Profit before tax	-	-	-	-	28,979.73	28,614.90
Provision for taxes	-	-	-	-	5,988.60	5,371.94
Profit after tax	-	-	-	-	22,991.13	23,242.96
Depreciation and Amortization	497.00	421.99	130.73	57.82	627.73	479.81
Unallocated Depreciation	-	-	-	-	136.55	18.59
Non Cash Expenses other than depreciation	-	-	1.09	0.31	1.09	0.31
Capital Expenditure	3,924.49	2.82	1,740.47	91.02	5,664.96	93.84
Unallocated Capital Expenditure					19,223.03	1,734.06

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₹ Lakhs

Particulars	Business Segments					
	Power Trading & Generation		Consultancy and Project Management		Total	
	For the year ended		For the year ended		For the year ended	
	31st March 2021	31st March 2020	31st March 2021	31st March 2020	31st March 2021	31st March 2020
Other Information:						
Segment Assets	306,385.21	291,898.32	4,215.97	11,266.08	310,601.19	303,164.40
Unallocated Assets	-	-	-	-	108,580.74	138,408.33
Total Assets	**306,385.21**	**291,898.32**	**4,215.97**	**11,266.08**	**419,181.93**	**441,572.73**
Segment Liabilities	275,592.32	268,533.49	12,987.29	84,897.30	288,579.62	353,430.79
Unallocated Liabilities	-	-	-	-	21,183.11	3,790.92
Total Liabilities	**275,592.32**	**268,533.49**	**12,987.29**	**84,897.30**	**309,762.73**	**357,221.71**

C. Information about major customers

Revenue from major customers more than 10% of the Company's total revenues

₹ Lakhs

Debtors' Name	For the year ended		For the year ended	
	2020-21	% age	2019-20	% age
U.P. Power Corporation Limited	91,321.81	16.78	51,716.57	11.18
Rajasthan Urja Vikas Nigam Limited	61,279.07	11.26	58,431.61	12.63
Maharashtra State Electricity Distribution Company Limited	79,408.58	14.59	78,346.01	16.94

47. Disclosure as per Ind As 112 'Disclosure of Interest in Other entities

47.1 Interest in Joint ventures

47.1.1 Information regarding Joint Ventures that are material to the entity

A. Set out below are joint ventures of the Company as at 31st March 2021, which in the opinion of the management, are material to the Company. The entities listed below have share capital consisting solely of equity shares.

₹ Lakhs

Name of Company	Place of business	Proportion (%) of Shareholding as at		Carrying Amount as at		Nature of Activity	Accounting method
		31st March 2021	31st March 2020	31st March 2021	31st March 2020		
Andhra Pradesh Solar Power Corporation Private Limited	India	50%	50%	5.00	5.00	Development of Solar Parks	Equity method
Karnataka Solar Power Development Corporation Limited	India	50%	50%	50.00	50.00	Development of Solar Parks	Equity method

B. Commitments and contingent liabilities in respect of joint venture:

₹ Lakhs

Particulars	31st March 2021	31st March 2020
Share of Joint Venture's		
Commitment	10911.38	10788.24
Contingent Liabilities	5947.40	10781.02
Total commitments and contingent liabilities	**16,858.78**	**21,569.26**

In case of Rewa Ultra Mega Solar Limited the amount of contingent liability as mentioned in RUMSL financials in below cases is not ascertainable so the share of SECI in that is also not ascertainable :

(a) One of the Solar Project Developer - ACME Jaipur has filed a case against the Rewa Project seeking appropriate compensation for the charges to be paid to the SPD in respect of solar energy injected into the grid for the period from the date of synchronization of the initial part capacity of the project up to the date of receipt of the commissioning certificate for such initial part capacity. The liability to pay such Compensation and the amount of such compensation can not be ascertained as of now. (b)Transmission Charges are Payable to Power Grid Corporation of India Limited for Asset 2 of Rewa Project on account of delay in Commercial Operation Date of Generation. The amount payable could not be asertained till the Finalisation of Financial Statements. Further the timing of expected future outflow is also unasertainable.

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(c) Surcharge on Transmission Charges is also payable to Power Grid Corporation of India Limited for Asset 1 and Asset 2 of Rewa Project on account of delay in Commercial Operation Date of Generation. The Amount payable could not be asertained till the Finalisation of Financial Statements. Further the timing of expected future outflow is also unasertainable.

C. Summarised financial information for joint ventures

Table below provide summarised financial information for these joint ventures that are material to the Company.

The information disclosed reflects the amounts presented in the financial statements of the relevant joint venture and not the group's share of those amounts.

Summarised Balance Sheet

₹ Lakhs

Particulars	Andhra Pradesh Solar Power Corporation Private Limited		Karnataka Solar Power Development Corporation Limited	
	31st March 2021	31st March 2020	31st March 2021	31st March 2020
Current Assets				
Cash & Cash Equivalent	24,724.57	35,076.10	753.52	920.40
Other Assets	58,254.23	77,841.92	40,147.48	39,384.99
Total Current Assets	**82,978.80**	**112,918.02**	**40,901.00**	**40,305.39**
Total Non-Current Assets	**167,043.10**	**136,296.44**	**96,997.65**	**87,987.28**
Current Liabilities				
Financial Liabilities	13,697.83	9,927.65	8,389.44	7,042.75
Other Liabilities	7,708.19	10,982.13	3,584.46	3,474.23
Total Current Liabilities	**21,406.02**	**20,909.78**	**11,973.90**	**10,516.98**
Non- Current Liabilities				
Financial Liabilities	37,415.70	38,799.02	-	-
Other Liabilities	169,688.53	173,587.90	108,034.44	108,035.03
Total Non-Current Liabilities	**207,104.23**	**212,386.92**	**108,034.44**	**108,035.03**
Net Assets	**21,511.65**	**15,917.76**	**17,890.31**	**9,740.66**

Reconciliation to carrying amounts

₹ Lakhs

Particulars	Andhra Pradesh Solar Power Corporation Private Limited		Karnataka Solar Power Development Corporation Limited	
	31st March 2021	31st March 2020	31st March 2021	31st March 2020
Opening net assets	15,917.76	10,235.14	9,740.66	2,881.18
Investment by JV Partners	-	-	-	-
Profit for the year	5,673.91	7,370.40	4,543.02	4,415.78
Transititon impact on account of Adoption of Ind AS 116	-	-	-	4,644.60
Share on account of Sub Lease as per IND AS 116			6,590.00	-
Deferred Tax Impact on Ind AS 116	-	-	(1,658.57)	(1,168.95)
Other Comprehensive income	-	-	-	-
Dividend & Dividend Distribution Tax Paid	-	(1,687.77)	(1,324.80)	(856.00)
Utilized from CSR reserve	(80.02)			
Other Adjustments	-	-	-	(175.95)
Closing net assets	**21,511.65**	**15,917.76**	**17,890.31**	**9,740.66**
Group's share in %	50%	50%	50%	50%
Group's share in INR	10,755.83	7,958.88	8,945.16	4,870.33
Carrying Amount	**10,755.83**	**7,958.88**	**8,945.16**	**4,870.33**

Summarised Statement of Profit and Loss

₹ Lakhs

Particulars	Andhra Pradesh Solar Power Corporation Private Limited		Karnataka Solar Power Development Corporation Limited	
	31st March 2021	31st March 2020	31st March 2021	31st March 2020
Revenue From Operations	12,888.42	10,770.81	11,867.80	10,067.80
Other Income	4,502.59	6,102.03	4,057.84	3,486.65
Total Income	**17,391.01**	**16,872.84**	**15,925.64**	**13,554.45**
Operation & Maintenance expenses	927.29	935.01		-
Employee benefits expense	1,044.78	645.99	260.04	382.00
Finance costs	1,945.14	1,565.30	3,224.86	3,113.74
Land Lease Charges	-	838.75		-
Other expenses	1,079.26	544.55	2,350.04	1,008.80
Depreciation and amortization expense	4,088.28	3,539.80	3,986.35	2,998.30
Total Expenses	**9,084.75**	**8,069.41**	**9,821.29**	**7,502.84**
Tax Expenses	2,632.35	1,433.03	1,561.34	1,635.82
Profit for the year	**5,673.91**	**7,370.40**	**4,543.01**	**4,415.78**
Other Comprehensive income	-	-		-
Total Comprehensive income	**5,673.91**	**7,370.40**	**4,543.01**	**4,415.78**
Dividend Received	-	700.00	662.40	428.00

47.1.2 Information regarding Joint Ventures that are immaterial to the entity

A. Table below provide summarised information for these joint ventures that are immaterial to the Company.

Summarised financial information

₹ Lakhs

Name of Company	Place of business	Proportion (%) of Shareholding		Carrying Amount		Nature of Activity
		31st March 2021	31st March 2020	31st March 2021	31st March 2020	
Lucknow Solar power Development Corporation Limited	India	50%	50%	0	193.73	Development of Solar Parks
Renewable Power Corporation of Kerala Limited	India	50%	50%	265.73	169.61	Development of Solar Parks
Himachal Renewables Limited	India	50%	50%	225.91	220.21	Development of solar parks and Setting up of Research & Development Projects
Rewa Ultra Mega Solar Limited	India	50%	50%	2344.24	1841.85	Development of Solar Parks

₹ Lakhs

Particulars	For the year ended	
	31st March 2021	31st March 2020
Profit or loss from continuing operations	1713.35	1805.88
Other comprehensive income	-	-
Total comprehensive income	**1,713.35**	**1,805.88**

47.1.3 All joint venture companies are unlisted entities.

47.1.4 (a) Financials of all 6 Joint Venture companies are audited and have been considered for Consolidated Financials Statements of the Group. However, in case of Lucknow Solar Power Development Corporation Limited (LSPDCL) the audit report has been referred back to the LSPDCL Management for their review and comments and the same is still awaited.

48. Disclosure as per Ind AS 113 - Fair Value Measurement

Financial Instruments By Category

₹ Lakhs

Particulars	As at 31st March 2021			As at 31st March 2020		
	FVTPL	FVTOCI	Amortized cost	FVTPL	FVTOCI	Amortized cost
Financial Assets:						
Investment						
- Equity Instrument*	-	-	-	-	-	-
- Others	-	-	-	-	-	-
Loans	-	-	852.01	-	-	563.39
Trade Receivables	-	-	85,381.54	-	-	117,351.51
Cash and Cash Equivalents	-	-	137,037.50	-	-	145,560.63
Other Bank Balance	-	-	22,113.12	-	-	30,663.58
Other financial assets	-	-	115,647.98	-	-	99,900.61
Total Financial Assets	**-**	**-**	**361,032.15**	**-**	**-**	**394,039.72**
Financial Liability:						
Borrowings	-	-	-	-	-	-
Trade Payable	-	-	43,922.59	-	-	42,578.88
Other Financial Liabilities	-	-	242,258.48	-	-	290,822.45
Total Financial Liability	**-**	**-**	**286,181.07**	**-**	**-**	**333,401.33**

*Investments in Joint ventures amounting to ₹ 476 Lakhs are not disclosed above.

49. Disclosure as per Ind AS 115 - Revenue from Contract with Customers

I. Nature of goods and services

The revenue of the Company comprises of income from power sales, sale of power through trading, consultancy and other services. The following is a description of the principal activities:

(a) Revenue from power sales (own generation)

The revenue of the Company comes from power sales from own plants. The Company sells electricity to bulk customers, mainly electricity utilities owned by State Governments as well as private Discoms operating in States. Sale of electricity is generally made pursuant to long-term Power Sale Agreements (PSAs) entered into with the customers.

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Below are the details of nature, timing of satisfaction of performance obligations and significant payment terms under contracts for power sales:

Product/ Service	Nature, timing of satisfaction of performance obligations and significant payment terms
Power Sales (Own Generation)	The Company recognizes revenue from contracts for power sales over time as the customers simultaneously receive and consume the benefits provided by the Company. The tariff for computing revenue from power sales is determined in terms of Power Sale Agreements (PSAs). The amounts are billed on a monthly basis and are payable within contractually agreed credit period.

(b) Revenue from power trading

(i) Sale of Power through trading

The Company is purchasing power from the developers and selling it to the Discoms on principal to principal basis.

Below are the details of nature, timing of satisfaction of performance obligations and significant payment terms under contracts for sale of power through trading:

Product/ Service	Nature, timing of satisfaction of performance obligations and significant payment terms
Sale of Power through trading	The Company recognizes revenue from contracts for sale of power through trading over time as the customers simultaneously receive and consume the benefits provided by the Company. The tariff for computing revenue from sale of power through trading is determined as per - the terms of the agreements. The amounts are billed on a monthly basis and are payable within contractually agreed credit period.

(c) Revenue from sale of services

The Company undertakes Project Management Consultancy contracts for development of solar power projects and other consultancy contracts.

Below are the details of nature, timing of satisfaction of performance obligations and significant payment terms under contracts for consultancy and other services:

Product/ Service	Nature, timing of satisfaction of performance obligations and significant payment terms
Project Monitoring Fees	The Company recognizes revenue from contracts for project monitoring fees at a point in time/over time based on milestone(s) achieved. The revenue from project monitoring fees is determined as per the terms of the contracts. The amount of revenue recognized is adjusted for variable consideration, wherever applicable, which are estimated based on the historical data available with the Company. The amounts are billed as per the terms of the contracts and are payable within contractually agreed credit period.
Consultancy Services	The Company recognizes revenue from contracts for consultancy services over time based on milestones achieved as the customers simultaneously receive and consume the benefits provided by the Company. The revenue from consultancy services is determined as per the terms of the contracts. The. amount of revenue recognized is adjusted for variable consideration, wherever applicable, which are estimated based on the historical data available with the Company. The amounts are billed as per the terms of the contracts and are payable within contractually agreed credit period.

II. Disaggregation of Revenue

In the following table, revenue is disaggregated by type of product and services, geographical market and timing of revenue recognition:

₹ Lakhs

Particulars	Power Sales (Own Generation)	Sale of Power through trading	Project Monitoring Fees	Consultancy Services	Others	Total
	For the year ended 31st March 2021					
Timing of Revenue recognition						
Products and Services transferred over time	1,650.50	529,539.80	7,013.24	3,075.17	365.02	541,643.73
Products and Services transferred at a point in time	-	-	382.78	-	774.26	1,157.04
	1,650.50	**529,539.80**	**7,396.02**	**3,075.17**	**1,139.28**	**542,800.77**

₹ Lakhs

Particulars	Power Sales (Own Generation)	Sale of Power through trading	Project Monitoring Fees	Consultancy Services	Others	Total
	For the year ended 31st March 2020					
Timing of Revenue recognition						
Products and Services transferred over time	1,361.50	446,632.06	10,265.03	1,462.93	317.66	460,039.18
Products and Services transferred at a point in time	-	-	570.38	-	530.70	1,101.08
	1,361.50	**446,632.06**	**10,835.41**	**1,462.93**	**848.36**	**461,140.26**

III. Reconciliation of revenue recognized with contract price:

₹ Lakhs

Particulars	As at 31st March, 2021	As at 31st March, 2020
Contract Price	543,262.37	462,113.86
Adjustments for:		
Rebates	(461.60)	(973.60)
Revenue Recognized	542,800.77	461,140.26

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IV. Contract Balances

Contract assets are recognized when there is excess of revenue earned over billings on contracts. Contract assets are transferred to unbilled revenue when there is unconditional right to receive cash and only passage of time is required, as per contractual terms. The contract liabilities primarily relate to the advance consideration received from the customers which are referred as 'advance from customers'.

The following table provides information about trade receivables, unbilled revenue and advance from customers:

₹ Lakhs

Particulars	As at 31st March, 2021		As at 31st March, 2020	
	Current	Non-Current	Current	Non-Current
Trade Receivables	85,381.54	-	117,351.51	-
Unbilled Revenue	53,259.16	-	53,771.00	-
Advance from Customers	2,393.57	500.08	987.70	1,110.95

50. Recent accounting pronouncements

The Ministry of Corporate Affairs (MCA) has notified the Companies (Indian Accounting Standards/ Ind AS) Amendment Rules, 2020 on June18, 2021, whereby the amendments to various Indian Accounting Standards has been made applicable with immediate effect from the date of the notification i.e. effective for Financial Year ended March 21, 2022 onwards. The amendments made vide aforesaid notification dated June 18, 2021 are largely clarificatory and editorial in nature, the Company is evaluating the requirements of the same and its effect on the Financial Statements is not likely to be material.

51. Information in respect of micro and small enterprises as at 31 March 2021 as required by Micro, Small and Medium Enterprises Development Act, 2006

₹ Lakhs

Particulars	As at 31st March 2021	As at 31st March 2020
a) Amount remaining unpaid to any supplier:		
Principal Amount	-	-
Interest due thereon	-	-
b) amount of interest paid in terms of Section 16 of MSMED Act along with the amount paid to the suppliers beyond the appointed day	-	-
c) Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act.	-	-
d) Amount of interest accrued and remaining unpaid	-	-
e) Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest due as above are actually paid to the small enterprises, for the purpose of disallowances as a deductible expenditure under Section 23 of MSMED Act		

52. In accordance with approval of the Board of Directors, surplus funds available with the Company are placed periodically in short term deposits, taking into account the Government guidelines issued for the purpose.

53. The company has two independent director on the board, and the constitution of audit committee & remuneration committee is as per the provisions of Section 177 & 178 of the Companies Act 2013 & DPE Guidelines on Corporate Governance. There is a woman director on the board as on 31st March, 2021.

54. A net provision of ₹ 362.24 Lakhs (Previous Year ₹ 340.61 Lakhs) towards Performance related pay (PRP) has been made in current year. The payment of the same shall be released on the approval of the Competent Authority.

55. Trade receivable and payable outstanding as on 31st March 2021 are to the tune of ₹ 85,381.54 lakhs and ₹ 43,922.59 lakhs respectively. As per the requirement, confirmation letters were sent to all the parties. Amount of ₹ 42,397.50 Lakhs against the trade payable outstanding has been confirmed. Trade receivable outstanding to the tune of ₹ 10,523.79 Lakhs has been confirmed and an amount of ₹ 54,171.00 Lakhs has been received from the Discoms and other parties by 20th July 2021 against the trade receivable outstanding as on 31.03.2021.

56. Balances of Trade Receivables and Recoverable shown under 'Current Assets' and Trade and Other Payables shown under 'Current Liabilities' include balances subject to confirmation/reconciliation and consequential adjustment, if any. Reconciliations are carried out on-going basis. Provisions, wherever considered necessary, have been made. Adjustments, if any, will be accounted for on confirmation /reconciliation of the same with the concerned parties, which in the opinion of the management will not have a material impact.

57. The Trade Receivables and Trade Payables includes ₹9.34 lakh (₹ 12.99 Lakhs as on 31.03.2020) receivable from Bangalore Electricity Supply Company Ltd (BESCOM) and payable to Karnataka Power Corporation Limited, towards KVarh charges (Kilo Volt Amps Reactive Charges), meter reading charges and rebate @ 2% against energy sold, deducted by BESCOM which is not as per the terms of PSA.

58. Vento Power Projects Private Limited having 40 MW Project capacity commissioning declared on 22nd December 2018 and COD on 21st January 2019. However, the SPD did not raise any invoices to SECI for generation and export of power during the previous year 2019-20 and therefore SECI also could not raise any invoice for the corresponding sale to DISCOM as per terms of PSA during the previous year 2019-20. The corresponding sale and purchase have been booked in the F. Y. 2020-21 commencing from 21st Jan 2019 to Feb 21 and unbilled revenue and purchase payable for the month of Mar 21.

59. During the FY 2020-21 Service Tax Audit was conducted by M/s DCG & Co. Chartered Accountant, who were appointed by the Service Tax Department for conducting the audit for the period 01-04-2014 to 30-06-2017. Based on the audit, Service Tax Department had raised Service Tax demand of ₹ 559.35 Lakhs(₹ 244.18 Lakhs service tax liability, ₹ 278.54 Lakhs interest on service tax demand and ₹ 36.63 lakhs penalty on service tax demand) which was paid by the company on 19.03.2021.

60. MNRE vide order dated 04th February 2019 issued PSM guidelines. Accordingly, PSM fund is being operated as per the MNRE guidelines. Payment security Fund (PSF) includes ₹ 50,000.00 Lakhs (As at 31st March 2020 ₹ 50,000.00 Lakhs) received from MNRE. The total PSM funds of ₹ 117789.26 Lakhs includes BG encashment, extension money, amount on account of tariff reduction etc. Amount drawn and utilized up to 31.03.2021 is ₹ 33544.58 Lakhs on account of overdue from Discoms against energy bills and Rs. 8891.25 Lakhs on account of overdue from Discoms against change in law (GST/SGD) claims.

61. SECI was in the process of developing a large scale solar-wind hybrid project with Battery Energy Storage Solutions (BESS) with a capacity of 160 MW in which solar is 120 MW and Wind is 40 MW in Ramagiri district, Andhra Pradesh. The total land planned for establishing the project is about 889.90 acres, out of which advance possession for 690.68 Acres of land has been obtained. The total ex-gratia amount of ₹ 2,120.71 Lakhs was paid to District collector, Ananthapur towards the assigned land during FY 2018-19 and the same has been shown as capital advance. Based on SECI request vide letter dated 10.03.2021, MNRE vide letter dated 13.04.2021 cancelled the 160 MW Solar Park Scheme and now SECI will establish the project under CPSU/Hybrid scheme & the decision will be taken during the next Financial Year based on the development . During the year New & Renewable Energy Development Corporation of Andhra Pradesh (NREDCAP) vide letters dated 11.08.2020 and 30.09.2020 has intimated SECI about the new export policy and stated that the land now will be allocated to SECI on lease basis only and lease rent will commence from the date of advance possession. The ex-gratia amount paid by SECI will be adjusted in the lease rentals and no interest will be paid to SECI on the advance ex-gratia amount. SECI vide their letter dated 28.09.2020, 14.06.2021 and 21.06.2021 has stated to NREDCAP that the proposed lease rental start date from the advance possession date is unacceptable to SECI. As the complete and contiguous land is not handed over by A.P Government till date, therefore starting of lease from the date of advanced possession is not right and to reconsider the decision of A.P. Government for charging of lease rent from the date when the complete and contiguous land is made available to SECI to start the project activities. Also the notification of the new land policy by the state government is much later than the advanced possession date of major land parcels, in which case the policy cannot be made applicable retrospectively. The matter is under consideration with A.P Government. Accordingly ROU Asset and Lease Liablity has not been recognized on the 160 MW project as per IND AS-116.

62. In the year 2019-20, the company has taken the physical possession of 6 Nos. of Residential flats allotted by NBCC at Kidwai nagar Complex against earlier payments made by SECI. The cost corresponding to such flats amounts to ₹ 1,734.06 Lakhs . The Flats are on lease hold basis for a period of 30 Years and the same is treated as Right of Use Asset in the books of account . Further during the FY 2020-21, the company has also taken the physical possession of the office space of NBCC Blocks located at Kidwai nagar.The Office space is on lease hold basis for a period of 30 Years and the amount of ₹ 19,223.03 Lakhs has been treated as ROU Assets in the books of accounts. The Lease agreement of both Residential and Commercial office space is yet to be executed.

63. SECI has signed PSA with 5 ESCOMS of Karnataka. Karnataka Electricity Regulatory Commission (KERC) has passed an order dated 20th Sep, 2018 for reduction of tariff to ₹ 4.36 per unit as against ₹ 4.50 per unit. The said order was challenged in APTEL which has directed the respective ESCOMS to make 50% of the disputed tariff billing (outstanding of all ESCOMs) by 3rd October 2019 and balance 50 % amount by 31st October 2019. Total amount recoverable due to this in trade receivables includes a sum of ₹ 964.82 Lakhs (Previous Year ₹ 2,296.40 Lakhs) However, the ESCOMs have challenged the said order in the Honourable Supreme Court and obtained stay against the order. Therefore, the matter is pending with SC for final disbursal of order on merit. SECI has not made any provision against the outstanding receivable amount as the disputed amount is covered under PSM sanction by MNRE. As per the provisions of PSM guidelines, any reduction in tariff due to order of court may be recovered from PSM fund. Therefore, no provision has been made.

64. CERC has passed an order dated 17th Dec, 2018 in case of petition filed by M/s Welspun Energy Private Limited against SECI that directs SECI for re-instatement of PPA amongst other to condone the delay

in fulfilment of conditions of subsequent and to re-instate the PPA & financial implication of the same is on back to back basis with the Discom. Therefore, no provision is required to be made in the books. Further, an amount of ₹ 648.00 Lakhs has been paid by M/s Welspun Energy Private Limited, which has been accounted as Money received under dispute & classified as other payable under the head current liabilities, the said amount has been kept in an interest bearing account and interest accrued thereon till 31st Mar, 2021 is ₹ 67.49 Lakhs(Previous Year ₹ 43.22 Lakhs). Both of the amount has been kept in abeyance, as the matter is subjudice in APTEL.

65. The Rooftop - Other Receipts under Other Operating Income includes ₹10.66 Lakhs (Previous year ₹ 19.46 Lakhs) recovered towards LD/Penalty/Non meeting of CUF requirements as per RFS In view of the audit observations of C & AG for the FY 2017-18 on income recognition, the same has been referred to MNRE vide letter dated 20th March 2019, 14th May 2019, 18th June 2019, 30th October 2019, 25th November 2019, 11th February 2020, 30th July 2020, 22nd October,2020 and 7th June, 2021 for further directions/advise. Pending directions/advise from MNRE the same has been considered as income of SECI as per accounting policy no 1.C.11.2.

66. Corporate Social Responsibility Expenses (CSR)

66.1 The company is required to spend, in every financial year, at least two percent of the average net profits of the company made during the three immediately financial years in accordance with its CSR Policy. Based on above, the CSR amount to be spent by the company during 2020-21 is ₹ 341.34 Lakhs (Previous year ₹ 250.00 Lakhs). Accordingly Amounts have been spent towards CSR Expenditure as shown in table below:

₹ Lakhs

Serial No.	Particulars	As at 31st March 2021	As at 31st March 2020
1	PM Cares fund	300.00	117.73
2	Purchase of Ultrasound Machine at SNM Hospital, Leh	-	29.33
3	Swachh Bharat Kosh	-	20.00
4	Clean Ganga Fund	-	10.00
5	Project - "Eckovation for Quality Education in Schools in Dhenkenal District Odisha"	20.37	73.04
6	Renovation Work in Seminar Hall of Institution of Engineers (India), Dehradun (Shortfall of 2018-19)	-	24.91
7	Procurement of Solar Light & Fox Light	20.79	-
	Total	**341.16**	**275.01**

SOLAR ENERGY CORPORATION OF INDIA LIMITED
(Formerly known as Solar Energy Corporation of India)

66.1.1 Further, a sum of ₹ 3.90 lakhs pertaining to FY 2017-18 is payable as per the payment terms of the contract.

₹ Lakhs

PARTICULARS	31st March 2021	31st March 2020
A. Amount required to be spent during the year	341.34	250.00
B. Shortfall amount of previous year	-	25.00
C. Total(A+B)	**341.34**	**275.00**
D. Amount spent during the year	341.16	275.01
Shortfall Amount	**0.18**	**-**

67. SECI has signed PSA with Andhra Pradesh Power Coordination Committee (APPCC) for sale of power procured from various developers. Amount outstanding against APPCC as on 31st March 2021 is ₹ 34,170.93 Lakhs (previous year ₹ 32,061.21 Lakhs). However, no provision has been made against the above outstanding amount as SECI up to 28th June 2021 has already received Rs. 15,221.97 Lakhs out of such outstanding amount. For balance amount TPA invocation request has been sent to MNRE and is under consideration.

68. MNRE vide order dated 18 June 2019 and its subsequent amendments thereof, has issued guidelines for setting up of a Dispute Resolution Mechanism. In compliance of the guidelines, developers have approached DRC and have deposited till 31st March, 2021 ₹ 544.01 lakhs (Previous year ₹ 390 Lakhs), the same is kept in a separate interest bearing bank account and interest accrued thereon till 31st March 2021 is ₹ 30.54 Lakhs (Previous year ₹ 8.91 Lakhs). As per the guidelines the amount is refundable back to the party in case order to that effect is passed as per the recommendations of Dispute Resolution committee. Any decision not in favour of developer then the fee deposited by the developers shall be credited to PSM fund maintained by SECI in line with the DRC guidelines dated 18.06.2019 and all relevant amendments thereof.

69. Encashment of BG for delayed / Non-commissioning of WPD

SECI has marked 2 number of BG's and received payment against invocation amounting to ₹ 1344.44 lakhs during the current year(P.Y ₹492.54 Lakhs). In terms of the provisions of RFS / PPA, the invocation proceeds of BG towards delayed / non-commissioning of projects is to be kept separately towards creation of PSF. However, pending issue of Guidelines for creation / Administration of PSF for Wind projects, the invocation proceeds is kept in a separate interest bearing account.Further the interest accrued thereon till 31st Mar, 2021 is ₹ 105.93 Lakhs (Previous Year ₹ 2.56 Lakhs).

70. Due to outbreak of COVID-19 globally and in India, the Company has made an initial assessment of its likely adverse impact on business and its associated financial risks. The Company is in the business of trading of renewable energy, providing project management services and generation and sale of power. The generation and sale of Power is an essential service as emphasized by the Ministry of New and Renewable Energy (MNRE), Government of India (GOI). By taking a number of proactive steps and keeping in view the safety of all its stakeholders, the Company has ensured the availability of contracted solar power

plants to generate solar power and has continued to supply solar power during the period of lockdown. The Company believes that the impact due to the outbreak of COVID-19 is likely to be short-term in nature and does not anticipate any medium to long-term risks in the Company's ability to continue as a going concern, meeting its liabilities as and when they fall due and recoverability of financial assets. Impact assessment of COVID-19 is a continuing process considering the uncertainty involved thereon. The company will continue to closely monitor any material changes to the future economic conditions.

71. Due to change in ABT metering of 6 developers, APPCC Discom did not sign the JMR for the period from 25.09.2018 to 30.09.2018. The generation billed during the corresponding period has not been accepted by APPCC. However, the developers have raised the invoice for an amount of ₹ 343.33 Lakhs for the the same period and SECI has not accepted the same. Therefore the provision for power purchase amounting to ₹ 343.33 Lakhs made during the previous year continues to be outstanding as on 31.03.2021 as the same is yet to be accepted by corresponding Discoms.

72. Central Electricity Regulatory Commission (CERC) has passed various orders directing SECI to pay SPD's towards reimbursement of GST/Safeguard duty due to change in law. Further as per the terms of PPA, the same will be recoverable from the respective buying utilities on back to back basis, this has also been affirmed by CERC in its Order. Accordingly, the company has booked expenses of ₹ 21,855.54 Lakhs including interest amount (previous year amount ₹ 47,864.69 Lakhs) as "compensation to SPD's on account of change in law " under 'Exceptional items" in FY 2020-21. Further as per the CERC orders, the same is to be recovered from DISCOM's therefore the company has also booked a total sum of ₹ 21,855.54 Lakh (previous year amount ₹ 47,864.69 Lakhs) in FY 2020-21 as income under the head "compensation from DISCOM" on account of change in law under 'Exceptional items'. The expenses and income are on account of purchase and sale of power as the compensation is directly related to tariff. The same has been treated as exceptional item as claims made by SPD's and recoverable from DISCOM due to change in law is significant amount and is unusual during the normal cycle of business. During the FY 2020-21, Company has paid ₹ 14008.51Lakh (previous year amount ₹ 2,055.29 Lakh) to SPD's on account of change in law as per CERC order and accordingly demand the same from DISCOM on back to back basis as per CERC order. Out of total claim raised to DISCOM, amount received in FY 2020-21 is ₹ 5548.23 Lakh (previous year amount ₹ 2,055.29 Lakh). As the company has applied for annuity based payment mechanism instead of lump sum payment, thezpayable and recoverable during the period of twelve month has been classified as current and remaining amount has been shown as non-current. Accordingly, amount of ₹ 53,656.42 Lakh is shown as "payable to SPD's" Current Financial liability ₹ 2,912.85 Lakh and Non-Current Financial liability ₹ 50,743.57 Lakh (previous year Current Financial liability ₹ 10,251.96 Lakh and Non-Current Financial liability ₹ 35,557.44 Lakh). Amount of ₹ 62,116.71 Lakh recoverable from DISCOM against such claim has been shown as "recoverable from DISCOM" as current Financial assets ₹ 11,373.13 Lakh and Non-Current Financial Assets ₹ 50,743.58 Lakh (previous year current Financial assets ₹ 10,251.96 Lakh and Non-Current Financial Assets ₹ 35,557.44 Lakh) as at 31st March 2021. Some of DISCOM has taken the matter before APTEL and in case of any decision/ direction of the Tribunal against the said orders, the amount payable to SPD's / recoverable from DISCOM may be further revised.

73. There is no event that has been taken place after the date of Balance Sheet, which has significant impact on the Financials for the year ended 31st March,2021.

Operating Cycle

74. Based on the nature of activities of the Company and the normal time between acquisition of assets and their realization in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

75. Previous year's figures have been rearranged or regrouped wherever necessary to make them comparable with the current year.

For and on behalf of the Board of Directors

Sd/-
(Sunil Kumar)
Company Secretary
M. No. 17693

Sd/-
(C Kannan)
Director (Finance)
DIN 06458185

Sd/-
(Jatindra Nath Swain)
Managing Director
DIN 01969056

In terms of our audit report of even date
For Pandey and Company
Chartered Accountants
FR No. 000357C

Sd/-
(CA Amit Pandey)
Partner
Membership No. 402377

Place : New Delhi
Date : 31.07.2021

Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies / joint ventures

Part "A" : Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rs.)

Sl. No.	Particulars	Details
1.	Name of the subsidiary	NA
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreignsubsidiaries	
4.	Share capital	
5.	Reserves & surplus	
6.	Total assets	
7.	Total Liabilities	
8.	Investments	
9.	Turnover	
10.	Profit before taxation	
11.	Provision for taxation	
12.	Profit after taxation	
13.	Proposed Dividend	
14.	% of shareholding	

Notes: The following information shall be furnished at the end of the statement:

1. Names of subsidiaries which are yet to commence operations

2. Names of subsidiaries which have been liquidated or sold during the year.

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Name of Joint Ventures	Andhra Pradesh Solar Power Corporation Private Limited	Karnataka Solar Power Development Corporation Limited	Lucknow Solar Power Development Corporation Limited	Rewa Ultra Mega Solar Limited	Renewable Power Corporation of Kerala Limited	Himachal Renewables Limited
1. Latest audited Balance Sheet Date	31/03/2021	31/03/2021	31/03/2021	31/03/2021	31/03/2021	31/03/2021
2. Shares of Joint Ventures held by the company on the year end	50%	50%	50%	50%	50%	50%
Nos.	50,000	5,00,000	5,00,000	10,000	5,000	22,100
Amount of Investment in Joint Venture (Rs. Lakhs)	5.00	50.00	50.00	100.00	50.00	221.00
Extend of Holding%	50%	50%	50%	50%	50%	50%
3. Description of how there is significant influence	Control of more than 20 % of total share capital in the joint venture	Control of more than 20 % of total share capital in the joint venture	Control of more than 20 % of total share capital in the joint venture	Control of more than 20 % of total share capital in the joint venture	Control of more than 20 % of total share capital in the joint venture	Control of more than 20 % of total share capital in the joint venture
4. Reason why the joint venture is not consolidated	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
5. Net worth attributable to shareholding as per latest audited Balance Sheet (Rs. Lakhs)	21,511.65	17,890.31	(146.22)	4,688.46	531.44	451.82
6. Profit/Loss for the year						
i. Considered in Consolidation	Yes	Yes	-	Yes	Yes	Yes
ii. Not Considered in Consolidation			Yes			

1. **Names of associates or joint ventures which are yet to commence operations.**
   Not Applicable

2. **Names of associates or joint ventures which have been liquidated or sold during the year.**
   Not Applicable

For and on behalf of the Board of Directors

Sd/-	**Sd/-**	**Sd/-**
(Sunil Kumar)	**(C Kannan)**	**(Jatindra Nath Swain)**
Company Secretary	**Director (Finance)**	**Managing Director**
M. No. 17693	**DIN 06458185**	**DIN 01969056**

Signed in terms of our audit report of even date
For Pandey and Company
Chartered Accountants
FR No. 000357C

Sd/-
(CA Amit Pandey)
Partner
Membership No. 402377

Place : New Delhi
Date : 31.07.2021

Details of Bankers, Auditors, Company Secretary & Corporate Office Address of Solar Energy Corporation of India Limited

Bankers:

- Axis Bank
- Bank of India
- Canara Bank
- HDFC Bank
- ICICI Bank
- IndusInd Bank
- IDFC First Bank Limited
- State Bank of India
- Union Bank of India
- Bank of Baroda
- YES Bank

Statutory Auditor:

Pandey & Company

Chartered Accountants

24/24, Karachi Khana,

Kanpur – 208001

Company Secretary:

Shri. Sunil Kumar Mehlawat

Corporate Office

6th Floor, Plate "B", NBCC Office Block Tower-2

East Kidwai Nagar, New Delhi -110023

NOTES

सेकी SECI सूर्य सदैव SUN FOR EVER

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SECI

सूर्य सदैव SUN FOR EVER

Solar Energy Corporation of India Limited

(A Govt. of India Enterprise)

6th Floor, Plate "B", NBCC Office Block Tower-2, East Kidwai Nagar, New Delhi -110023

www.seci.co.in