STERLITE GRID 4 LIMITED
CIN: U29253PN2015PLC199555
Registered Office: 4th Floor, Godrej Millennium, 9 Koregaon Road, Pune, Maharashtra-411001
Phone: +91 11 4996 2200, E-mail: secretarial.grid@sterlite.com

NOTICE CONVENING MEETING OF THE SECURED CREDITORS OF STERLITE GRID 4 LIMITED AS PER THE DIRECTIONS OF THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL, MUMBAI BENCH ("NCLT")

MEETING	
Day	Friday
Date	1st October 2021
Time	11:00 a.m.
Venue / Mode	Through video conferencing or other audio-visual means

INDEX

FORM NO. CAA. 2

[Pursuant to Section 230 (3) of the Companies Act, 2013 and rule 6 and 7 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.]

IN THE NATIONAL COMPANY LAW TRIBUNAL,

MUMBAI BENCH, AT MUMBAI

COMPANY APPLICATION (CAA) NO. 90/MB/2021

In the Matter of:
Sections 230 to 232 and other applicable provisions of the Companies Act, 2013, read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016

And

In the Matter of:
Scheme of Amalgamation of Sterlite Grid 4 Limited with Sterlite Power Transmission Limited and their respective shareholders

And

In the Matter of:
Sterlite Grid 4 Limited, CIN: U29253PN2015PLC199555, a company incorporated under the Companies Act, 2013 having its registered office at 4th Floor, Godrej Millennium, 9 Koregaon Road, Pune, Maharashtra-411001

..... **First Applicant Company/Transferor Company / Company**

NOTICE CONVENING MEETING OF SECURED CREDITORS OF THE COMPANY

To,
Secured Creditors of Sterlite Grid 4 Limited

NOTICE is hereby given that, in accordance with the Order dated 30th July 2021 in the above mentioned Company Application, passed by the Hon'ble National Company Law Tribunal, Mumbai Bench (**"Tribunal"**) (**"Tribunal Order"**), a meeting of the Secured Creditors of the Company (**"Secured Creditors"**), will be held for the purpose of their considering, and if thought fit, approving, with or without modification, the proposed Scheme of Amalgamation of Sterlite Grid 4 Limited with Sterlite Power Transmission Limited and their respective shareholders (**"Scheme"**) on **Friday, 1st October 2021 at 11:00 a.m.**

Pursuant to the said Tribunal Order and as directed therein, the meeting of the Secured Creditors (**"Meeting"**) will be held through video conferencing (**"VC"**) / other audio visual means (**"OAVM"**), in compliance with the applicable provisions of the Companies Act, 2013 (**"Act"**), to consider, and if thought fit, pass the following resolution for approval of the Scheme by requisite majority as prescribed under Section 230(1) and (6) read with 232(1) of the Act:

"RESOLVED THAT pursuant to the provisions of Sections 230 to 232 and all other applicable provisions of the Companies Act, 2013, read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 (including any statutory modification(s) or reenactment(s) thereof, for the time being in force) and subject to the applicable provisions of the Memorandum and Articles of Association of the Company, requisite approvals, consents, sanctions and permissions of the concerned authorities, persons, as applicable and subject to the sanction of the National Company Law Tribunal, Mumbai Bench (the "Tribunal") and subject to such other approvals, permissions and sanctions of regulatory and other authorities, as may be necessary and subject to such conditions and modifications as may be deemed appropriate by the Parties to the Scheme, the arrangement embodied in the Scheme of Amalgamation of Sterlite Grid 4 Limited with Sterlite Power Transmission Limited and their respective shareholders ("Scheme") placed before this meeting, be and is hereby approved.

RESOLVED FURTHER THAT a Secured Creditor whose name appears in the list of the Secured Creditors as on the cut-off date, i.e. Friday, 24th September, 2021 only shall be entitled to exercise his/ her/ its voting rights on the resolution proposed in the Notice and attend the Meeting. A person who is not a secured creditor as on the cut-off date, should treat the Notice for information purpose only.

RESOLVED FURTHER THAT the Board of Directors/Committee constituted by the Board of directors of the Company (hereinafter referred to as the "Board", which term shall include any authorized representative of the Board) be and is hereby authorised to do all such acts, deeds, matters and things, as it may, in its absolute discretion deem requisite, desirable, appropriate or necessary to give effect to this Resolution and effectively implement the arrangement embodied in the Scheme and to make any modifications or amendments to the Scheme at any time and for any reason whatsoever, and to accept such modifications, amendments, limitations and/ or conditions, if any, which may be required and/ or imposed by the NCLT while sanctioning the arrangement embodied in the Scheme or by any authorities under law, or as may be required for the purpose of resolving any questions or doubts or difficulties that may arise including passing of such accounting entries and/ or making such adjustments in the books of accounts as considered necessary in giving effect to the Scheme, as the Board may deem fit and proper."

The Tribunal has appointed Mr. Sachin Khandelwal, Assistant Vice President – Corporate Finance of the Transferee Company and failing him Mr. Amarendranath Tatimakula Reddy, Chief – Business & Regulatory, Policy and Business of the Transferee Company, to be the Chairperson of the said meeting of the Secured Creditors including for any adjournment or adjournments thereof and Mr. Kuldeep Ruchandani of M/s. KPRC & Associates and failing him Ms. Mehak Gupta of M/s. Mehak Gupta & Associates, Company Secretaries, to be the Scrutinizer for the Meeting.

The Company will provide VC/ OAVM facility to its Secured Creditors for participating at the Meeting. Secured creditors may cast their votes remotely, using an electronic voting system ("remote e-voting"). The remote e-voting period commences at 9:00 AM on Tuesday, 28th September 2021 and ends at 5:00 PM on Thursday, 30th September 2021. The remote e-voting module will be disabled by KFinTech for voting thereafter. The detailed instructions for e-voting and remote e-voting are given in the notes to the Notice.

The Scheme, if approved in the aforesaid meeting, will be subject to the subsequent sanction of the Tribunal.

For Sterlite Grid 4 Limited

Sachin Khandelwal
Chairperson appointed for the Meeting

Place: New Delhi
Date: 31[st] August 2021

Registered Office:
4th Floor, Godrej Millennium, 9 Koregaon Road, Pune, Maharashtra-411001
CIN: U29253PN2015PLC199555
Phone: +91 11 4996 2200
E-mail: secretarial.grid@sterlite.com

Notes:

1. Pursuant to the directions of the Hon'ble National Company Law Tribunal, Mumbai Bench ("Tribunal") vide its Order dated 30th July 2021, the Meeting of the Secured Creditors is being conducted through video conferencing ("VC") / other audio visual means ("OAVM") facility to transact the business set out in the Notice convening this Meeting. As such, physical attendance of Secured Creditors has been dispensed with. The deemed venue for the Meeting shall be the Registered Office of the Company.

2. The Statement pursuant to Sections 230 and 232 read with Section 102 and other applicable provisions of the Act and Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 in respect of the business set out in the Notice of the Meeting is annexed hereto.

3. Corporate members are required to send a scanned copy (PDF/JPEG format) of the board resolution/ power of attorney authorizing its representatives to attend and vote at the Meeting through VC / OAVM on their behalf pursuant to Section 113 of the Act. The said resolution/ authorization shall be sent to the scrutinizer by email through the registered email address to kuldeep.ruchandani@kprc.co.in with a copy marked to secretarial.grid@sterlite.com.

4. Since this Meeting is being held through VC/ OAVM, physical attendance of Secured Creditors has been dispensed with. Accordingly, the facility for appointment of proxies by the Secured Creditors will not be available for the Meeting and hence the proxy form and attendance slip are not annexed hereto.

5. No route map of the venue of the Meeting is annexed hereto, since this Meeting is being held through VC/ OAVM.

6. The Secured Creditors can join the Meeting through the VC/ OAVM mode by following the procedure mentioned in the Notes. The detailed instructions for joining the Meeting through VC/ OAVM forms part of the Notes to this Notice.

7. The attendance of the Secured Creditors attending the Meeting through VC/ OAVM will be counted for the purpose of reckoning the quorum of the Meeting.

8. Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended), the Company is providing facility of e-voting to its Secured Creditors in respect of the business to be transacted at the Meeting. For this purpose, the Company has entered into an agreement with KFin Technologies Pvt. Ltd. ("KFinTech"), as the authorized agency for facilitating voting through electronic means at the Meeting.

9. The Notice calling the Meeting and the accompanying documents mentioned in the index are being sent through electronic mode to those Secured Creditors whose e-mail addresses are registered with the Company and by post/ courier to the Secured Creditors whose email addresses are not registered with the Company.

10. All the documents referred to in the accompanying Notice and the Statement, shall also be placed on the website of the Transferee Company at https://www.sterlitepower.com/ and website of the KFinTech at https://evoting.kfintech.com/. Further, the said abovementioned documents shall be available for inspection through electronic mode. Request in this regard may be addressed to the First Applicant Company at secretarial.grid@sterlite.com.

11. The Company will provide VC/ OAVM facility to its Secured Creditors for participating at the Meeting. Secured creditors may cast their votes remotely, using an electronic voting system ("remote e-voting"). The remote e-voting period commences at 9:00 AM on Tuesday, 28th September 2021 and ends at 5:00 PM on Thursday, 30th September 2021. The remote e-voting module will be disabled by KFinTech for voting thereafter. The detailed instructions for e-voting and remote e-voting are as below.

THE INSTRUCTIONS FOR SECURED CREDITORS FOR REMOTE E-VOTING AND E-VOTING ARE AS UNDER:-

PROCEDURE FOR JOINING THE MEETING THROUGH VC/ OAVM:

The Company will provide VC/ OAVM facility to its secured creditors for participating in the Meeting. Secured creditorswill be able to attend the Meeting through VC/OAVM or view the live webcast at https://emeetings.kfintech.com by using their remote e-voting login https://evoting.kfintech.com credentials.

i. A person, whose name appears in the list of secured creditors of the First Applicant Company as on Friday, 24th September, 2021, only shall be entitled to avail the facility of remote e-voting or for participation at the Meeting and voting through Insta Poll thereat. A person who is not an secured creditor as on the aforementioned date and whose name does not appear in the aforementioned list, should treat the Notice for information purpose only.

ii. Any person who is an secured creditor, whose name appears in the list of securedcreditors of the First Applicant Company as on Friday, 24th September, 2021, will be assigned a User ID and Password. Please see details under remote e-voting instructions below regarding User ID and Password.

iii. Secured creditors are requested to follow the procedure given below:

(a) Launch internet browser (chrome/firefox/safari) by typing the URL: https://emeetings.kfintech.com

(b) Enter the login credentials (i.e., User ID and password for e-voting)

(c) After logging in, click on "Video Conference" option

(d) Then click on camera icon appearing against Meeting event of "Sterlite Grid 4 Limited" to attend the Meeting.

iv. Secured creditors who do not have User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the procedure given in the remote e-voting instructions.

v. Secured Creditors are encouraged to join the Meeting through laptops with Google Chrome for better experience.

Further, secured creditors will be required to allow camera, if any, and are requested to use internet with a good speed to avoidany disturbance during the meeting.

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

vi. Facility to join the meeting shall be opened 30 minutes before the scheduled time of the Meeting and shall be kept open throughout the proceedings of the Meeting.

vii. Secured creditors who need assistance before or during the Meeting, can contact KFinTech on toll free number: 1800 309 4001.

viii. Login to the VC/ OAVM platform using the e-voting credentials by the secured creditors shall be considered for record of attendance of such secured creditors for the Meeting, and the attending of Meeting upon its commencement will be counted for the purpose of reckoning the quorum in terms of the Order.

Remote E-voting

Secured Creditors may cast their votes remotely, using an electronic voting system ("remote e-voting"). The remote e-voting period commences at 9:00 AM on Tuesday, 28th September 2021 and ends at 5:00 PM on Thursday, 30th September 2021. The remote e-voting module will be disabled by Kfintech for voting thereafter.

E-voting at the Meeting

The facility for voting through electronic voting system will also be made available at the Meeting ("Insta Poll") and secured creditors attending the Meeting who have not cast their vote(s) by remote e-voting will be able to vote at the Meeting through InstaPoll.

Facility to cast vote through Insta Poll will be made available on the video conferencing screen and will be activated once theInsta Poll is announced at the Meeting.

Secured creditors may click on the "Thumb sign" on the left-hand corner of the video screen to take them to the "Insta Poll" page.Secured creditors may click on the "Insta Poll" icon to reach the resolution page and vote on the resolutions.

The manner of e-voting by Secured creditors is provided in the instructions given below:

A. *Information and instructions relating to e-voting are as under:*

(i) The secured creditors who have cast their vote(s) by remote e-voting may also attend the Meeting but shall not be entitled to cast their vote(s) again at the Meeting. Once the vote on a resolution is cast by an secured creditor, whether partially or otherwise, the secured creditor shall not be allowed to change it subsequently or cast the vote again.

(ii) A secured creditor can opt for only single mode of voting per EVEN, i.e., through remote e-voting or voting at the Meeting (Insta Poll). If an secured creditor casts vote(s) by both modes, then voting done through remote e-voting shallprevail and vote(s) cast at the Meeting shall be treated as "INVALID".

(iii) On the voting page, you may cast your vote seeking the appropriate option (i.e. "FOR" or "AGAINST") and click on 'SUBMIT'. You may also choose to "ABSTAIN" and vote will not be counted under either head.

(iv) In case any of the secured creditors do not cast their vote, then it will be treated as they have abstained themselves from voting.

(v) Voting has to be done for each item of the Notice separately.

(vi) A confirmation box will be displayed. Click "OK" to confirm, else "CANCEL" to modify.

(vii) Once you confirm, you will not be allowed to modify your vote.

(viii) The Applicant Company has opted to provide the same electronic voting system at the Meeting, as used during remote e-voting, and the said facility shall be operational till all the resolutions proposed in the Notice are considered and voted upon at the Meeting and may be used for voting only by such secured creditors whose names appear in the statutory auditor's certificate certifying the list of secured creditors of the Applicant Company as on Friday, 24th September 2021, who are attending the Meeting and who have not already cast their vote(s) through remote e-voting.

B. *Information and Instructions for remote e-voting:*

(i) In case an secured creditor receives an e-mail from the Applicant Company / Kfintech (for secured creditors whose e-mail addresses are available/registered with the Applicant Company):

a. Launch internet browser by typing the URL: https://evoting.kfintech.com

b. Enter the login credentials (User ID and password given in the e-mail).

c. After entering these details appropriately, click on "LOGIN".

d. You will now reach password change menu wherein you are required to mandatorily change your password uponlogging in for the first time. The new password shall comprise minimum 8 characters with at least one upper case(A-Z), one lower case (a-z), one numeric (0-9) and a special character (@,#,$,etc.). The system will prompt you tochange your password and update your contact details like mobile number, email ID, etc., on first login. You mayalso enter a secret question and answer of your choice to retrieve your password in case you forget it. It is stronglyrecommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.

e. You need to login again with the new credentials.

f. On successful login, the system will prompt you to select the E-Voting Event Number (EVEN) for Sterlite Grid 4 Limited.

g. On the voting page, you may cast your vote seeking the appropriate option (i.e. "FOR" or "AGAINST") and click on 'SUBMIT'. You may also choose to "ABSTAIN" and vote will not be counted under either head.

h. A confirmation box will be displayed. Click "OK" to confirm, else "CANCEL" to modify.

i. Once you confirm, you will not be allowed to modify your vote.

j. In case any of the creditors do not cast their vote, then it will be treated as they have abstained themselves from voting.

k. During the voting period, you can login multiple times till you have confirmed that you have voted on the resolution.

l. Body corporates are required to send legible scanned certified true copy (in PDF Format) of the board resolution/ power of attorney / authority letter, etc., together with attested specimen signature(s) of the duly authorized representative(s), to the scrutinizer at e-mail id: kuldeep.ruchandani@kprc.co.in from their registered email address with a copy marked to secretarial.grid@sterlite.com , no later than 48 hours before the scheduled time of the Meeting.It is also requested to upload the same in the e-voting module in their login.

(ii) *In case of an secured creditor whose e-mail address is not registered / updated with the Applicant Company, please follow the following steps to generate your login credentials:*

a. Secured creditors whose names appear in the list of secured creditors of the First Applicant Company as on Friday, 24th September 2021, who have not registered / updated their email addresses with the First Applicant Company, are requested to register / updatethe same by writing to secretarial.arid@sterlite.com with a copy to einward.ris@kfintech.com and attaching a self- attested copy of PAN card.

b. After due verification, the First Applicant Company / KFinTech will forward your login credentials to your registered email address.

c. Follow the instructions provided above to cast your vote.

Submission of Questions/ queries prior to the Meeting: Relevant secured creditors of the First Applicant Company desiring any additional information or having any question or query are requested to e-mail First Applicant Company at secretarial.arid@sterlite.com before the date of the Meeting so as to enable Applicant Company to keep the information ready. Alternatively, secured creditors may also visit https://evoting.kfintech.com and click on the tab "Post Your Queries Here" to post their queries/ views/questions in the window provided, by mentioning their name, corporate name (if applicable) and User ID. The window shall be activated from 1st September 2021 to 30th September 2021. Such questions by the secured creditors shall be taken up during the Meeting and replied to by the Applicant Company suitably.

Speaker Registration before the Meeting: In addition to the above, speaker registration may also be allowed during the period from 24th September 2021 to 29th September 2021. Secured creditors who wish to register as speakers during such period are requestedto visit https://evoting.kfintech.com/ and click on 'Speaker Registration' during this period. The secured creditors shall be provided with a 'queue number' before the Meeting. Secured creditors are requested to remember the same and wait for their turn to be called by the Chairperson of the Meeting during the question & answer session. Due to inherent limitation of transmission and coordination during the Meeting, the First Applicant Company may have to dispense with or curtail the question & answer session. Hence, secured creditors are encouraged to send their questions/queries etc., in advance as provided above.

While the First Applicant Company will be sending this Notice via e-mail at the last known addressesof the relevant secured creditors as is available with FirstApplicant Company, however, the secured creditors are requested to keep theiremail addresses validated/ updated with the First Applicant Company to enable servicing of Notice and other related communications (ifany) electronically to their email address in future.

In case of any query pertaining to e-voting, secured creditors may refer to the "Help" and "FAQs" sections / E-voting user manualavailable through a dropdown menu in the "Downloads" section of Kfintech's website for e-voting: https://evoting.kfintech.com orcall Kfintech on 1800 309 4001 (toll free).

Secured creditors are requested to also note the following contact details for addressing e-voting grievances:

KFin Technologies Private Limited
Limited Selenium Tower B,
Plot 31 - 32, Gachibowli,
Financial District,

Nanakramguda,
Hyderabad - 500 032

Toll free No. 1800 309 4001

E-mail: einward.ris@kfintech.com.

PROCEDURE FOR INSPECTION OF DOCUMENTS:

1. Documents for inspection as referred to in the Notice will be available electronically for inspection without any fee by the Secured Creditors from the date of circulation of this Notice up to the date of Meeting. Secured Creditors seeking to inspect such documents can write to the Company at secretarial.grid@sterlite.com.

2. Secured Creditors seeking any information with regard to the Scheme or the matter proposed to be considered at the Meeting, are requested to write to the Company at least 7 (seven) days before the date of the Meeting through email on secretarial.grid@sterlite.com . The same will be replied to by the Company, suitably.

3. Secured Creditors are requested to carefully read all the Notes set out herein and in particular, instructions for joining the Meeting and manner of casting vote through e-voting at the Meeting.

IN THE NATIONAL COMPANY LAW TRIBUNAL,
MUMBAI BENCH, AT MUMBAI
COMPANY APPLICATION (CAA) NO. 90/MB/2021

In the Matter of:
Sections 230 to 232 and other applicable provisions of the Companies Act, 2013, read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016

And

In the Matter of:
Scheme of Amalgamation of Sterlite Grid 4 Limited with Sterlite Power Transmission Limited and their respective shareholders

And

In the Matter of:
Sterlite Grid 4 Limited, CIN: U29253PN2015PLC199555, a company incorporated under the Companies Act, 2013 having its registered office at 4th Floor, Godrej Millennium, 9 Koregaon Road, Pune, Maharashtra-411001
..... First Applicant Company/Transferor Company / Company

STATEMENT UNDER SECTIONS 230 AND 232 READ WITH SECTION 102 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013 ("ACT") AND RULE 6 OF THE COMPANIES (COMPROMISES, ARRANGEMENTS AND AMALGAMATIONS) RULES, 2016 TO THE NOTICE FOR THE MEETING OF THE SECURED CREDITORS OF STERLITE GRID 4 LIMITED CONVENED AS PER THE DIRECTIONS OF THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL, MUMBAI BENCH ("TRIBUNAL") VIDE ITS ORDER DATED [•] ("TRIBUNAL ORDER")

1. In this Statement, Sterlite Grid 4 Limited is hereinafter also referred to as "Transferor Company" or "Company" and Sterlite Power Transmission Limited is also hereinafter referred to as "Transferee Company". Capitalized terms not defined herein and used in the Notice and this Statement shall have the same meaning as ascribed to them in the Scheme.

2. Pursuant to an Order dated 30th July 2021, passed by the Tribunal in the Company Application viz. Company Application (CAA) No. 90/MB/2021, referred to hereinabove, a meeting of the Secured Creditors is being convened and held through Video conferencing ("VC") or other audio-visual means ("OAVM") on Friday, 1st October at 11:00 a.m. for the purpose of considering and if thought fit, approving, with or without modification(s), the proposed Scheme of Amalgamation of Sterlite Grid 4 Limited with Sterlite Power Transmission Limited and their respective shareholders.

3. ***Rationale and benefits of the Scheme***

   The circumstances which justify and/or have necessitated the said Scheme and the benefits of the same are, *inter alia*, as follows:

For the purpose of carrying out construction of transmission system on Build Own Operate and Maintain ("BOOM") basis, the Transferee Company had incorporated the Transferor Company which submitted bids for power transmission projects and had acquired special purpose vehicles established for the aforesaid purpose. The Transferee Company is currently desirous of consolidating the assets and liabilities of the Transferor Company pursuant to amalgamation. The Scheme provides for the amalgamation of the Transferor Company with the Transferee Company and will result in the following benefits:

(a) Streamlining of the corporate structure and consolidation of assets and liabilities of the Transferor Company within the Transferee Company;

(b) More efficient utilization of capital for enhanced development and growth of the consolidated business in one entity;

(c) Easier implementation of corporate actions through simplified compliance structure;

(d) Improve management oversight and bring in operational efficiencies;

(e) Cost savings through legal entity rationalisation and consolidation of various functions, business processes, elimination of duplicate expenses, etc.;

(f) Reduction of administrative responsibilities, multiplicity of records and legal & regulatory compliances;

(g) Efficient servicing/repayment of overall external debt;

(h) Stronger balance sheet and net worth of the Transferee Company entails scope for better facilitation terms with existing and potential lenders to meet capital needs for business purposes; and

(i) The increased asset base of the Transferee Company would benefit all the stakeholders including the creditors of both Transferor Company and the Transferee Company, who would continue to be associated with the Transferee Company.

Thus, the amalgamation is in the interest of the shareholders, creditors and all other stakeholders of both the Transferor Company and the Transferee Company and is not prejudicial to or affecting the rights and interests of the concerned shareholders, creditors or the public at large.

4. Background of the Companies

(a) Particulars of the Company

(i) The Company was incorporated under the Act on 17th June 2015. The Corporate Identity Number of the Company is U29253PN2015PLC199555 and Permanent Account Number is AAVCS8805K.

(ii) The Company's registered office is situated at 4th Floor, Godrej Millennium, 9 Koregaon Road, Pune, Maharashtra. The Company's email address is secretarial.grid@sterlite.com.

(iii) The Company, directly or indirectly, through its subsidiaries, acts as a developer on BOOM basis, to bid, design, finance, construct, operate and maintain power transmission systems. The Company is a wholly owned subsidiary of the Transferee Company.

(iv) The main objects for which the Company was incorporated are set out in its Memorandum of Association which inter alia are as follows: -

"To carry on the business of manufacture, design, planning, building, development, engineering, erecting, marketing, import and export, purchase, sale, transfer, lease, assemble, install, commission, maintain, repair, operation, trading, transmission, investment, investigation, research, consultancy management of power transmission towers, antennae, transmitters, insulators, conductors and all kinds of equipments required in generation, transmission and storage of power and undertake turn-key contracts for erecting power distribution network, energy conversation projects and power houses plants and to carry on the business of generation, transmission, distribution, supply, storage, trade in power by conventional and nonconventional methods and to construct, establish, run power stations and to acquire or invest in companies/entities who are carrying out any of the aforesaid activities."

(v) The registered office clause of the Memorandum of Association of the Company was altered to change the registered office of the Company from the State of NCT of Delhi to the State of Maharashtra and the said alteration was approved by an order dated 3rd March 2021 issued by the Regional Director, Northern Region and a fresh certificate of incorporation dated 17th March 2021 was issued by the Registrar of Companies, Pune.

(vi) The shares of the Company are not listed on any stock exchanges.

(vii) The share capital structure of the Company as on 31st August 2021 is as follows:

Particulars	Amount in INR
Authorized share capital	
50,000 equity shares of INR 10 each	5,00,000
Total	**5,00,000**
Issued, subscribed and paid up share capital	
50,000 equity shares of INR 10 each	5,00,000
Total	**5,00,000**

(viii) The details of Directors of the Company as on 31st August 2021 along with their addresses are mentioned herein below:

Sr No.	Name of Director	Designation	Address
1.	Mr. A. R. Narayanaswamy*	Independent Director	A-12, Archana CHS, Juhu Versova Link Road, Near JVPD Bus Stop, Azad Nagar, Andheri (W), Mumbai, Maharashtra - 400 053
2.	Mr. Amarendranath Tatimakula Reddy	Director	(b) D-2/43, Golf Croft apartment, Plot no. 4, near Ashirwad Chowk, Sector-11, Dwarka, Sector 6 Delhi – 110075
3.	Mr. Amitabh Prasad	Director	D-4/4226, Vasant Kunj, near Fortis Hospital, Delhi – 110070

4.	Mr. Kamlesh Garg	Director	A3-202, Nandini apartment, near Shidhi Vinayak mandir, vesuabhva road, Abhva, Surat, Gujarat – 395007

*Appointed as an Additional Director on 4th August 2021

(b) Particulars of the Transferee Company

(i) The Transferee Company was incorporated under the Act on 5th May 2015. The Corporate Identity Number of the Transferee Company is U74120PN2015PLC156643 and Permanent Account Number is AAVCS7209P.

(ii) The Transferee Company's registered office is situated at 4th Floor, Godrej Millennium, 9 Koregaon Road, Pune, Maharashtra. The Transferee Company's email address is secretarial.grid@sterlite.com.

(iii) The Transferee Company is a leading integrated power transmission developer and solutions provider, primarily engaged in the business of bid, design, construct, own, operate and maintain power transmission systems by implementing the projects on Build Own Operate and Maintain ("BOOM") basis for concession periods ranging from 25 to 35 years; providing bespoke solutions to solve complex problems for power utilities by specializing in upgrading, uprating and strengthening power delivery networks; manufacture and supply of cutting edge products to enhance power transmission capabilities which mainly include power transmission conductors, optical ground wire cables and power cables; and entering into engineering, procurement and construction contracts.

(iv) The main objects for which the Transferee Company was incorporated are set out in its memorandum of association which *inter alia* are as follows: -

"1. To carry on the business of design, planning, building, development, engineering, erecting, marketing, import, export, purchase, sale, transfer, lease, assemble, install, commission, maintain, repair, operation, trading, transmission, manufacture, investment, investigation, research, contracting, sub-contracting, licensing, franchising, agency, execution, technical &education services, management, dealings related to, power transmission towers, antennae, transmitters, insulators, conductors, cables, wires and/or all kinds of equipment's, systems, apparatus, appliances or any other articles whether electronic, electric, mechanical, digital, telephonic, satellite, wireless required in, transmission, storage of power, electricity and/or undertake turnkey contracts, projects, arrangement for erecting power distribution network, energy conversation projects and/or to carry on the business of transmission, distribution, supply, storage, trade in power and/or electricity by conventional and/or nonconventional methods and/or to carry on all kinds of infrastructure projects including active/passive telecom infrastructure, maintenance of infrastructure of dark fibre through OPGW /cabling, right of way, duct Space and towers on lease / rent out basis and to acquire space for provision of co-location facilities for such infrastructure activities and to do all such ancillary, related or connected activities as may be considered necessary or beneficial or desirable for or along with any or all of the aforesaid purposes and/or to acquire or invest or form joint venture in companies/entities who are carrying out any of the aforesaid activities.

*2.*** To carry on the business of design, planning, building, development, engineering, erecting, marketing, import, export, purchase, sale, transfer, lease, assemble, install, commission, maintain, repair, operation, trading, transmission, manufacture, investment, investigation, research, consultancy management of power transmission towers, antennae, transmitters, insulators, conductors and all kinds of equipment required in generation, transmission and* *storage of power and undertake turnkey contracts for erecting power distribution network, energy conversation projects and power houses plants and to carry on the business of generation, transmission, distribution, supply, storage, trade in power by conventional and nonconventional methods and to construct, establish, run power stations.*

**** Inserted pursuant to approval of Scheme of Amalgamation of Sterlite Power Grid Ventures Limited with Sterlite Power Transmission Limited and their respective Shareholders by Hon'ble National Company Law Tribunal, Mumbai Bench from the effective date of merger i.e. November 15, 2020."*

(v) The shares of the Transferee Company are not listed on any stock exchanges.

(vi) The share capital structure of the Transferee Company as on 31st August 2021 is as follows:

Particulars	Amount in INR
Authorized share capital	
6,380,000,000 equity shares of INR 2 each	1276,00,00,000
470,000,000 Optionally Convertible Redeemable Preference Shares of INR 10 each	470,00,00,000
36,400,000 Redeemable Preference Shares of INR 2 each	7,28,00,000
Total	**1753,28,00,000**
Issued, subscribed and paid up share capital	
611,81,902 equity shares of INR 2 each	12,23,63,804
Total	**12,23,63,804**

(vii) The details of Directors of the Transferee Company as on 31st August 2021 along with their addresses are mentioned herein below:

Sr No.	Name of Director	Designation	Address
1.	Mr. Pravin Agarwal	Chairman	117, North Main road, Lane no. 4 Koregaon road, Pune, Maharashtra – 411001
2.	Mr. A. R. Narayanaswamy	Independent Director	A-12, Archana CHS, Juhu Versova Link Road, Near JVPD Bus Stop, Azad Nagar, Andheri (W), Mumbai, Maharashtra – 400 053
3.	Ms. Haixia Zhao	Independent Director	House 21, St. Thomas Walk #17-23, Singapore 238145
4.	Mr. Anoop Seth	Independent Director	220A, Hamilton Court, DLF City, Phase-4, Gurgaon Haryana - 122 009

5.	Mr. Pratik Pravin Agarwal	Managing Director	403-A, Samudra Mahal, Dr Annie Besant Road, Worli Mumbai, Maharashtra – 400018

5. **SALIENT FEATURES OF THE SCHEME**

The salient features of the Scheme are, *inter alia*, as stated below. The capitalized terms used herein shall have the same meaning as ascribed to them in Clause 1 of Part I of the Scheme:

(i) The Scheme is presented under Sections 230 to 232 and other applicable provisions of the Act, as may be applicable, for the amalgamation of the Company with the Transferee Company.

(ii) The Appointed Date of the Scheme shall mean opening business hours of 1 April 2020.

(iii) The Effective Date of the Scheme shall mean the last of the dates on which the conditions specified in Clause 17 of this Scheme are complied with or are waived by the Board of the Parties;

(iv) The Company is a wholly owned subsidiary of the Transferee Company and, therefore, there shall be no issue of shares as consideration for the amalgamation of the Company with the Transferee Company;

(v) The Scheme shall become effective from the Appointed Date but shall be operative from the Effective Date; and

(vi) The Scheme is conditional upon and subject to conditions precedent as mentioned in Clause 17 of the Scheme.

Note: The above are the salient features of the Scheme. The creditors are requested to read the entire text of the Scheme annexed hereto to get fully acquainted with the provisions thereof.

6. **RELATIONSHIP SUBSISTING BETWEEN PARTIES TO THE SCHEME**

The Company is a wholly owned subsidiary of the Transferee Company.

7. **BOARD APPROVALS**

(i) The Board of Directors of the Transferor Company at its Meeting held on 22nd March 2021 approved the Scheme, as given below:

Name of Director	Voted in favour/ against/ did not participate or vote
Mr. Amarendranath Tatimakula Reddy	In favour
Mr. Amitabh Prasad	In favour
Mr. Kamlesh Garg	In favour

(ii) The Board of Directors of the Transferee Company at its Meeting held on 22nd March 2021 unanimously approved the Scheme, as given below:

Name of Director	Voted in favour/ against/ did not participate or vote
Mr. Pravin Agarwal	Leave of absence
Mr. A. R. Narayanaswamy	In favour
Ms. Haixia Zhao	In favour
Mr. Anoop Seth	In favour
Mr. Pratik Pravin Agarwal	In favour

8. INTEREST OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND THEIR RELATIVES

Details of shares held by the present Directors and KMPs of the Company and the Transferee Company, either individually or jointly, as a first holder or second holder or as a nominee and by their relatives, in the respective companies, are as under:

(i) Company

Sl. No.	Name of the Director/ KMPs and relatives of directors and KMPs	Designation	Number of equity shares held as on 28th August 2021
1	Mr. Amarendranath Tatimakula Reddy	Non-Executive Director	1 share as nominee shareholder of SPTL
2	Mr. Amitabh Prasad	Non-Executive Director	1 share as nominee shareholder of SPTL

(ii) Transferee Company

Sl. No.	Name of the Director/ KMPs and relatives of directors and KMPs	Designation	Number of equity shares held as on 28th August 2021
1	Mr. Pravin Agarwal	Chairman	8,36,105
2	Mr. Pratik Pravin Agarwal	Managing Director	5,94,364
3	Ms. Jyoti Agarwal	Relative	10,000
4	Mr. Navin Kr. Agarwal	Relative	57,389
5	Mr. Ankit Agarwal	Relative	3,16,168
6	Ms. Sonakshi Agarwal	Relative	1,01,748
7	Master Reyansh Pratik Agarwal	Relative	44,524
8	Master Shaarav Pratik Agarwal	Relative	44,524

Save as aforesaid, none of the Directors and KMPs of the said companies and their relatives have any concern or interest in the Scheme.

9. EFFECT OF SCHEME ON STAKEHOLDERS

The effect of scheme on various stakeholders is summarised below:

(i) Equity Shareholders (promoter and non-promoter shareholders) and key managerial personnel

The effect of the Scheme on the equity shareholders (promoter and non-promoter shareholders) and key managerial personnel of the Company and the Transferee Company, is given in the reports adopted by the Board of Directors of the respective companies at their meetings held on 22nd March 2021, pursuant to the provisions of Section 232(2)(c) of the Act which are attached as Annexure 3A and Annexure 3B to this Statement.

(ii) Directors

Upon the Scheme becoming effective, the Directors of the Company will cease to be the Directors, as the Company will be dissolved without being wound up.

The Scheme will have no effect on the office of existing Directors of the Transferee Company. The Directors of the Transferee Company will continue to be Directors of the Transferee Company after the Scheme comes into effect. It is clarified that, the composition of the Board of Directors of the Company and the Transferee Company may change by appointments, retirements or resignations in accordance with the provisions of the Act but the Scheme itself does not affect the office of Directors of the Company and the Transferee Company.

The effect of the Scheme on Directors of the Company and the Transferee Company in their capacity as shareholders of the Company or the Transferee Company, respectively, is the same as in case of other shareholders of such companies.

(iii) Employees:

The Scheme will have no effect on the existing employees of the Transferee Company.

Upon the effectiveness of this Scheme and with effect from the Effective Date, all employees of the Transferor Company, if any, shall become employees of the Company, without any interruption in service and on terms and conditions no less favourable than those on which they are engaged by the Transferor Company.

(iv) Creditors, Debenture holders and Debenture Trustees

On the Scheme becoming effective, creditors and debenture holders of the Company will become creditors and debenture holders of the Transferee Company and there will be no reduction in their claims on account of the Scheme and will be paid in the ordinary course of business as and when their dues are payable. There is no likelihood that the creditors and debenture holders would be prejudiced in any manner as a result of the Scheme being sanctioned.

The proposed Scheme does not involve any compromise or arrangement with the creditors and debenture holders of the Transferee Company. Creditors and debenture holders of the Transferee Company will continue to be creditors and debenture holders on the same terms and conditions, as before. The rights of the creditors and debenture holders of the Transferee Company shall not be adversely affected by the Scheme.

There are no debenture trustees of the Transferee Company.

(v) Depositors and Deposit Trustees

The Company and the Transferee Company have not accepted any deposits within the meaning of the Act and rules framed thereunder. Hence, no deposit trustees have been appointed.

10. **CAPITAL/ DEBT RESTRUCTURING**

The Scheme does not contain or provide for capital/ debt restructuring. The Scheme as proposed will not in any manner adversely or prejudicially affect the rights of any creditors of the Company and the Transferee Company or contemplate any compromise or arrangement with the creditors of the Company and the Transferee Company.

11. No investigation proceedings are pending under the provisions of the Act or under the provisions of the Companies Act, 1956 in respect of any of the companies involved in the Scheme.

12. A copy of the Scheme has been filed by the Company with the Registrar of Companies, Mumbai.

13. Standalone audited financial statements of the Company and Transferee Company for the period ended 31st March 2021 are attached as Annexure 2A and Annexure 2B respectively, to this Statement.

14. In compliance with the provisions of Section 232(2)(c) of the Act, the Board of Directors of the Company and Transferee Company in their respective meetings held on 22nd March 2021, respectively, have adopted a report, *inter-alia,* explaining the effect of the Scheme on each class of shareholders, key managerial personnel, promoter and non-promoter shareholders amongst others. Copy of the reports adopted by the respective Board of Directors of the Company and Transferee Company are attached to this Statement as Annexure 3A and 3B respectively.

15. **Auditors certificate of conformity of accounting treatment in the Scheme with Accounting Standards**

The Auditors of the Transferee Company have confirmed that the accounting treatment specified in the Scheme is in conformity with the accounting standards prescribed under Section 133 of the Act.

16. **Amounts due to Unsecured Creditors**

As on 31st July 2021, the amounts due to Unsecured Creditors of the Company and the Transferee Company are as follows:

Sr. No.	Particulars	INR
1.	Unsecured creditors of the transferee Company	281,87,42,907
2.	Unsecured creditors of the transferor Company	7,20,000

17. **Details of approvals, sanctions and no objections for the Scheme**

In addition to the approval of the Tribunal, the Company and/ or the Transferee Company will obtain such necessary approvals/ sanctions/no objection(s) from the regulatory or other governmental authorities in respect of the Scheme in accordance with law, as may be required.

18. **Inspection of Documents**

In addition to the documents annexed hereto, the following documents will be available electronically for inspection without any fee by the Secured Creditors from the date of circulation of this Notice up to the date of Meeting. Secured Creditors seeking to inspect such documents can write to the Company at secretarial.grid@sterlite.com, on all days (except public holidays) during business hours:

(a) Certified copy of the Order dated 30th July 2021 passed by the National Company Law Tribunal, Mumbai Bench in Company Application viz. Company Application (CAA) No.

90/MB/2021;

(b) Copy of the Scheme;

(c) Memorandum and Articles of Association of the Company and the Transferee Company;

(d) Audited financial statements of the Company and the Transferee Company for the financial year ended 31st March 2021; and

(e) Certificate issued by the statutory auditor of the Transferee Company confirming that the accounting treatment specified under the Scheme is in is in conformity with the Accounting Standards prescribed under Section 133 of the Companies Act, 2013.

Based on the above and considering the rationale and benefits, in the opinion of the Board, the Scheme will be of advantage to, beneficial and in the interest of the Company, its shareholders, creditors and other stakeholders and the terms thereof are fair and reasonable.

The Board of Directors of the Company commends the Scheme for approval of the creditors.

For Sterlite Grid 4 Limited

Sachin Khandelwal
Chairperson appointed for the Meeting

Place: New Delhi
Date: 31st August 2021

Registered Office:
4th Floor, Godrej Millennium, 9 Koregaon Road, Pune, Maharashtra-411001
CIN: U29253PN2015PLC199565
Phone: +91 11 4996 2200
E-mail: secretarial.grid@sterlite.com

Annexure 1

INITIALED FOR IDENTIFICATION
BY
S R B C & CO LLP

SCHEME OF AMALGAMATION

OF

STERLITE GRID 4 LIMITED

WITH

STERLITE POWER TRANSMISSION LIMITED

AND

AND THEIR RESPECTIVE SHAREHOLDERS

UNDER SECTIONS 230 TO 232 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013

STERLITE POWER TRANSMISSION LIMITED

STERLITE GRID 4 LIMITED

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(A) PREAMBLE

This scheme of amalgamation provides for the amalgamation of Sterlite Grid 4 Limited with Corporate Identity Number U29253PN2015PLC199555 (hereinafter referred to as "Transferor Company") with Sterlite Power Transmission Limited with Corporate Identity Number U74120PN2015PLC156643 (hereinafter referred to as "Transferee Company") and their respective shareholders ("Scheme") and is presented under Sections 230 to 232 and other applicable provisions of the Act (*as defined hereinafter*) read with Sections 2(1B) of the Income Tax Act (*as defined hereinafter*). This Scheme also provides for various other matters consequential thereto or otherwise integrally connected therewith.

(B) DESCRIPTION OF COMPANIES

1. The Transferee Company is a public company incorporated under the provisions of the Act. The Transferee Company, is a leading integrated power transmission developer and solutions provider, primarily engaged in the business of bid, design, construct, own, operate and maintain power transmission systems by implementing the projects on Build Own Operate and Maintain ("BOOM") basis for concession periods ranging from 25 to 35 years; providing bespoke solutions to solve complex problems for power utilities by specializing in upgrading, uprating and strengthening power delivery networks; manufacture and supply of cutting edge products to enhance power transmission capabilities which mainly include power transmission conductors, optical ground wire cables and power cables; and entering into engineering, procurement and construction contracts.

2. The Transferor Company is a public company incorporated under the provisions of the Act. The Transferor Company, directly or indirectly, through its subsidiaries, acts as a developer on BOOM basis, to bid, design, finance, construct, operate and maintain power transmission systems. The Transferor Company is a wholly owned subsidiary of the Transferee Company.

(C) RATIONALE OF THE SCHEME

For the purpose of carrying out construction of transmission system on BOOM basis, the Transferee Company had incorporated the Transferor Company which submitted bids for power transmission projects and had acquired special purpose vehicles established for the aforesaid purpose. The Transferee Company is currently desirous of consolidating the assets and liabilities of the Transferor Company pursuant to amalgamation. The Scheme provides for the amalgamation of the Transferor Company with the Transferee Company and will result in the following benefits:

(a) Streamlining of the corporate structure and consolidation of assets and liabilities of the Transferor Company within the Transferee Company;

(b) More efficient utilization of capital for enhanced development and growth of the consolidated business in one entity;

(c) Easier implementation of corporate actions through simplified compliance structure;

(d) Improve management oversight and bring in operational efficiencies;

(e) Cost savings through legal entity rationalisation and consolidation of various functions, business processes, elimination of duplicate expenses, etc.;

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(f) Reduction of administrative responsibilities, multiplicity of records and legal & regulatory compliances;

(g) Efficient servicing/repayment of overall external debt;

(h) Stronger balance sheet and net worth of the Transferee Company entails scope for better facilitation terms with existing and potential lenders to meet capital needs for business purposes; and

(i) The increased asset base of the Transferee Company would benefit all the stakeholders including the creditors of both Transferor Company and the Transferee Company, who would continue to be associated with the Transferee Company.

Thus, the amalgamation is in the interest of the shareholders, creditors and all other stakeholders of both the Transferor Company and the Transferee Company and is not prejudicial to or affecting the rights and interests of the concerned shareholders, creditors or the public at large.

(D) PARTS OF THE SCHEME

The Scheme is divided into the following parts:

1. PART I deals with the definitions, interpretations and share capital of the Parties (*as defined hereinafter*);

2. PART II deals with amalgamation of the Transferor Company with the Transferee Company; and

3. PART III deals with the general terms and conditions applicable to this Scheme.

PART I

DEFINITIONS, SHARE CAPITAL AND DATE OF TAKING EFFECT AND IMPLEMENTATION OF THIS SCHEME

1. DEFINITIONS

1.1 In this Scheme, (i) capitalised terms defined by inclusion in quotations and/ or parenthesis shall have the meanings so ascribed; and (ii) the following expressions shall have the meanings ascribed hereunder:

"Act" means the Companies Act, 2013;

"Applicable Law" or "Law" means any applicable national, foreign, provincial, local or other law including applicable provisions of all (a) constitutions, decrees, treaties, statutes, laws (including the common law), codes, notifications, rules, regulations, policies, guidelines, circulars, directions, directives, ordinances or orders of any Appropriate Authority, statutory authority, court, tribunal; (b) Permits; and (c) orders, decisions, injunctions, judgments, awards and decrees of or agreements with any Appropriate Authority having jurisdiction over the Parties as may be in force from time to time;

"Appointed Date" means opening business hours of 1 April 2020 or such other date as may be approved by the Board of the Parties;

"Appropriate Authority" means:

(a) the government of any jurisdiction (including any central, state, municipal or local government or administrative subdivision thereof) and any department, ministry, agency, instrumentality, court, central bank, commission or other authority thereof;

(b) any public international organisation or supranational body and its institutions, departments, agencies and instrumentalities; and

(c) any governmental, quasi-governmental or private body or agency lawfully exercising, or entitled to exercise, any administrative, executive, judicial, legislative, regulatory, licensing, competition, tax, importing or other governmental or quasi-governmental authority including (without limitation) the RBI, and the Tribunal (as defined hereinafter).

"Board" in relation to the Party, means the board of directors of such Party, and shall include a committee of directors or any person authorized by such board of directors or such committee of directors duly constituted and authorized for the matters pertaining to this Scheme or any other matter relating hereto;

"Effective Date" means the day on which last of the conditions specified in Clause 27 of this Scheme are complied with or otherwise duly waived.

Reference in this Scheme to the date of "coming into effect of this Scheme" or "effectiveness of this Scheme" or "effect of this Scheme" or "upon the Scheme becoming effective" shall mean the Effective Date;

"Encumbrance" means (a) any charge, lien (statutory or other), or mortgage, any easement, encroachment, right of way, right of first refusal or other encumbrance or security interest securing any obligation of any Person; (b) pre-emption right, option, right to acquire, right to set off or other third party right or claim of any kind, including any restriction on use, voting, transfer, receipt of income or exercise; or (c) any hypothecation, title retention, restriction, power of sale or other preferential arrangement; or (d) any agreement to create any of the above; and the term "Encumber" shall be construed accordingly;

"Income Tax Act" means the Income-tax Act, 1961;

"INR" means Indian Rupee, the lawful currency of the Republic of India;

"Parties" means collectively the Transferor Company and the Transferee Company and "Party" shall mean each of them, individually;

"Permits" means all consents, licences, permits, certificates, permissions, authorisations, clarifications, approvals, clearances, confirmations, declarations, waivers, exemptions, registrations, filings, no objections, whether governmental, statutory, regulatory or otherwise as required under Applicable Law;

"Person" means an individual, a partnership, a corporation, a limited liability partnership, a limited liability company, an association, a joint stock company, a trust, a joint venture, an unincorporated organization or an Appropriate Authority;

"RoC" means the relevant jurisdictional Registrar of Companies having jurisdiction over Parties;

"Scheme" or "this Scheme" means this scheme of amalgamation as modified from time to time;

"Tax Laws" means all Applicable Laws dealing with Taxes including but not limited to income-tax, wealth tax, sales tax / value added tax, service tax, goods and service tax, excise duty, customs duty or any other levy of similar nature;

"Taxation" or "Tax" or "Taxes" means all forms of taxes and statutory, governmental, state, provincial, local governmental or municipal impositions, duties, contributions and levies, whether levied by reference to income, profits, book profits, gains, net wealth, asset values, turnover, added value, goods and services or otherwise and shall further include payments in respect of or on account of Tax, whether by way of deduction at source, collection at source, dividend distribution tax, advance tax, minimum alternate tax, goods and services tax or otherwise or attributable directly or primarily to any of the Parties or any other Person and all penalties, charges, costs and interest relating thereto;

"Transferee Company" means Sterlite Power Transmission Limited, a company incorporated under the provisions of the Act, having Corporate Identity Number U74120PN2015PLC156643 and its registered office at 4th Floor, Godrej Millennium, 9 Koregaon Road, Pune, Maharashtra - 411001;

"Transferor Company" means Sterlite Grid 4 Limited, a company incorporated under the provisions of the Act, having Corporate Identity Number U29253PN2015PLC195655 and its registered office at 4th Floor, Godrej Millennium, 9 Koregaon Road, Pune, Maharashtra – 411001; and

"Tribunal" means the Mumbai bench of the National Company Law Tribunal having jurisdiction over the Parties.

1.2 In this Scheme, unless the context otherwise requires:

1.2.1 words denoting the singular shall include the plural and vice versa;

1.2.2 any Person includes that Person's legal heirs, administrators, executors, liquidators, successors, successors-in-interest and permitted assigns, as the case may be;

1.2.3 headings, sub-headings, titles, sub-titles to clauses, sub-clauses and paragraphs are for information and convenience only and shall be ignored in construing the same; and

1.2.4 the words "include" and "including" are to be construed without limitation.

2. SHARE CAPITAL

2.1 The share capital structure of the Transferor Company as on 19 March 2021 is as follows:

Particulars	Amount in INR
Authorised share capital	
50,000 equity shares of INR 10 each	5,00,000
Total	5,00,000

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Particulars	Amount in INR
Issued, subscribed and paid up share capital	
50,000 equity shares of INR 10 each	5,00,000
Total	5,00,000

Subsequent to the aforesaid date, there has been no change in the authorised, issued, subscribed and paid-up share capital of the Transferor Company until the date of approval of the Scheme by the Board of the Transferor Company.

2.2 The share capital structure of the Transferee Company as on 19 March 2021 is as follows:

Particulars	Amount in INR
Authorised share capital	
6,380,000,000 equity shares of INR 2 each	1276,00,00,000
470,000,000 Optionally Convertible Redeemable Preference Shares of INR 10 each	470,00,00,000
36,400,000 Redeemable Preference Shares of INR 2 each	7,28,00,000
Total	1753,28,00,000
Issued, subscribed and paid up share capital	
611,81,902 equity shares of INR 2 each	12,23,63,804
Total	12,23,63,804

Subsequent to the aforesaid date, there has been no change in the authorised, issued, subscribed and paid-up share capital of the Transferee Company until the date of approval of the Scheme by the Board of the Transferee Company.

3. DATE OF TAKING EFFECT AND IMPLEMENTATION OF THIS SCHEME

3.1 This Scheme in its present form or with any modification(s), as may be approved or imposed or directed by the Tribunal or made as per Clause 16 of this Scheme, shall become effective from the Appointed Date but shall be operative from the Effective Date.

PART II

AMALGAMATION OF THE TRANSFEROR COMPANY WITH THE TRANSFEREE COMPANY

4. AMALGAMATION AND VESTING OF ASSETS AND LIABILITIES AND ENTIRE BUSINESS OF THE TRANSFEROR COMPANY

4.1 Upon effectiveness of this Scheme and with effect from the Appointed Date and in accordance with the provisions of this Scheme and pursuant to Sections 230 to 232 and other applicable provisions of the Act and Section 2(1B) of the Income Tax Act, the Transferor Company shall stand transferred to and vested in the Transferee Company as a going concern and accordingly, all assets, Permits, contracts, liabilities, loan, debentures, duties and obligations of the Transferor Company shall, without any further act, instrument or deed, stand transferred to and vested in or be deemed to have been transferred to and vested in the Transferee Company, so as to become as and from the Appointed Date, the assets, Permits, contracts, liabilities, loan, debentures, duties and obligations of the Transferee Company by virtue of operation of law, and in the manner provided in this Scheme.

4.2 Upon effectiveness of this Scheme and with effect from the Appointed Date, without prejudice to the generality of the provisions of Clause 4.1 above, the manner of transfer and vesting of assets and liabilities of the Transferor Company under this Scheme, is as follows:

4.2.1 In respect of such of the assets and properties of the Transferor Company which are movable in nature (including but not limited to all intangible assets, brands, trademarks of the Transferor Company, whether registered or unregistered trademarks along with all rights of commercial nature including attached goodwill, title, interest, labels and brand registrations, copyrights trademarks and all such other industrial and intellectual property rights of whatsoever nature) or are otherwise capable of transfer by delivery or possession or by endorsement, shall stand transferred upon the Scheme coming into effect and shall, *ipso facto* and without any other order to this effect, become the assets and properties of the Transferee Company without requiring any deed or instrument of conveyance for transfer of the same. The vesting pursuant to this sub-clause shall be deemed to have occurred by physical or constructive delivery or by endorsement and delivery or by vesting and recordal, pursuant to this Scheme, as appropriate to the property being vested, and title to the property shall be deemed to have been transferred accordingly;

4.2.2 With respect to the assets of the Transferor Company, other than those referred to in Clause 4.2.1 above, including all rights, title and interests in the agreements (including agreements for lease or license of the properties), investments in shares, mutual funds, bonds and any other securities, sundry debtors, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, with Government, semi-Government, local and other authorities and bodies, customers and other persons, whether or not the same is held in the name of the Transferor Company shall, without any further act, instrument or deed, be transferred to and vested in and/ or be deemed to be transferred to and vested in the Transferee Company, with effect from the Appointed Date, by operation of law as transmission or as the case may be in favour of Transferee Company;

4.2.3 All debts, liabilities, duties and obligations (debentures, bonds, notes or other debt securities) of the Transferor Company shall, without any further act, instrument or deed be transferred to, and vested in, and/ or deemed to have been transferred to, and vested in, the Transferee Company, so as to become on and from the Appointed Date, the debts, liabilities, duties and obligations of the Transferee Company on the same terms and conditions as were applicable to the Transferor Company, and it shall not be necessary to obtain the consent of any Person who is a party to contract or arrangement by virtue of which such liabilities have arisen in order to give effect to the provisions of this Clause 4. For the avoidance of doubt:

(a) All the liabilities of the Transferor Company incurred, or which arise or accrue on or after the Appointed Date till the Effective Date shall be deemed to be and shall become the liabilities of the Transferee Company upon the coming into effect of this Scheme.

(b) Where any such liability of the Transferor Company has been discharged by it on or after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to be for and on account of the Transferee Company upon the coming into effect of this Scheme.

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(c) All liabilities incurred or undertaken by the Transferor Company on or after the Appointed Date and prior to the Effective Date shall be deemed to have been incurred or undertaken for and on behalf of the Transferee Company and to the extent they are outstanding on the Effective Date, shall, upon the coming into effect of this Scheme and under the provisions of Sections 230 to 232 of the Act, without any further act, instrument or deed be and stand transferred to and vested in and be deemed to have been transferred to and vested in the Transferee Company and shall become the liabilities of the Transferee Company.

(d) The loans, advances and other obligations (including any guarantees, letters of credit, letters of comfort or any other instrument or arrangement which may give rise to a liability including a contingent liability in whatever form), if any, due on the Effective Date between the Transferor Company and the Transferee Company shall automatically stand discharged and come to an end and there shall be no liability in that behalf on either the Transferor Company or the Transferee Company and the appropriate effect shall be given in the books of accounts and records of the Transferee Company.

4.2.4 On and from the Effective Date and till such time that the name of the bank accounts and the dematerialized accounts of the Transferor Company has been replaced with that of the Transferee Company, the Transferee Company shall be entitled to maintain and operate the bank accounts and the dematerialized accounts of the Transferor Company in the name of the Transferor Company and for such time as may be determined to be necessary by the Transferee Company. All cheques, delivery instruction slips, pledge forms and other negotiable instruments, payment orders received or presented for encashment which are in the name of the Transferor Company after the Effective Date shall be accepted by the bankers / depository participant of the Transferee Company and credited to the account of the Transferee Company, if presented by the Transferee Company;

4.2.5 Unless otherwise agreed between the Parties, the vesting of all the assets of the Transferor Company, as aforesaid, shall be along with the Encumbrances, if any, over or in respect of any of the assets or any part thereof, provided however that such Encumbrances shall be confined only to the relevant assets of the Transferor Company or part thereof on or over which they are subsisting prior to the amalgamation of the Transferor Company with the Transferee Company, and no such Encumbrances shall extend over or apply to any other asset(s) of the Transferee Company.

4.2.6 Unless otherwise stated in this Scheme, all Permits, including the benefits attached thereto of the Transferor Company, shall be transferred to the Transferee Company from the Appointed Date, without any further act, instrument or deed and shall be appropriately mutated or endorsed by the Appropriate Authorities concerned therewith in favour of the Transferee Company as if the same were originally given by, issued to or executed in favour of the Transferee Company and the Transferee Company shall be bound by the terms, obligations and duties thereunder, and the rights and benefits under the same shall be available to the Transferee Company to carry on the operations of the Transferor Company without any hindrance, whatsoever;

4.2.7 Without prejudice to the provisions as stated above, all trade and service names and marks, patents, copyrights, designs, goodwill which includes the positive reputation that the Transferor Company were enjoying to retain its clients, statutory licenses, infrastructural advantages, overall increase in market share, customer base, skilled employees, business claims, business information, business contracts, trade style and name, marketing and distribution channels, marketing or other commercial rights, customer relationship, trade secrets, information on consumption pattern or habits of the consumers in the territory, technical know-how and other intellectual property rights of any nature whatsoever, books, records, files, papers, engineering and process information, software licenses (whether proprietary or otherwise), drawings, computer programs, manuals, data, catalogues, quotations, sales and advertising material, lists of present and former customers and suppliers, other customer information, customer credit information, customer pricing information and all other records and documents, whether in physical or electronic form relating to business activities and operations of the Transferor Company shall be transferred to the Transferee Company from the Appointed Date, without any further act, instrument or deed;

4.2.8 All contracts where the Transferor Company is a party, shall stand transferred to and vested in the Transferee Company pursuant to this Scheme becoming effective. The absence of any formal amendment which may be required by a third party to effect such transfer and vesting shall not affect the operation of the foregoing sentence. The Transferee Company shall, wherever necessary, enter into and/or execute deeds, writings, confirmations or novations to all such contracts, if necessary, in order to give formal effect to the provisions of this Clause.

Provided that, upon this Scheme coming into effect, all inter-company transactions including loans, contracts executed or entered into by or *inter se* between the Parties, if any, shall stand cancelled with effect from the Effective Date and neither the Transferor Company and/or Transferee Company shall have any obligation or liability against the other party in relation thereto.

4.3 Without prejudice to the provisions of the foregoing sub-clauses of Clause 4.2, the Parties may execute any and all instruments or documents and do all acts, deeds and things as may be required, including filing of necessary particulars and/ or modification(s) of charge, necessary applications, notices, intimations or letters with any Appropriate Authority or Person to give effect to the Scheme. Any procedural requirements required to be fulfilled solely by the Transferor Company, shall be fulfilled by the Transferee Company as if it were the duly constituted attorney of the Transferor Company. The Transferee Company shall take such actions as may be necessary and permissible to get the assets, Permits and contracts of the Transferor Company transferred and/ or registered in its name.

5. EMPLOYEES

5.1 Upon the effectiveness of this Scheme and with effect from the Effective Date, all employees of the Transferor Company shall become employees of the Transferee Company, without any interruption in service, all employees of the Transferor Company on terms and conditions no less favourable than those on which they are engaged by the Transferor Company. The Transferee Company undertakes to continue to abide by any agreement/ settlement or arrangement, if any, entered into or deemed to have been entered into by the Transferor Company with any Persons in relation to the employees of the Transferor Company. The Transferee Company agrees that the services of all such employees with the Transferor

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Company prior to the transfer shall be taken into account for the purposes of all existing benefits to which the said employees may be eligible, including for the purpose of payment of any retrenchment compensation, gratuity and other retiral/ terminal benefits.

5.2 The accumulated balances, if any, standing to the credit of the aforesaid employees in the existing provident fund, gratuity fund and superannuation fund of which they are members, will be transferred respectively to such provident fund, gratuity fund and superannuation funds nominated by the Transferee Company and/ or such new provident fund, gratuity fund and superannuation fund to be established in accordance with Applicable Law and caused to be recognized by the Appropriate Authorities, by the Transferee Company.

6. LEGAL PROCEEDINGS

Upon the coming into effect of this Scheme, if any suit, cause of action, appeal or other legal, quasi-judicial, arbitral or other administrative proceedings of whatsoever nature by or against the Transferor Company pending on the Effective Date, the same shall not abate, be discontinued or be in any way prejudicially affected by anything contained in this Scheme, but such proceedings of the Transferor Company may be continued, prosecuted and enforced by or against the Transferee Company in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against the Transferor Company as if this Scheme had not been made. On and from the Effective Date, the Transferee Company may initiate any legal proceeding for and on behalf of the Transferor Company. In case of any litigation, suits, recovery proceedings which are to be initiated or may be initiated against the Transferor Company, the Transferee Company shall be made party thereto and any payment and expenses made thereto shall be the liability of Transferee Company.

7. TAXES/ DUTIES/ CESS

Upon the effectiveness of the Scheme and with effect from Appointed Date, by operation of law pursuant to the order of the Tribunal:

7.1 All the profits or income taxes (including advance tax, tax deducted at source, tax collected at source, foreign tax credits, dividend distribution tax, minimum alternate tax credit, all input credit balances (including but not limited to CENVAT/MODVAT, sales tax, applicable excise and customs duties, SGST, IGST and CGST credits under the goods and service tax laws) or any costs, charges, expenditure accruing to the Transferor Company in India and abroad or expenditure or losses arising or incurred or suffered by the Transferor Company shall for all purpose be treated and be deemed to be and accrue as the profits, taxes (namely advance tax, Tax deducted at source, Tax collected at source, dividend distribution tax & foreign tax credits), tax losses, minimum alternate tax credit, dividend distribution tax credit, income costs, charges, expenditure or losses of the Transferee Company, as the case may be, notwithstanding that certificates or challans for withholding tax/advance tax are in the name of the Transferor Company and not in the name of the Transferee Company and the Transferee Company shall be entitled to claim credit, refund or adjustment for the same as may be applicable.

7.2 If the Transferor Company is entitled to any benefits under incentive schemes and policies under Tax Laws, all such benefits under all such incentive schemes and policies shall be available and stand vested in the Transferee Company.

7.3 Upon the Scheme becoming effective, the Transferee Company shall have the right to revise its financial statements and returns along with prescribed forms, filings and annexures under

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the Tax Laws and to claim tax benefits, refunds and/or credit for Taxes paid and for matters incidental thereto, if required, to give effect to the provisions of the Scheme and in accordance with the relevant provisions of the Income Tax Act. The Transferee Company is expressly permitted to revise and file its income tax returns and other statutory returns, even beyond the due date, if required, including tax deducted/ collected at source returns, service tax returns, excise tax returns, sales tax/ value added tax/ goods and service tax returns, as may be applicable and has expressly reserved the right to make such provision in its returns and to claim refunds, advance tax credits, credit of tax deducted at source, credit of foreign Taxes paid/withheld, etc. if any, as may be required for the purposes of implementation of the Scheme.

7.4 It is hereby clarified that in case of any refunds, benefits, incentives, grants, subsidies, etc., the Transferor Company, shall, if so required by the Transferee Company, issue notices in such form as the Transferee Company may deem fit and proper stating that pursuant to the Tribunal having sanctioned this Scheme under Sections 230 to 232 of the Act, the relevant refund, benefit, incentive, grant, subsidies, be paid or made good or held on account of the Transferee Company, as the Person entitled thereto, to the end and intent that the right of the Transferor Company, to recover or realise the same, stands transferred to the Transferee Company.

7.5 The provisions of this Scheme as they relate to the merger of the Transferor Company with the Transferee Company has been drawn up to comply with the conditions relating to 'amalgamation' as defined under Section 2(1B) of the Income Tax Act. If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of Section 1(1B) of the Income Tax Act, at a later date including resulting from an amendment of law or for any other reason whatsoever, the provisions of the Section 2(1B) of the Income Tax Act, shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with Section 2(1B) of the Income Tax Act. Such modification will, however, not affect the other parts of the Scheme.

8. CONSIDERATION

8.1 The Transferor Company is a wholly owned subsidiary of the Transferee Company and therefore there shall be no issue of shares as consideration for the amalgamation of the Transferor Company with the Transferee Company.

8.2 Upon the Scheme becoming effective, all equity shares of the Transferor Company held by the Transferee Company along with its nominees, shall stand cancelled without any further application, act or deed.

9. ACCOUNTING TREATMENT IN THE BOOKS OF TRANSFEREE COMPANY

9.1 Notwithstanding anything else contained in the Scheme, upon sanction the Scheme, the Transferee Company shall account for the Scheme in its books of accounts in accordance with Indian Accounting Standards notified under Section 133 of the Act, under the Companies (Indian Accounting Standard) Rules, 2015, as may be amended from time to time (Ind AS), and the date of such accounting treatment would be in accordance with the applicable Ind AS:

9.1.1 The Transferee Company shall recognise the assets (including investment in equity shares held by Transferor Company in its subsidiaries) and liabilities of the Transferor Company at fair value with corresponding de-recognition of the investment in equity shares of Transferor Company held by Transferee Company;

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9.1.2 Pursuant to the amalgamation of the Transferor Company with the Transferee Company, the inter-company balances between the Transferee Company and the Transferor Company, if any, appearing in the books of the Transferee Company shall stand cancelled and there shall be no further obligation in that behalf;

9.1.3 The Fair Value through Other Comprehensive Income ('FVOCI') reserve in the books of the Transferee Company pertaining to its investment in equity shares of the Transferor company, in excess of fair value gain / loss on investment in equity shares of the subsidiaries of the Transferor Company recognised by the Transferee Company on amalgamation as per clause 9.1.1 above shall be re-classified to retained earnings in the financial statements of the Transferee Company;

9.1.4 For accounting purpose, the Scheme will be given effect from the date when all substantial conditions for the transfer of assets and liabilities are completed.

10. COMBINATION OF AUTHORISED SHARE CAPITAL

10.1 Upon the Scheme becoming effective, the authorised equity share capital of the Transferee Company shall stand increased without any further act, instrument or deed on the part of Transferee Company including payment of stamp duty and fees to RoC, by the authorised share capital of the Transferor Company amounting to INR 5,00,000 (Rupees Five Lakh only), and the Memorandum of Association and Articles of Association of the Transferee Company (relating to the authorized share capital) shall, without any further act, instrument or deed, be and stand altered, modified and amended, and the consent of the shareholders of the Transferee Company to the Scheme shall be deemed to be sufficient for the purposes of effecting this amendment, and no further resolution(s) under the applicable provisions of the Act would be required to be separately passed, as the case may be, and for this purpose the stamp duty and fees paid on the authorized capital of the Transferor Company shall be utilized and applied to the increased authorized share capital of the Transferee Company and there would be no requirement for any further payment of stamp duty and/or fee by the Transferee Company for increase in the authorised share capital to that extent.

10.2 Consequentially, Clause 5th of the Memorandum of Association of the Transferee Company shall without any act, instrument or deed be and stand altered, modified and amended, to reflect the increased combined authorised share capital as per Clause 10.1 above, pursuant to Sections 13, 14, 61, 64, and other applicable provisions of the Act. The revised authorized share capital of the Transferee Company would be as follows:

Particulars	Amount in INR
Authorised share capital	
6,380,250,000 equity shares of INR 2 each	1276,05,00,000
470,000,000 Optionally Convertible Redeemable Preference Shares of INR 10	470,00,00,000
36,400,000 Redeemable Preference Shares of INR 2 each	7,28,00,000
Total	1753,33,00,000

10.3 It is clarified that the approval of the Tribunal to the Scheme shall be deemed to be consent/ approval of the shareholders of the Transferee Company also to the alteration of the Memorandum and Articles of Association of the Transferee Company as may be required under the Act.

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11. **DISSOLUTION OF THE TRANSFEROR COMPANY**

On the Scheme becoming effective, the Transferor Company shall stand dissolved without winding up and the Board and any committees thereof of the Transferor Company shall without any further act, instrument or deed be and stand discharged. On and from the Effective Date, the name of the Transferor Company shall be struck off from the records of the concerned RoC.

PART III

GENERAL TERMS & CONDITIONS

12. **VALIDITY OF EXISTING RESOLUTIONS, ETC.**

Upon this Scheme coming into effect, the resolutions/ power of attorneys executed by the Transferor Company, as are considered necessary by the Board of the Transferee Company, and that are valid and subsisting on the Effective Date, shall continue to be valid and subsisting and be considered as resolutions and power of attorney passed/ executed by the Transferee Company, and if any such resolutions have any monetary limits approved under the provisions of the Act, or any other applicable statutory provisions, then such limits as are considered necessary by the Board of the Transferee Company shall be added to the limits, if any, under like resolutions passed by the Transferee Company and shall constitute the new aggregate limits for each of the subject matters covered under such resolutions/power of attorneys for the purpose of the Transferee Company.

13. **BUSINESS UNTIL EFFECTIVE DATE**

13.1 With effect from the Appointed Date and until the Effective Date:

13.1.1 The Transferor Company shall carry on and be deemed to have carried on its businesses and activities and shall hold and stand possessed of and be deemed to have held and stood possessed of all its assets for and on account of and in trust for the Transferee Company;

13.1.2 The Transferor Company shall carry on its business and activities with due diligence and business prudence and shall not, without the prior written consent of the Transferee Company, charge, mortgage, Encumber or otherwise deal with or alienate its assets or any part thereof, nor incur, accept or acknowledge any debt, obligation or any liability or incur any major expenditure, except as is necessary in the ordinary course of its business;

13.1.3 All profits or income accruing or arising to the Transferor Company or expenditure or losses arising or incurred by the Transferor Company (including Taxes, if any, accruing or paid in relation to any profits or income) shall, for all purposes, be deemed to have accrued as the profits or income or expenditure or losses, as the case may be, of the Transferee Company;

13.1.4 The Transferee Company shall be entitled, pending the sanction of the Scheme, to apply to the Appropriate Authorities concerned as necessary under Applicable Law for such consents, approvals and sanctions which the Transferee Company may respectively require to carry on the relevant business of the Transferor Company and to give effect to the Scheme.

14. SAVING OF CONCLUDED TRANSACTIONS

The vesting of the undertaking of the Transferor Company as above and the continuance of proceedings by or against the Transferor Company shall not affect any transaction or proceedings already concluded on or after the Appointed Date till the Effective Date in accordance with this Scheme, to the end and intent that the Transferee Company accepts and adopts all acts, deeds and things done and executed by the Transferor Company in respect thereto as done and executed on behalf of the Transferee Company.

15. APPLICATIONS/PETITIONS TO TRIBUNAL

15.1 The Parties shall make joint applications and petitions under Sections 230 to 232 and other applicable provisions of the Act before the Tribunal, for sanction of this Scheme under the provisions of the Act.

16. MODIFICATION OR AMENDMENTS TO THIS SCHEME

16.1 The Board of the Parties may make any modifications or amendments to this Scheme at any time and for any reason whatsoever, or which may otherwise be considered necessary, desirable or appropriate. The Board of the Parties may consent to any conditions or limitations that the Tribunal or any other Appropriate Authority may impose.

16.2 For the purposes of giving effect to this Scheme, the Board may give such directions including directions for settling any question or difficulty that may arise and such directions shall be binding as if the same were specifically incorporated in this Scheme.

17. CONDITIONS PRECEDENT

17.1 Unless otherwise decided (or waived) by the relevant Parties, the Scheme is conditional upon and subject to the following conditions precedent:

17.1.1 the sanctions and orders of the Tribunal, under Sections 230 to 232 of the Act for approving the Scheme, being obtained by the Parties;

17.1.2 approval of the Scheme by the requisite majority of the shareholders and/ or creditors of Parties or as may be directed by the Tribunal;

17.1.3 the certified copies of the order of the Tribunal approving the Scheme being filed with the RoC by the Parties; and

17.1.4 the requisite consent, approval or permission of Appropriate Authority which by Applicable Law or contract, agreement may be necessary for the implementation of this Scheme.

18. WITHDRAWAL OF THIS SCHEME AND NON-RECEIPT OF APPROVALS

18.1 Parties, acting jointly, shall be at liberty to withdraw the Scheme, any time before the Scheme is effective.

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18.2 In the event of withdrawal of the Scheme under Clause 18.1 above, no rights and liabilities whatsoever shall accrue to or be incurred *inter se* the Parties or their respective shareholders or creditors or employees or any other Person.

18.3 In the event of any of the requisite sanctions and approvals not being obtained on or before such date as may be agreed amongst the Parties, this Scheme shall become null and void and in that event no rights and liabilities whatsoever shall accrue to or be incurred *inter se* the Parties or their shareholders or creditors or employees or any other Person in terms of this Scheme. In such an event, each Party shall bear and pay its respective costs, charges and expenses for and/ or in connection with this Scheme.

19. COSTS AND EXPENSES

The Transferee Company shall bear the costs, charges and expenses (including stamp duty, if any), in connection with this Scheme, arising out of or incurred in carrying out and implementing this Scheme and matters incidental thereto.

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INDEPENDENT AUDITOR'S REPORT

To the Members of Sterlite Grid 4 Limited

Report on the audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Sterlite Grid 4 Limited ("the Company"), which comprise the Balance sheet as at March 31, 2021, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the 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 financial statements give the information required by the Companies Act, 2013, as amended ("the Act"), in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

Other Information

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

Our opinion on the 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

The director's report is not made available to us as at the date of this auditor's report. We have nothing to report in this regard.

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Responsibility of Management for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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 Financial Statements

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

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- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:

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

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

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

   (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

   (e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act

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(f) With respect to the adequacy of the internal financial controls with reference to financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

(g) The provisions of section 197 read with Schedule V of the Act are not applicable to the Company for the year ended March 31, 2021;

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

i. The Company does not have any pending litigations which would impact its financial position;

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

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

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

per Paul Alvares
Partner
Membership Number: 105754
UDIN: 21105754AAAADG6511
Place of Signature: Pune
Date: June 12, 2021

For KNPS & Associates
Chartered Accountants
ICAI Firm Registration No: 024073N

per Kumar Nagmani
Partner
Membership Number: 506310
UDIN: 21506310AAAAEQ8184
Place of Signature: Gurugram
Date: June 12, 2021

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

Re: Sterlite Grid 4 Limited (the "Company")

i. The Company did not have any property, plant and equipment and immovable properties during the year and accordingly, the requirements under clause 3(i)(a), (b) and (c) of the Order are not applicable to the Company.

ii. The Company's business does not involve inventories and accordingly, the requirements under paragraph 3(ii) of the Order are not applicable to the Company.

iii. According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii)(a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.

iv. In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities granted in respect of which provisions of section 185 and 186 of the Companies Act, 2013 are applicable and hence not commented upon.

v. The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.

vi. To the best of our knowledge and as explained, the cost records prescribed by the Central Government under Section 148(1) of the Companies Act, 2013, are not applicable to the Company for the year ended March 31, 2021.

vii a. The Company is regular in depositing with appropriate authorities undisputed statutory dues including income-tax and other material statutory dues applicable to it. The Company did not have any statutory dues towards goods and service tax, provident fund, employees' state insurance.

b. According to the information and explanations given to us, no undisputed amounts payable in respect of income-tax and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

c. According to the information and explanations given to us, there are no dues of income tax and goods and service tax which have not been deposited on account of any dispute.

viii. The Company did not have any outstanding loans or borrowing dues in respect of a financial institution or bank or to government or dues to debenture holders during the year.

ix. The Company has not raised any monies by way of initial public offer/ further public offer/ debt instruments or term loans during the year. Therefore, the provisions of

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Gurugram- 122102

clause 3(ix) of the Order are not applicable to the Company and hence not commented upon.

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

xi. According to the information and explanations given by the management, the provisions of section 197 read with Schedule V of the Act are not applicable to the Company and hence reporting under clause 3(xi) are not applicable and hence not commented upon.

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

xiii. According to the information and explanations given by the management, transactions with the related parties are in compliance with section 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards. The provisions of section 177 are not applicable to the Company and accordingly reporting under clause 3(xiii) insofar as it relates to section 177 of the Act is not applicable to the Company and hence not commented upon.

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

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

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

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

per Paul Alvares
Partner
Membership Number: 105754
UDIN: 21105754AAAADG6511
Place of Signature: Pune
Date: June 12, 2021

For KNPS & Associates
Chartered Accountants
ICAI Firm Registration No: 024073N

per Kumar Nagmani
Partner
Membership Number: 506310
UDIN: 21506310AAAAEQ8184
Place of Signature: Gurugram
Date: June 12, 2021

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Chartered Accountants
Ground floor, Tower C Unit 1,
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Annexure 2 referred to in paragraph 2(f) under the heading "Report on Other Legal and Regulatory requirements" of our report of even date

Report on the Internal financial controls under clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 ("the Act").

We have audited the internal financial controls with reference to financial statements of Sterlite Grid 4 Limited ("the Company") as of March 31, 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's responsibility for internal financial controls

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

Auditor's responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing as specified under section 143(10) of the 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 the Institute of Chartered Accountants of India. 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 financial statements was established and maintained and if such controls operated effectively in all material respects.

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

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

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Meaning of internal financial controls with reference to financial statements

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

Inherent limitations of internal financial controls with reference to financial statements

Because of the inherent limitations of internal financial controls with reference to 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 financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

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

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

per Paul Alvares
Partner
Membership Number: 105754
UDIN: 21105754AAAADG6511
Place of Signature: Pune
Date: June 12, 2021

For KNPS & Associates
Chartered Accountants
ICAI Firm Registration No: 024073N

per Kumar Nagmani
Partner
Membership Number: 506310
UDIN: 21506310AAAAEQ8184
Place of Signature: Gurugram
Date: June 12, 2021

STERLITE GRID 4 LIMITED
BALANCE SHEET AS ON 31 MARCH 2021
(All amounts in Rs. million unless otherwise stated)

	Notes	31 March 2021 (Rs. in million)	31 March 2020 (Rs. in million)
ASSETS			
Non-current assets			
Financial assets			
Investments	3	-	3,815.84
		-	3,815.84
Current assets			
Financial assets			
i. Loans	4	3,023.16	3,492.42
ii. Cash and cash equivalents	5	3,037.80	8.17
iii. Bank balances other than (ii) above	5	1,301.75	-
iv. Other financial assets	6	231.10	0.81
Other current assets	7	4.41	0.04
Non-current assets classified as assets held for sale	3	840.70	-
		8,887.26	7,[illegible]
Total Assets		8,887.26	11,[illegible]
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	8	0.30	0.30
Other Equity			
Retained earnings	9	6,246.52	(913.81)
Other reserves	9	200.00	-
		6,446.82	(913.51)
Current liabilities			
Financial liabilities			
i. Short term Borrowings	10	2,009.76	12,121.01
ii. Other financial liabilities	11	26.42	0.45
Current tax liability (net of advance tax and tds)		341.16	-
Other current liabilities	12	73.10	0.04
		2,440.44	12,121.50
Total Equity and Liabilities		8,887.26	11,207.99
Summary of significant accounting policies	2.2		

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

As per our report of even date

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

per Paul Alvares
Partner
Membership Number: 105754
Place: Pune
Date: 12 June 2021

For KNPS & Associates
Firm Registration No: 024872N
Chartered Accountants

per [illegible]
Partner
Membership Number: [illegible]
Place: Gurugram
Date: 12 June 2021

For and on behalf of the Board of Directors of
Sterlite Grid 4 Limited

Amarendranath Reddy Tathireddy
Director
DIN: 07167298
Place: New Delhi
Date: 12 June 2021

Ashutosh Prasad
Director
DIN: [illegible]
Place: New Delhi
Date: 12 June 2021

STERLITE GRID 4 LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2021
(All amounts in Rs. million unless otherwise stated)

	Notes	31 March 2021 (Rs. in million)	31 March 2020 (Rs. in million)
Income			
Other income	13	10,712.07	-
Total income		10,712.07	-
Expenses			
Other expenses	14	31.26	306.9[illegible]
Total expenses		31.26	306.9[illegible]
Earning before interest, tax, depreciation and amortization (EBITDA)		10,680.81	(306.97)
Depreciation and amortization expense			
Finance costs	15	552.40	0.01
Finance income	16	(8.25)	(0.00)*
Profit/(Loss) before tax		10,1[illegible]	(306.96)
Tax expense:			
Current tax	17	2,726.15	-
Total tax expense		2,726.15	-
Profit/(Loss) for the year		7,422.51	(306.95)
Other comprehensive income			
Other comprehensive income to be reclassified to profit or loss		-	-
Other comprehensive income not to be reclassified to profit or loss		-	-
Total comprehensive income/ (loss) for the year, net of tax		7,421.93	(306.95)
*Amount less than Rs. 0.01 million			
Earnings per equity share			
Basic and diluted (Rupees per share)	18	1,48,[illegible]	(6,139.11)
Computed on the basis of profit for the year			
Summary of significant accounting policies	2.2		

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

As per our report of even date

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

per Paul Alvares
Partner
Membership Number: 105754
Place: Pune
Date: 12 June 2021

For KNAV & Associates
Firm Registration No. [illegible]
Chartered Accountants

per Kumar [illegible]
Partner
Membership Number: [illegible]
Place: Gurugram
Date: 12 June 2021

For and on behalf of the Board of Directors of
Sterlite Grid 4 Limited

[illegible] Reddy [illegible]
Director
DIN: [illegible]
Place: New Delhi
Date: 12 June 2021

[illegible] Prasad
Director
DIN: [illegible]
Place: New Delhi
Date: 12 June 2021

STERLITE GRID 4 LIMITED
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2021
(All amounts in Rs. million unless otherwise stated)

A. Equity Share Capital

	No. in million	Rs. in million
Equity Shares of Rs 10 each, issued, subscribed and fully paid up		
Balance as at 01 April 2019	0.05	0.50
Changes in equity share capital during the year	-	-
Balance as at 31 March 2020	0.05	0.50
Changes in equity share capital during the year	-	-
Balance as at 31 March 2021	0.05	0.50

B. Other equity

	Debenture Redemption Reserve (Rs. in million)	Retained earnings (Rs. in million)	Total (Rs. in million)
As at 01 April 2019	-	(606.55)	(606.55)
Loss for the year	-	(306.96)	(306.96)
Other comprehensive income	-	-	-
Total comprehensive loss	-	(306.96)	(306.96)
As at 31 March 2020	-	(913.51)	(913.51)
Profit for the year	-	7,439.83	7,439.83
Other comprehensive income	-	-	-
Total comprehensive income	-	7,439.83	7,439.83
Transferred from Retained earnings	[illegible]	[illegible]	-
As at 31 March 2021	[illegible]	[illegible]	[illegible]

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

As per our report of even date

For S R B C & CO LLP
Firm Registration No.: [illegible]
Chartered Accountants

per Paul Alvares
Partner
Membership Number: [illegible]
Place: Pune
Date: 12 June 2021

For KNPS & Associates
Firm Registration No.: [illegible]
Chartered Accountants

per Kumar Nagpal
Partner
Membership Number: [illegible]
Place: Gurugram
Date: 12 June 2021

For and on behalf of the Board of Directors of
Sterlite Grid 4 Limited

[illegible] Tatineni
Director
DIN: 07107390
Place: New Delhi
Date: 12 June 2021

Ashish Prasad
Director
DIN: [illegible]
Place: New Delhi
Date: 12 June 2021

STERLITE GRID 4 LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2021
(All amounts in Rs. million unless otherwise stated)

	31 March 2021 (Rs. in million)	31 March 2020 (Rs. in million)
A. Cash flow from operating activities		
Net Profit/(loss) as per statement of profit and loss	7,439.23	(306.96)
Adjustment for taxation	2,726.15	-
Profit/ (loss) before tax	10,165.38	(306.96)
Non cash adjustments for to reconcile profit/(loss) before tax to net cash flows:		
- Impairment of investment	-	306.47
Finance cost	332.49	-
Finance income	(8.29)	(0.00*)
Profit on sale of investment in subsidiaries	(10,712.07)	-
Operating loss before working capital changes	(21.84)	(0.49)
Movements in working capital:		
- Increase in other current financial liabilities	16.06	0.15
- Increase in other current liabilities	62.96	0.02
- Decrease in other financial assets	0.02	0.03
- (Increase) in other current assets	(4.08)	-
Change in working capital	74.96	0.20
Net Cash flow generated from/(used in) operations	53.10	(0.29)
B. Cash flow from investing activities		
Proceed from sale of investment in subsidiaries	19,834.09	-
Investment in equity share of subsidiary	(209.39)	(1,250.00)
Share application money pending allotment in subsidiary	-	(530.00)
Investment in equity shares Sterlite Bhawan Foundation	-	(0.00)*
ICD given to holding company	(678.33)	-
Investment in bank fixed deposits	(1,301.79)	-
Loan given to subsidiaries (net)	(2,007.68)	(1,026.51)
Finance income	6.44	0.00*
Direct taxes paid (net of refunds)	(1,384.88)	
Net cash flow generated from/(used in) investing activities (B)	13,277.43	(2,856.53)
C. Cash flow from financing activities		
Proceeds from issue of non-convertible debentures	1,972.31	-
Proceeds from long term Borrowings	11,000.00	-
Repayment of long term Borrowings	(11,000.00)	-
Finance cost	(465.24)	-
Proceeds/ (repayment) of short term borrowings from holding company (net)	(12,181.61)	2,855.82
Net cash flow generated (used in)/from financing activities (C)	(10,673.74)	2,855.82
Net increase/(decrease) in cash and cash equivalents (A + B + C)	2,637.19	(0.99)
Cash and cash equivalents as at beginning of the year	0.17	1.16
Cash and cash equivalents as at end of the year	2,637.36	0.17

*Amount less than Rs 0.01 million

Components of cash and cash equivalents		
Balances with banks on current accounts	1,067.36	0.17
Deposit with original maturity of less than 3 months	1,570.00	-
Total cash and cash equivalents (refer note 8)	2,637.36	0.17

STERLITE GRID 4 LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2021
(All amounts in Rs. million unless otherwise stated)

Reconciliation between opening and closing balances for liabilities arising from financing activities

Particulars	Long term borrowings	Short term borrowings
1 April 2019	-	9,325.19
Cash flow		
- Proceeds/(repayments)	-	2,855.82
31 March 2020	-	12,181.01
Cash flow		
- Interest	(207.81)	(87.44)
- Proceeds/(repayments)	-	(10,161.26)
Non-cash Changes		
-Interest expense on financial liability measured at amortised cost		47.24
-Interest accrual for the period	207.81	134.68
31 March 2021	-	2,019.76

Summary of significant accounting policies 2.2

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

As per our report of even date

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

per Paul Alvares
Partner
Membership Number: 105754
Place: Pune
Date: 12 June 2021

For KNPS & Associates
Firm Registration No. 025730N
Chartered Accountants

per [illegible]
Partner
Membership Number: 506110
Place: Gurugram
Date: 12 June 2021

For and on behalf of the Board of Directors of
Sterlite Grid 4 Limited

[illegible]
Director
DIN: 07107290
Place: New Delhi
Date: 12 June 2021

Ashok Prasad
Director
DIN: 08387962
Place: New Delhi
Date: 12 June 2021

1. Corporate information

Sterlite Grid 4 Limited ("the Company") is a wholly owned subsidiary of Sterlite Power Transmission Limited. The Company was incorporated under the provisions of the Companies Act, 2013 on 17 June 2015. The Company, directly or indirectly, through its subsidiaries, acts as a developer on Build Own Operate and Maintain ("BOOM") basis, for designing, financing, construction and maintenance of power transmission system. The registered office of the Company is located at 4th Floor, Godrej millennium, 9 Koregaon Road, Pune, Maharashtra-411001. The CIN of the Company is U29253DL2015PLC281090.

The financial Statements were authorised for issue in accordance with resolution passed by the Board of Directors of the Company on 12 June 2021.

2. Significant accounting policies

2.1 Basis of preparation

The financial statements of the Company have been prepared and presented in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015, (as amended from time to time), as notified under Section 133 of the Companies Act 2013 (the 'Act').

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

The financial statements are presented in Indian Rupees Million, except when otherwise indicated.

The financial statements are prepared at standalone level and no consolidated financial statements have been prepared as the holding Company of the Company prepares consolidated financial statement consolidating the Company including its subsidiary Company.

2.2 Summary of significant accounting policies

The following is the summary of significant accounting policies applied by the Company in preparing its financial statements:

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

All other assets are classified as non-current.

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

The Company classifies all other liabilities as non-current.

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

The Company has identified twelve months as its operating cycle.

b) Foreign currencies

The Company's financial statements are presented in INR, which is its functional currency. The Company does not have any foreign operation and has assessed the functional currency to be INR.

Transactions and balances
Transactions in foreign currencies are initially recorded by the Company at their respective 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 recognised in profit or loss

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions

c) Fair value measurement

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

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

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

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

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

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

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

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

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

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

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

External valuers are involved for valuation of significant assets such as property plant and equipments. Involvement of external valuers is decided by the management on a need basis and with relevant approvals. The valuers involved are selected based on criteria like market knowledge, reputation, independence and professional standards. The management decides after discussion with the external valuers, which valuation techniques and inputs to use for the valuation.

At each reporting date, the management analyses the movement of assets and liabilities which are required to be remeasured or reassessed as per the Company's accounting policies. For this analysis, the management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The management in conjunction with the external valuers also compares the change in fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above.

d) Interest income and dividend

Interest income
Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

Dividends
Income from dividend on investments is accrued in the year in which it is declared, whereby the Company's right to receive is established.

e) Taxation

Current income tax
Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the tax authorities. The tax rates and tax laws used to compute the amount are those that are enacted at the reporting date.

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

Deferred tax
Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

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

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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

Deferred tax relating to items recognised outside statement of profit or loss is recognised outside statement of profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

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

Goods and service taxes paid on acquisition of assets or on incurring expenses
Expenses and assets are recognised net of the amount of goods and service tax paid, except:

- When the tax incurred on a purchase of assets or services is not recoverable from the tax authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable
- When receivables and payables are stated with the amount of tax included

The net amount of tax recoverable from, or payable to, the tax authority is included as part of receivables or payables in the balance sheet.

f) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

g) Impairment of non-financial assets

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

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

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets are prepared for the entire project life.

Impairment losses of continuing operations are recognised in the statement of profit and loss, except for properties previously revalued with the revaluation surplus taken to OCI. For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation surplus.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

k) Provisions

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

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

l) Financial instruments

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

Financial assets

Initial recognition and measurement
All financial assets are recognised 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 the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market-place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement
For purposes of subsequent measurement, financial assets are classified in four categories:

i. Debt instruments at amortised cost
ii. Debt instruments at fair value through other comprehensive income (FVTOCI)
iii. Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
iv. Equity instruments measured at fair value through other comprehensive income (FVTOCI)

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

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

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by considering any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the statement of profit or loss. The losses arising from impairment are recognised in the statement of profit or loss.

Debt instrument at fair value through OCI (FVTOCI)
A 'debt instrument' is classified as 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 other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses and reversals and foreign exchange gain or loss in the statement of profit or loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to statement of profit or loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method. The Company does not have significant financial assets which are subsequently measured at FVTOCI.

Debt instrument at FVTPL
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 designate 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'). The Company has not designated any debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit or loss.

This category is generally applied to cash and short-term deposits.

Equity investments
All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to statement of profit or loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit or loss.

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

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

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets

Majority of the financial assets of the Company pertains to cash and cash equivalents. The Company does not foresee any credit risk on such financial assets which may cause an impairment.

Financial liabilities

Initial recognition and measurement
Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include borrowings and related costs and other payables.

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

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 recognised in the profit or loss.

The Company has not designated any financial liability as at fair value through profit and loss.

Loans and borrowings
After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit or loss.

This category generally applies to borrowings.

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

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

The following table shows various reclassification and how they are accounted for:

Original classification	Revised Classification	Accounting Treatment
Amortised Cost	FVTPL	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in statement of profit or loss.
FVTPL	Amortised Cost	Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on the new gross carrying amount.
Amortised cost	FVTOCI	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in OCI. No change in EIR due to reclassification.
FVTOCI	Amortised cost	Fair value at reclassification date becomes its new amortised cost carrying amount. However, cumulative gain or loss in OCI is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortised cost.
FVTPL	FVTOCI	Fair value at reclassification date becomes its new carrying amount. No other adjustment is required.
FVTOCI	FVTPL	Assets continue to be measured at fair value. Cumulative gain or loss previously recognised in OCI is reclassified to statement of profit or loss at the reclassification date.

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

j) Cash and cash equivalents

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

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

k) Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period.

Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

l) Investments in subsidiaries

The Company accounts for its investments in subsidiaries at cost less accumulated impairment losses (if any) in its separate financial statements. Investments accounted for at cost are accounted for in accordance with Ind AS 105, Non-current Assets Held for Sale and Discontinued Operations, when they are classified as held for sale.

m) Presentation of EBITDA

The Company has elected to present earnings before interest, tax, depreciation and amortisation (EBITDA) as a separate line item on the face of the statement of profit and loss. This is not required by the Ind AS 1. The EBITDA is not defined in the Ind AS. Ind AS compliant schedule III allows companies to present line items, sub line items and sub-totals to be presented as an addition or substitution on the face of the financial statements when such presentation is relevant to an understanding of the Company's financial position or performance.

Accordingly, the Company has elected to present earnings before interest, tax, depreciation and amortisation (EBITDA) as a separate line item on the face of the statement of profit and loss. The Company measures EBITDA on the basis of profit/ (loss) from continuing operations. In its measurement, the Company does not include depreciation and amortisation expense, finance income, finance costs and tax expense.

2.3 New and Amended standards

Several amendments apply for the first time in March 2021, but do not have an impact on the standalone financial statements of the Company.

- Amendments to Ind AS 116: Covid-19-Related Rent Concessions.
- Amendments to Ind AS 103 Business Combinations
- Amendments to Ind AS 1 and Ind AS 8: Definition of Material
- Amendments to Ind AS 107 and Ind AS 109: Interest Rate Benchmark Reform

STERLITE GRID 4 LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021
(All amounts in Rs. million unless otherwise stated)

Note 3: Investment in subsidiaries

	31 March 2021 (Rs. in million)	31 March 2020 (Rs. in million)
Non-Current		
Investment in subsidiary		
-Equity instruments (unquoted) (At cost)		
Gurgaon-Palwal Transmission Limited (refer note (i))		
[Nil equity shares (31 March 2020 : [illegible] million) of Rs. 10 each fully paid up]	-	504.11
Less: Impairment reversal/ (taken) of investment	-	176.18
Total	-	680.29
Khargone Transmission Limited		
(1.56 million equity shares (31 March 2020 : 1.56 million) of Rs. 10 each fully paid up)	-	212.12
Less: Impairment of investment	-	(212.12)
Total	-	-
NER-II Transmission Limited (refer note (ii))		
([illegible] million equity shares (31 March 2020 : [illegible] million) of Rs. 10 each fully paid up)	369.79	3,135.35
Less: Transferred to asset held for sale (refer note 22)	(369.79)	-
Total	-	3,135.35
Sterlite Electric Foundation		
1 equity share (31 March 2020: 1 No.) standard value of Rs. 10 each fully paid up	0.00*	0.00*
Total	0.00*	0.00*
Total	-	3,815.64

*Amount less than Rs. 0.01 million

Details of the subsidiaries and associates are as follows:

Name of subsidiary/associates	Country of Incorporation	Ownership Interest % 31 March 2021	Ownership Interest % 31 March 2020
Gurgaon-Palwal Transmission Limited	India	0%	100%
Khargone Transmission Limited	India	100%	100%
NER-II Transmission Limited	India	26%	100%

Note

(i) The Company has entered into share purchase agreements and shareholders' agreements dated 28 August 2020 ("the Agreements") with Gurgaon-Palwal Transmission Limited ("SPV"), Sterlite Power Transmission Limited ("SPTL") (together referred to as Selling Shareholders), Axis Trustee Services Limited (on behalf of and acting in its capacity as trustee to India Grid Trust) and IndiGrid Investment Managers Limited (in its capacity as investment manager of India Grid Trust) (the Buying Shareholder). Pursuant to the Agreements, the Company has transferred 49% of equity in the SPV and for transfer of the remaining 51% equity stake, the Company has received consideration in advance which is non-refundable. The remaining stake will be transferred to the Buying Shareholder on expiry of the respective mandatory shareholding period in the SPV. Under the agreement, the Company has also given the following rights to the Buying Shareholder:

a. Right to nominate all directors on the Board of directors of the SPV;
b. Right to direct the Selling Shareholders to vote according to its instructions in the AGM/EGM or any other meeting of shareholders of the SPV;
c. Irrevocable and unconditional call option to acquire the remaining 51% equity stake in the SPV at later date;
d. Pledge on the remaining 51% equity stake in the SPV;
e. Non-disposal undertaking from the Selling Shareholders for the remaining 51% equity stake in the SPV.

Basis the above rights and the fact that full non-refundable consideration has been received in advance by the Company from the Buying Shareholder, the SPV is considered as 100% subsidiary of the Buying Shareholder and gain of Rs. 231.8[illegible] million on sale of investment in SPV has been recognised in the Statement of Profit and Loss.

(ii) The Company has entered into a Share purchase agreement dated 05 March 2021, as amended on 25 March 2021 ("SPA") and Shareholders' agreement dated 25 March 2021 ("SHA") with IndiGrid Investment Managers Limited (formerly known as Sterlite Investment Managers Limited), being the Investment Manager of India Grid Trust ("IndiGrid") for the sale of NER II Transmission Limited ("NER").

Pursuant to the SPA, the Company has sold 49% of the paid-up equity shares of NER on 25 March 2021 for a consideration of Rs. [illegible] million. Further, under the SHA, the Company has also transferred control over majority of the Board of Directors of NER to IndiGrid. Also, the Company has received irrevocable advance consideration of Rs. 4,374.[illegible] million for further 25% paid up equity shares of NER and it has transferred such equity shares to an escrow account to be irrevocable held to be transferred eventually to IndiGrid after the expiry of period for mandatory shareholding by Sterlite Grid 4 Limited in NER as per the relevant Transmission Services Agreement. Under the SHA, the control over the voting power for the 25% equity shares is vested with IndiGrid and it has the right to instruct the Company to vote in accordance with its instructions in respect of the 26% equity shares in NER.

Basis the above, the Company has concluded that it has transferred control over NER to IndiGrid on 25 March 2021 and accordingly the investment of NER have been derecognised and a net gain of Rs. [illegible] million corresponding to the sale in substance of 74% equity stake in NER has been recognised in the statement of profit & loss account. Since substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset/group of similar identifiable assets, hence the sale of NER has been treated as sale of asset rather than sale of business. Accordingly, the remaining equity holding of 26% in NER as at March 31, 2021 has been classified as asset held for sale and carried at cost. There are certain conditions precedent ("CPs") specified in the SPA for transfer of the remaining 26% equity stake in NER which are pending to be completed till date.

Note 4: Loans (unsecured, considered good)

	31 March 2021 (Rs. in million)	31 March 2020 (Rs. in million)
Current		
Loan to subsidiaries* (refer note 21)	[illegible]	7,603.15
Less: Impairment of loan	-	(180.33)
Inter corporate deposit (ICD) to holding company (refer note 21)	618.33	-
Total	[illegible]	7,422.82

*Unsecured loan to subsidiary carries Nil (31 March 2020: Nil) rate of interest and is repayable on demand.

Note 5: Cash and cash equivalents

	31 March 2021 (Rs. in million)	31 March 2020 (Rs. in million)
Balance with banks on current accounts	1,007.34	0.17
Deposit with original maturity of less than 3 months	1,370.00	-
Total	2,377.34	0.17
Other bank balances		
Deposit with original maturity of less than 3 months*	31.73	-
Deposit with original maturity of more than 3 months but less than 12 months*	1,259.60	-
Total	1,291.33	-

*Lien marked with trustee of Non-convertible debentures (NCD)

Note [illegible]: Other financial assets (unsecured, considered good)

	31 March 2021 (Rs. in million)	31 March 2020 (Rs. in million)
Receivable from India Grid Trust for sale of investment in subsidiary	229.72	-
Interest accrued but not due on investment	1.41	-
Management fees receivable (refer note 21)	0.03	0.03
Total	231.16	0.03

Note 7: Other current assets

	31 March 2021 (Rs. in million)	31 March 2020 (Rs. in million)
Advance to supplier (unsecured, considered good)	0.17	0.04
Balance with government authorities	3.94	-
Total	4.11	0.04

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STERLITE GRID 4 LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021
(All amounts in Rs. million unless otherwise stated)

Note 8: Equity share capital

	31 March 2021 (Rs. in million)	31 March 2020 (Rs. in million)
Authorised shares		
0.05 million (31 March 2020: 0.05 million) equity shares of Rs.10 each	0.50	0.50
Issued, subscribed and fully paid-up shares		
0.05 million (31 March 2020: 0.05 million) equity shares of Rs.10 each	0.50	0.50
Total issued, subscribed and fully paid-up share capital	0.50	0.50

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

	31 March 2021		31 March 2020	
	Number of shares (in million)	Equity shares (in million)	Number of shares (in million)	Equity shares (in million)
Opening balance	0.05	0.50	0.05	0.50
Issued during the year	-	-	-	-
Closing balance	0.05	0.50	0.05	0.50

b. Terms/rights attached to equity shares
The Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders. The Company has not declared any dividend in current year (31 March 2020: Nil).

c. Shares held by holding/ ultimate holding company and/or their subsidiaries/associates

	31 March 2021		31 March 2020	
	No. in million	% holding	No. in million	% holding
Sterlite Power Transmission Limited (Immediate holding company)#	0.05	100%	0.05	100%

d. Details of shareholders holding more than 5% of shares in the company

	31 March 2021		31 March 2020	
	No. in million	% holding	No. in million	% holding
Sterlite Power Transmission Limited (Immediate holding company)#	0.05	100%	0.05	100%

Out of total 50,000 equity shares, 6 equity shares (31 March 2020 - 6 equity shares) are held by nominee shareholders.
The shareholding information is based on the legal ownership of shares and has been extracted from the records of the Company including register of shareholders / members.
#w.e.f 15 November 2020, erstwhile Sterlite Power Grid Ventures Limited ('SPGVL') has been merged with Sterlite Power Transmission Limited ('SPTL')

Note 9 : Other equity

	31 March 2021 (Rs. in million)	31 March 2020 (Rs. in million)
Retained Earnings		
Balance as per last financial statements	(913.51)	(406.55)
Add: Profit/(Loss) for the year	7,430.[illegible]	(506.96)
Less : Transfer to debenture redemption reserve	(200.00)	-
Closing balance	[illegible]	(913.51)
Debenture Redemption Reserve*		
Balance as per last financial statements	-	-
Add: Additions during the year	200.00	-
Closing balance	200.00	-

*The company has created debenture redemption reserve in compliance with section 71(4) of Companies Act, 2013

STERLITE GRID 4 LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021
(All amounts in Rs. million unless otherwise stated)

Note 10: Borrowings

	Current	
	31 March 2021 (Rs. in million)	31 March 2020 (Rs. in million)
a. Unsecured loan from holding company (refer note 21)	-	12,181.01
Debentures		
b. 10.25% Non-Convertible Debentures (Secured)	2,0[illegible].75	
Total	2,0[illegible].76	12,181.01

Notes:

a. Unsecured loan from holding company carries Nil (31 March 2020: Nil) rate of interest and is repayable on demand.

b. Non-Convertible Debentures (Secured)

The Non-Convertible Debentures (NCD's) are issued in the form of INR denominated, secured, unlisted, unrated, taxable, transferable, redeemable, non-convertible debt securities. NCD's carry coupon rate of 10.25% p.a. and shall be compounded, accrued, become due and payable in arrears, quarterly. The NCD's shall have a charge on the secured assets in accordance with provisions of Debenture trust deed and other debenture documents.

The outstanding amount shall be secured by :

1) A first charge over the mortgaged properties in terms of mortgage documents

2) A first charge by way of pledge of:

a) 100% equity share capital of the issuer, on a fully diluted basis and

b) 49% share capital of the project companies on a fully diluted basis.

in terms of respective deeds of confirmation [illegible] by the Debenture Trustee and the Pled [illegible]

3) A first ranking exclusive fixed charge by way of hypothecation over the issue proceeds account and the DSRA and such other Escrow Accounts

4) A first fixed charge by way of hypothecation over:

a) All the loans and advances provided by SPGVL (now merged with SPGL) or provided by SPGL to the Issuer, present and future;

b) All the current assets of the issuer, including all its receivables and unsecured loans and advances, provided by the issuer to Project SPVs, Khargone Transmission Limited and NER II Transmission Limited;

c) The Escrow accounts (present and future) the loan proceeds accounts opened/maintained by the issuer in terms of the applicable Escrow account agreement together with all amounts standing to the credit of each of the said Escrow accounts

5) Corporate guarantee provided by the Corporate Guarantor in favour of the Debenture Trustee in terms of the Corporate Guarantee

Since these NCD's are [illegible] period holding of 18 months from deemed date of allotment i.e. 7 December 2020, therefore it has been classified as short term borrowings.

Since these NCDs are having minimum holding period of 18 months from deemed date of allotment i.e. 22 December 2020, therefore it has been classified as short term borrowings.

Note 11: Other current financial liabilities

	31 March 2021 (Rs. in million)	31 March 2020 (Rs. in million)
Payable for land NOC	10.52	-
Others	16.01	0.46
Total	26.53	0.46

Note 12: Other current liabilities

	31 March 2021 (Rs. in million)	31 March 2020 (Rs. in million)
TDS payable	42.28	0.04
TCS payable	9.72	-
Total	52.00	0.04

Note 13: Other income

	31 March 2021 (Rs. in million)	31 March 2020 (Rs. in million)
Profit on sale of investment in Gurgaon - Palwal Transmission Limited (refer note 3(i))	232.01	-
Profit on sale of investment in NRSS-II Transmission Limited (refer note 3(ii))	[illegible]	-
Total	[illegible]	-

Note [illegible]: Other expenses

	31 March 2021 (Rs. in million)	31 March 2020 (Rs. in million)
Provision for impairment taken for value of investment in subsidiary	-	306.47
Rates and taxes	[illegible]	0.02
Payments to auditors		
- Statutory audit fees (excluding tax)	0.20	0.35
Legal and professional fees	20.28	[illegible]
Total	21.86	306.91

Note [illegible]: Finance cost

	31 March 2021 (Rs. in million)	31 March 2020 (Rs. in million)
Interest expense on financial liability measured at amortised cost	321.47	-
Other finance cost including bank charges	11.02	0.05
Total	332.49	0.05

Note 16: Finance income

	31 March 2021 (Rs. in million)	31 March 2020 (Rs. in million)
Interest on bank deposits	8.25	0.00*
Total	8.25	0.00*

*Amount less than Rs. 0.01 million

Note [illegible]: Current Tax

The major components of income tax expense for the years ended 31 March 2021 and 31 March 2020 are:

	31 March 2021 (Rs. in million)	31 March 2020 (Rs. in million)
Current income tax		
Current income tax charge	[illegible]	-
Income tax for earlier years	-	-
Income tax expense reported in the statement of profit or loss	2,726.15	-

Reconciliation of tax expense and the accounting profit/(loss) multiplied by India's domestic tax rate for 31 March 2021 and 31 March 2020:

	31 March 2021 (Rs. in million)	31 March 2020 (Rs. in million)
Accounting profit/(loss) before tax from continuing operations	[illegible]	[illegible]
At India's statutory income tax rate of 25.17% (31 March 2020: 25.17%)	2,558.57	[illegible]
Non-deductible expenses	139.45	77.15
Interest expense on income tax under section 234B and 234C	1.24	-
Others	26.88	0.21
At the effective income tax rate of 26.82% (31 March 2020: Nil)	2,726.15	-
Income tax expense reported in the statement of profit and loss	2,726.15	-

Note [illegible]: Earnings per share (EPS)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

The following reflects the profit/(loss) and share data used in the basic and diluted EPS computation:

	31 March 2021 (Rs. in million)	31 March 2020 (Rs. in million)
Profit/(Loss) after tax for calculating basic and diluted EPS	[illegible]	[illegible]
Weighted average number of equity shares in calculating basic and diluted EPS (No. million)	0.05	0.05
Earnings Per Share:		
Basic and Diluted (On Nominal Value of Rs. 10 Per Share) Rupees/share	[illegible]	[illegible]

STERLITE GRID 4 LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021
(All amounts in Rs. million unless otherwise stated)

Note 18: Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosures and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. During the year ended 31 March 2021 there were no judgements, estimates and assumptions made by the management that could result in outcomes requiring material adjustment to the carrying amount of assets or liabilities.

Impairment of non-financial assets
Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. For the purpose of assessment for impairment, the management has compared the carrying value of an asset or cash generating unit with its value in use. The value in use calculation is based on a DCF model. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and other assumptions.

Sale of Gurgaon-Palwal Transmission Limited
The Company has entered into share purchase agreement and shareholders' agreement dated 28 August 2020 ("the Agreements") with Gurgaon-Palwal Transmission Limited ("SPV"), Sterlite Power Transmission Limited ("SPTL") (together referred to as 'Selling Shareholders'), Axis Trustee Services Limited (on behalf of and acting in its capacity as trustee to India Grid Trust) and IndiGrid Investment Managers Limited (in its capacity as investment manager of India Grid Trust) ('the Buying Shareholder'). Pursuant to the Agreements, the Company has transferred 49% of equity in the SPV and for transfer of the remaining 51% equity stake, the Company has received consideration in advance which is non-refundable. The remaining stake will be transferred to the Buying Shareholder on expiry of the respective mandatory shareholding period in the SPV. Under the agreement, the Company has also given the following rights to the Buying Shareholder:

a. Right to nominate all directors on the Board of directors of the SPV;
b. Right to direct the Selling Shareholders to vote according to its instructions in the AGM/EGM or any other meeting of shareholders of the SPV;
c. Irrevocable and unconditional call option to acquire the remaining 51% equity stake in the SPV at [illegible];
d. Pledge on the remaining 51% equity stake in the SPV;
e. Non-disposal undertaking from the Selling Shareholders for the remaining 51% equity stake in the SPV.

Basis the above rights and the fact that full non-refundable consideration has been received in advance by the Company from the Buying Shareholder, the SPV is considered as 100% subsidiary of the Buying Shareholder.

Sale of NER-II Transmission Limited
The Company has entered into a Share purchase agreement dated 05 March 2021, as amended on 25 March 2021 ("SPA") and Shareholders' agreement dated 25 March 2021 ("SHA") with IndiGrid Investment Managers Limited (formerly known as IndiGrid Investment Managers Limited), being the Investment Manager of India Grid Trust ("IndiGrid"), for the sale of NER II Transmission Limited ("NER").

Pursuant to the SPA, the Company has sold 49% of the paid-up equity shares of NER on 25 March 2021 for a consideration of Rs. 8,378.70 million. Further, under the SHA, the Company has also transferred control over majority of the Board of Directors of NER to IndiGrid. Also, the Company has received irrevocable advance consideration of Rs. 4,376.89 million for further 26% paid up equity shares of NER and it has transferred such equity shares to an escrow account on an irrevocable basis to be transferred eventually to IndiGrid after the expiry of period for mandatory shareholding by Sterlite Grid 4 Limited in NER as per the relevant Transmission Service Agreement. Under the SPA, the control over the voting power for the 26% equity shares is vested with IndiGrid and it has the right to instruct the Company to vote in accordance with its instructions in respect of the 26% equity shares in NER.

Basis the above, the Company has concluded that it has transferred control over NER to IndiGrid on 25 March 2021 and accordingly the investment of NER have been derecognised and a net gain of Rs. 10,488.06 million corresponding to the sale in substance of 74% equity stake in NER has been recognised in the statement of profit & loss account. Since substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset/group of similar identifiable assets, hence the sale of NER has been treated as sale of asset rather than sale of business. Accordingly, the remaining equity holding of 26% in NER as at 31 March 2021 has been classified as [illegible] and carried at cost. There are certain conditions precedent ("CPs") specified in the SPA for transfer of the remaining 26% equity stake in NER which are pending to be completed till date.

Note 19: Key assumptions used for impairment evaluation

As required by Ind AS 36 - Impairment of Assets, on 31 March 2020 the Company has assessed the recoverability of the carrying amount of investments in subsidiaries. Sterlite Power Transmission Limited (SPTL) (the immediate holding company) had entered into framework agreement with India Grid Trust (IGIT) and Sterlite Investment Managers Limited (SIML) on 30 April 2019 to sale entire stake in the Khargone Transmission Limited (KTL) at predetermined value subject to commercial operation of the transmission line. The recoverable amount is lower by Rs. Nil (31 March 2020: Rs. 482.65 million). Therefore, the Company has recognised an impairment of investments Rs. Nil (31 March 2020: Rs. 352.12 million) and an impairment of loan given to KTL Rs. Nil (31 March 2020: Rs. 130.53 million). Valuation of the Companies is done by external expert.

STERLITE GRID 4 LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021
(All amounts in Rs. million unless otherwise stated)

Note 31: Related Party Disclosures

(A) Name of related party and nature of relationship

Related parties where control exists
a. Holding Company
Sterlite Power Transmission Limited — Immediate holding company
Twin Star Overseas Limited, Mauritius — Intermediate holding company
Volcan Investments Limited, Bahamas — Ultimate holding company

b. Subsidiaries
Khargone Transmission Limited
Gurgaon-Palwal Transmission Limited (Till 28 August 2020)
NER-II Transmission Limited (Till 24 March 2021)

c. Subsidiary of immediate holding company
[illegible]

(C) The transactions with related parties during the year and their outstanding balances are as follows:

(Rs. in million)

Particulars	Sterlite Power Transmission Limited#		Subsidiaries		[illegible]	
	1 April 2020 to 31 March 2021	1 April 2019 to 31 March 2020	1 April 2020 to 31 March 2021	1 April 2019 to 31 March 2020	1 April 2020 to 31 March 2021	1 April 2019 to 31 March 2020
Transactions during the year						
Conversion of loan into equity shares (including securities premium)	-	-	-	[illegible]	-	-
Unsecured loans taken (net)	[illegible]	[illegible]	-	-	-	-
Unsecured loans repaid	[illegible]	-	-	-	-	-
Inter-corporate deposit (ICD) given	671.33	-	-	-	-	-
Unsecured loans given	-	-	[illegible]	[illegible]	-	-
Repayment of unsecured loan given	-	-	-	-	-	-
Investment in equity shares including pending allotment	-	-	[illegible]	[illegible]	-	[illegible]*
Management fees income	-	-	-	-	-	-
Outstanding balances	31 March 2021	31 March 2020	31 March 2021	31 March 2020	31 March 2021	31 March 2020
Unsecured loan payable	-	[illegible]	-	-	-	-
Inter-corporate deposit (ICD) receivable	[illegible]	-	-	-	-	-
Unsecured loan receivable	-	-	[illegible]	[illegible]	-	-
Management fees receivable	-	-	[illegible]	[illegible]	-	-
Investment in equity shares including pending allotment^	-	-	-	[illegible]	0.00*	0.00*

*Amount less than Rs. 0.01 million
W.e.f. [illegible] 2020, erstwhile Sterlite Power Grid Ventures Limited (SPGVL) has been merged with Sterlite Power Transmission Limited (SPTL)
^ does not include asset classified as held for sale
Disclosure in respect of material related party transactions during the years

Particulars	Relationship	31 March 2021 (Rs. in million)	31 March 2020 (Rs. in million)
1 Conversion of loan into equity shares (including securities premium)			
NER-II Transmission Limited (Till 24 March 2021)	Subsidiary Company	-	[illegible]
2 Unsecured loan given			
Khargone Transmission Limited	Subsidiary Company	[illegible]	[illegible]
Gurgaon-Palwal Transmission Limited (Till 28 August 2020)	Subsidiary Company	[illegible]	[illegible]
NER-II Transmission Limited (Till 24 March 2021)	Subsidiary Company	[illegible]	[illegible]
3 Investment in Equity shares (including pending allotment)			
NER-II Transmission Limited (Till 24 March 2021)	Subsidiary Company	[illegible]	[illegible]

Note 22: Non-current assets classified as held for sale

Ind AS 105 Non Current Assets Held for Sale and Discontinued Operations requires a disposal group to be classified as held for sale if the carrying amount will be recovered principally through a sale transaction rather than through continuing use. For this to be the case, the disposal group must be available for immediate sale in its present condition and the sale must be highly probable. Based on the assessment performed by the management, it has been determined that balance 26% investment in NER-II Transmission Limited for Rs. [illegible] million should be disclosed as assets held for sale under Ind AS. Consequently the assets held for sale have been presented at its carrying value separately from the other assets in the balance sheet. (refer note 2(b)).

Note 23: Segment reporting

The Company acts as a developer on Build, Own, Operate and Maintain ("BOOM") basis, for designing, financing, construction and maintenance of power transmission systems in India. On review of all the relevant aspects including, in particular, the system of internal financial reporting to the Board of Directors which is the Chief Operating Decision Maker ("CODM") and considering the economic characteristics of the Company's operations, the Company is of the view that it operates in a single primary segment. The said treatment is in accordance with the guiding principles enunciated in Indian Accounting Standard 108 Operating Segment (Ind AS 108).

Note 24: Effect of COVID-19 Pandemic

The management has evaluated the impact of COVID-19 pandemic and lockdown imposed by the Government of India on the Company. The Company has undertaken projects to build, own, operate and maintain power transmission lines and substations ("power transmission infrastructure").

The Company has made an assessment of its liquidity for next one year and of the recoverability of investments, loans & advances and other assets and concluded there are no material adjustments required in such balances. Further, the management believes that it has considered all the internal and external information up to the date of approval of these Ind AS financial statements including communication from regulatory agencies and Long-Term Transmission Customers (LTTC's) in the assessment.

Further, though the Company has negative working capital and have been incurring losses, the management believes that there is no risk in the Company's ability to continue as going concern and meeting its liabilities as and when they fall due. Based on current estimates made by the management, the Company believes to have a short-term impact and no impact on readings upon in long term basis on its profitability, liquidity position and ability to service debt. The management will continue to monitor and assess impact of economic conditions arising due to COVID-19. The impact of COVID 19 may differ from that estimated at the date of approval of these Ind AS financial statements.

Note 25: Financial risk management objectives and policies

The Company's principal financial liabilities comprise borrowings and other financial liabilities. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include bank balances that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. All derivative activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. It is the Company's policy that no trading in derivatives for speculative purposes may be undertaken. The management reviews and agrees policies for managing each of these risks, which are summarised below.

The Risk Management policies of the Company are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

Management has overall responsibility for the establishment and oversight of the Company's risk management framework. In performing its operating, investing and financing activities, the Company is exposed to the Credit Risk, Liquidity Risk and Market risk.

(A) Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. As at 31 March 2021 and 31 March 2020, the Company did not have credit risk [illegible].

(B) Liquidity risk

Liquidity risk is the risk that the Company may encounter difficulty in meeting its present and future obligations associated with financial liabilities that are required to be settled by delivering cash or another financial asset. The Company's objective is to, at all times, maintain optimum levels of liquidity to meet its cash and collateral obligations. The Company requires funds both for short-term operational needs as well as for long-term investment programs mainly in projects. The Company closely monitors its liquidity position and deploys a robust cash management system. It aims to minimise these risks by generating sufficient cash flows from its current operations, which in addition to the available cash and cash equivalents, liquid investments and sufficient committed fund facilities, will provide liquidity.

The liquidity risk is managed on the basis of expected maturity dates of the financial liabilities. The average credit period taken to settle trade payables is about [illegible] days. The other payables are with short term durations. The carrying amounts are assumed to be reasonable approximation of fair value. The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

(Rs. in million)

Particulars	Payable on demand	3 months to 12 months	Total
31 March 2021			
Borrowings	2,819.76	-	2,819.75
Other financial liabilities	-	26.52	26.52
Total	2,819.76	26.52	2,846.27
31 March 2020			
Borrowings	12,[illegible]	-	12,181.01
Other financial liabilities	-	6.46	6.46
Total	12,181.01	6.46	12,1[illegible].47

(b) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: interest rate risk and currency risk. Financial instruments affected by market risk include borrowings, bank deposits and investments in short-term mutual funds. As at 31 March 2021, the Company did not have any financial instrument subject to market risk.

Interest rate risk

Interest rate risk is the risk that the fair value or the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Company's interest rate is fixed and therefore, interest rate sensitivity is not applicable.

Note 26: Capital management

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder value.

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company's policy is to keep the gearing ratio optimum. The Company includes within net debt, interest bearing loans and borrowings, trade and other payables less cash and cash equivalents, other bank balances and short term investments.

Particulars	31 March 2021 (Rs. in million)	31 March 2020 (Rs. in million)
Borrowings (refer note 10)*	2,019.76	[illegible]
Other financial liabilities	[illegible]	0.46
Less: Cash and cash equivalents, other bank balances and short term investments	[illegible]	[illegible]
Net debt	[illegible]	[illegible]
Equity share capital	0.50	0.50
Other equity	[illegible]	[illegible]
Total capital	[illegible]	[illegible]
Capital and net debt	[illegible]	[illegible]
Gearing ratio (net debt/capital and net debt)	NA	[illegible]

* Includes loans of Rs. Nil (31 March 2020: Rs. [illegible] million) from the holding company.

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

Note 27: Fair value measurement

There are no financial instruments which are measured at fair value as at year end. The management assessed that the values of cash and cash equivalents, other bank balances, trade payables and other financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments. The fair values of borrowings (other than fixed-rate) approximate their carrying amounts mainly due to the variable interest rate. For fixed rate borrowings, the fair values approximate their carrying amounts largely due to [illegible] in interest rates from the recognition of such financial instrument till year end not being material.

Note 28: Other note

The Board of Directors of the Company in its meeting held on 27 March 2021 approved a Scheme of amalgamation of the Company with Sterlite Power Transmission Limited, its ultimate holding company, under the Companies Act, 2013 with the appointed date of 01 April 2020. After obtaining requisite approvals the Company has filed the Scheme with National Company Law Tribunal ("NCLT") and the same is pending for NCLT approval.

As per our report of even date

For S R B C & CO LLP
Firm Registration No. [illegible]
Chartered Accountants

per Paul Alvares
Partner
Membership Number: [illegible]
Place: Pune
Date: 12 June 2021

For KNPS & Associates
Firm Registration No. [illegible]
Chartered Accountants

per [illegible]
Partner
Membership Number: [illegible]
Place: Gurugram
Date: 12 June 2021

For and on behalf of the Board of Directors of
Sterlite Grid 4 Limited

[illegible]
Director
DIN: [illegible]
Place: New Delhi
Date: 12 June 2021

[illegible]
Director
DIN: [illegible]
Place: New Delhi
Date: 12 June 2021

S R B C & CO LLP
Chartered Accountants

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Tel : +91 20 6603 6000

INDEPENDENT AUDITOR'S REPORT

To the Members of Sterlite Power Transmission Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Sterlite Power Transmission Limited ("the Company"), which comprise the Balance sheet as at March 31 2021, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the standalone 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 financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, its profit including other comprehensive income its cash flows and the changes in equity for the year ended on that date.

Basis for opinion

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

Other Information

The Company's Board of Directors the Company is responsible for the other information. The other information comprises the information included in the Board report, but does not include the standalone financial statements and our auditor's report thereon. The Board report is expected to be made available to us after the date of auditor's report.

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

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

When we read the Board report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

S R B C & CO LLP, a Limited Liability Partnership with LLP Identity No. AAB-4318
Regd. Office : 22, Camac Street, Block 'B', 3rd Floor, Kolkata-700 016

Responsibilities of Management for the standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone 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 Financial Statements

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

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

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

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:

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

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

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

   (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

   (e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act;

   (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these standalone financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

   (g) In our opinion, the managerial remuneration for the year ended March 31, 2021 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;

S R B C & CO LLP
Chartered Accountants

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

i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements - Refer Note 38 to the standalone financial statements;

ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts - Refer Note 40 to the standalone financial statements;

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

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

per Paul Alvares
Partner
Membership Number: 105754
UDIN: 21105754AAAACQ5086
Place of Signature: Pune
Date: May 21, 2021

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

Re: Sterlite Power Transmission Limited ("the Company")

i. a. The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.

b. Property, plant and equipment have been physically verified by the management during the year in accordance with a planned programme of verifying them once in three years and no material discrepancies were identified on such verification.

c. According to the information and explanations given by the management and audit procedures performed by us, the title deeds of immovable properties included in property, plant and equipment are held in the name of the Company.

ii. The inventory has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable. No material discrepancies were noticed on such physical verification.

iii. According to the information and explanations given to us and audit procedures performed by us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii)(a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.

iv. In our opinion and according to the information and explanations given to us, provisions of section 185 and 186 of the Companies Act 2013 in respect of loans to directors including entities in which they are interested and in respect of loans and advances given, investments made and, guarantees, and securities given have been complied with by the Company.

v. The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.

vi We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, related to the manufacture of power conductors and power cables, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.

vii a. Undisputed statutory dues including provident fund, employees' state insurance, income-tax, goods and service tax, duty of custom, cess and other statutory dues have generally been regularly deposited with the appropriate authorities though there has been a slight delay in a few cases.

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

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

Name of Statute	Nature of Dues	Amount (Rs. million)	Period to which the amount relates	Forum at which dispute is pending
Central Excise Act, 1944	Excise Duty	73.56	FY 01-02	Bombay High Court
Madhya Pradesh Value Added Tax Act, 2002	VAT/CST	19.08	FY 15-16	Additional Commissioner of Commercial Taxes, Bhopal
West Bengal Value Added Tax Act, 2003	VAT/CST	6.10	FY 14-15 and FY 15-16	Jt. Commissioner (Appeals) Commercial Tax/State Tax, West Bengal
Odisha Value Added Tax Act 2004	VAT / CST	23.64	FY 14-15, FY 15-16 and FY16-17	The Additional Commissioner of Sales Tax, North Zone, Sambalpur
Uttarakhand Value Added Tax Act,2005	VAT / CST	12.78	FY 12-13, FY 14-15 and FY 15-16	Jt. Commissioner (Appeals) Commercial Tax/State Tax, Haridwar
Dadra & Nagar Haveli Value Added Tax Act,2005	VAT / CST	96.64	FY 12-13 and 15-16	Deputy Commissioner (VAT), Dadra & Nagar Haveli, Silvassa

viii. In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of loans or borrowing to a financial institution, bank or or dues to debenture holders. The Company did not have any outstanding loans or borrowing dues to government during the year.

ix. In our opinion and according to the information and explanations given by the management and audit procedures performed by us, the Company has utilized the monies raised by way of term loans for the purposes for which they were raised. According to the information and explanations given by the management, the Company has not raised any money way of initial public offer / further public offer / debt instruments.

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

xi. According to the information and explanations given by the management, the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule v to the Companies Act, 2013.

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

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

S R B C & CO LLP
Chartered Accountants

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

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

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

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

per Paul Alvares
Partner
Membership Number: 105754
UDIN: 21105754AAAACQ5086
Place of Signature: Pune
Date: May 21, 2021

Annexure 2 to the Independent Auditor's Report of even date on the Standalone Financials Statements of Sterlite Power Transmission Limited

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

We have audited the internal financial controls over financial reporting of Sterlite Power Transmission Limited ("the Company") as of March 31, 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 control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

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

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

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

S R B C & CO LLP
Chartered Accountants

Meaning of Internal Financial Controls Over Financial Reporting with reference to these standalone financial statements

A company's internal financial control over financial reporting with reference to these standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. The Company's internal financial control over financial reporting with reference to these 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 financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting with reference to these standalone financial statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to these 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 over financial reporting with reference to these standalone financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these 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, the Company has, in all material respects, adequate internal financial controls over financial reporting with reference to these standalone financial statements and such internal financial controls over financial reporting with reference to these standalone financial statements were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

per Paul Alvares
Partner
Membership Number: 105754
UDIN: 21105754AAAACQ5086
Place of Signature: Pune
Date: May 21, 2021

STERLITE POWER TRANSMISSION LIMITED
BALANCE SHEET AS AT 31 MARCH 2021
(All amounts in Rs. million unless otherwise stated)

Particulars	Note	31 March 2021 (Rs. in million)	31 March 2020 (Rs. in million) (Restated) (refer note 41)
ASSETS			
Non-current assets			
Property, plant and equipment	3	2,264.90	2,513.15
Capital work in progress	3	5.96	2.34
Other intangible assets	4	152.19	217.84
Investments in associates	5A	39.07	39.07
Financial assets			
i. Investments	5B	[illegible]	[illegible]
ii. Loans	6	[illegible]	-
iii. Trade receivables	7	-	-
iv. Other financial assets	8	1,095.55	77.61
Other non-current assets	9	1,688.41	657.72
Assets classified as held for sale	10	-	21.62
Total non-current assets		24,320.80	23,719.47
Current assets			
Inventories	11	3,391.11	3,922.43
Financial assets			
i. Investments	5B	6.07	299.34
ii. Loans	6	113.07	14,492.57
iii. Trade receivables	7	6,725.41	3,519.68
iv. Cash and cash equivalents	12	1,963.45	743.23
v. Other bank balances	13	1,719.70	1,500.02
vi. Other financial assets	8	1,502.31	1,696.23
Other current assets	9	5,836.35	5,355.76
Assets classified as held for sale	10	4,352.66	7,225.63
Total current assets		25,198.10	44,527.77
TOTAL ASSETS		49,518.90	70,247.24
EQUITY AND LIABILITIES			
Equity			
Equity share capital	14	122.36	122.36
Other equity			
i. Securities premium	15	4,536.80	4,536.80
ii. Retained earnings	15	1,820.28	(1,914.93)
iii. Others	15	7,322.25	11,006.95
Total equity		13,802.69	13,751.18
Liabilities			
Non-current liabilities			
Financial liabilities			
i. Borrowings	16A	381.54	18.72
ii. Other financial liabilities	17	610.97	-
Employee benefit obligations	18	36.87	74.96
Other non-current liabilities	21	[illegible]	-
Deferred tax liabilities (net)	19	[illegible]	[illegible]
Total non-current liabilities		6,953.92	[illegible]
Current liabilities			
Financial liabilities			
i. Borrowings	16B	[illegible]	13,322.23
ii. Trade payables	20		
- total outstanding dues of micro enterprises and small enterprises		322.14	579.12
- total outstanding dues of creditors other than micro enterprises and small enterprises		13,090.48	13,118.07
iii. Other financial liabilities	17	1,347.31	17,550.04
Employee benefit obligations	18	98.18	36.42
Other current liabilities	21	7,094.77	8,602.44
Current tax liability (net)		313.32	1,109.39
Total current liabilities		28,762.29	54,740.87
TOTAL LIABILITIES		49,518.90	70,247.24

Summary of significant accounting policies 2.2

The accompanying notes are an integral part of the financial statements

As per our report of even date

For S R B C & CO LLP
Chartered Accountants
Firm Registration No. [illegible]E300003

per Paul Alvares
Partner
Membership Number: [illegible]
Place: PUNE
Date: 21.5.21

For and on behalf of the Board of Directors of Sterlite Power Transmission Limited

Pravin Agarwal
Chairman
DIN: 00022096
Place: PUNE
Date: 21.5.21

Pratik Agarwal
Managing Director
DIN: 03040062
Place: PUNE
Date: 21.5.21

Anurag Srivastava
Chief Financial Officer
Place: MUMBAI
Date: 21.5.21

Ashok Ganesan
Company Secretary
Place: NEW DELHI
Date: 21.5.21

S R B C & CO LLP * CHARTERED ACCOUNTANTS *

STERLITE POWER TRANSMISSION LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2021
[illegible]

Particulars	Note	31 March 2021 (Rs. in million)	31 March 2020 (Rs. in million) (Restated) (refer note [illegible])
INCOME			
Revenue from operations	[illegible]	29,339.52	26,721.23
Other income	[illegible]	2,977.31	1,4[illegible]
Total income (I)		**32,316.83**	**28,216.29**
EXPENSES			
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]		[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]
Total expenses (II)		26,420.58	26,918.18
Earning before interest, tax, depreciation and amortisation (EBITDA) (I) - (II)		**5,895.25**	**1,297.71**
Depreciation and amortisation expense	[illegible]	423.40	1,457.58
Finance costs	[illegible]	2,325.81	4,329.15
Finance income	[illegible]	(1,4[illegible]2.57)	[illegible]
Profit/(loss) before tax, before exceptional items and tax		**[illegible]**	**(4,458.04)**
[illegible]	[illegible]	-	(925.87)
Profit/(loss) before tax		**2,585.53**	**(5,383.93)**
Tax expense			
(i) Current tax	19	124.08	-
(ii) Income tax for earlier years (refer note 51)	19	(1,342.49)	(1.83)
(iii) Deferred tax	19	162.70	(204.98)
Income tax expense		**(1,045.71)**	**(206.81)**
Profit/(loss) for the year		3,629.24	(5,177.12)
<u>Other comprehensive income</u>			
Other comprehensive income/(loss) to be reclassified to profit or loss in subsequent periods:			
Net movement on cash flow hedges		2,416.44	(3,568.25)
Income tax effect		(237.03)	105.66
Net other comprehensive income/(loss) to be reclassified to profit or loss in subsequent periods		**2,178.81**	**(3,462.59)**
Other comprehensive income/(loss) not to be reclassified to profit or loss in subsequent periods:			
Re-measurement loss on defined benefit plans		(4.53)	[illegible]
Income tax effect		1.14	[illegible]
Net loss on FVTOCI equity securities		[illegible]	[illegible]
Income tax effect		[illegible]	[illegible]
Net other comprehensive loss not to be reclassified to profit or loss in subsequent periods		**(4,952.99)**	**(1,694.35)**
Other comprehensive income/(loss) for the year		(2,774.18)	(5,156.94)
Total comprehensive income/(loss) for the year		855.06	(10,334.06)
Earnings per equity share [nominal value of Rs. 2 (31 March 2020: Rs. 2)]	33		
Basic and diluted			
Computed on the basis of income/(loss) for the year before exceptional item (net of tax) (Rs.)		**89.52**	**(69.49)**
Computed on the basis of income/(loss) for the year after exceptional item (net of tax) (Rs.)		**59.33**	**(84.62)**
Summary of significant accounting policies	2.2		

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

As per our report of even date

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: [illegible]/E300003

per Paul [illegible]
Partner
Membership Number: 105754
Place: PUNE
Date: 21-5-21

For and on behalf of the board of directors of Sterlite Power Transmission Limited

Pravin Agarwal
Chairman
DIN: 00022096
Place: PUNE
Date: 21-5-21

Pratik Agarwal
Managing Director
DIN: 03040062
Place: PUNE
Date: 21-5-21

Anurag Srivastava
Chief Financial Officer
Place: MUMBAI
Date: 21-5-21

Ashok Ganesan
Company Secretary
Place: NEW DELHI
Date: 21-5-21

S R B C & CO LLP * CHARTERED ACCOUNTANTS *

STERLITE POWER TRANSMISSION LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2021
(All amounts in Rs. million unless otherwise stated)

Particulars	31 March 2021 (Rs. in million)	31 March 2020 (Rs. in million) (Restated) (refer note 51)
A. Operating activities		
Net profit/(loss) as per statement of profit and loss	3,629.24	(5,177.12)
Adjustment for taxation	(1,045.71)	(206.81)
Profit/(loss) before tax	[illegible]	[illegible]
Non-cash adjustment to reconcile profit/(loss) before tax to net cash flows		
Depreciation and amortisation expense	[illegible]	913.48
Profit on sale of property, plant and equipment, (net)	(5.90)	(5.74)
Bad debts / advances written off		105.99
Provision for estimated loss on a contract	-	674.17
Impairment allowance for trade receivables and advances	97.86	-
Reversal of impairment of investment/loan	(954.98)	
Impairment or provision on investment and loans and advances	107.34	-
Impairment/(reversal) of loan given to Sterlite Grid 1 Limited	-	(257.59)
Consideration received from India Grid Trust on sale of Sterlite Grid 1 Limited	(175.59)	-
Profit on sale of investment in units of India Grid Trust	(211.92)	-
Loss on forfeiture of investments in shares	-	25.25
Finance costs	3,326.98	4,829.17
Finance income	(440.37)	(440.99)
Income on investment in India Grid Trust	(537.73)	(957.92)
Dividend income on equity instruments measured at fair value through other comprehensive income	(1,226.51)	(432.13)
Unrealised exchange difference, net	112.28	(172.53)
	[illegible]	4,631.83
Operating profit/(loss) before working capital changes	**3,913.97**	**(752.10)**
Movements in working capital		
Increase/(decrease) in trade payables	(457.94)	(1,224.01)
Increase/(decrease) in employee benefit obligation	19.93	8.57
Increase/(decrease) in other liability	2,562.49	(1,201.20)
Increase/(decrease) in other financial liability	1,085.94	157.11
(Increase)/decrease in trade receivables	(1,266.14)	2,914.43
(Increase)/decrease in inventories	401.31	(1,957.49)
(Increase)/decrease in other financial assets	(855.04)	431.29
(Increase)/decrease in other assets	(65.43)	1,517.42
Change in working capital	2,977.14	(2,376.54)
Cash generated from/(used in) operations	6,181.05	[illegible]
Direct taxes paid (net of refunds)	(208.17)	(1,321.04)
Net cash flow from/(used in) operating activities (A)	**4,972.88**	**[illegible]**
B. Investing activities		
Purchase of property, plant and equipment, including capital work in progress and capital advances	(98.54)	(517.36)
Proceeds from sale of property, plant and equipment	4.34	20.32
Proceeds from sale of investments	1,074.49	71.53
Proceeds from sale of subsidiaries	-	59.50
Investment in subsidiaries	(6.30)	(1.01)
Investment in units of India Grid Trust	-	(3,209.64)
Proceeds from sale of units of India Grid Trust	9,299.09	-
Investment in bank deposits	(915.41)	(1,177.70)
Loans given to related parties	(5,998.44)	(6,961.06)
Loans repaid by related parties	15,047.14	757.54
Payment for indemnification expenses as per share purchase agreement	(43.93)	(24.04)
Sale/(purchase) of mutual funds (net)	250.33	(251.72)
Income on investment in India Grid Trust	537.73	957.92
Dividend income on equity instruments measured at fair value through other comprehensive income	1,226.51	432.13
Finance income received	177.36	160.14
Additional consideration received on sale of Sterlite Grid 1 Limited (SGL 1)	-	150.72
Net proceeds on sale of investment in Sterlite Grid 2 Limited (SGL 2)	413.09	12,276.20
Net proceeds on sale of investment in Sterlite Grid 3 Limited (SGL 3)	210.30	2,785.74
Net proceeds on sale of investment in East-North Interconnection Company Limited (ENICL)	1,332.49	780.31
Net cash flow from investing activities (B)	[illegible]	[illegible]
C. Financing activities		
Proceeds of long term borrowings	795.00	9,539.51
Repayment of long term borrowings	(15,014.44)	(12,530.59)
Repayment of lease liability	(99.63)	(109.42)
Proceeds/(repayment) from short term borrowings from banks	(698.37)	1,902.50
Repayment of short term borrowings from related parties classified as held for sale	-	(4,305.90)
Proceeds of borrowings from Sterlite Interlinks Limited	-	6,200.00
Repayment of borrowings from Sterlite Interlinks Limited	(6,200.00)	-
Interest paid	(4,031.95)	(3,177.84)
Net cash flow used in financing activities (C)	**(25,248.39)**	**(3,045.20)**

S R B C & CO LLP * CHARTERED ACCOUNTANTS *

STERLITE POWER TRANSMISSION LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2021
(All amounts in Rs. million unless otherwise stated)

Net (decrease)/increase in cash and cash equivalents (A + B + C)	1,105.20	(473.84)
Cash and cash equivalents at beginning of the year	763.25	1,237.09
Cash and cash equivalents at year end	1,868.45	763.25

Components of cash and cash equivalents:

	31 March 2021 (Rs. in million)	31 March 2020 (Rs. in million) (Restated) (refer note 51)
Balances with banks:		
On current accounts	1,868.42	763.11
Cash in hand	0.03	0.14
Total cash and cash equivalents (refer Note 12)	**1,868.45**	**763.25**

Reconciliation between opening and closing liabilities arising from financing activities

Particulars	Long term borrowings	Short term borrowing
1 April 2019	17,906.17	5,261.20
Cash flow		
- Interest	(1,608.43)	(1,959.41)
- Proceeds/(repayments)	(3,104.78)	8,002.36
Non-cash changes		
- Unrealised foreign exchange gain/(loss)	-	(0.48)
Accrual for the period	2,045.84	2,193.33
31 March 2020	15,931.62	13,477.00
Cash flow		
- Interest	(2,087.07)	(1,944.88)
- Proceeds/(repayments)	(14,513.00)	(6,898.37)
Non-cash changes		
- Notional interest and other charges	14.63	-
- Unrealised foreign exchange gain/(loss)	-	26.41
Accrual for the period	1,272.25	2,054.56
31 March 2021	818.67	6,714.72

As per our report of even date

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

per Paul Alvares
Partner
Membership Number: 105754
Place: PUNE
Date: 21.5.21

For and on behalf of the board of directors of Sterlite Power Transmission Limited

Pravin Agarwal
Chairman
DIN: 00022096
Place: PUNE
Date: 21.5.21

Pratik Agarwal
Managing Director
DIN: 03040062
Place: PUNE
Date: 21.5.21

Anurag Srivastava
Chief Financial Officer
Place: MUMBAI
Date: 21.5.21

Ashok Ganesan
Company Secretary
Place: NEW DELHI
Date: 21.5.21

S R B C & CO LLP * CHARTERED ACCOUNTANTS *

STERLITE POWER TRANSMISSION LIMITED
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2021
(All amounts in Rs. million unless otherwise stated)

A. EQUITY SHARE CAPITAL

Equity shares of Rs. 2 each issued, subscribed and fully paid	Nos. in million	Rs. in million
As at 1 April 2019	61.18	122.36
Movement during the year	-	-
As at 31 March 2020 (restated) (refer note 58)	61.18	122.36
Movement during the year	-	-
As at 31 March 2021	61.18	122.36

B. OTHER EQUITY

	Securities premium	Retained earnings	FVTOCI reserve	Cash flow hedge reserve	Capital redemption reserve	Total equity
As at 1 April 2019	4,536.50	(4,416.51)	20,974.32	(1,087.22)	[illegible]	20,997.30
Loss for the year	-	(5,177.12)	-	-	-	(5,177.12)
Other comprehensive loss	-	(0.76)	(1,693.57)	(3,463.74)	-	(5,338.07)
Total comprehensive loss	-	(5,177.88)	(1,693.67)	(3,463.74)	-	(10,335.24)
Transfer to capital redemption reserve on redemption of preference shares	-	(1,543.63)	-	-	1,543.63	-
Realised gain on sale of investment transferred from FVTOCI reserve to retained earnings	-	2,715.56	(2,715.56)	-	-	-
Impact of first time adoption of Ind AS 116 "Leases"	-	8.78	-	-	-	8.78
Amount reclassified to statement of profit and loss	-	-	-	2,031.95	-	2,031.95
As at 31 March 2020 (restated) (refer note 58)	4,536.40	(8,411.51)	16,565.12	(1,619.00)	1,543.95	12,616.13
Profit for the year	-	3,620.24	-	-	-	3,620.24
Other comprehensive income/(loss)	-	15.60	(4,049.98)	2,359.94	-	(2,793.40)
Total comprehensive loss	-	3,635.84	(4,049.98)	2,359.99	-	825.84
Transfer to capital redemption reserve (refer note 15.4)	-	(36.00)	-	-	36.00	-
Balance transferred from capital redemption reserve (refer note 15.4)	-	1,543.63	-	-	(1,543.63)	-
Realised gain on sale of investment transferred from FVTOCI reserve to retained earnings	-	98.32	(98.32)	-	-	-
Amount reclassified to statement of profit and loss	-	-	-	(171.84)	-	(171.84)
As at 31 March 2021	4,536.40	1,927.24	6,517.29	789.04	36.00	13,806.33

As per our report of even date

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

per Paul Alvares
Partner
Membership Number: 105754
Place: PUNE
Date: 21.5.21

For and on behalf of the Board of Directors of Sterlite Power Transmission Limited

Pravin Agarwal
Chairman
DIN: 00022096
Place: PUNE
Date: 21.5.21

Pratik Agarwal
Managing Director
DIN: 03040062
Place: PUNE
Date: 21.5.21

Anurag Srivastava
Chief Financial Officer
Place: MUMBAI
Date: 21.5.21

Ashok Ganesan
Company Secretary
Place: NEW DELHI
Date: 21.5.21

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1. Corporate information

Sterlite Power Transmission Limited (the Company) is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The registered office of the Company is located at 4th Floor, Godrej Millennium, Koregaon Park, Pune, Maharashtra, India.

The Company is primarily engaged in the business of Power products and solutions. Power products and solutions mainly include manufacturing of power transmission conductors, optical ground wire cables and power cable. It also includes execution of Engineering, Procurement and Construction Contracts for replacement of power transmission conductors, optical ground wire cables and power cable as a part of master system integration business.

The Company, directly or indirectly, through its subsidiaries, acts as a developer on Build Own Operate & Maintain ("BOOM") basis, for designing, financing, construction and maintenance of power transmission systems for concessional periods ranging from 25 to 35 years. The Company also undertakes the Engineering, Procurement and Construction Contracts for construction of power transmission systems.

The standalone financial Statements were authorised for issue in accordance with resolution passed by the Board of Directors of the Company on 21 May 2021.

2. Significant accounting policies

2.1 Basis of preparation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards as defined in Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015, as amended, prescribed under Section 133 of the Companies Act, 2013 ("Ind AS").

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

- Derivative financial instruments;
- Certain financial assets measured at fair value (refer accounting policy regarding financial instruments).

The standalone financial statements are presented in Indian Rupees millions, except when otherwise indicated.

2.2 Summary of significant accounting policies

The following is the summary of significant accounting policies applied by the Company in preparing its standalone financial statements:

a) Goodwill
Goodwill arising on account of excess consideration paid over business value transferred under a scheme of arrangement is amortised on a straight line basis over a period of five years from the date of arrangement as per Court Order.

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

All other assets are classified as non-current.

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A liability is current when:

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

The Company classifies all other liabilities as non-current.

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

Operating cycle of the Company is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. As the Company's normal operating cycle is not clearly identifiable, it is assumed to be twelve months.

c) Foreign currencies

The Company's standalone financial statements are presented in INR, which is its functional currency.

Transactions and balances

Transactions in foreign currencies are initially recorded by the Company at their respective 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 recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

d) Fair value measurement

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

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

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

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

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

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

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

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

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

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

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

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

External valuers are involved for valuation of significant assets such as investment in subsidiaries. Involvement of external valuers is decided by the management on a need basis and with relevant approvals. The valuers involved are selected based on criteria like market knowledge, reputation, independence and professional standards. The management decides after discussion with the external valuers, which valuation techniques and inputs to use for each case.
At each reporting date, the management analyses the movement of assets and liabilities which are required to be premeasured or reassessed as per the Company's accounting policies. For this analysis, the management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The management in conjunction with external valuers also compares the change in fair value of each asset and liability with relevant external sources to determine whether the change is reasonable. The valuation results are discussed at the Audit Committee.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Disclosures for valuation methods, significant estimates and assumptions (note 34,42, 43)
- Quantitative disclosures of fair value measurement hierarchy (note 43)
- Investment in mutual funds (note 42 and 43)
- Financial instruments (note 42)

e) Revenue from contracts with customers

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

The disclosures of significant accounting judgements, estimates and assumptions relating to revenue from contracts with customers are provided in Note 34

Sale of power products
Revenue from the sale of goods is recognised at a point in time control of the goods is transferred to the customer, generally on delivery of the equipment. The normal credit term is 60 to 180 days upon delivery.

Rendering of services
Revenues from services are recognised when the services are rendered. When the contract outcome cannot be measured reliably, revenue is recognised only to the extent that the expenses incurred are eligible to be recovered.

Revenue from Engineering, Procurement and Construction (EPC) projects
Revenue from fixed price construction contracts for power transmission lines and supply & installation of power transmission products is recognised as the performance obligation is satisfied progressively over the contract period. The Company's progress towards completion is measured based on the proportion that the contract expenses incurred to date bear to the estimated total contract expenses. Payment is due as per the achievement of contractual milestones.

The estimates of contract cost and the revenue thereon are reviewed periodically by management and the cumulative effect of any changes in estimates is recognised in the period in which such changes are determined. Where it is probable that the contract expenses will exceed total revenues from a contract, the expected loss is recognised immediately as an expense in the statement of profit and loss.

Where the profit from a contract cannot be estimated reliably, revenue is only recognised equalling the expenses incurred to the extent that it is probable that the expenses will be recovered.

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Contract modifications:

Contract modifications are defined as changes in the scope of the work, other than changes envisaged in the original contract, that may result in a change in the revenue associated with that contract. Modifications to approval before billings can be issued and the amounts relating to the additional work can be collected. The Company does not recognise the revenue from such additional work until the customer's approval has been obtained. In cases where the additional work has been approved but the corresponding change in price has not been determined, the requirement described below for variable consideration is applied: namely, to recognise revenue for an amount with respect to which it is highly probable that a significant reversal will not occur. The costs associated with these additional units or services performed are recognised when incurred, irrespective of whether or not the modification has been approved.

Variable considerations:

If the consideration in a contract includes a variable amount, the Company estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

Contract Balance

Contract Assets
A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

Trade Receivable
A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section (q) Financial instruments – initial recognition and subsequent measurement.

Contract Liabilities
A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made, or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

f) Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received, and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

When the Company receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset i.e. by equal annual instalments. When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as a government grant. The loan or assistance is initially recognised and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

g) Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the tax authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date.

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

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

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

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.
Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside of profit or loss is recognised outside of profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

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

Goods and service tax paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the amount of goods and service tax paid, except:

- When the tax incurred on a purchase of assets or services is not recoverable from the tax authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable
- When receivables and payables are stated with the amount of tax included

The net amount of tax recoverable from, or payable to, the tax authority is included as part of receivables or payables in the balance sheet.

h) Non-Current Assets held for sale

The Company classifies non-current assets and disposal groups as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the sale expected within one year from the date of classification.

For these purposes, sale transactions include exchanges of non-current assets for other non-current assets when the exchange has commercial substance. The criteria for held for sale classification is regarded met only when the assets or disposal group is available for immediate sale in its present condition, subject only to terms that are usual and customary for sales of such assets (or disposal groups), its sale is highly probable; and it will genuinely be sold, not abandoned.

The Company treats sale of the asset or disposal group to be highly probable when:

- The appropriate level of management is committed to a plan to sell the asset (or disposal group),
- An active programme to locate a buyer and complete the plan has been initiated (if applicable),
- The asset (or disposal group) is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
- The sale is expected to qualify for recognition as a completed sale within one year from the date of classification, and
- Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Non-current assets held for sale to owners and disposal groups are measured at the lower of their carrying amount and the fair value less costs to sell. Assets and liabilities classified as held for sale are presented separately in the balance sheet. Property, plant and equipment and intangible assets once classified as held for sale to owners are not depreciated or amortised. Refer Note 10 for further disclosures.

- A disposal group qualifies as discontinued operation if it is a component of an entity that either has been disposed of, or is classified as held for sale, and:
- Represents a separate major line of business or geographical area of operations,
- Is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations.

i) Property, plant and equipment

Certain items of freehold land have been measured at fair value at the date of transition to Ind AS. The Company regards the fair value as deemed cost at the transition date, viz., April 01, 2015.

Capital work in progress, property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the property, plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of the property, plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in statement of profit or loss as incurred. No decommissioning liabilities are expected or to be incurred on the assets of plant and equipment.

Expenditure directly relating to construction activity is capitalised. Indirect expenditure incurred during construction period is capitalised as part of the construction costs to the extent the expenditure can be attributable to construction activity or is incidental there to. Income earned during the construction period is deducted from the total of the indirect expenditure.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as follows:

Asset Category	Useful Life considered	Useful life (Schedule II#)
Buildings (Factory/Office)	30/60 Years	30/60 Years
Plant and Machinery	2 - 20 Years *	Continuous process plant- 25 Years Others- 15 Years
Furniture and fixtures	3 - 10 Years *	10 Years
Data processing equipment	3 - 6 Years *	Service and networks- 6 Years and desktops and laptop etc - 3 Years
Office equipment	2 - 5 Years *	5 Years
Electric fittings	4 - 20 Years *	10 Years
Vehicles	3 - 5 Years *	8 Years
Leasehold improvements	Lease period	Lease period

* Considered on the basis of management's estimation, supported by technical advice, of the useful lives of the respective assets.

Residual value considered as 5% on the basis of management's estimation, supported by technical advice.

The Company, based on technical assessments made by technical experts and management estimates, depreciates the certain items of building, plant and machinery, data processing equipment, furniture and fixtures, office equipment, electric fittings, vehicles and other telecom networks equipment over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss when the asset is derecognised.

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

j) Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses. Internally generated intangible assets, excluding capitalised development costs, are not capitalised and the expenditure is recognised in the Statement of Profit and Loss in the period in which the expenditure is incurred.

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

The Company does not have any intangible assets with indefinite useful lives.

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

Software are amortised on a straight line basis over a period of five to six years. Goodwill on amalgamation is amortised on a straight line basis over a period of five years from the date of amalgamation as per the Court Order.

k) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

l) Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Company as lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

- Land- 99 years
- Office building – 1 to 5 years
- Vehicles – 3 to 5 years

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in section (n) Impairment of non-financial assets.

ii) Lease Liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The Company's lease liabilities are included in other financial liability (see Note 17).

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

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Company as lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

m) Inventories

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

Costs incurred in bringing each product to its present location and condition are accounted for as follows:
Raw materials, components, construction material, stores and spares, packing materials and others: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average cost basis except for aluminium wherein the cost is determined on specific identification method based on the costing details of each project.

Finished goods and work in progress: cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity but excluding borrowing costs. Cost is determined on weighted average cost basis except for aluminium conductors wherein the cost is determined on specific identification method based on the costing details of each project.

Traded goods: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.

Initial cost of inventories includes the transfer of gains and losses on qualifying cash flow hedges, recognised in OCI, in respect of the purchases of raw materials.

Net realisable 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.

n) Impairment of non-financial assets

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

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.
The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit and loss, except for properties previously revalued with the revaluation surplus taken to OCI. For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation surplus.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired.

Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or group of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

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o) Provisions

General

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

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

p) Retirement and other employee benefits

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

The Company has a defined benefit gratuity plan in India, which requires contributions to be made to a separately administered fund.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Remeasurements, comprising of actuarial gains and losses and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.
Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

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

q) Financial instruments

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

Financial assets

Initial recognition and measurement

All financial assets are recognised 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 the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

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Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

i. Debt instruments at amortised cost
ii. Debt instruments at fair value through other comprehensive income (FVTOCI)
iii. Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
iv. Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Debt instruments at amortised cost

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

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

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the statement of profit or loss. The losses arising from impairment are recognised in the statement of profit or loss. This category generally applies to trade and other receivables. For more information on receivables, refer to Note 7.

Debt instrument at FVTOCI

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 other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses and reversals and foreign exchange gain or loss in the statement of profit and loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to statement of profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt instrument at FVTPL

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 designate 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'). The Company has not designated any debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to statement of profit or loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity. Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

Derecognition

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

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

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

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 amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance;
b) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115.

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables or contract revenue receivables; and
- All lease receivables resulting from transactions within the scope of Ind AS 17

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

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.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument;
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

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ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss. This amount is reflected under the head 'other expenses' in the statement of profit and loss. The balance sheet presentation for various financial instruments is described below:

- Financial assets measured as at amortised cost, contractual revenue receivables and lease receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

The Company does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

Financial liabilities

Initial recognition and measurement
Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments.

Subsequent measurement

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

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. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

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

Loans and borrowings
This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.
Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.
This category generally applies to borrowings. For more information refer Note 16A and Note 16B

Buyers' Credit/ Suppliers' Credit

The Company enters into arrangements whereby financial institutions make direct payments to suppliers for raw materials and project materials. The financial institutions are subsequently repaid by the Company at a later date providing working capital timing benefits. These are normally settled up within 12 months to 36 months. Where these arrangements are with a maturity of up to twelve months the economic substance of the transaction is determined to be operating in nature and these are recognised as operational buyers' credit/ suppliers' credit (under Trade payables). Interest expense on these are recognised in the finance cost.

Derecognition

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

Embedded derivatives

An embedded derivative is a component of a hybrid (combined) instrument that also includes a non-derivative host contract – with the effect that some of the cash flows of the combined instrument vary in a way similar to a stand-alone derivative. An embedded derivative causes some or all of the cash flows that otherwise would be required by the contract to be modified according to a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided in the case of a non-financial variable that the variable is not specific to a party to the contract. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss.

If the hybrid contract contains a host that is a financial asset within the scope of Ind AS 109, the Company does not separate embedded derivatives. Rather, it applies the classification requirements contained in Ind AS 109 to the entire hybrid contract. Derivatives embedded in all other host contracts are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not held for trading or designated at fair value though profit or loss. These embedded derivatives are measured at fair value with changes in fair value recognised in profit or loss, unless designated as effective hedging instruments.

Reclassification of financial assets

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

The following table shows various reclassification and how they are accounted for:

Original classification	Revised Classification	Accounting Treatment
Amortised Cost	FVTPL	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in statement of profit and loss.
FVTPL	Amortised Cost	Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on the new gross carrying amount.
Amortised cost	FVTOCI	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in OCI. No change in EIR due to reclassification.
FVTOCI	Amortised cost	Fair value at reclassification date becomes its new amortised cost carrying amount. However, cumulative gain or loss in OCI is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortised cost.
FVTPL	FVTOCI	Fair value at reclassification date becomes its new carrying amount. No other adjustment is required.
FVTOCI	FVTPL	Assets continue to be measured at fair value. Cumulative gain or loss previously recognised in OCI is reclassified to statement of profit and loss at the reclassification date.

Offsetting of financial instruments

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

r) Derivative financial instruments and hedge accounting

Initial recognition and subsequent measurement

The Company uses derivative financial instruments, such as forward currency contracts and commodity future contracts to hedge its foreign currency risks and commodity price risks, respectively. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

The purchase contracts that meet the definition of a derivative under Ind AS 109 are recognised in the statement of profit and loss. Commodity contracts that are entered into and continue to be held for the purpose of the receipt or delivery of a non-financial item in accordance with the Company's expected purchase, sale or usage requirements are held at cost.

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

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

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

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

Cash flow hedges that meet the strict criteria for hedge accounting are accounted for, as described below:

The effective portion of the gain or loss on the hedging instrument is recognised in OCI in the cash flow hedge reserve, while any ineffective portion is recognised immediately in the statement of profit and loss.

Amounts recognised as OCI are transferred to profit or loss when the hedged transaction affects profit or loss, such as when the hedged financial expense is recognised or when a forecast sale occurs. When the hedged item is the cost of a non-financial asset or non-financial liability, the amounts recognised as OCI are transferred to the initial carrying amount of the non-financial asset or liability.

If the hedging instrument expires or is sold, terminated or exercised without replacement or rollover (as part of the hedging strategy), or if its designation as a hedge is revoked, or when the hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss previously recognised in OCI remains separately in equity until the forecast transaction occurs or the foreign currency firm commitment is met.

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s) Cash and cash equivalents

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

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

t) Cash dividend distribution to equity holders of the Company

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

u) Presentation of EBITDA

The Company presents Earnings before interest, tax, depreciation and amortisation ('EBITDA') in the statement of profit or loss; this is not specifically required by Ind AS 1. The term EBITDA is not defined in Ind AS. Ind AS compliant Schedule III allows companies to present line items, sub-line items and sub-totals to be presented as an addition or substitution on the face of the financial statements when such presentation is relevant to an understanding of the company's financial position or performance.

Accordingly, the Company has elected to present EBITDA as a separate line item on the face of the statement of profit and loss. The Company measures EBITDA on the basis of profit/ (loss) from continuing operations. In its measurement, the Company does not include depreciation and amortization expense, finance income, finance costs and tax expense.

2.3 New and Amended standards

Several amendments apply for the first time in March 2021, but do not have an impact on the standalone financial statements of the Company.

- Amendments to Ind AS 116: Covid-19-Related Rent Concessions.
- Amendments to Ind AS 103 Business Combinations
- Amendments to Ind AS 1 and Ind AS 8: Definition of Material
- Amendments to Ind AS 107 and Ind AS 109: Interest Rate Benchmark Reform

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NOTE 4: INTANGIBLE ASSETS

(Rs. in million)

DESCRIPTION	Goodwill (refer note 49)	Software/Licenses
As at 31 March 2019	3,000.15	156.29
Additions	-	159.84
Disposals	-	5.23
As at 31 March 2020 (restated) (refer note 51)	**3,000.15**	**310.90**
Additions	-	0.94
Disposals	-	-
As at 31 March 2021	**3,000.15**	**311.84**
Amortisation		
As at 31 March 2019	2,400.11	46.54
Amortisation charge for the year	600.04	52.38
Disposals	-	5.02
As at 31 March 2020 (restated) (refer note 51)	**3,000.15**	**93.90**
Accumulated amortisation		
Amortisation charge for the year	-	65.75
Disposals	-	-
As at 31 March 2021	**3,000.15**	**159.65**
Net block as at 31 March 2020 (restated) (refer note 51)	-	**217.00**
Net block as at 31 March 2021	-	**152.19**

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Notes to financial statements for the year ended 31 March 2021
(All amounts in Rs. million unless otherwise stated)

NOTE 5A : INVESTMENTS IN ASSOCIATES

	31 March 2021 (Rs. in million)	31 March 2020 (Rs. in million) (Restated) (refer note 51)
[illegible]	[illegible]	19.02
[illegible]	0.05	0.05
Total	[illegible]	19.07

NOTE 5B: INVESTMENTS

	31 March 2021 (Rs. in million)	31 March 2020 (Rs. in million) (Restated) (refer note 51)
Non-current		
Investments in units- quoted (valued at fair value through profit and loss account) (refer note 10(a))		
India Grid Trust 20,40,457 units (31 March 2020: 1,00,000 units)	286.15	8.38
Investments in equity shares- unquoted (valued at fair value through other comprehensive income)		
Investments in joint venture		
[illegible]	46.27	[illegible]
Investments in subsidiaries		
[illegible]	11,272.38	13,733.39
[illegible]	640.23	320.15
[illegible]	0.50	0.50
[illegible]	0.50	0.50
[illegible]	0.50	0.50
[illegible]	0.50	0.50
[illegible]	0.50	0.50
[illegible]	0.50	0.50
[illegible]	0.50	0.50
[illegible]	-	0.50
[illegible]	0.50	0.50
[illegible]	0.50	0.50
[illegible]	0.50	0.50
[illegible]	0.50	0.50
[illegible]	-	-
[illegible]	0.50	0.50
[illegible]	0.50	0.50
[illegible]	1.00	1.00
[illegible]	1.00	1.00
[illegible]	1.00	1.00

(All amounts in Rs. million unless otherwise stated)

Sterlite Grid 24 Limited 1,00,000 (31 March 2020: 1,00,000) equity shares of Rs 10 each fully paid up	1.00	1.00
Sterlite Grid 25 Limited 1,00,000 (31 March 2020: 1,00,000) equity shares of Rs 10 each fully paid up	1.00	1.00
Sterlite Grid 26 Limited 1,00,000 (31 March 2020: 1,00,000) equity shares of Rs 10 each fully paid up	1.00	1.00
Sterlite Grid 27 Limited 1,00,000 (31 March 2020: 1,00,000) equity shares of Rs 10 each fully paid up	1.00	1.00
Sterlite Grid 28 Limited 1,00,000 (31 March 2020: 1,00,000) equity shares of Rs 10 each fully paid up	1.00	1.00
Sterlite Grid 29 Limited 1,00,000 (31 March 2020: 1,00,000) equity shares of Rs 10 each fully paid up	1.00	1.00
Sterlite Grid 30 Limited (formerly known as NRSS XXIX Transmission (RS) Limited) 50,000 (31 March 2020: 50,000) equity shares of Rs 10 each fully paid up	0.50	0.50
Sterlite Convergence Limited 50,000 (31 March 2020: 50,000) equity shares of Rs 10 each fully paid up	0.50	0.50
Sterlite EdIndia Foundation 49,977 (31 March 2020: 49,968) equity shares of Rs 10 each fully paid up	0.50	0.50
Sterlite Brazil Participacoes S.A. 27,28,97,892 (31 March 2020: 27,28,97,892) equity shares of R$ 1 each fully paid up	2,547.34	7,893.70
One Grid Limited 10,000 (31 March 2020: Nil) equity shares of Rs. 10 each fully paid up	0.10	-
Investment in non-convertible debentures (unquoted) (valued at amortised cost)		
Sterlite Grid 13 Limited 19,07,88,150 (31 March 2020: Nil) 12.30% Non-convertible debentures of face value of Rs 10 each	1,977.98	-
Sterlite Grid 14 Limited 2,89,52,830 (31 March 2020: Nil) 12.30% Non-convertible debentures of face value of Rs.10 each	295.83	-
Sterlite Grid 18 Limited (refer note a below) 10,46,12,610.50 (31 March 2020: Nil) 12.30% Non-convertible debentures of face value of Rs 10 each	952.40	-
Others		
Rampur Share Group Inc 26,305 (31 March 2020: 26,305) equity shares of USD 0.01 each fully paid up	112.45	112.45
Equity component of loan given to subsidiaries (refer note b below)	393.17	-

(a) The fair market value of the investment in Sterlite Grid 18 Limited ('SGL18') is below cost as at 31 March 2021, hence the Company has recognised the impairment of Rs. 41.71 million on non-convertible debentures.

(b) The Company has given interest free loans to wholly owned subsidiaries, amounting to Rs. 1,854.30 million repayable after 2-3 years. The loans being financial asset, have been discounted to present value amounting to Rs. 1,461.13 million at initial recognition. The balance of Rs. 393.17 million being the difference between present value and loan amount has been recognised as equity component.

(c) The Company has entered into a Framework Agreement with AMP Capital Infrastructure Investment No.2 S.A.R.L. ("AMP Capital") dated 28 December 2020 ('the Agreement') for investment in the subsidiaries of the Company which are engaged in the business of developing, designing, financing, constructing and maintaining power transmission systems on a "build own operate and maintain" basis in India. Pursuant to the agreement, AMP Capital has invested in 50% of the paid up equity share capital of Sterlite Grid 13 Limited ('SGL13') on 30 March 2021. Accordingly, as per the terms of the agreement and rights available to the Company, investment in SGL13 has been classified as investment in joint venture.

(d) The Company entered into a Framework agreement with India Grid Trust for selling its entire stake in Khargone Transmission Limited, Gurgaon-Palwal Transmission Limited and NER-II Transmission Limited after these projects are commissioned, at values as agreed in the Framework agreement subject to certain adjustments and the requisite approvals. During the year, pursuant to the framework agreement, Sterlite Grid 4 Limited, a wholly owned subsidiary of the Company, has sold 100% beneficial ownership in Gurgaon-Palwal Transmission Limited and 74% of beneficial ownership in NER-II Transmission Limited to India Grid Trust.

Current		
Investment in mutual funds - quoted (valued at fair value through profit or loss)		
Nil (31 March 2020: 93,859.73 units) of Invesco India liquid fund direct plan- daily dividend reinvestment #	**-**	**93.93**
8,119.47 units (31 March 2020: 172,310.266 units) of Axis Liquid Fund direct plan - daily dividend reinvestment ##	**9.07**	**172.56**
Nil (31 March 2020: 9,535.71 units) of UTI Liquid cash plan - daily dividend reinvestment ###	**-**	**32.99**
Total	**17,447.07**	**22,392.97**
Current (equity)	**9.07**	**299.48**
Non-current (units)	**366.15**	**8.30**
Non-current (equity)	**15,827.94**	**22,085.19**
Non-current (non-convertible debentures)	**2,244.81**	**-**
Aggregate value of quoted investments (equity)	**9.07**	**299.48**
Aggregate value of quoted investments (units)	**366.15**	**8.30**
Aggregate value of unquoted investments (equity)	**15,827.94**	**22,085.19**
Aggregate value of unquoted investments (non-convertible debentures)	**2,244.81**	**-**

 # Includes Nil (31 March 2020: 93,910.843) units which are lien marked
Includes 8119.47 units (31 March 2020: 170,437.968 units) which are lien marked
Includes Nil (31 March 2020: 9,535.71) units which are lien marked

Investments [illegible] other comprehensive income reflect investment in quoted units and quoted/unquoted equity securities. Refer note 42 for determination of their fair values

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NOTE 6: LOANS (unsecured, considered good)

	31 March 2021 (Rs. in million)	31 March 2020 (Rs. in million) (Restated) (refer note 51)
Loans to related parties (refer note 46)*^	[illegible]	[illegible]
Loans to subsidiaries (refer note 46)# (refer note 58(b))	[illegible]	[illegible]
Total	1,858.84	14,492.57
Current	543.02	14,492.57
Non-Current	1,315.52	-

[illegible]

NOTE 7: TRADE RECEIVABLES

	31 March 2021 (Rs. in million)	31 March 2020 (Rs. in million) (Restated) (refer note 51)
Non-current		
Trade receivables	592.08	446.02
Total	592.08	446.02
Break-up for security details:		
- Unsecured, considered good	-	-
- Unsecured, credit impaired receivables	592.08	446.02
	592.08	446.02
Impairment allowance (allowance for bad and doubtful debts)		
- Unsecured, considered good	-	-
- Unsecured, credit impaired receivables	592.08	446.02
Total non-current trade receivables	-	-
Current		
Other trade receivables	6,073.57	5,306.83
Receivable from related parties (refer note 46)	3,681.84	3,333.05
Total	9,755.41	8,639.88
Break-up for security details:		
- Unsecured, considered good	9,755.41	8,639.88
- Unsecured, credit impaired receivables	-	-
	9,755.41	8,639.88
Impairment allowance (allowance for bad and doubtful debts)		
- Unsecured, considered good	-	-
- Unsecured, credit impaired receivables	-	-
	9,755.41	8,639.88
Total current trade receivables	9,755.41	8,639.88

[illegible]

NOTE 8: OTHER FINANCIAL ASSETS

	31 March 2021 (Rs. in million)	31 March 2020 (Rs. in million) (Restated) (refer note 51)
Non-current		
Security deposits (unsecured, considered good)	58.93	76.72
Other bank balance (refer note 13)	1,036.62	0.89
Total other non-current financial assets	1,095.55	77.61
Current		
Security deposits (unsecured, considered good)	39.18	[illegible]
Advances recoverable in cash (unsecured, considered good) (refer note 46)	70.12	[illegible]
Interest accrued on fixed deposits	6.70	[illegible]
Earnest money deposit with customer (unsecured, considered good)	24.26	51.46
Receivable from India Grid Trust for sale of investments (unsecured, considered good)	150.38	1,420.77
Other receivables from related parties (unsecured, considered good) (refer note 46)	37.85	39.62
	328.49	1,587.88
Derivative instruments		
- Forward contracts	-	278.35
- Commodity futures	1,173.86	-
	1,173.86	278.35
Total other current financial assets	1,502.35	1,866.23

[illegible]

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Notes to financial statements for the year ended 31 March 2021
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NOTE 9: OTHER ASSETS

	31 March 2021 (Rs. in million)	31 March 2020 (Rs. in million) (Restated) (refer note 51)
Non-current		
Balances with government authorities	642.74	418.31
Advance income tax, including tax deducted at source (net of provision) (refer note 31)	927.50	161.70
Deposit paid under dispute	69.00	54.11
Prepaid expenses	49.04	1.32
Total other non-current assets	1,688.91	688.72
Current		
Advances to vendors/contractors (unsecured)	2,044.96	1,243.49
Balances with government authorities	1,547.40	1,779.11
Prepaid expenses	103.96	127.57
Contract assets related to EPC contracts	1,440.03	2,208.69
Total other current assets	5,136.35	5,358.86

NOTE 10: ASSETS AND LIABILITIES HELD FOR SALE

Pursuant to Ind AS - 105 "Non Current Assets Held for Sale and Discontinued Operations", the Company has identified non-current assets referred to in below notes as held for sale as the carrying amount of these assets will be recovered principally through a sale transaction rather than through continuing use. These assets are available for immediate sale in its present condition and the sale transactions are highly probable.

Following assets and liabilities are classified as held for sale as at 31 March 2021 and as at 31 March 2020.

	31 March 2021 (Rs. in million)	31 March 2020 (Rs. in million) (Restated) (refer note 51)
India Grid Trust (refer note 10(a))		
Investment in units of India Grid Trust		
Nil (31 March 2020: 8,74,40,026 units)	-	7,335.63
Total	-	7,335.63
Indigrid Investment Managers Limited (refer note 10(b))		
Investment in equity shares		
8,74,729 shares (31 March 2020: 8,74,729 units)	21.01	21.01
Total	21.01	21.01
Investment in non-convertible debentures (unquoted) (valued at amortised cost) (refer note 10(c))		
Sterlite Grid 14 Limited		
2,85,52,690 (31 March 2020: Nil) 12.30% Non-convertible debentures of face value of Rs 10 each	285.53	-
Sterlite Grid 18 Limited		
10,46,12,613.90 (31 March 2020: Nil) 12.30% Non-convertible debentures of face value of Rs.10 each	1,046.13	-
Total	1,331.66	-
Assets classified as held for sale - non-current	-	21.01
Assets classified as held for sale - current	1,352.66	7,356.64

(a) Sale of units in India Grid Trust
Erstwhile Sterlite Power Grid Ventures Limited ('SPGVL') now merged with the Company, being the sponsor of India Grid Trust ('IGT'), entered into "Inter-se sponsor agreement" dated 30 April 2019 ('the Inter-se Agreement') with Esoteric II Pte. Ltd. ('the Investor') to designate the Investor as a 'Sponsor' of IGT subject to approval under the SEBI (Infrastructure Investment Trusts) Regulations, 2016. Pursuant to the Inter-se Agreement, SPGVL agreed to sell 60.03 million units ('the Units') of IGT to the Investor at Rs. 83.53 per unit.

On 24 September 2019, SPGVL and Sterlite Interlinks Limited ('SIL') entered into a Unit transfer agreement ('Unit Transfer Agreement') for sale of the Units by SPGVL to SIL and consequently SPGVL, the Investor and SIL entered into an amendment agreement dated 25 September 2019 amending the Inter-se Agreement to include clauses for Unit Transfer Agreement and sale of 87.45 million units by SIL to the Investor.

Pursuant to the Unit Transfer Agreement, SIL had given an interest bearing advance to erstwhile SPGVL of Rs. 6,200.00 million for the purchase of the Units. The Units were owned by erstwhile SPGVL as at 31 March 2020 and were pledged as security, basis which SIL raised funds from its lenders. Accordingly, the advance was presented under short term borrowings (refer note 16B) as at 31 March 2020 and investment in the Units was classified as asset held for sale.

On 3 August 2020, the parties terminated the Inter-se Agreement. Further, on 14 August 2020, the Company sold 85.51 million units of IGT in open market through National Stock Exchange ("NSE") at an average price of Rs. 98 per unit. Accordingly, the Company has classified the balance units of IGT as non-current investments and has also reversed impairment loss of Rs. 954.08 million recognised in earlier year. Further, other income for the year ended 31 March 2021 includes net gain of Rs. 218.33 million on sale of IGT units.

(b) Proposed sale of shares held in Indigrid Investment Managers Limited (formerly known as Sterlite Investment Managers Limited (SIML))
Pursuant to "Share Subscription and Purchase Agreement" executed between Electron IM PTE. LTD ('EIMPTL') and the Company on 30 April 2019, the Company had agreed to sell 74% of its stake in its subsidiary IIML in two tranches starting from 30 June 2019 till 30 Jun 2021. In previous year, the Company sold 60% of its stake in IIML for a consideration of Rs. 60.05 million. Further, the remaining investment in IIML to the extent of 14% i.e. Rs. 21.01 million (31 March 2020: Rs. 21.01 million) has been disclosed as 'asset classified as held for sale'.

(c) Sale of non-convertible debentures of Sterlite Grid 14 Limited and Sterlite Grid 18 Limited
The Company has entered into a Framework Agreement with AMP Capital Infrastructure Investments No.2 S.A R.L ("AMP Capital") dated 28 December 2020 ('the Agreement') for investment in the subsidiaries of the Company which are engaged in the business of developing, designing, financing, constructing and maintaining power transmission systems on a 'build own operate and maintain' basis in India. Pursuant to the Agreement, AMP Capital would invest in 50% of the promoter's investment in the form of equity shares, non-convertible debentures and compulsorily convertible debentures in Sterlite Grid 14 Limited ("SGL 14") and Sterlite Grid 18 Limited ("SGL 18"). Accordingly, as per the terms of the Agreement, 50% of the non-convertible debentures of the above mentioned entities which were held by the Company have been sold to AMP Capital subsequent to the balance sheet date and hence are classified as assets held for sale as at March 31, 2021.

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NOTE 11: INVENTORIES

	31 March 2021 (Rs. in million)	31 March 2020 (Rs. in million) (Restated) (refer note 51)
(Valued at lower of cost and net realisable value)		
[illegible]	[illegible]	1,454.23
[illegible]	[illegible]	264.51
[illegible]	[illegible]	1,074.27
[illegible]	[illegible]	51.72
Traded goods	[illegible]	[illegible]
[illegible]	[illegible]	142.79
Total	[illegible]	3,022.43

NOTE 12: CASH AND CASH EQUIVALENTS

	31 March 2021 (Rs. in million)	31 March 2020 (Rs. in million) (Restated) (refer note 51)
Balances with banks:		
On current accounts	[illegible]	[illegible]
Cash in hand	[illegible]	[illegible]
Total	[illegible]	[illegible]

NOTE 13: OTHER BANK BALANCES

	31 March 2021 (Rs. in million)	31 March 2020 (Rs. in million) (Restated) (refer note 51)
[illegible]*	[illegible]	1,860.02
[illegible]**	[illegible]	0.89
	[illegible]	1,860.91
Less: Amount disclosed under non current assets	[illegible]	(0.89)
Total	[illegible]	1,860.02

[illegible]

* [illegible]

** [illegible]

NOTE 14: SHARE CAPITAL

	31 March 2021 (Rs. in million)	31 March 2020 (Rs. in million) (Restated) (refer note 51)
Authorised shares (nos. million)*		
6,380.00 (31 March 2020: 6,380.00) equity shares of Rs. 2 each	12,760.00	12,760.00
Issued, subscribed and fully paid-up shares (nos. million)		
61.18 (31 March 2020: 61.18) equity shares of Rs. 2 each fully paid - up	122.36	122.36
Total issued, subscribed and fully paid-up share capital	122.36	122.36

* [illegible]

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

	Nos. in million	Rs. in million
At 1 April 2019	61.18	122.36
Add: Movement during the year	-	-
At 31 March 2020	61.18	122.36
Add: Movement during the year	-	-
At 31 March 2021	61.18	122.36

b. Terms/rights attached to equity shares

[illegible]

[illegible]

[illegible]

c. Shares held by holding company and their subsidiaries/associates

	31 March 2021 (Rs. in million)		31 March 2020 (Rs. in million) (Restated) (refer note 51)	
	Nos. in million	% holding	Nos. in million	% holding
Immediate holding company				
Twin Star Overseas Limited, Mauritius	43.67	71.38%	43.67	71.38%
Subsidiary of Volcan Investments Limited, Bahamas (Ultimate holding company)				
Vedanta Limited	0.95	1.56%	[illegible]	1.56%

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d. Detail of shareholders holding more than 5 % of shares in the Company

	31 March 2021 (Rs. in million)		31 March 2020 (Rs. in million) (Restated) (refer note 51)	
	Nos. in million	% holding	Nos. in million	% holding
Immediate holding company				
Twin Star Overseas Limited, Mauritius	43.67	71.38%	43.67	71.38%

The shareholding information is based on the legal ownership of shares and has been extracted from the records of the Company including register of shareholder/members.

NOTE 15 : OTHER EQUITY

	31 March 2021 (Rs. in million)	31 March 2020 (Rs. in million) (Restated) (refer note 51)
Securities premium		
Balance as per last financial statements	4,536.80	4,536.80
Add: Movement during the year	-	-
Closing balance	4,536.80	4,536.80
Retained earnings		
Balance as per last financial statements	(3,411.53)	(4,418.58)
Less: Transfer to capital redemption reserve (refer note 15.4)	(36.02)	(1,543.63)
Add: Balance transferred from capital redemption reserve (refer note 15.4)	1,543.65	-
Add/(less): Profit/(loss) for the year	3,029.24	(5,172.12)
Less: Remeasurement of post employment benefit obligation, net of tax	(3.40)	(0.76)
Add: Realised gain on sale of investments in subsidiaries transferred from FVTOCI reserve	98.32	7,715.56
Add: Effect of adoption of Ind AS 116	-	9.05
Closing balance	1,220.26	(3,411.53)
Others		
FVTOCI reserve		
Balance as per last financial statements	11,565.19	20,974.12
Less: Change in fair value of investments through other comprehensive income	(4,649.58)	(1,693.37)
Add: Realised gain on sale of investments in subsidiaries transferred to retained earnings	(98.32)	(7,715.56)
Closing balance	6,817.29	11,565.19
Cash flow hedge reserve		
Balance as per last financial statements	(1,619.08)	(1,097.22)
Add: Cash flow hedge reserve created on hedging contracts	2,249.59	(1,541.74)
Less: Amount reclassified to statement of profit and loss	(139.35)	(1,019.88)
Closing balance	760.94	(1,619.08)
Capital redemption reserve		
Balance as per last financial statements	1,543.67	0.02
Add/(less): Movement during the year	(1,507.65)	1,543.65
Closing balance	36.02	1543.67
Total other reserves	7,309.35	11,490.84

Nature and purpose of reserves :-

15.1 Securities premium reserve
Securities premium reserve is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

15.2 FVTOCI reserve
The Company has elected to recognise changes in the fair value of certain investments in equity securities in other comprehensive income. These changes are accumulated in FVTOCI reserve within equity. The Company transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.

15.3 Cash flow hedge reserve
The Company uses hedging instruments as part of its management of foreign currency risk associated with receivable and payable and commodity risk associated with purchase of aluminium and copper. For hedging these risks, the Company uses commodity future and foreign currency forward contracts. To the extent these hedges are effective, the change in fair value of the hedging instrument is recognised in the cash flow hedging reserve. Amounts recognised in the cash flow hedging reserve is reclassified to the statement of profit or loss when the hedged item affects the statement of profit or loss.

15.4 Capital redemption reserve
During the year ended 31 March 2020, erstwhile wholly owned subsidiary of the Company, Sterlite Power Grid Ventures Limited ('SPGVL') redeemed 154.36 million redeemable preference shares of face value of Rs 10 each which were issued to the Company and created capital redemption reserve of Rs 1,543.65 million as per the requirement of section 69 of the Companies Act, 2013.

During the year, National Company Law Tribunal ('NCLT') approved the scheme of amalgamation ('the Scheme') of SPGVL with the Company from an appointed date of 1 April 2017 ('Appointed date') which was filed with the Registrar of Companies on 15 November 2020 ('Effective date'). Since the merger of SPGVL with the Company takes effect from the Appointed date, the capital redemption reserve of Rs 1,543.65 million which was created on redemption of redeemable preference shares after Appointed date but before the Effective date of the scheme has been transferred to retained earnings based on a legal opinion obtained by the management and the shareholders approval obtained in the last AGM.

Also during the current year, the Company has redeemed 18 million redeemable preference shares at face value of Rs. 2 each issued to Citi Finance India Private Limited. Accordingly, the Company created capital redemption reserve of Rs. 36 million in compliance of Section 69 of the Companies Act, 2013.

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[illegible]

NOTE 16A : NON CURRENT BORROWINGS (at amortised cost)

	31 March 2021 (Rs. in million)	31 March 2020 (Rs. in million) (Restated) (refer note 51)
Term loans		
[illegible]	-	-
[illegible]	375.00	-
Finance lease obligations (unsecured)	6.54	18.72
Total non-current borrowings	381.54	18.72
Current maturities of long-term borrowing		
[illegible]	-	[illegible]
[illegible]	-	[illegible]
[illegible]		[illegible]
[illegible]	[illegible]	
[illegible]	[illegible]	-
Total	425.00	14,926.52
Other current maturities		
Interest accrued but not due on long-term borrowings (secured)	9.18	[illegible]
Finance lease obligations (unsecured)	21.85	[illegible]
Total	447.03	15,013.10

Non convertible debentures

a 12.50% non-convertible debentures of Rs. 10,00,000 each

i) [illegible]

b [illegible]

i) [illegible]

Term Loans

c Indian rupee term loan from bank

[illegible]

d Indian rupee term loan from financial institution

i) [illegible]

e **Redeemable preference shares**

The preference shares carried 0.01% non-cumulative dividend. Holders of preference shares had a preferential right to receive their redemption value in precedence to holders of equity shares in the event of liquidation. These shares carried face value of Rs. 2 per share and are redeemed at a premium of 8% compounded annually in the current year.

	31 March 2021 (Rs. in million)	31 March 2020 (Rs. in million) (Restated) (refer note 51)
Authorised shares (nos. million)		
36.40 (31 March 2020: 36.40) redeemable preference shares of Rs. 2 each	72.80	72.80
Issued, subscribed and fully paid-up shares (nos. million)		
[illegible]		
- Nominal value	-	56.00
- Securities premium	-	-

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Reconciliation of the preference shares outstanding at the beginning and at the end of the reporting period

	Nos. in million	Rs. in million
As at 1 April 2019	18.00	36.00
Add: Issued during the year	-	-
As at 31 March 2020	18.00	36.00
Add: Issued during the year	-	-
Less: Redeemed during the year	(18.00)	(36.00)
As at 31 March 2021	-	-

Details of preference shareholders holding more than 5% of shares in the company

	31 March 2021		31 March 2020 (Rs. in million) (Restated) (refer note 51)	
	Nos. in million	% holding	Nos. in million	% holding
Clix Capital Services Private Limited	-	-	18.00	100.00%

The shareholding information is based on the legal ownership of shares and has been extracted from the records of the Company including register of shareholders/members

f Optionally convertible redeemable preference shares

	31 March 2021 (Rs. in million)	31 March 2020 (Rs. in million) (Restated) (refer note 51)
Authorised shares (nos. million)		
470.00 (31 March 2020: 470.00) optionally convertible redeemable preference shares of Rs. 10 each	4,700.00	4,700.00
Issued, subscribed and fully paid-up shares (nos. million)		
Nil (31 March 2020: Nil) optionally convertible redeemable preference shares of Rs. 10 each		
- Nominal value	-	-
- Securities premium	-	-

Reconciliation of the preference shares outstanding at the beginning and at the end of the reporting period

	Nos. in million	Rs. in million
As at 1 April 2019	-	-
Add: Issued during the year	-	-
As at 31 March 2020	-	-
Add: Issued during the year	-	-
Less: Redeemed during the year	-	-
As at 31 March 2021	-	-

NOTE 16B : SHORT TERM BORROWINGS (at amortised cost)

	31 March 2021 (Rs. in million)	31 March 2020 (Rs. in million) (Restated) (refer note 51)
Loan from related parties (unsecured) (refer note 16B(i) and 44)	2,178.33	1,590.00
Cash credit from banks (secured) (refer note 16B(ii))	1,259.14	799.84
Working capital demand loans from banks (secured) (refer note 16B(iii))	1,766.45	2,710.00
Export packing credit (secured) (refer note 16B(iv))	-	499.80
Suppliers credit (secured) (refer note 16B(v))	144.20	878.05
Suppliers credit (unsecured) (refer note 16B(vi))	408.72	116.93
Short term loan from financial institution (refer note 16B(ix, x and xi))	650.00	-
Advance from Sterlite Interlinks Limited against investment in India Grid Trust units (secured) (refer note 16B(vii)) (refer note 46)	-	6,300.00
Other loan from banks (secured) (refer note 16B(viii))	-	526.18
Total	6,457.12	13,323.23
The above amount includes		
Secured borrowings	3,870.06	11,706.29
Unsecured borrowings	2,587.06	1,616.94

(i) Loan from related parties include an unsecured demand loan of Rs. 1,500 million from PTC Cables Private Limited with an interest rate between 9.65% - 10.20% p.a. (SBI MCLR + 250 Basis points). However, the Company can repay the partial or full amount to the lender with prior not less than 10 days irrevocable notice or the lender may ask for the repayment by giving 5 business days notice to the Company.
It also includes an interest free unsecured loan of Rs. 678.33 million from Sterlite Grid 4 Limited which is repayable on demand.

(ii) Cash credit from banks is secured by hypothecation of raw materials, work in progress, finished goods and trade receivables as primary charge and by hypothecation of movable as collateral charge. Some cash credit limits are also secured by way of second charge over immovable fixed assets and some are secured by hypothecation of entire current assets and receivables both present and future. The cash credit is repayable on demand and carries interest @ 9.05% - 12.35% p.a. (31 March 2020: 9.25% to 12.75% p.a.)

(iii) Working capital demand loans from banks are secured by hypothecation of raw materials, work in progress, finished goods and trade receivables as primary charge and by hypothecation of movable fixed assets as collateral charge. Some working capital demand loans are secured by hypothecation of entire current assets and receivables both present and future. Working Capital Demand Loan is generally taken for a period of less than 365 days and carries interest @ 7.59% - 12.45% p.a. (31 March 2020: 8.15% to 12.35% p.a.)

(iv) Export packing credits are secured by hypothecation of raw materials, work in progress, finished goods and trade receivables as primary charge and by hypothecation of movable fixed assets as collateral charge and is generally taken for a period of 180 days. It carries interest @ 9.50% p.a. (31 March 2020: 9.25% - 9.55% p.a.)

(v) Secured suppliers' credit arrangements are secured by hypothecation of raw materials, work in progress, finished goods and trade receivables. Suppliers' credit is generally repaid after a period of six months where foreign currency suppliers credit carry interest @ 1.30% - 3.25% (31 March 2020: 2.35% - 3.37% p.a.) (excluding hedging premium) and domestic suppliers credit carry interest @ 6.40% - 10.00% p.a. (31 March 2020: 7.90% - 11.27% p.a.)

(vi) Unsecured suppliers credit consists of financing of payable to MSME and other vendors with banks and is generally taken for a period of not more than 90 days. It carries interest @ 8.25% - 9.30% p.a. (31 March 2020: 8.5% - 9.25% p.a.)

(vii) Advance from Sterlite Interlinks Limited (SIL) was secured against investment made in the units of India Grid Trust which carried interest rate of 14.50% p.a. paid on quarterly basis. Refer Note 46 above.

(viii) Other loan from [illegible] facility in the form of vendor financing which is repayable within period of 90 days and carries interest rate @8.25% p.a. (31 March 2020: [illegible])

(iv) [illegible]

(v) [illegible]

(vi) [illegible]

NOTE 17 : OTHER FINANCIAL LIABILITIES

	31 March 2021 (Rs. in million)	31 March 2020 (Rs. in million) (Restated) (refer note 51)
Non Current		
Other liability	619.87	-
Total non-current financial liabilities	619.87	-
Current		
Derivative instruments		
- Forward contracts	115.63	-
- Commodity futures	-	982.49
	115.63	982.49
Current maturities of long-term borrowings (refer note [illegible]) (uncertain)	415.00	14,020.52
Current maturities of lease obligations (refer note [illegible]) (uncertain)	21.85	40.52
Interest accrued but not due on long-term borrowings (uncertain)	0.18	287.05
Interest accrued but not due on short-term borrowings (uncertain)	357.60	134.77
Interest free deposit from customers (uncertain)	3.30	0.92
Earnest money deposit from vendors (uncertain)	2.08	2.01
Payables for property, plant and equipment	4.74	30.04
Payable for employee stock appreciation rights (refer note [illegible]) (uncertain)	734.18	43.04
[illegible] payable	80.70	313.36
Others	142.72	210.31
Total current financial liabilities	1,847.37	17,498.84

[illegible]

NOTE 18 : EMPLOYEE BENEFIT OBLIGATIONS

	31 March 2021 (Rs. in million)	31 March 2020 (Rs. in million) (Restated) (refer note 51)
Non-current		
Provision for employee benefits		
Provision for gratuity (refer note 35)	76.47	74.96
Total non-current employee benefit obligations	76.47	74.96
Current		
Provision for employee benefits		
Provision for gratuity (refer note 35)	23.71	9.7[illegible]
Provision for leave benefit	74.47	66.[illegible]
Total current employee benefit obligations	98.18	76.32

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NOTE 19: DEFERRED TAX LIABILITIES (NET)

	31 March 2021 (Rs. in million)	31 March 2020 (Rs. in million) (Restated) (refer note 51)
Deferred tax liability		
Fixed assets: Impact of difference between tax depreciation and depreciation/amortisation for financial reporting	55.41	83.39
Fair valuation of land on transition date	56.85	56.86
Fair valuation of FVTOCI investments	1,962.59	3,453.74
Cash Flow Hedge Reserve	239.40	-
Others	52.79	31.37
Gross deferred tax liability	**2,336.91**	**3,612.55**
Deferred tax assets		
Provision for doubtful debts and advances	222.56	113.29
Provision for impairment of investment		222.41
Capital loss of sale of investment	173.72	139.58
Expenses disallowed in income tax allowed as and when incurred	171.14	171.14
Business loss	-	194.05
Others	70.35	67.9
Gross deferred tax assets	**637.85**	**938.65**
Net deferred tax liability	**1,709.06**	**2,675.90**

Reconciliation of deferred tax liability

	31 March 2021 (Rs. in million)	31 March 2020 (Rs. in million) (Restated) (refer note 51)
Opening deferred tax liability, net	2,675.90	3,694.43
Deferred tax credit recorded in statement of profit and loss	162.70	(203.98)
Deferred tax charge recorded in OCI	(1,430.43)	(617.18)
Deferred tax gain credited to cash flow hedge reserve	237.63	(105.66)
Deferred tax asset on business losses reversed during the year	194.05	-
Deferred tax liability transferred to current tax liability on sale of investments	(0.25)	(249.91)
Others	(1.14)	(0.31)
Closing deferred tax liability, net	**1,709.06**	**2,675.90**

The major components of income tax expense for the years ended 31 March 2021 and 31 March 2020 are:

	31 March 2021 (Rs. in million)	31 March 2020 (Rs. in million) (Restated) (refer note 51)
Profit or loss section		
Current Income Tax Charges:		
Current income tax	137.08	-
Adjustment of tax relating to earlier periods	(1,342.49)	(1.83)
Deferred Tax		
Relating to origination and reversal of temporary differences	162.70	(204.98)
Income tax expenses reported in the statement of profit or loss	**(1,042.71)**	**(206.81)**
OCI Section		
Deferred tax related to items recognised in OCI during in the year		
Net (gain)/loss on revaluation of cash flow hedges	237.63	(105.66)
Re-measurement loss defined benefit plans	(1.14)	(0.31)
Income tax charged through OCI	(1,430.43)	(617.18)
	(1,193.94)	(723.15)

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for 31 March 2021 and 31 March 2020:

	31 March 2021 (Rs. in million)	31 March 2020 (Rs. in million) (Restated) (refer note 51)
Accounting profit before income tax	2,599.86	(5,483.93)
At India's statutory income tax rate of 25.168% (31 March 2020: 25.168%)	600.22	(1,395.03)
Permanent difference on account expenses disallowed	5.13	5.54
Permanent difference on account of exempt income	(754.87)	(272.64)
Difference in income tax rate considered for deferred tax on capital assets	(16.90)	(5.40)
Deferred tax asset not recognised	117.76	1,070.91
Change in income tax rate	-	70.96
Disallowance of amortisation of goodwill	-	191.02
Tax/(Reversal of tax) for earlier years	(1,342.49)	(1.83)
Others	(104.40)	121.74
At the effective income tax rate of -40.42% (31 March 2020: 3.77%)	(1,042.71)	(206.81)
Income tax expense reported in the statement of profit and loss	**(1,042.71)**	**(206.81)**

NOTE 20 : TRADE PAYABLES

	31 March 2021 (Rs. in million)	31 March 2020 (Rs. in million) (Restated) (refer note 51)
Current		
Trade payables		
- total outstanding dues of micro enterprises and small enterprises (refer note 41)	522.16	870.32
- total outstanding dues of creditors other than micro enterprises and small enterprises	13,099.43	13,118.63
	13,621.59	13,988.95
Trade payables to related parties (refer note 46)	133.14	75.22
Operational supplier credit from related parties (refer note 46)	2,051.10	3,014.96
Other trade payables	11,437.35	10,898.77
Total	13,621.59	13,988.95

STERLITE POWER TRANSMISSION LIMITED
Notes to financial statements for the year ended 31 March 2021
(All amounts in Rs. million unless otherwise stated)

a) Trade payables are non-interest bearing and are normally settled on 60-180 days terms

b) Operational supplier's credit are availed in Indian Rupees at an interest rate of 7.50%-8.00% and is backed by Standby Letter of Credit issued under working capital facilities sanctioned by domestic banks. Part of these facilities are secured by first pari passu charge over the present and future current assets of the Company

NOTE 21: OTHER LIABILITIES

	31 March 2021 (Rs. in million)	31 March 2020 (Rs. in million) (Restated) (refer note 51)
Non-Current		
Contract liabilities for EPC contracts including advances from customers*	4,086.68	-
Total other non-current liabilities	4,086.68	-
Current Liabilities		
Advance from customers	485.86	[illegible]
Goods and service tax payable	-	74.00
Withholding taxes (TDS) payable	145.27	525.52
Contract liabilities for EPC contracts including advances from customers*	5,958.71	7,199.88
Others	504.93	465.87
Total	7,094.77	8,602.44

* The Company has provided corporate guarantees against the advances received from subsidiaries and joint venture

NOTE 22: REVENUE FROM OPERATIONS

	31 March 2021 (Rs. in million)	31 March 2020 (Rs. in million) (Restated) (refer note 51)
Revenue from contract with customers		
Sale of goods and services (see notes below)	[illegible]	[illegible]
Other operating revenue		
Sale of scrap	199.67	[illegible]
Export incentives #	[illegible]	[illegible]
Management fees (refer note 46)	[illegible]	[illegible]
Total revenue from operations	29,326.52	26,714.23

\# [illegible]

	31 March 2021	31 March 2020
Type of goods or services		
Revenue from sale of conductors and power cables	12,266.75	11,792.83
Revenue from engineering, procurement and construction (EPC) contracts	16,238.41	12,575.20
Revenue from sale of traded goods	553.94	1,023.76
Revenue from project consultancy services	75.54	100.77
Total revenue from contracts with customers	29,104.64	26,497.56
Geographical disaggregation:		
Within India	21,984.10	23,327.22
Outside India	7,120.54	3,170.34
Total revenue from contracts with customers	29,104.64	26,497.56
Timing of revenue recognition:		
Goods transferred at a point in time	12,790.69	13,721.59
Services transferred over time	16,313.95	12,775.97
Total revenue from contracts with customers	29,104.64	25,497.56

22 (a) Performance obligations

Information about the Company's performance obligations are summarised below:

Revenue from sale of conductors, power cables and traded goods
[illegible]

Revenue from engineering, procurement and construction (EPC) contracts:
[illegible]

Project consultancy
Project consultancy services represent the performance obligation for providing consultancy services [illegible] days of provision of services

22 (b) Assets and liabilities related to contracts with customers

	31 March 2021 (Rs. in million)	31 March 2020 (Rs. in million) (Restated) (refer note 51)
Balances at the beginning of the year		
Trade receivables	[illegible]	[illegible]
Contract assets	[illegible]	[illegible]
Contract liabilities	[illegible]	[illegible]
Balances at the end of the year		
Trade receivables	[illegible]	[illegible]
Contract assets	[illegible]	[illegible]
Contract liabilities	[illegible]	[illegible]

The Company receives [illegible] based on a billing schedule, as established in the contracts. Contract asset relates to the conditional right to consideration for completed performance under the contract. Accounts receivable [illegible] when [illegible] consideration becomes unconditional. Contract liability relates to payments received in advance of performance under the contract. Contract liabilities are recognised as revenue [illegible] performed [illegible] contract. Also there are no significant changes in the contract assets and contract liabilities balances during the reporting period

STERLITE POWER TRANSMISSION LIMITED
Notes to financial statements for the year ended 31 March 2021
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22 (c) Revenue recognised in relation to contract liabilities

	31 March 2021 (Rs. in million)	31 March 2020 (Rs. in million) (Restated) (refer note 51)
Revenue recognised that was included in the contract liability balance at the beginning of the year	7,199.88	[illegible]

22 (d) Transaction price allocated to the remaining performance obligations

	31 March 2021 (Rs. in million)	31 March 2020 (Rs. in million) (Restated) (refer note 51)
Expected to be recognised as revenue over the next one year	29,191.52	26,461.96
Expected to be recognised as revenue beyond next one year	22,328.90	12,140.65
Total	51,520.42	38,602.61

NOTE 23: FINANCE INCOME

	31 March 2021 (Rs. in million)	31 March 2020 (Rs. in million) (Restated) (refer note 51)
Interest income on		
- Bank deposits	52.62	73.82
- Loans to related parties (refer note 40)	192.36	52.47
Gain on sale of mutual funds	4.91	2.68
Reversal of provision for interest on income tax	78.40	[illegible]
Fair value gain on financial instruments measured at fair value through profit or loss	82.39	-
Others	20.93	32.03
Total	430.57	160.99

NOTE 24: OTHER INCOME

	31 March 2021 (Rs. in million)	31 March 2020 (Rs. in million) (Restated) (refer note 51)
Profit on sale of property, plant and equipment (net)	1.85	5.74
Profit on sale of investment in units of India Grid Trust (refer note 10e)	213.95	-
Consideration received from India Grid Trust on sale of Sterlite Grid 1 Limited	177.49	-
Consideration received from India Grid Trust on sale of investments in earlier years*	673.11	-
Income on investment in India Grid Trust	527.73	947.82
Dividend income on equity instruments measured at fair value through other comprehensive income	1,125.91	432.11
Employees stock appreciation rights (refer note 43)		28.59
Miscellaneous income	159.27	35.43
Total	2,877.33	1,462.66

* In earlier years, the Company sold the investment in various subsidiaries to India Grid Trust. During the year, India Grid Trust has paid sum owe related to claim in increase in tariff due to change in law, income tax refund and VAT refund to the Company.

NOTE 25: COST OF RAW MATERIAL AND COMPONENTS CONSUMED

	31 March 2021 (Rs. in million)	31 March 2020 (Rs. in million) (Restated) (refer note 51)
Inventory at the beginning of the year	1,454.23	1,001.95
Add: Purchases during the year	8,492.99	11,108.65
	9,947.22	12,110.60
Less: Inventory at the end of the year	1,871.70	1,454.23
Cost of raw material and components consumed	8,075.52	10,656.37

NOTE 26: CONSTRUCTION MATERIAL AND CONTRACT EXPENSES

	31 March 2021 (Rs. in million)	31 March 2020 (Rs. in million) (Restated) (refer note 51)
Construction material consumed		
Inventory at the beginning of the year	51.72	69.28
Add: Purchases during the year	6,890.87	5,147.46
Less: Inventory at the end of the year	(412.72)	(51.72)
	6,529.87	5,165.02
Subcontracting charges*	4,576.43	4,136.21
Total	11,106.30	9,301.23

*** These charges pertain to services availed in relation to engineering, procurement and construction (EPC) contracts.**

S R B C & CO LLP ★ CHARTERED ACCOUNTANTS ★

NOTE 27: (INCREASE)/DECREASE IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND TRADED GOODS

	31 March 2021 (Rs. in million)	31 March 2020 (Rs. in million) (Restated) (refer note 51)
Opening inventories		
Traded goods	34.90	7.46
Work-in-progress	264.51	391.96
Finished goods	[illegible]	391.98
	[illegible]	791.40
Closing inventories		
Traded goods	58.21	34.90
Work-in-progress	205.64	264.51
Finished goods	762.44	1974.27
	1,026.29	2,273.68
(Increase)/decrease in inventories of finished goods, work-in-progress and traded goods	[illegible]	[illegible]

NOTE 28: EMPLOYEE BENEFITS EXPENSE

	31 March 2021 (Rs. in million)	31 March 2020 (Rs. in million) (Restated) (refer note 51)
Salaries, wages and bonus	[illegible]	[illegible]
Contribution to provident fund and superannuation fund	[illegible]	[illegible]
Employee stock appreciation rights expense (refer note 44)	[illegible]	-
Gratuity expense (refer note 33)	[illegible]	24.12
Staff welfare expenses	[illegible]	77.42
Total	[illegible]	[illegible]

NOTE 29: OTHER EXPENSES

	31 March 2021 (Rs. in million)	31 March 2020 (Rs. in million) (Restated) (refer note 51)
Consumption of stores and spares	[illegible]	84.63
Power, fuel and water	[illegible]	259.74
Repairs and maintenance		
- Building	[illegible]	5.87
- Machinery	[illegible]	80.17
Service expenses and other charges	[illegible]	400.08
Consumption of packing materials	[illegible]	426.63
Sales commission	[illegible]	411.33
Advertisement & sales promotion	[illegible]	33.04
Security cost	[illegible]	17.07
Safety expenses	[illegible]	33.98
Carriage outwards	[illegible]	416.79
Rent	35.17	159.73
Insurance	63.58	72.19
Rates and taxes	105.84	49.52
Travelling and conveyance	132.13	727.85
Legal and professional fees	1,149.07	725.56
Bad debts / advances written off	[illegible]	23.80
Loss on dilution of investment in equity shares	-	25.28
Recruitment expenses	[illegible]	37.77
Corporate social responsibility expenses*	[illegible]	28.30
Impairment allowance for trade receivables and advances	[illegible]	82.19
Donation (refer note 40)	[illegible]	8.85
Payment to auditor (refer details below)	[illegible]	9.51
Miscellaneous expenses	[illegible]	662.71
Total	[illegible]	4,363.09

Payment to auditor

	31 March 2021 (Rs. in million)	31 March 2020 (Rs. in million) (Restated) (refer note 51)
As auditor:		
Audit fee (including audit of consolidated financial statements)	8.00	7.00
Tax audit fee	1.25	1.25
Other services (including certification fees)	4.68	1.26
Total	13.93	9.51

*Section 135 of the Companies Act, 2013 [illegible]

NOTE 30: DEPRECIATION AND AMORTISATION EXPENSE

	31 March 2021 (Rs. in million)	31 March 2020 (Rs. in million) (Restated) (refer note 51)
Depreciation of tangible assets	[illegible]	322.47
Depreciation of right-of-use assets	[illegible]	93.29
Amortisation of intangible assets	[illegible]	51.38
Amortisation of [illegible]	[illegible]	600.44
Total	426.48	1,067.58

S R B C & CO LLP * CHARTERED ACCOUNTANTS *

STERLITE POWER TRANSMISSION LIMITED
Notes to financial statements for the year ended 31 March 2021
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NOTE 30: FINANCE COST

	31 March 2021 (Rs. in million)	31 March 2020 (Rs. in million) (Restated) (refer note 51)
Interest on financial liabilities measured at amortised cost	[illegible]	3,417.84
Bill discounting and factoring charges	248.49	134.64
Bank charges	188.27	[illegible]
Interest others	-	178.55
Finance lease charges	3.94	16.26
Exchange difference to the extent considered as an adjustment to borrowing costs	-	2.33
Total	[illegible]	4,019.18

NOTE 32: EXCEPTIONAL ITEMS

	31 March 2021 (Rs. in million)	31 March 2020 (Rs. in million) (Restated) (refer note 51)
Ineffectiveness of derivative contracts designated as cash flow hedges*	-	925.87
Total	-	925.87

*During the previous year, the Company sold some of its investments in Brazilian transmission project entities. The contract for supply of conductors to these project entities were subsequently been cancelled, this was considered as a non-recurring event. The loss on cancellation of corresponding cash flow hedges entered for mitigation of risk of fluctuation in prices of aluminium and foreign currency was disclosed as exceptional item.

NOTE 33: EARNINGS PER SHARE (EPS)

Basic EPS amounts are calculated by dividing the profit/(loss) for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.
Diluted EPS amounts are calculated by dividing the profit/(loss) attributable to equity holders by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.
The following reflects the profit (loss) and share data used in the basic and diluted EPS:

	31 March 2021 (Rs. in million)	31 March 2020 (Rs. in million) (Restated) (refer note 51)
Profit/ (loss) before exceptional item attributable to equity shareholders for computation of basic and diluted EPS	3,629.24	(4,251.25)
Profit/ (loss) after exceptional item attributable to equity shareholders for computation of basic and diluted EPS	3,629.24	(5,177.12)
Weighted average number of equity shares in calculating basic and diluted EPS	61.18	61.18
Earnings per share (Rs.)		
Basic and diluted before exceptional item (on nominal value of Rs. 2 per share)	59.32	(69.49)
Basic and diluted after exceptional item (on nominal value of Rs. 2 per share)	59.32	(84.62)

NOTE 34: SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Company's standalone financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgements
In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the standalone financial statements.

Estimates and Assumptions
The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Impairment of non-financial assets
Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

Revenue recognition for construction contracts- EPC contracts
As described in Note 3.3, revenue and costs in respect of construction contracts are recognized by reference to stage of completion of the contract activity at the end of the reporting period, measured based on the proportion of contract costs incurred for work performed to date relative to the estimated total contract costs. The Company estimates the total cost of the project at each period end. These estimates are based on the rates agreed with vendors, sub contractors and management's best estimates of the costs that would be incurred for the completion of project based on past experience and/or industry data. These estimates are reassessed at each period end. Variations in contract works, claims and incentive payments are included to the extent that the amount can be measured reliably and its receipt is considered probable. When it is probable that total contract cost will exceed total contract revenue, the expected loss is recognised as an expense immediately.

Defined benefit plans (gratuity benefits)
The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.
The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. The underlying bonds are further reviewed for quality. Those having excessive credit spreads are excluded from the analysis of bonds on which the discount rate is based, on the basis that they do not represent high quality corporate bonds.
The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates for the respective countries.
Further details about gratuity obligations are given in Note 35.

Taxes
Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

Fair value measurement of financial instruments
When the fair values of financial assets recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Changes in assumptions about these factors could affect the reported fair value of financial instruments. See Note 42, 43 and 44 for further disclosures.

STERLITE POWER TRANSMISSION LIMITED
Notes to financial statements for the year ended 31 March 2021
[illegible]

NOTE 33: GRATUITY DISCLOSURES

The Company has a defined benefit gratuity plan. Every employee working in the Company gets a gratuity on departure at 15 days salary (last drawn salary) for completed period of service

Changes in the present value of the defined benefit obligation are as follows:

Particulars	31 March 2021 (Rs. in million)	31 March 2020 (Rs. in million) (Restated) (refer note 51)
Defined benefit obligation at the beginning of the year	84.72	80.57
Interest cost	4.70	3.76
Current service cost	16.87	17.93
Past service cost	13.35	-
Liability transferred in [illegible]	-	0.43
Liability transferred out [illegible]	-	(1.24)
Benefits paid directly by the Company	(21.82)	(19.63)
Actuarial (gain)/loss due to change in financial assumptions	(3.86)	0.82
Actuarial (gain)/loss on obligation due to experience adjustment	8.01	7.16
Actuarial (gain)/loss on obligation due to demographic assumption	0.40	(6.69)
Present value of defined benefit obligation at the end of the year	100.37	84.72

Details of defined benefit obligation

Particulars	31 March 2021 (Rs. in million)	31 March 2020 (Rs. in million) (Restated) (refer note 51)
Present value of defined benefit obligation	100.37	84.72
Fair value of plan assets	-	-
Net defined benefit benefit obligation	100.37	84.72

Net employee benefit expense recognised in the statement of profit and loss:

Particulars	31 March 2021 (Rs. in million)	31 March 2020 (Rs. in million) (Restated) (refer note 51)
Current service cost	16.87	17.93
Past service cost	13.35	-
Liability transferred in [illegible]	-	0.43
Interest cost on benefit obligation	4.70	3.76
Net benefit expense	34.91	[illegible]

Expenses recognised in other comprehensive income (OCI) for current period

Particulars	31 March 2021 (Rs. in million)	31 March 2020 (Rs. in million) (Restated) (refer note 51)
Actuarial (gain)/loss on obligation for the year		
- changes in demographic assumption	0.40	(6.69)
- changes in financial assumption	(3.86)	0.82
- experience variance	8.01	7.16
Net expense for the period recognised in OCI	4.55	1.29

Amounts for the current and previous periods are as follows:

Particulars	31 March 2021 (Rs. in million)	31 March 2020 (Rs. in million) (Restated) (refer note 51)
Defined benefit obligation	100.37	84.72
Plan assets	-	-
Surplus/(deficit)	(100.37)	(84.72)
Experience adjustments on plan liabilities	8.01	7.16
Experience adjustments on plan assets	-	-

The principal assumptions used in determining defined benefit obligation are shown below:

Particulars	31 March 2021 (Rs. in million)	31 March 2020 (Rs. in million) (Restated) (refer note 51)
Discount rate	[illegible]	[illegible]
Expected rate of return on plan assets	NA	NA
Employee turnover	[illegible]	[illegible]
Expected rate of salary increase	[illegible]	[illegible]
Actual rate of return on plan assets	NA	NA

The estimates of future salary increase, considered in actuarial valuation, takes into account the effect of inflation, seniority, promotion and other relevant factors such as supply and demand [illegible]

Sensitivity analysis

Particulars	31 March 2021 (Rs. in million)	31 March 2020 (Rs. in million) (Restated) (refer note 51)
Projected benefit obligation on current assumptions	106.17	84.72
Delta effect of +1% change in rate of discounting	(4.16)	(3.45)
Delta effect of -1% change in rate of discounting	4.54	3.74
Delta effect of +1% change in rate of salary increase	4.24	3.54
Delta effect of -1% change in rate of salary increase	(3.90)	(3.17)
Delta effect of +1% change in rate of employee turnover	(1.40)	(3.98)
Delta effect of -1% change in rate of employee turnover	3.29	6.46

Maturity analysis of projected benefit obligation: From the employer (undiscounted basis)

Particulars	31 March 2021 (Rs. in million)	31 March 2020 (Rs. in million) (Restated) (refer note 51)
Projected benefits payable in future years from the date of reporting		
Within next 1 year	23.71	11.11
Between 2 to 5 years	57.15	44.48
Between 6 to 10 years	32.41	35.62
Beyond 10 years	69.29	33.71

NOTE 36: LEASE LIABILITY

The Company has long term lease contracts for office premises and various vehicles. Information about leases for which the Company is lessee is presented below

Lease liabilities

Maturity analysis - contractual undiscounted cash flows	Amount
Less than one year	23.63
One to two years	8.10
Two to five years	1.90
More than five years	-
Total undiscounted lease liabilities at March 31, 2021	33.63

Set out below, are the carrying amounts of the Company's liabilities and the movement during the year

Particulars	Amount
Opening lease liabilities as at 1 April 2020 (restated) (refer note 51)	118.24
Add: Additions/(deductions)	(3.87)
Add: Interest expense	7.35
Less: Payments	93.63
As at 31 March 2021	28.09
Current	21.85
Non-current	6.24

NOTE 37: CAPITAL AND OTHER COMMITMENTS

(a) Commitments related to further investment in subsidiaries is Rs. 10,661.21 million (31 March 2020: Rs. 13,401.31 million)
(b) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) are Rs. 71.94 million (31 March 2020: Rs. 66.03 million).
(c) The board of directors of the Company have approved purchase of 59.47% equity stake in Maharashtra Transmission Communication Infrastructure Limited ('MTCIL') from Sterlite Technologies Limited ('STL'). STL has filed an application with the Department of Telecommunication for transfer of its equity stake in MTCIL to the Company which is pending for approval.
(d) The Company has entered into a Share Purchase agreement with Vinci Energies Fundo De Investimento EM Participacoes Infraestrutura and Cymi Construcoes Participacoes S.A. for selling its stake in Vineyards Participacoes S.A. and Dunas Transmissao De Energia S.A. respectively, at values as agreed in the Share Purchase agreement subject to requisite approvals.

NOTE 38: CONTINGENT LIABILITIES

		31 March 2021 (Rs. in million)	31 March 2020 (Rs. in million) (Restated) (refer note 51)
1	Disputed liabilities in appeal		
	a) Excise duty	76.40	76.40
	b) Value Added Tax (VAT) and Central sales tax (refer note i below)	394.06	219.34
2	Performance guarantees to insurer on behalf of subsidiaries	2,011.32	2,024.18
3	Bank guarantees given:		
	- To long term transmission customers on behalf of its subsidiary companies.	3,543.93	3,272.59
	- For bidding of projects on behalf of its subsidiaries	205.00	-
	- On behalf of India Grid Trust ('IGT')	25.00	25.00
	- To India Grid Trust ('IGT') for various claim with respect to sale of investments (refer note ii and iii below)	1,000.00	-
4	Corporate guarantees given:		
	- To India Grid Trust ('IGT') for claim under arbitration with respect to sale of ENICL (refer note ii below)	-	1,000.00
	- To India Grid Trust ('IGT') for clearance of items mentioned in the share purchase agreement with respect to sale of ENICL	350.00	350.00
	- To India Grid Trust ('IGT') for various claim with respect to sale of investments	500.00	
	- Given on behalf of its related party revenue contract executed	180.60	180.60
	- Given to vendor on behalf of subsidiary	-	408.02
	- On behalf of its subsidiary for issuance of non-convertible debentures during the year	2,000.00	-

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Further, pursuant to share purchase agreement with India Grid Trust, the Company is to indemnify India Grid Trust for entry tax demand of Rs. 252.31 million (31 March 2020 Rs. 234.49 million) sales tax demands of Rs. 43.58 million (31 March 2020: Rs. 11.30 million), customs duty demands of Rs. Nil (31 March 2020, 12.78 million) and income tax at Rs. 27.90 million (31 March 2020: 27.16 million) in relation to the Companies sold to the trust.

(i) The above Value Added Tax, Central Sales Tax and Entry Tax demand (along with the applicable interest, wherever levied) pertains to the following matters.

(a) Central Sales Tax demand of Rs.16.80 million (31 March 2020 of Rs 16.80 million) raised under the Delhi VAT Act, 2004 on account of non-submission of the declaration forms C pending to be received from the customers for the Assessment Year 2014-15.

(b) Value Added Tax, Central Sales Tax and Entry Tax demand of Rs.14.31 million (Amount Rs. 19.10 million) raised under the Madhya Pradesh VAT Act, 2002 on account of non-submission of the declaration forms E I/E II and Form 3 pending to be received / submitted for the Assessment Year 2015-16. The Company has deposited an amount of Rs. Rs. 4.77 million (31 March 2020: 4.70 million) while preferring the appeal in this matter.

(c) Central Sales Tax demand of Rs. 3.35 million (31 March 2020 Rs. 5.53 million) raised under the West Bengal VAT Act, 2003 on account of non-submission of the declaration forms C pending to be received / submitted for the Assessment Year 2014-15 and . The Company has deposited an amount of Rs. 0.36 million (31 March 2020: Rs. 0.47 million) while preferring the appeal in this matter.

(d) Central Sales Tax demand of Rs. Nil million (31 March 2020 Rs. 0.19 million) pertains to the demand raised under the Rajasthan VAT Act, 2003 on account of non-submission of the declaration forms EII pending to be received from the suppliers for the Assessment Year 2015-16

(e) VAT demand of Rs. 30.95 million (31 March 2020: Rs. 6.88 million) pertains to Telangana VAT Act, 2003 on account on non discharge of VAT liability by sub- contractor for the period December 2015 to June 2017 Central Sales Tax demand of Rs. 0.68 million on account of non-availability of E-1 form for the period 2017-18.

(f) Central Sales Tax demand of Rs. 105.81 million (31 March 2020: 95.24 million) pertains to the demand raised under the Jharkhand VAT Act, 2005 on account of non-submission of the C form and EII forms pending to be received from the suppliers for the Assessment Year 2015-16 and Assessment year 2016-17.

(g) Central Sales Tax demand of Rs. 0.88 million pertains to the demand raised under the Odisha VAT Act, 2004 on account of non-submission of the E1 declaration forms pending to be received from the suppliers for the Assessment Year 2016-17 and 2017-18. The Company has deposited an amount of Rs. 0.10 million while preferring the appeal in this matter.

h) Value Added Tax demand of Rs. 12.78 million (31 March 2020, Rs. 14.16 million) raised under the Uttarakhand Vat Act,2005 on account of non-submission of the C Form pending to be received / submitted for the Assessment Year 2013-13, 2014-15 and 2015-16.

i) Value Added Tax demand of Rs. 13.64 million (31 March 2020: Rs. 13.52 million) raised under the Orissa Value Added Tax Act, 2004 on account of non-submission of the C Form pending to be received / submitted for the Assessment Year October-15 - March-16, April-16 - June-16 and April-14 - September-15.

j) Value Added Tax demand of Rs. 14.36 million (31 March 2020: Rs. 30.99 million) raised under the Dadra & Nagar Haveli Value Added Tax Act, 2005 on account of non-submission of the C Form pending to be received / submitted for the Assessment Year 2012-13 and 2015-16.

The Company is contesting the demand by way of preferring appeals to the higher tax authorities and the management, including its tax advisors, believe that it's position will likely be upheld in the appellate process. No expense has been accrued in the financial statements for the tax demands raised. The management believes that the ultimate outcome of these proceedings will not have a material adverse effect on the company's financial position and results of the operations.

(ii) During the previous year, one of the vendor involved in construction of power transmission infrastructure has filed arbitration proceedings against East-North Interconnection Company Limited ('ENICL') in relation to turnkey construction contract executed by in earlier years which is pending before Arbitral Tribunal. The management doesn't expect the claim to succeed and accordingly no provision for the contingent liability has been recognised in the financial statements.

(iii) Fixed deposits have been lien marked against this same.

NOTE 39: HEDGING ACTIVITIES AND DERIVATIVES

Cash flow hedges

Foreign exchange forward contracts

Foreign exchange forward contracts measured at fair value through other comprehensive income are designated as hedging instruments in cash flow hedges of highly probable forecast transactions/firm commitments, majorly for sales and purchases in USD and EUR. The foreign exchange forward contract balances vary with the level of expected foreign currency sales and purchases and changes in foreign exchange forward rates. The terms of the foreign currency forward contracts match the terms of the expected highly probable forecast transactions. As a result, generally, no hedge ineffectiveness arise requiring recognition through profit or loss.

Commodity future contracts

Commodity future contracts entered on London Metal Exchange (LME) measured at fair value through other comprehensive income are designated as hedging instruments in cash flow hedges of highly probable forecast transactions/firm commitments for purchases of aluminium and copper. The futures contract balances vary with the level of expected quantity of purchases of aluminium and copper. The terms of the future contracts match the terms of the expected highly probable forecast transactions/firm commitments. As a result, generally, no hedge ineffectiveness arise requiring recognition through profit or loss.

The cash flow hedges during the year ended 31 March 2021 were assessed to be highly effective, and a net unrealised gain of Rs. 749.94 million (net of deferred tax of Rs. 238.35 million), is included in other comprehensive income. Comparatively, the cash flow hedges during the year ended 31 March 2020 were assessed to be highly effective and a net unrealised loss of Rs. 1,419.00 million (net of deferred tax of Rs. nil million) was included in other comprehensive income in respect of these contracts. The amounts retained in other comprehensive income at 31 March 2021 are expected to mature and affect the statement of profit and loss during the year ended 31 March 2022.

NOTE 40: DERIVATIVE INSTRUMENTS

(a) The following are the outstanding forward exchange contracts entered into by the Company, for hedge purpose, as on 31 March 2021

Purpose	Foreign currency (In million)	Amount (Rs. In million)	Buy/Sell	No. of contracts (Quantity)
31 March 2021				
Hedge of payables, suppliers credit and highly probable purchases	USD 95.03	6,985.05	Buy	101
Hedge of trade receivables, margin money deposits and highly probable sale	USD 60.44	4,442.84	Sell	66
Hedge of payables and highly probable purchases	-	-	Buy	-
Hedge of trade receivables and highly probable sale	EUR 15.94	1,372.60	Sell	20
31 March 2020 (restated) (refer note 51)				
Hedge of payables, suppliers credit and highly probable purchases	USD 70.74	5,332.80	Buy	99
Hedge of trade receivables, margin money deposits and highly probable sale	USD 88.62	7,790.69	Sell	90
Hedge of payables and highly probable purchases	EUR 0.25	20.76	Buy	1
Hedge of trade receivables and highly probable sale	EUR 3.70	307.28	Sell	15

(b) The year end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below:

Amounts payable in foreign currency on account of the following

Category	Currency type	Foreign currency (In million)	Amount (Rs. in million)
31 March 2021			
Import of goods and services	EUR	0.07	5.82
Import of goods and services	USD	0.85	62.56
31 March 2020 (restated) (refer note 51)			
Import of goods and services	EUR	0.02	1.27
Import of goods and services	USD	0.89	65.24

(c) Commodity future contracts to hedge against fluctuations [illegible]

The following are the outstanding future contracts entered into by the Company as on 31 March 2021:

Year	Commodity type	No. of contracts	Contracted quantity MT	Buy/Sell
31 March 2021	Aluminium	143	90,705	Buy
31 March 2021	Aluminium	31	10,350	Sell
31 March 2021	Copper	4	325	Buy
31 March 2021	Copper	1	275	Sell
31 March 2021	Midwest premium on aluminium	4	100	Buy
31 March 2021	Midwest premium on aluminium	4	100	Sell
31 March 2020 (restated) (refer note 51)	Aluminium	157	1,19,760	Buy
31 March 2020 (restated) (refer note 51)	Aluminium	120	1,62,595	Sell
31 March 2020 (restated) (refer note 51)	Copper	5	137	Buy
31 March 2020 (restated) (refer note 51)	Copper	4	104	Sell
31 March 2020 (restated) (refer note 51)	Midwest premium on aluminium	16	5,650	Buy

NOTE 41: DETAILS OF DUES TO MICRO AND SMALL ENTERPRISES AS DEFINED UNDER MSMED ACT, 2006

Description	31 March 2021 (Rs. in million)	31 March 2020 (Rs. in million) (Restated) (refer note 51)
(i) The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of each accounting year		
Principal amount due to micro and small enterprises	322.16	791.33
Interest due on above	20.38	33.38
(ii) The amount of interest paid by the buyer in terms of section 16, of the Micro Small and Medium Enterprises Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
(iii) The 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 Micro Small and Medium Enterprises Development Act, 2006	-	-
(iv) The amount of interest accrued and remaining unpaid at the end of each accounting year	20.38	33.38
(v) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro Small and Medium Enterprise Development Act, 2006	-	-

Interest payable as per section 16 of the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006 to the extent of Rs. 20.38 million (31 March 2020: 33.38 Million) is accrued in the books of accounts. Dues to micro and small enterprises have been determined to the extent such parties have been identified on the basis of information received from the suppliers/information available with the Company regarding their status under MSMED Act, 2006.

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NOTE 42: FAIR VALUES

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

Rs. in million

Particulars	Carrying value		Fair value	
	31 March 2021	31 March 2020 (Rs. in million) (Restated) (refer note 51)	31 March 2021	31 March 2020 (Rs. in million) (Restated) (refer note 51)
Financial assets				
Investment in subsidiaries	[illegible]	[illegible]	[illegible]	21,972.73
Investment in joint venture	43.27	-	43.27	-
Investment in units	[illegible]	[illegible]	[illegible]	8.38
Investment others	112.45	[illegible]	[illegible]	112.45
Investment in mutual funds	[illegible]	[illegible]	[illegible]	299.40
Derivative instruments	[illegible]	[illegible]	[illegible]	279.38
Total	[illegible]	[illegible]	[illegible]	**22,671.34**
Financial liabilities				
Derivative instruments	[illegible]	[illegible]	[illegible]	[illegible]
Total	[illegible]	982.49	135.63	982.49

[illegible]

[illegible]

- [illegible]
- [illegible]
- [illegible]

[illegible]

Description of significant unobservable inputs to valuation:
A - FVTOCI assets - unquoted equity shares in subsidiaries
[illegible]

[illegible]

(a) Investment in Indian transmission projects

(Rs. in million)

Significant unobservable inputs	Range	Sensitivity of the input to fair value	Increase/(decrease) in fair value	
			31 March 2021	31 March 2020 (Rs. in million) (Restated) (refer note 51)
i) Cost of equity	[illegible]	[illegible]	(202.38)	(245.63)
		[illegible]	327.37	[illegible]
ii) Cost of debt	[illegible]	[illegible]	(1,306.15)	(482.72)
		[illegible]	1,292.11	480.25
iii) Incremental tariff expected to be approved by CERC in respect of cost overruns due to force majeure/change in law (as % of unrecoverable tariff)	[illegible]	[illegible]	47.19	109.64
		[illegible]	(47.19)	[illegible]
iv) Project cost (for under construction assets)		[illegible]	(2,258.71)	[illegible]
		5% decrease	61.52	[illegible]

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Note: (Rs. in million)

Project	Project cost	
	31 March 2021	31 March 2020 (Rs. in million) (Restated) (refer note 51)
Goa-Tamnar Transmission Project Company Limited	15,500.00	13,300.00
Lakadia Vadodara Transmission Project Limited	20,083.00	19,365.00
Vapi II North Lakhimpur Transmission Limited	27,370.00	-

(b) Investment in Brazilian transmission projects

(Rs. in million)

Significant unobservable inputs	Range	Sensitivity of the input to fair value	Increase/(decrease) in fair value	
			31 March 2021	31 March 2020 (Rs. in million) (Restated) (refer note 51)
i) Cost of equity	(i) Operational Projects/projects nearing completion - 31 March 2021 - NA; 31 March 2020 - 11.5%	0.5% increase	(169.21)	(11.21)
	(ii) New/under construction project - 31 March 2021 - 13.75%; 31 March 2020 - 13.5%	0.5% decrease	185.43	12.22
ii) Cost of debt	31 March 2021 - 4.3% to 5.9%	0.5% increase	(290.44)	(16.31)
	31 March 2020 - [illegible]	0.5% decrease	255.32	16.32
iii) Inflation	31 March 2021 - 1.70%	0.5% increase	45.91	3.25
	31 March 2020 - 3.30%	0.5% decrease	(43.57)	(3.16)
iv) Project cost (for under construction assets)		5% increase	(1,490.46)	(45.92)
		5% decrease	1,490.46	47.95

B. FVTOCI assets - Unquoted equity shares in Sharper Shape Group Inc.
Valuation technique: Discounted cash flow (DCF) method

(Rs. in million)

Sr. No.	Significant unobservable inputs	Range	Sensitivity of the input to fair value	Increase/(decrease) in fair value	
				31 March 2021	31 March 2020 (Rs. in million) (Restated) (refer note 51)
(i)	Long-term growth rate for cash flows for subsequent years	31 March 2021: 3%; 31 March 2020: 3%	2% increase	11.36	6.92
			2% decrease	(9.33)	(5.62)
(ii)	WACC (pre-tax)	31 March 2021: 23.40%; 31 March 2020: 23.40%	1% increase	(11.82)	(7.83)
			1% decrease	12.36	8.65
(iii)	Discount for lack of marketability	31 March 2021: 10%; 31 March 2020: 10%	5% increase	(6.99)	(6.27)
			5% decrease	6.99	6.27

NOTE 48: FAIR VALUES HIERARCHY

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities:

Quantitative disclosures fair value measurement hierarchy for assets and liabilities as at 31 March 2021 and 31 March 2020

(Rs. in million)

	Amount	Fair value measurement using		
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets/(liabilities) measured at fair value through profit and loss				
Mutual fund investments				
As at 31 March 2021	9.07	9.07	-	-
As at 31 March 2020 (restated) (refer note 51)	299.40	299.40	-	-
Investment in units				
As at 31 March 2021	386.15	386.15	-	-
As at 31 March 2020 (restated) (refer note 51)	8.38	8.38	-	-
Assets/(liabilities) measured at fair value through other comprehensive income				
Investment in equity instruments				
As at 31 March 2021	14,632.77	-	-	14,632.77
As at 31 March 2020 (restated) (refer note 51)	22,085.18	-	-	22,085.18
Derivative asset/ (liabilities) (net)				
As at 31 March 2021	1,058.23	-	1,058.23	-
As at 31 March 2020 (restated) (refer note 51)	(704.10)	-	(704.10)	-

There have been no transfers among Level 1, Level 2 and Level 3.

NOTE 44: FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's principal financial liabilities, comprise borrowings, trade and other payables and other financial liabilities. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include Investments, loans, trade and other receivables, cash and short-term deposits and other financial assets that derive directly from its operations. The Company also holds FVTOCI investments and enters into derivative transactions.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. All derivative activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. It is the Company's policy that no trading in derivatives for speculative purposes may be undertaken. The Company reviews and agrees policies for managing each of these risks, which are summarised below.

The Risk Management policies of the Company are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

Management has overall responsibility for the establishment and oversight of the Company's risk management framework. In performing its operating, investing and financing activities, the Company is exposed to the Credit Risk, Liquidity Risk and Market risk.

(a) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits, investments and derivative financial instruments.

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

The sensitivity analyses have been prepared on the basis that the amount of net debt, the ratio of fixed to floating interest rates of the debt and derivatives and the proportion of financial instruments in foreign currencies are all constant and on the basis of hedge designations in place at 31 March 2021.

The analyses exclude the impact of movements in market variables on the carrying values of gratuity and provisions.

The following assumption has been made in calculating the sensitivity analysis:

• **The sensitivity of the relevant statement of profit or loss item is the effect of the assumed changes in respective market risks. This is based on** the financial assets and **financial liabilities held at 31 March 2021 and 31 March 2020.**

Interest rate risk

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

The Company is exposed to the interest rate fluctuation in domestic borrowing. The Company has all its borrowing on floating rate of interest.

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in the interest rates on that portion of loans and borrowings affected. With all the other variables held constant, the Company's profit/(loss) before tax is affected through the impact on floating rate borrowings, as follows:

(Rs. million)

Particulars	**Increase/Decrease in Basis Points**	**Effect on profit before tax / pre-tax equity**
31 March 2021		
Base Rate	+50	24.73
Base Rate	-50	(24.73)
31 March 2020 (restated) (refer note 51)		
Base Rate	+50	31.05
Base Rate	-50	(31.05)

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Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency).

The Company has a policy to keep minimum forex exposure on the books that are likely to occur within a maximum 12-month period for hedges of forecasted sales and purchases.

When a derivative is entered into for the purpose of being a hedge, the Company negotiates the terms of those derivatives to match the terms of the hedged exposure. For hedges of forecast transactions the derivatives cover the period of exposure from the point the cash flows of the transactions are forecasted up to the point of settlement of the resulting receivable or payable that is denominated in the foreign currency.

Out of total foreign currency exposure, the Company has hedged the exposure of 94.36% as at 31 March 2021 and 99.94% as at 31 March 2020.

Foreign currency sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in USD, and EUR exchange rates, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities. The impact on the Company's pre-tax equity is due to changes in the fair value of forward exchange contracts designated as cash flow hedges. The Company's exposure to foreign currency changes for all other currencies is not material. With all the other variable held constant, the Company's profit before tax is affected through the impact on change of foreign currency rate as follows-

(Rs. in million)

	Change in USD rate	Effect on profit before tax / pre-tax equity	Change in Euro rate	Effect on profit before tax / pre-tax equity
31 March 2021	+5%	(11.16) / (8.35)	+5%	(0.29) (0.22)
	-5%	11.16 8.35	-5%	0.29 0.22
31 March 2020 (restated) (refer note 51)	+5%	(3.38) / (2.2)	+5%	(0.06) (0.04)
	-5%	3.38 2.2	-5%	0.06 0.04

Commodity price risk

The Company is affected by the price volatility of certain commodities. Its operating activities require the ongoing purchase of aluminium and copper for manufacture of conductor and OPGW, power cables and therefore require a continuous supply of aluminium and copper. Due to the volatility of the price of aluminium and copper, the Company enters into various purchase contracts for aluminium and copper on London Metal Exchange. The prices in these purchase contracts are linked to the price on London Metal Exchange.

The Company's Board of Directors has developed and enacted a risk management strategy regarding commodity price risk and its mitigation.

Based on a 1 month forecast of the required copper and aluminium supply, the Company hedges the purchase price using future commodity purchase contracts. The forecast is deemed to be highly probable.

Commodity price sensitivity

As per the Company's policy for commodity price hedging, all the commodity price exposures as on reporting dates are fully hedged. Thus there are no open unhedged exposures on the reporting dates.

Equity price risk

The Company's listed units and listed and unlisted equity securities are susceptible to market price risk arising from uncertainties about future values of the investment securities. The Company manages the equity price risk by placing limits on individual and total equity instruments. Reports on the equity portfolio are submitted to the Company's senior management on a regular basis. The Company's Board of Directors reviews and approves all equity investment decisions.

At the reporting date, the exposure to listed units and listed and unlisted equity securities at fair value was Rs. 14,927.99 million (31 March 2020: Rs.22,392.96 million). Sensitivity analysis of these investments have been provided in note 41.

In previous year, as referred in note 10 (b), the Company entered into an agreement to sell 87.54 million units of India Grid Trust at an agreed amount hence these units were not considered for sensitivity analysis. In the current year the Company has sold 85.51 million units of India Grid Trust and the balance have been included for sensitivity analysis.

Significant unobservable inputs	Range	Sensitivity of the input to fair value	Increase/(decrease) in Fair Value 31 March 2021	31 March 2020 (Rs. in million) (Restated) (refer note 51)
Net assets at fair value of India Grid Trust	140.24 per unit	0.50%	1.43	NA
		-0.50%	(1.43)	NA

In previous year, the Company considered Net Asset Fair Value of India Grid Trust due to lower trading volumes.

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(b) Credit risk

[illegible]

Trade receivables

[illegible]

[illegible]

Financial guarantee contracts

The Company is exposed to credit risk in relation to financials guarantee given by the Company on behalf of subsidiaries. The Company's maximum exposure in this regard is the maximum amount Company could have to pay if the guarantee is called on as at 31 March 2021 Rs 24,863.78 million (31 March 2020: Rs. 8,169.15 million). These financial guarantees have been issued to bank and long term transmission customer on behalf of its subsidiaries. Based on the expectations at the end of reporting period, the Company considers likelihood of any claim under guarantee is remote.

Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Company's Board of Directors on an annual basis, and may be updated throughout the year. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments

The Company's maximum exposure to credit risk for the components of the balance sheet at 31 March 2021 and 31 March 2020 is the carrying amounts of each class of financial assets except for financial guarantees and derivative financial instruments. The Company's maximum exposure relating to financial guarantees and financial derivative instruments is noted in Note 39 and the liquidity table below:

(c) Liquidity risk

Liquidity risk is the risk that the Company may encounter difficulty in meeting its present and future obligations associated with financial liabilities that are required to be settled by delivering cash or another financial asset. The Company's objective is to, at all times, maintain optimum levels of liquidity to meet its cash and collateral obligations. The Company requires funds both for short term operational needs as well as for long term investment programs mainly in growth projects. The Company closely monitors its liquidity position and deploys a robust cash management system. It aims to minimise these risks by generating sufficient cash flows from its current operations, which in addition to the available cash and cash equivalents, liquid investments and sufficient committed fund facilities, will provide liquidity.

The liquidity risk is managed on the basis of expected maturity dates of the financial liabilities. The average credit period taken to settle trade payables is about 60 - 180 days. The other payables are with short term durations. The carrying amounts are assumed to be reasonable approximation of fair value. The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

(Rs. in million)

Particulars	Payable on demand	Less than 3 months	3 months to 12 months	1 year to 5 years	> 5 years	Total
As at 31 March 2021						
Borrowings	3,477.67	2,829.45	[illegible]	[illegible]	-	[illegible]
Lease obligation	-	12.02	[illegible]	[illegible]	-	[illegible]
Other financial liabilities	-	413.40	[illegible]	[illegible]	-	1,815.01
Trade payables	-	14,021.01	-	-	-	14,021.01
Payables for purchase of property, plant and equipment	-	4.74	-	-	-	4.74
Derivatives	-	115.63	-	-	-	115.63
Financial guarantee contracts*	10,423.84	-	-	-	-	10,423.84
Total	**13,901.51**	**17,476.25**	**861.51**	**1,011.51**	-	**33,250.78**
As at 31 March 2020 (restated) (refer note 51)						
Borrowings	17,225.76	[illegible]	6,200.00	-	-	28,245.75
Lease obligation	-	[illegible]	78.01	15.58	-	118.24
Other financial liabilities	-	[illegible]	45.05	-	-	[illegible]
Trade payables	-	[illegible]	-	-	-	[illegible]
Payables for purchase of property, plant and equipment	-	[illegible]	-	-	-	[illegible]
Derivatives	-	-	982.49	-	-	982.49
Financial guarantee contracts*	8,169.15	-	-	-	-	8,169.15
Total	**25,394.91**	**20,433.06**	**7,305.55**	**15.58**	-	**53,149.09**

* Based on the maximum amount that can be called for under the financial guarantee contract. Financial guarantee contract pertains to guarantees given to term loan lender, long term transmission [illegible] behalf of subsidiaries etc. These will be invoked in case of default by subsidiaries.(refer Note 38)

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NOTE 45: CAPITAL MANAGEMENT

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder value.

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company's policy is to keep the gearing ratio optimum. The Company includes within net debt, interest bearing loans and borrowings, trade payables and other payables, other financial liabilities and advances received from customers less cash and short-term deposits and current investments, excluding discontinued operations, if any

Particulars	31 March 2021	31 March 2020 (Rs. in million) (Restated) (refer note 51)
Interest bearing loans and borrowings	7,533.29	29,408.82
Trade payables	13,621.59	13,928.95
Other financial liabilities	537.04	599.68
Advances received from customers	6,443.57	7,937.05
Less: Cash and short-term deposits and current investments	(3,617.22)	(2,922.68)
Net debt	24,518.27	49,811.82
Equity share capital	122.36	122.36
Other equity	13,680.33	13,934.30
Total capital	13,602.69	14,056.66
Capital and net debt	32,120.96	63,868.48
Gearing ratio	65.98%	77.71%

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period except those specified in note 16A (a) and note 16A (h)
No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2021 and 31 March 2020.

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NOTE 46: RELATED PARTY DISCLOSURES

Related party disclosures as required by Ind AS 24, Related Party Disclosures issued by the ICAI and notified under Rules are given below:-

(A) Name of related party and nature of its relationship:

(a) Related parties where control exists

(i) Holding company

Twin Star Overseas Limited, Mauritius (immediate holding company)
Volcan Investments Limited, Bahamas (ultimate holding company)

(ii) Subsidiaries

Indigrid Investment Managers Limited (formerly known as Sterlite Investment Managers Limited (till 30 July 2019))
Indigrid 2 Limited (till 3 June 2019) (formerly known as Sterlite Grid 2 Limited)
Indigrid 3 Limited (till 28 June 2019) (formerly known as Sterlite Grid 3 Limited)
Sterlite Grid 4 Limited
Sterlite Grid 5 Limited
Sterlite Grid 6 Limited
Sterlite Grid 7 Limited
Sterlite Grid 8 Limited
Sterlite Grid 9 Limited
Sterlite Grid 10 Limited
Sterlite Grid 11 Limited
Sterlite Grid 12 Limited
Sterlite Grid 13 Limited (till 30 March 2021)
Sterlite Grid 14 Limited
Sterlite Grid 15 Limited
Sterlite Grid 16 Limited
Sterlite Grid 17 Limited
Sterlite Grid 18 Limited
Sterlite Grid 19 Limited
Sterlite Grid 20 Limited
Sterlite Grid 21 Limited
Sterlite Grid 22 Limited
Sterlite Grid 23 Limited
Sterlite Grid 24 Limited
Sterlite Grid 25 Limited
Sterlite Grid 26 Limited
Sterlite Grid 27 Limited
Sterlite Grid 28 Limited
Sterlite Grid 29 Limited
Sterlite Grid 30 Limited (formerly known as NRSS XXIX (JS) Transmission Limited)
Sterlite EdIndia Foundation
East-North Interconnection Company Limited (till 23 March 2020)
NRSS XXIX Transmission Limited (till 3 June 2019)
Odisha Generation Phase-II Transmission Limited (till 28 June 2019)
Gurgaon-Palwal Transmission Limited (till 29 August 2020)
Khargone Transmission Limited
NER-II Transmission Limited (till 24 March 2021)
Sterlite Convergence Limited
Goa-Tamnar Transmission Limited
Udupi Kasargode Transmission Limited
Vapi II North Lakhimpur Transmission Limited (till 30 March 2021)
Lakhadia Vadodara Transmission Project Limited
OneGrid Limited (from 25 September 2020)
Se Vineyards Power Transmission S.A., Brazil
Arcoverde Transmissão De Energia S.A., Brazil (till 13 March 2020)
Sterlite Brazil Participacoes S.A., Brazil
Sterlite Novo Estado Energia S.A. Brazil (till 3 March 2020)
Dunas Transmissão de Energia S.A
Borborema Transmissão de Energia S.A.
São Francisco Transmissão de Energia S.A.
Goyaz Transmissão de Energia S.A.
Marituba Transmissão de Energia S.A
Solaris Transmissão de Energia S.A.
Pampa Transmissão de Energia S.A. (Formerly known as Sterlite Brazil Projetos de Transmissão de Energia S.A) (till 10 March 2020)
Castelo Transmissão de Energia S.A.

(iii) Associate

Indigrid Investment Managers Limited (formerly known as Sterlite Investment Managers Limited (31 from July 2019))
Sterlite Interlinks Limited (from 29 May 2019)
NER-II Transmission Limited (from 25 March 2021)

(iv) Joint Ventures

Sterlite Grid 13 Limited (from 31 March 2021)

(v) Subsidiaries of associate

Indigrid 1 Limited (till 07 May 2019) (formerly know as Sterlite Grid 1 Limited)
Indigrid 2 Limited (till 4 June 2019) (formerly known as Sterlite Grid 2 Limited)
Indigrid 3 Limited (till 29 June 2019) (formerly known as Sterlite Grid 3 Limited)
Jabalpur Transmission Company Limited (till 07 May 2019)
Bhopal Dhule Transmission Company Limited (till 07 May 2019)
Purulia & Kharagpur Transmission Company Limited (till 07 May 2019)
RAPP Transmission Company Limited (till 07 May 2019)
Maheshwaram Transmission Limited (till 07 May 2019)
Patran Transmission Company Limited (till 07 May 2019)

(v) Subsidiary of joint venture

Vapi II North Lakhimpur Transmission Limited (from 31 March 2021)

(b) Other related parties under IND AS-24 "Related party disclosures" with whom transactions have taken place during the year

(i) Key Management Personnel (KMP)

Mr. Pratik Agarwal (Managing Director)
Mr. Anurag Srivastava (Chief Financial Officer)

(ii) Fellow subsidiaries

Vedanta Limited
Fujairah Gold FZE
Bharat Aluminium Company Limited
Hindustan Zinc Limited
Sterlite Technologies Limited
Sterlite Power Technologies Private Limited
Maharashtra Transmission Communication Infrastructure Limited
ESL Steels Limited (formerly know as Electrosteel Steels Limited)

(c) Additional related parties as per Companies Act, 2013 with whom transactions have taken place during the year

(i) Key Management Personnel (KMP)

Mr. Ashok Ganesan (Company Secretary)
Mr. Arun Todarwal (Director)
Ms. Avaantika Kakkar (Director) (till 01 February 2021)
Mr. Anoop Sheth (Director) (from 31 July 2020)
Mr. Lalit Tandon (Director) (till 15 May 2019)
Ms. Zhao Haixia (Director)
Mr. A.R. Narayanaswamy (Director)

(ii) Entities in which directors are interested

PTC Cables Private Limited
Cyril Amarchand Mangaldas
Talwandi Sabo Power Limited
Universal Floritech LLP

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STERLITE POWER TRANSMISSION LIMITED *

STERLITE POWER TRANSMISSION LIMITED
Notes to financial statements for the year ended 31 March 2021
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(B) The transactions with related parties during the year and their outstanding balances are as follows:

Rs. in million

S. No.	Particulars	Subsidiaries & Fellow subsidiaries		Associate and its subsidiaries		KMP and Director interested parties	
	Transactions	2020-21	2019-20 (restated) (refer note- 51)	2020-21	2019-20 (restated) (refer note- 51)	2020-21	2019-20 (restated) (refer note- 51)
1	Subscription/acquisition of equity shares including pending allotment	0.30	2.50	-	0.05	-	-
2	Loans and advances given by the Company	3,839.33	5,879.51	30.17	-	-	-
3	Repayment of Loans and Advances given by the Company	15,345.16	737.54	-	-	-	-
4	Loan received by the Company	678.33	-	-	6,200.00	-	1,500.00
5	Loan repaid by the Company	-	-	6,200.00	-	-	-
6	Conversion of Loan into non-convertible debentures (NCD)	4,529.07	-	-	-	-	-
7	Conversion of Loan, CCDs and CCPS into equity shares	2.50	539.50	-	-	-	-
8	Repayment of non-convertible debentures by subsidiary	-	313.31	-	-	-	-
9	Revenue from EPC contract with customer	12,333.81	8,325.10	-	1.19	-	-
10	Sale of goods (net of goods and service tax)	8.30	3.62	-	319.80	-	-
11	Sale of consultancy services	-	100.00	-	-	-	-
12	Management fees income (excluding GST)	21.31	26.16	5.40	23.45	-	-
13	Dividend income	1,256.83	472.22	-	176.44	-	-
14	Performance bank guarantee charge recovered from subsidiary	104.23	-	-	-	-	-
15	Interest income accrued on amount received	19.23	21.07	-	-	-	-
16	Purchase of goods and services (net of return)	5,549.07	15,149.33	-	-	-	3.33
17	Interest cost	170.90	228.64	354.71	368.18	130.18	103.08
18	Purchase of power	26.72	31.14	[illegible]	[illegible]	-	-
19	Loss on forfeiture of investment	-	21.79	-	-	-	-
20	Remuneration (refer note 2 below)	-	-	-	-	89.06	69.25
21	Director sitting fees	-	-	-	-	14.65	8.85
22	Commission paid to directors	-	-	-	-	6.49	-
23	CSR expenditure	15.23	5.50	-	-	-	-
24	Availing services	-	-	-	-	1.30	1.01
25	Advance received against contracts (including tax)	5,?68.76	2,807.27	-	-	-	1.01
26	Purchase of fixed assets	-	-	-	0.30	-	
27	Sale of fixed assets	-	3.51	-	-	-	-
28	Contract asset billed during the year	317.72	-	-	-	-	-
29	Reimbursement of expenses paid to related parties	0.57	1.21	-	-	-	-
30	Reimbursement of expenses paid on behalf of related parties	2.75	1.82	-	-	-	-
31	Bank guarantee given	987.96	753.36	-	-	-	-
S. No.	**Outstanding Balances**	**31 March 2021**	**31 March 2020 (restated) refer note- 51**	**31 March 2021**	**31 March 2020 (restated) refer note- 51**	**31 March 2021**	**31 March 2020 (restated) refer note- 51**
1	Management fees receivable (net of TDS)	19.33	6.70	5.16	5.27	-	-
2	Loans and advances receivable	2,147.00	14,157.43	-	-	-	-
3	Short term borrowings	678.33	-	-	6,200.00	1,722.56	1,592.77
4	Investment in non-convertible debentures (NCD)*(net of impairment)	5,290.93	-	-	-	-	-
5	Investment in compulsorily convertible debentures (CCD)	-	1,527.39	-	-	-	-
6	Trade receivables^	3,681.84	3,333.05	-	-	-	-
7	Trade payables	2,184.24	3,090.18	-	-	-	-
8	Amount payable against supplies, services and reimbursement of expenses (net of advance)	22.73	-	-	-	-	7.69
9	Amount receivable against supplies, services and reimbursement of expenses (net of payable)	37.83	23.21	-	27.56	-	-
10	Advances recoverable in cash from related party	-	-	69.05	-	-	-
11	Advance from customers$	9,067.58	6,093.13	-	-	-	-
12	Reimbursement of expenses payable	22.73	-	-	-	-	-
13	Corporate guarantee given outstanding at year end	2,188.60	1,946.60	-	-	-	-
14	Bank performance guarantee given outstanding at year end#	6,360.23	6,222.47	-	-	-	-

* includes asset held for sale and it also includes Rs. 1,007.88 million pertaining to joint venture
[illegible] includes Rs. 7.10 million pertaining to joint venture
$ includes Rs. 4,463.02 million pertaining to joint venture
\# includes Rs. 376.40 million pertaining to joint venture

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(C) The major transactions with related parties during the year and their outstanding balances are as follows:

		Relationship	31 March 2021 (Rs. in million)	31 March 2020 (restated) (refer note-51) (Rs. in million)
1	**Subscription/acquisition of equity shares including pending allotment**			
	Sterlite Grid 13 Limited	Subsidiary	0.10	-
	Sterlite Grid 18 Limited	Subsidiary	0.10	-
	Sterlite Edindia Foundation	Subsidiary	-	0.50
	Sterlite Interlinks Limited	Associate	-	0.05
	One Grid Limited	Subsidiary	0.10	-
	Sterlite Grid 28 Limited	Subsidiary	-	1.00
2	**Loans and advances given by the Company**			
	Sterlite Convergence Limited	Subsidiary	6.00	1.09
	Sterlite Grid 3 Limited	Subsidiary	-	259.30
	Sterlite Grid 4 Limited	Subsidiary	2,630.61	3,835.32
	Sterlite Grid 5 Limited	Subsidiary	183.97	1,013.45
	Sterlite Grid 13 Limited	Subsidiary	2,918.20	0.12
	Sterlite Grid 14 Limited	Subsidiary	510.04	87.02
	Sterlite Grid 18 Limited	Subsidiary	564.76	1,527.50
	East-North Interconnection Company Limited	Subsidiary	-	1,096.64
	Sterlite Interlinks Limited	Associate	70.13	-
3	**Repayment of loans and advances given by the Company**			
	Sterlite Grid 4 Limited	Subsidiary	13,311.62	-
	Sterlite Grid 5 Limited	Subsidiary	234.19	-
	East-North Interconnection Company Limited	Subsidiary	-	757.54
4	**Loan received by the Company**			
	Sterlite Grid 4 Limited	Subsidiary	678.00	-
	Sterlite Interlinks Limited	Associate	-	6,200.00
	PTC Cables Private Limited	Director interested parties	-	1,500.00
5	**Loan repaid by the Company**			
	Sterlite Interlinks Limited	Associate	6,200.00	-
6	**Conversion of loan into Non- convertible debentures (NCD)**			
	Sterlite Grid 13 Limited	Subsidiary	3,015.76	-
	Sterlite Grid 14 Limited	Subsidiary	571.06	-
	Sterlite Grid 18 Limited	Subsidiary	2,093.25	-
7	**Conversion of loan, CCD's and CCPS into equity shares**			
	East North Interconnection Company Limited	Subsidiary	-	209.50
	Sterlite Grid 13 Limited	Subsidiary	2.50	-
8	**Repayment of non-convertible debentures by subsidiary**			
	Sterlite Grid 2 Limited	Subsidiary	-	115.41
9	**Revenue from EPC contract with Customers#**			
	East-North Interconnection Company Limited	Subsidiary	-	169.33
	Udupi Kasargode Transmission Limited	Subsidiary	141.00	-
	Khargone Transmission Limited	Subsidiary	17.87	427.16
	NER-II Transmission Limited	Subsidiary	6,600.29	6,261.06
	Vapi II North Lakhimpur Transmission Limited	Subsidiary	5.64	-
	Sterlite Grid 5 Limited	Subsidiary	43.51	82.15
	Goa-Tamnar Transmission Project Limited	Subsidiary	971.22	116.35
	Gurgaon-Palwal Transmission Limited	Subsidiary	(13.79)	864.00
	Lakadia Vadodara Transmission Project Limited	Subsidiary	1,682.37	23.99
	Sterlite Convergence Limited	Subsidiary	-	81.17
	Jabalpur Transmission Company Limited	Subsidiary of Associate	-	1.19
10	**Sale of goods (net of goods and service tax)**			
	Maharashtra Transmission Communication Infrastructure Limited	Fellow Subsidiary	8.39	1.95
	Sterlite Interlinks Limited	Associate	-	114.89
	Sterlite Technologies Limited	Fellow Subsidiary	-	2.31
	Vedanta Limited	Fellow Subsidiary	-	4.41
	Jabalpur Transmission Company Limited	Subsidiary of Associate	-	4.31
11	**Sale of Consultancy Services**			
	East-North Interconnection Company Limited	Subsidiary	-	100.00

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		Relationship	31 March 2021 (Rs. In million)	31 March 2020 (Rs. In million)
12	**Management fees income (excluding GST)**			
	East-North Interconnection Company Limited	Subsidiary	-	14.74
	NRSS XXIX Transmission Limited	Subsidiary	-	2.84
	Gurgaon Palwal Transmission Limited	Subsidiary	4.84	4.75
	Khargone Transmission Limited	Subsidiary	6.52	2.79
	Odisha Generation Phase-II Transmission Limited	Subsidiary	-	1.04
	Maharashtra Transmission Communication Infrastructure Limited	Subsidiary	9.95	-
	IndiGrid Investment Managers Limited (formerly known as Sterlite Investment Managers Limited)	Associate	5.13	35.45
13	**Dividend income**			
	India Grid Trust	Associate	-	176.41
	Sterlite Brazil Participacoes S.A., Brazil	Subsidiary	1,226.41	432.12
14	**Performance bank guarantee charge recovered from subsidiary**			
	Sterlite Brazil Participicoes S.A., Brazil	Subsidiary	104.23	-
15	**Interest income accrued or interest received**			
	Sterlite Power Technologies Private Limited	Fellow Subsidiary	[illegible]	[illegible]
	Sterlite Technologies Limited	Fellow Subsidiary	[illegible]	[illegible]
16	**Purchase of goods and services (net of taxes)**			
	Sterlite Grid 5 Limited	Subsidiary	[illegible]	[illegible]
	Vedanta Limited	Fellow Subsidiary	[illegible]	[illegible]
	Bharat Aluminium Company Limited	Fellow Subsidiary	[illegible]	[illegible]
	ESL Steel Limited	Fellow Subsidiary	[illegible]	[illegible]
	Sterlite Technologies Limited	Fellow Subsidiary	[illegible]	[illegible]
	Fujairah Gold FZC	Fellow Subsidiary	-	[illegible]
	Hindustan Zinc Limited	Fellow Subsidiary	6.11	[illegible]
17	**Interest cost**			
	Sterlite Interlinks Limited	Associate	354.33	468.19
	PTC Cables Private Limited	Director interested parties	130.18	103.98
	Vedanta Limited	Fellow Subsidiary	120.16	304.24
	Bharat Aluminium Company Limited	Fellow Subsidiary	18.74	54.40
18	**Purchase of power**			
	Vedanta Limited	Fellow Subsidiary	[illegible]	34.14
19	**Loss on forfeiture of investment**			
	IndiGrid Investment Managers Limited (formerly known as Sterlite Investment Managers Limited)	Subsidiary	-	25.78
20	**Remuneration (refer note 2 below)**			
	Mr. Anurag Srivastav	KMP	30.17	21.16
	Mr. Pratik Agarwal	KMP	49.99	41.20
	Mr. Ashok Ganeshan	KMP	8.90	6.89
21	**Director sitting fees**			
	Mr. Arun Todarwal	Director	4.55	3.48
	Mr. Lalit Tandon	Director	-	0.35
	Mr. A.R Narayanaswamy	Director	5.00	3.45
	Ms. Haixia Zhao	Director	3.40	1.58
	Mr. Anoop Sheth	Director	1.70	-
22	**Commission**			
	Ms. Haixia Zhao	Director	5.86	-
	Mr. Anoop Sheth	Director	0.63	-
23	**CSR expenditure**			
	Sterlite Ed India Foundation	Subsidiary	19.20	6.50
24	**Availing services**			
	Cyril Amarchand Mangaldas (Till February 1 2021)	Director interested parties	0.45	3.90
	Talwandi Sabo Power Limited	Director interested parties	0.85	0.71
25	**Advance received against contracts (excluding tax)**			
	Udupi Kasargode Transmission Limited	Subsidiary	430.85	-
	Vapi II North Lakhimpur Transmission Limited	Subsidiary	4,082.39	-
	NER-II Transmission Limited	Subsidiary	-	460.00
	Lakadia Vadodara Transmission Project Limited	Subsidiary	655.53	2,317.22
	Sterlite Convergence Limited	Subsidiary	-	30.00

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		Relationship	31 March 2021 (Rs. In million)	31 March 2020 (Rs. In million)
26	**Purchase of fixed assets**			
	Sterlite Grid 3 limited	Subsidiary of associate	-	8.00
27	**Sale of fixed assets**			
	Sterlite Technologies Limited	Fellow Subsidiary	-	3.51
28	**Contract asset billed during the year**			
	Sterlite Convergence Limited	Subsidiary	192.70	-
29	**Reimbursement of expense paid to related parties**			
	Sterlite Technologies Limited	Fellow Subsidiary	-	1.49
30	**Reimbursement of expense paid on behalf of related parties**			
	IndiaGrid Investment Managers Limited (erstwhile Sterlite Investment Managers Limited)	Fellow Subsidiary	-	3.03
	Sterlite Power Technologies Private Limited	Fellow Subsidiary	2.73	0.19
	East North Interconnection Company Limited	Subsidiary	-	2.60
31	**Bank guarantee given**			
	Sterlite Grid 10 Limited	Subsidiary	100.00	-
	Sterlite Grid 20 Limited	Subsidiary	105.00	-
	Sterlite Grid 13 Limited	Subsidiary	376.40	-
	Lakadia Vadodara Transmission Project Limited	Subsidiary	1.50	-
	Sterlite Grid 14 Limited	Subsidiary	-	361.00
	Sterlite Grid 18 Limited	Subsidiary	-	473.90

Sales disclosed above are based on actual billings made to subsidiaries in respect of EPC contracts. However, the Company recognises revenue based on percentage of completion method

Note:
1. All the related party transactions disclosed above have been shown at their nominal values without giving effect to the impact of reclassification into equity and liability and adjustment arising on accounts of effective interest rate method under Ind AS

2. Remuneration to key management personnel:

	31 March 2021 (Rs. in million)	31 March 2020 (Rs. in million)
Short-term employee benefits	89.06	69.25
Post-employment benefits *	-	-
Total	89.06	69.25

* As the liabilities for gratuity and leave encashment are provided on an actuarial basis for the Company as a whole, the amounts pertaining to the key management personnel are not included above

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NOTE 47: SEGMENT INFORMATION

Operating segment:
The Company has only one operating segment which is power product solution and power transmission infrastructure. On review of all the relevant aspects including, in particular, the system of internal financial reporting to the Board of Directors which is the Chief Operating Decision Maker ('CODM') and considering the economic characteristics of the Company's operations, the Company is of the view that it operates in a single primary segment. Hence no separate disclosure under Indian Accounting Standard 108 is considered necessary. As permitted by paragraph 4 of Ind AS-108, 'Operating Segments', if a single financial report contains both consolidated financial statements and the separate financial statements of the parent, segment information need be presented only on the basis of the consolidated financial statements.

Geographic information:
Geographical revenue is allocated based on the location of the customers. Information regarding geographical revenue is as follows:
The Company's revenue from external customers by location of operations and information about its non-current assets by location of assets are detailed below:

Particulars	31 March 2021 (Rs. in million)	31 March 2020 (Rs. in million) (Restated) (refer note 51)
(1) Revenue from external customers		
- Within India	22,142.43	23,583.94
- Outside India	7,196.09	3,170.29
Total revenue per statement of profit and loss	29,338.52	26,754.23

The revenue information above is based on the locations of the customers

Particulars	31 March 2021 (Rs. in million)	31 March 2020 (Rs. in million) (Restated) (refer note 51)
(2) Non-current operating assets		
- Within India	2,423.04	3,367.99
- Outside India	-	-
Total	2,423.04	3,367.99

Non-current assets for this purpose consist of property, plant and equipment, investment properties and intangible assets

NOTE 48: EMPLOYEE STOCK APPRECIATION RIGHTS

ESAR scheme 2017
The Company has granted 0.65 million (31 March 2019, 0.67 million) Employee Stock Appreciation Rights (ESARs) to eligible employees under the Employee Stock Appreciation Rights plan 2017 ("ESAR 2017") Scheme ("Scheme") as approved by the Committee formed under the Scheme vide Board Resolution dated 8 October 2017

Following is the reconciliation of provision for ESARs outstanding:

Particulars	31 March 2021 (Rs. in million)		31 March 2020 (Rs. in million) (Restated) (refer note 51)	
	Numbers (in million)	Amount (Rs. in million)	Numbers (in million)	Amount (Rs. in million)
Opening balance as at the beginning of the year	0.65	43.04	0.67	88.45
ESARs granted during the period	0.03	1.70	0.17	10.94
ESARs cancelled	(0.05)	(3.63)	(0.19)	(18.70)
Payment towards ESARs vested	-	-	-	-
Balance ESAR	0.63	41.10	0.65	77.69
Accrual for the year and impact of change in FMV of equity share	-	263.08	-	(34.65)
Closing balance as at the end of the year	0.63	304.18	0.65	43.04

Vesting of ESARs is subject to continued employment with the Company. The ESARs shall be cash settled based on the excess of fair market value (FMV) of equity share of the Company as on the date of vesting over the SAR price (i.e. the base price defined on the grant date of SAR) specified in the Scheme. The FMV is determined and approved by the Committee and Board of directors based on the valuation and other relevant factors. As at 31 March 2021, excess of FMV over SAR price specified in the ESAR Scheme 2017 is Rs. 423.15 (31 March 2020: 40.09) per share. Accordingly in the current year, the Company has recognised an expense of Rs. 261.14 million in the statement of profit and loss account. Comparatively, the Company recognised reversal of expense of Rs. 28.33 million in the statement of profit and loss during the year ended 31 March 2020.

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NOTE 49: DEMERGER OF POWER PRODUCTS BUSINESS FROM STERLITE TECHNOLOGIES LIMITED

The Board of directors of the Sterlite Technologies Limited on 18 May 2015 approved the Scheme of Arrangement under Sections 391 – 394 of the Companies Act, 1956 ('the Scheme') between Sterlite Technologies Limited ('STL' or 'Demerged Company'), Sterlite Power Transmission Limited ('SPTL' or 'Resulting Company' or 'Company') & their respective shareholders & creditors for the demerger of power products and solutions business (including the investments of STL in power transmission infrastructure subsidiaries i.e. Sterlite Power Grid Ventures Limited and East North Interconnection Company Limited) into the Company, with the appointed date of 1 April, 2015. The Scheme was approved by the Hon'ble Bombay High Court vide Order dated 22 April 2016 and it became effective from 23 May 2016 (being the date of filing with Registrar of Companies).

As per the Scheme, an amount of Rs. 3,000.15 million being the difference between total consideration paid to equity shareholders of Sterlite Technologies Limited and net assets transferred from Sterlite Technologies Limited was recognised as Goodwill as at the appointed date i.e. 1 April 2015. This goodwill is being amortised over a period of five years as required under the Scheme. The amortisation charge for the current year is Rs. Nil million (31 March 2020: Rs. 600.04 million).

NOTE 50: OTHER NOTES

(a) The Board of Directors of the Company in its meeting held on March 22,2021 approved a Scheme of amalgamation of Sterlite Grid 4 Limited, a wholly owned subsidiary of the Company under the Companies Act, 2013 with the appointed date of April 1,2020. After obtaining requisite approvals the Company has filed the Scheme with National Company Law Tribunal ("NCLT") and the same is pending for NCLT approval.

(b) The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Company is assessing the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

(c) The board of directors of the Company in its meeting held on 10 May 2021 declared an interim dividend of Rs. 6.30 per share.

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(All amounts in Rs. million unless otherwise stated)

NOTE 51: IMPACT OF MERGER OF STERLITE POWER GRID VENTURES LIMITED

The Board of Directors of the Company at its meeting held on May 31, 2018 had approved the Scheme of Amalgamation of Sterlite Power Grid Ventures Limited, a wholly owned subsidiary, with the Company with appointed date of April 1, 2017 ("the Scheme"). During the year, the National Company Law Tribunal approved the Scheme vide order dated May 22 2020 which was received by the Company on October 21 2020 and filed with ROC on November 13 2020. This being a common control merger, the prior year comparatives have been restated as required by Appendix C of Ind AS 103 after considering the impact of the Scheme.

A) Balance Sheet as at 31 March 2020 after considering the impact of merger: (Rs. in millions)

Particulars	As at year ended 31 March 2020 (Standalone)	Adjustment on account of merger	As at year ended 31 March 2020 (Restated)
ASSETS			
Non-current assets			
Property, plant and equipment	2,379.88	233.27	2,613.15
Capital work in progress	2.34	-	2.34
Other intangible assets	83.45	133.55	217.00
Investments in associates	39.07	-	39.07
Financial assets			
i. Investments	43,678.12	(21,584.55)	22,093.57
ii. Trade receivables	-	-	-
iii. Other financial assets	30.74	46.87	77.61
Other non-current assets	296.42	359.30	655.72
Assets classified as held for sale	21.01	-	21.01
Total non-current assets	46,531.03	(20,811.56)	25,719.47
Current assets			
Inventories	3,903.26	19.07	3,922.33
Financial assets			
i. Investments	6,668.55	(6,369.15)	299.40
ii. Loans	335.14	14,157.43	14,492.57
iii. Trade receivables	5,353.65	3,286.23	8,639.88
iv. Cash and cash equivalents	11.50	751.75	763.25
v. Other bank balances	173.54	1,686.48	1,860.02
vi. Other financial assets	227.89	1,638.34	1,866.23
Other current assets	3,458.07	1,900.29	5,358.36
Assets classified as held for sale	-	7,325.63	7,325.63
Total current assets	20,131.70	24,396.07	44,527.77
TOTAL ASSETS	66,662.73	3,584.51	70,247.24
EQUITY AND LIABILITIES			
Equity			
Equity share capital	123.36	-	123.36
Other equity			
i. Securities premium	4,536.80	-	4,536.80
ii. Retained earnings	(7,680.73)	4,269.18	(3,411.55)
iii. Others	22,642.88	(11,153.02)	11,489.86
Total equity	19,621.33	(6,883.84)	12,737.49
Liabilities			
Non-current liabilities			
Financial liabilities			
i. Borrowings	-	18.72	18.72
ii. Other financial liabilities	5.43	(5.43)	-
Employee benefit obligations	47.55	27.41	74.96
Deferred tax liabilities (net)	7,361.50	(4,686.00)	2,675.50
Total non-current liabilities	7,414.48	(4,645.30)	2,769.18
Current liabilities			
Financial liabilities			
i. Borrowings	25,190.19	(11,867.96)	13,322.23
ii. Trade payables			
- total outstanding dues of micro enterprises and small enterprises	835.77	34.55	870.32
- total outstanding dues of creditors other than micro enterprises and small enterprises	6,851.17	6,267.46	13,118.63
iii. Other financial liabilities	4,915.66	12,734.38	17,650.04
Employee benefit obligations	41.41	35.11	76.52
Other current liabilities	1,792.72	6,809.72	8,602.44
Current tax liability (net)	-	1,160.39	1,160.39
Total current liabilities	39,626.92	15,113.65	54,740.57
TOTAL LIABILITIES	66,662.73	3,584.51	70,247.24

S R B C & CO LLP * CHARTERED ACCOUNTANTS *

STERLITE POWER TRANSMISSION LIMITED
Notes to financial statements for the year ended 31 March 2021
(All amounts in Rs. million unless otherwise stated)

B) Statement of profit and loss account as at 31 March 2020 after considering the impact of merger:

Particulars	For the year ended 31 March 2020 (Standalone)	Adjustment on account of merger	For the year ended 31 March 2020 (Restated)
INCOME			
Revenue from operations	19,994.01	6,760.22	26,754.23
Other income	390.92	1,071.74	1,462.66
Total income (I)	**20,384.93**	**7,831.96**	**28,216.89**
EXPENSES			
Cost of raw material and components consumed	11,391.81	(728.44)	10,663.37
Purchase of traded goods	1,596.40	-	1,596.40
Construction material and contract expenses	3,598.91	5,692.31	9,291.22
(Increase)/decrease in inventories of finished goods, work-in-progress and traded goods	(1,514.94)	32.66	(1,482.28)
Employee benefits expense	1,311.60	1,120.03	2,431.63
Other expenses	3,274.26	1,088.83	4,363.09
Reversal of impairment of investment	-	(237.25)	(237.25)
Total expenses (II)	**19,951.04**	**6,968.14**	**26,919.18**
Earning before interest, tax, depreciation and amortisation (EBITDA) (I) - (II)	**433.89**	**863.82**	**1,297.71**
Depreciation and amortisation expense	813.10	254.48	1,067.58
Finance costs	2,534.93	2,294.25	4,829.18
Finance income	(62.58)	(78.41)	(140.99)
Profit/(loss) before tax before exceptional items and tax	**(2,851.56)**	**(1,606.50)**	**(4,458.06)**
Exceptional items	(2,565.95)	1,640.08	(925.87)
Profit/(loss) before tax	**(5,417.51)**	**33.58**	**(5,383.93)**
Tax expense:			
(i) Current tax	-	-	-
(ii) Income tax for earlier years	-	(1.83)	(1.83)
(iii) Deferred tax	(88.42)	(116.56)	(204.98)
Income tax expense	**(88.42)**	**(118.39)**	**(206.81)**
Profit/(loss) for the year	**(5,329.09)**	**151.97**	**(5,177.12)**
Other comprehensive income			
Other comprehensive income/(loss) to be reclassified to profit or loss in subsequent periods:			
Net movement on cash flow hedges	(3,210.65)	(357.60)	(3,568.25)
Income tax effect	-	105.66	105.66
Net other comprehensive income/(loss) to be reclassified to profit or loss in subsequent periods	**(3,210.65)**	**(251.94)**	**(3,462.59)**
Other comprehensive income/(loss) not to be reclassified to profit or loss in subsequent periods:			
Re-measurement loss on defined benefit plans	0.12	(1.21)	(1.09)
Income tax effect	-	0.31	0.31
Net loss on FVTOCI equity securities	(5,478.50)	3,167.75	(2,310.75)
Income tax effect	1,276.28	(659.10)	617.18
Net other comprehensive loss not to be reclassified to	(4,202.10)	**2,507.75**	**(1,694.35)**
Other comprehensive income/(loss) for the year	**(7,412.75)**	2,255.81	**(5,156.94)**
Total comprehensive income/(loss) for the year	(12,741.84)	2,407.79	**(10,334.06)**

Pursuant to the Scheme, the Company has filed revised income tax returns for respective assessment years. Accordingly, the business losses and unabsorbed depreciation of the Company were set off against the taxable income of erstwhile SPGVL resulting in income tax refund of Rs. 652.36 million for respective assessment years and the total provision for income tax reversed in the current year is of Rs. 1,342.49 million pertaining to earlier years.

S R B C & CO LLP * CHARTERED ACCOUNTANTS *

STERLITE POWER TRANSMISSION LIMITED
Notes to financial statements for the year ended 31 March 2021
(All amounts in Rs. million unless otherwise stated)

NOTE 52: IMPACT OF COVID 19

The Company's plants and offices were not operating since 25 March 2020 till end of April 2020 as a result of the lockdown implemented by the Government of India. However, as electricity is considered as an essential commodity by the Government of India, the operations of the Company relating to manufacturing and supply of components for generation and supply of electricity and other transmission construction sites resumed in a phased manner since then. In assessing the liquidity position for the next one year and recoverability of Company's assets such as investments, loans, Property, plant and equipment, trade receivables, inventories etc, the Company has considered internal and external information up to the date of approval of these Standalone Financial Statement. The Reserve Bank of India has granted relief to borrowers by way of moratorium of interest and principal instalments falling due to banks and financial institutions till August 2020 and the same was availed by the Company.

Based on assessment performed by the management, the availability of labour force and supply chain for majority of the purchase requirements is evaluated to be less affected. Management believes that it has taken all the possible impact of known events arising from COVID-19 pandemic in the preparation of the Standalone Financial Statements. Basis above, the management has estimated its future cash flows for the Company which indicates no major change in the financial performance as estimated prior to COVID-19 impact. However, the estimate of the impact of COVID 19 may differ from the same ascertained up to the date of approval of these Standalone Financial Statements by the Board of Directors based on how the COVID-19 situation evolves over the period of time.

As per our report of even date

For S R B C & CO LLP
Chartered Accountants
Firm registration number: 324982E/E300003

per Paul Alvares
Partner
Membership Number: 105754
Place: PUNE
Date: 21.5.21

For and on behalf of the board of directors of Sterlite Power Transmission Limited

Pravin Agarwal
Chairman
DIN: 00022096
Place: PUNE
Date: 21.5.21

Pratik Agarwal
Managing Director
DIN: 03040062
Place: PUNE
Date: 21.5.21

Anurag Srivastava
Chief Financial Officer
Place: MUMBAI
Date: 21.5.21.

Ashok Ganesan
Company Secretary
Place: NEW DELHI
Date: 21.5.21

S R B C & CO LLP * CHARTERED ACCOUNTANTS *

REPORT ADOPTED BY THE BOARD OF DIRECTORS OF STERLITE GRID 4 LIMITED AT ITS MEETING HELD ON MARCH 22, 2021 EXPLAINING THE EFFECT OF THE SCHEME OF AMALGAMATION OF STERLITE GRID 4 LIMITED WITH STERLITE POWER TRANSMISSION LIMITED AND THEIR RESPECTIVE SHAREHOLDERS UNDER SECTIONS 230 TO 232 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013 ON ITS EQUITY SHAREHOLDERS, KEY MANAGERIAL PERSONNEL, PROMOTERS AND NON PROMOTER SHAREHOLDERS

1. BACKGROUND

1.1. The Board of Directors ("**Board**") of Sterlite Grid 4 Limited ("**Company**" or "**Transferor Company**") at its meeting held on March 22, 2021 have approved the draft Scheme of Amalgamation of the Company with Sterlite Power Transmission Limited ("**Transferee Company**") and their respective shareholders pursuant to provisions of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 ("**Scheme**").

1.2. Provisions of Section 232(2)(c) of the Companies Act, 2013 require the Directors to adopt a report explaining the effect of the amalgamation on each class of shareholders, key managerial personnel ("**KMPs**"), promoters and non-promoter shareholders of the Company laying out in particular the share entitlement ratio and specifying any special valuation difficulties and the same is required to be circulated as part of the notice of the meeting(s) to be held for the purpose of approving the Scheme.

1.3. This report of the Board is accordingly being made in pursuance to the requirements of Section 232(2)(c) of the Companies Act, 2013.

1.4. Under the Scheme it is proposed to amalgamate the Company with the Transferee Company.

1.5. The Draft Scheme was placed before the Board.

2. VALUATION REPORT | ENTITLEMENT RATIO | ISSUE OF SHARES OR CONSIDERATION PURSUANT TO THE SCHEME

2.1. Under the Scheme it is proposed to amalgamate the Company, wholly owned subsidiary of the Transferee Company, with the Transferee Company, thus, there shall be no issue of shares as consideration for the amalgamation of the Company with the Transferee Company.

2.2. Upon the Scheme becoming effective, all equity shares of the Company held by the Transferee Company along with its nominees, shall stand cancelled without any further application, act or deed.

2.3. Consequently, the question of valuation difficulties thus did not arise.

3. EFFECT OF THE SCHEME ON THE EQUITY SHAREHOLDERS (PROMOTER AND NON-PROMOTER) OF THE COMPANY

3.1. The Company is a wholly owned subsidiary of the Transferee Company (i.e. the equity shares of the Company are held entirely by the Transferee Company and its nominees). Pursuant to the Scheme, all the equity shares of the Company held by the Transferee Company shall be cancelled.

4. EFFECT OF THE SCHEME ON THE KMPs OF THE COMPANY

4.1. The Company has not appointed any KMP.

For and on behalf of the Board
Sterlite Grid 4 Limited

Amarendranath Tatimakula Reddy
DIN – 07107290

Date: 22/02/2021

REPORT ADOPTED BY THE BOARD OF DIRECTORS OF STERLITE POWER TRANSMISSION LIMITED AT ITS MEETING HELD ON MARCH 22, 2021 EXPLAINING THE EFFECT OF THE SCHEME OF AMALGAMATION OF STERLITE GRID 4 LIMITED WITH STERLITE POWER TRANSMISSION LIMITED AND THEIR RESPECTIVE SHAREHOLDERS UNDER SECTIONS 230 TO 232 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013 ON ITS EQUITY SHAREHOLDERS, KEY MANAGERIAL PERSONNEL, PROMOTERS AND NON PROMOTER SHAREHOLDERS

1. BACKGROUND

1.1 The Board of Directors ("**Board**") of Sterlite Power Transmission Limited ("**Company**" or "**Transferee Company**") at its meeting held on March 22, 2021 has approved the draft Scheme of Amalgamation of Sterlite Grid 4 Limited ("**Transferor Company**") with the Company and their respective shareholders pursuant to provisions of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 ("**Scheme**").

1.2. Provisions of Section 232(2)(c) of the Companies Act, 2013 require the Directors to adopt a report explaining the effect of the amalgamation on each class of shareholders, key managerial personnel ("**KMPs**"), promoters and non-promoter shareholders of the Company laying out in particular the share entitlement ratio and specifying any special valuation difficulties and the same is required to be circulated as part of the notice of the meeting(s) to be held for the purpose of approving the Scheme.

1.3. This report of the Board is accordingly being made in pursuance to the requirements of Section 232(2)(c) of the Companies Act, 2013.

1.4. The following documents were, inter alia, placed before the Board:

(a) Draft Scheme; and

(b) Draft certificate, obtained from the Statutory Auditors of the Company viz. M/s. S R B C & Co. LLP, Chartered Accountants, on the accounting treatment prescribed in the Scheme.

1.5. Under the Scheme, it is proposed to amalgamate the Transferor Company with the Company.

2. VALUATION REPORT | ENTITLEMENT RATIO | ISSUE OF SHARES OR CONSIDERATION PURSUANT TO THE SCHEME

2.1. Under the Scheme it is proposed to amalgamate the Transferor Company, wholly owned subsidiary of the Company, with the Company, thus, there shall be no issue of shares as consideration for the amalgamation of the Transferor Company with the Company.

2.2 Upon the Scheme becoming effective, all equity shares of the Transferor Company held by the Company along with its nominees, shall stand cancelled without any further application, act or deed.

2.3. Consequently, the question of valuation difficulties thus did not arise

3. EFFECT OF THE SCHEME ON THE EQUITY SHAREHOLDERS (PROMOTER AND NON-PROMOTER) OF THE COMPANY

3.1. Pursuant to the Scheme, there will be no adverse impact on the shareholders of the Company.

4. EFFECT OF THE SCHEME ON THE KMPs OF THE COMPANY

4.1. There shall be no impact of the Scheme on the KMPs of the Company.

4.2. Further, none of the KMPs have any interest in the Scheme except to the extent of the equity shares held by them, if any, in the Company and/ or any of the Transferor Company.

For and on behalf of the Board

Pravin Agarwal
Chairman
DIN - 00022096

Date: 22/03/2021