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## BOARD'S REPORT

To  
The Members,  
**Avaada Solarise Energy Private Limited**

Your Directors have pleasure in presenting the 2<sup>nd</sup> Annual Report together with the Audited Financial Statements of the Company for the financial year ended March 31, 2020:

### Financial Results and Business Review:

A summary of the financial performance of the Company for Financial Years 2019-20 and 2018-19 is presented below:

(Amount in INR millions)

Particulars	Financial Year ended	
	31/03/2020	31/03/2019
Revenue from Operations	307.02	-
Other Income	31.77	-
Total Income	338.79	-
Less: Expenditure	44.42	4.22
Profit/(Loss) before Depreciation, Interest and Tax	294.37	(4.22)
Less: Depreciation and amortization expense	51.98	-
Less: Interest on external borrowings	86.29	-
Profit/(Loss) before exceptional and extraordinary items	156.10	(4.22)
Less: Exceptional and extraordinary items	-	-
Profit/(Loss) before Tax (PBT)	156.10	(4.22)
Provision for Income Tax		
(i) Current Tax	-	-
(ii) Deferred Tax	39.41	(1.10)
<b>Net Profit/(Loss) after Tax (PAT)</b>	<b>116.69</b>	<b>(3.12)</b>



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During the year, 3 x 50 MW Grid Connected Solar PV Power Project of the Company have been commissioned at Pavagada Solar Park, in the State of Karnataka.

Thus, the revenue of the Company from operations during the financial year 2019-20 was Rs. 307.02 millions whereas profit before tax of the Company was Rs. 156.10 millions as compared to loss before tax of Rs. 4.22 millions in the previous year.

Further, net profit after tax for the year was Rs. 116.69 millions as compared to net loss after tax of Rs. 3.12 millions in the previous year.

#### **Dividend:**

To strengthen the financial position of the Company and to augment working capital, your Directors do not recommend any dividend for the year ended March 31, 2020.

#### **Reserves:**

The Company do not wish to transfer any amount of its profits earned during the year to any specific reserves and wishes to plough back the profits for growth of the Company.

#### **Renewable Energy Outlook in India:**

There are strong environmental and economical imperatives mandating push away from conventional sources to new sources of power and the Indian renewable energy sector has lots going for it. Costs are falling, technology is constantly improving, the government is backing up with supportive and conducive policy environment and the business community is keen to exploit the underlying investment opportunities.

Installed renewable power generation capacity has increased at a fast pace over the past few years, posting a CAGR of 17.28 per cent between Financial Year 2014-19. With the increased support of government and improved economics, the sector has become





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attractive from investors perspective. As India looks to meet its energy demand on its own, which is expected to reach 15,820 TWh by 2040, renewable energy is set to play an important role. As a part of its Paris Agreement commitments, the Government of India has set an ambitious target of achieving 175 GW of renewable energy capacity by 2022. These include 100 GW of solar capacity addition and 60 GW of wind power capacity. The Government plans to establish renewable energy capacity of 450 GW by 2030.

### Key Trends:

- Tariffs are likely to increase due to imposition of Basic Customs Duty and proposed restrictions on Chinese module imports, in short to term medium. However once, in long term, downward journey expected to continue.
- Complex tender designs

We expect a gradual move away from vanilla tenders to complex schemes including manufacturing-linked tenders, solar-wind-storage hybrid tenders and even completely technology agnostic tenders seeking firm 24x7 power. The higher complexity may bring down the number of active players and consolidate the industry further.

- Large scale storage a few years away

There is strong anticipation about growth of storage in view of the need to address intermittency and variability challenges associated with renewable power. Results of the first mega storage tender are just out and it remains to be seen if the DISCOMs are willing to buy firm power at a cost over INR 6.00 (USD 8 cents)/kWh. We believe that the growth potential is huge but take-off stage is still another 2-3 years away.

- Open Access & Distributed solar market – huge untapped potential

C&I consumers is the main demand source for both rooftop solar and open access projects. There is a huge untapped market in this sector. Although in short term





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this sector is facing resistance from the DISCOMs; however, with policy visibility this market would witness high growth. Residential rooftop solar prospects are expected to pick up due to clearer policy focus and improving availability of financing solutions.

- Manufacturing prospects on high hopes

Safeguard duty on cell and module imports is set to expire in July 2020 and/ or being replaced with basic customs duty. In the prospects of material tariff barriers, manufacturers may try to set up facilities in India.

- Lucrative financing environment

Equity funding is expected to remain relatively easy as the sector is a magnet for leading global investors. The debt providers would also fall in same line, however, may remain selective on the merits of Developers and Projects.

## Market Size

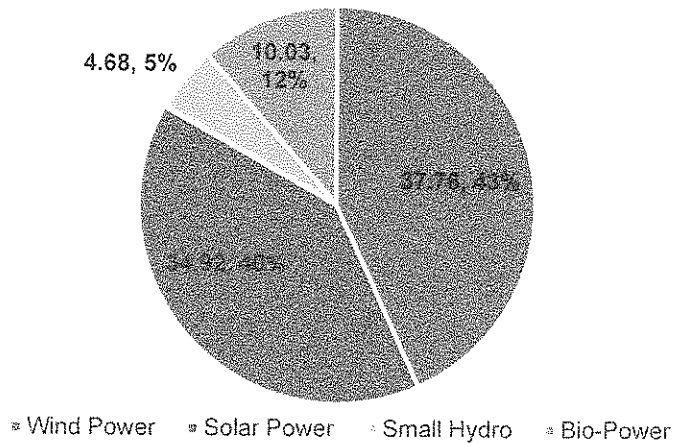
We have come a long way already with solar and wind power capacity addition far outpacing other sources. They are also now by far the two cheapest greenfield power sources. Renewable power penetration has grown from 3% to 10% in the last five years. But policy, execution and financial pressures have slowed sector activity and raised concerns about viability of projects under development. Capacity addition in the last two years has failed to match the record numbers in Financial Year 2018.

As of May 31, 2020, total renewable power installed capacity (excluding large hydro) in the country stood at 77.64 GW. Off-grid renewable power capacity has also increased. As of October 2018, generation capacities for Waste to Energy, Biomass Gasifiers, SPV systems stood at 175.28 MWeq, 163.37 MWeq and 767.51 MWeq, respectively.

Small Hydro	Wind Power	Bio-Power	Solar Power	Total Capacity
4683.16 MW	37,756.35 MW	10,029.15 MW	34,915.36 MW	87,384.02 MW



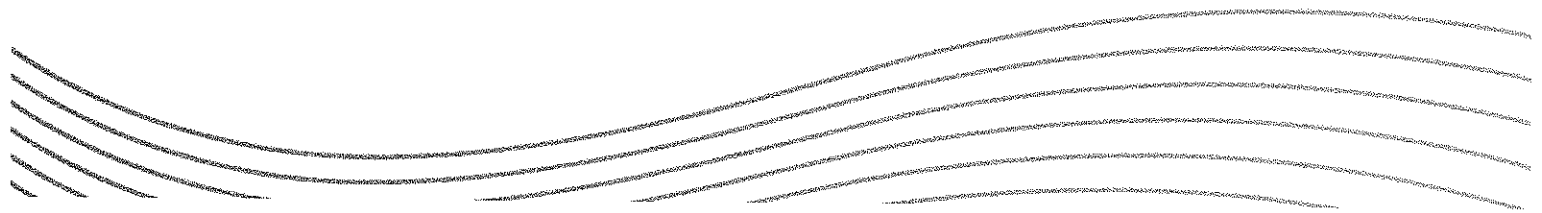
**Total Installed Capacity of RE Power as on May 31, 2020**



With a significant potential capacity and conducive policies focused on the renewable energy sector, Northern India is expected to become the hub for renewable energy in India.

**Solar Power**

- Due to its favourable location in the solar belt (400 S to 400 N), India is one of the best recipients of solar energy with relatively abundant availability
- Growth in solar power installed capacity is expected to surpass the installed capacity of wind power, reaching 100 GW by 2022.
- In the first half of 2018, India installed 1 MW of solar capacity every hour.
- As of January 2019, installed solar power capacity in the country was 26.03 GW and ranked 5<sup>th</sup> in the world in terms of installed solar capacity.
- Rapidly falling costs have made Solar PV the largest market for new investment.





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- A total of 42 solar parks with generation capacity of 23,174 MW have been approved in India upto March 2020, out of capacity of 7,633 MW has been commissioned.
- The biggest solar projects financed in India is 709 MW NLC Tangedco PV plant at a cost of about \$ 500 million. India is one of the countries with the lowest capital costs per megawatt for photovoltaic plants.
- Over the past five years, India's installed solar generation capacity has risen over 10 times including the usage of green technologies and e-vehicles

### Investments/ Developments

According to data released by the Department for Promotion of Industry and Internal Trade (DPIIT), FDI inflows in the Indian non-conventional energy sector between April 2000 and December 2019 stood at US\$ 9.1 billion. More than US\$ 42 billion has been invested in India's renewable energy sector since 2014. New investments in clean energy in the country reached US\$ 11.1 billion in 2018.

Some major investments and developments in the Indian renewable energy sector are as follows:

- Around Rs 36,729.49 crore (US\$ 5.26 billion) investment has been made during April-December 2019 by private companies in renewable energy.
- Adani Green Energy entered into a binding agreement with Total Gas and Power Business Services SAS for investment of 510 million dollars to acquire 50 per cent stake and other instruments.
- Brookfield to invest US\$ 800 million in ReNew Power and also in discussion with Softbank Cleantech to invest US\$ 700 million.
- ReNew Power and Shapoorji Pallonji will invest nearly Rs 750 crore (US\$ 0.11 billion) in a 150 megawatt (mw) floating solar power project in Uttar Pradesh.
- Koppal Solar Park in Karnataka will be world's largest solar plant, with a capacity of 2500 MW.





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- In the first half of 2018, India installed 1 MW of solar capacity every hour.
- With 28 deals, clean energy made up 27 per cent of US\$ 4.4 billion merger and acquisition (M&A) deals which took place in India's power sector in 2017.
- World's largest solar park named 'Shakti Sthala' was launched in Karnataka in March 2018 with an investment of Rs 16,500 crore (US\$ 2.55 billion).
- Solar sector in India received investments of US\$ 9.8 billion in CY2018.
- As of March 2019, Eversource Capital, a Joint venture of Everstone and Light source plans to invest US\$ 1 billion in renewable energy in India through its Green Growth Equity Fund.
- The international equity investment in the India's clean energy sector was US\$ 283 million in 2016, US\$ 532 million in 2017 and US\$ 1.02 billion in 2018.

### Government initiatives

Some initiatives by the Government of India to boost the Indian renewable energy sector are as follows:

- Kisan Urja Suraksha evam Utthaan Mahabhiyan (PM-KUSUM)

In a major initiative towards making Annadata also a Urjadata PM-KUSUM scheme was approved on March 8, 2019. The scheme covers grid-connected RE power plants (0.5 - 2 MW)/ Solar water pumps/ grid connected agriculture pumps.

- Standard bidding guidelines

The Ministry has issued Guidelines for Tariff Based Competitive Bidding Process for Procurement of Power from Grid Connected Solar & Wind Power Projects with an objective to provide a framework for procurement of solar & wind power through a transparent process of bidding including standardisation of the process and defining of roles and responsibilities of various stakeholders.





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- Development of Ultra Mega Renewable Energy Power Parks (UMREPPs)

The Ministry has undertaken a scheme to develop Ultra Mega Renewable Energy Power Parks (UMREPPs) under the existing Solar Park Scheme. The objective of the UMREPP is to provide land upfront to the project developer and facilitate transmission infrastructure for developing Renewable Energy (RE) based UMPPs with solar/wind/hybrid and also with storage system, if required.

- Grid-Connected Rooftop Solar (RTS) Programme

Phase II of the Grid connected rooftop solar programme was approved with a target for achieving cumulative capacity of 40,000 MW from Rooftop Solar (RTS) Projects by the year 2022 in February 2019.

- Wind-Solar Hybrid

The main objective of the National Wind-Solar Hybrid Policy is to provide a framework for promotion of large grid connected wind-solar PV hybrid system for optimal and efficient utilization of wind and solar resources, transmission infrastructure and land. The wind – solar PV hybrid systems will help in reducing the variability in renewable power generation and achieving better grid stability.

- Offshore Wind Power in India

The National Offshore wind energy policy was notified in October 2015 with an objective to develop the offshore wind energy in the Indian Exclusive Economic Zone (EEZ) along the Indian coastline of 7600 km.

Eight zones are identified each in Gujarat and Tamil Nadu having cumulative offshore wind energy potential of 70 GW.







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- Inter State Transmission System (ISTS) Phase-II (66.5 GW REZ)

Potential renewable energy zones (66.5 GW – Solar 50 GW and Wind 16.5 GW) have been identified in the states of Tamil Nadu, Andhra Pradesh, Karnataka, Gujarat, Maharashtra, Rajasthan & Madhya Pradesh and a comprehensive transmission scheme was evolved integrating these renewable energy zones.

- Second Assembly of the International Solar Alliance (ISA)

The Ministry hosted the second assembly of International Solar Alliance (ISA) on October 30, 2019 and October 31, 2019 at New Delhi. On October 30, 2019, coordination and consultation meetings on different aspects of ISA programmes and initiatives were held.

- Global Solar Event for commemorating 150th birth anniversary of Mahatma Gandhi

Ministry in association with IIT Bombay organised Global Student Solar Assembly to commemorate 150th Birth Anniversary of Mahatma Gandhi and to promote the Gandhian idea of sustainable living.

- Atal Jyoti Yojana (AJAY) Phase-II

Applications covered: Solar Street Lights.

Financial support: 75% of the cost by MNRE and balance 25% through MPLAD.

Targets: A total of 3,04,500 Solar Street Lights (SSLs) will be installed in India

- India plans to add 30 GW of renewable energy capacity along a desert on its western border such as Gujarat and Rajasthan.





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- Delhi government decided to shut down thermal power plant in Rajghat and develop it into 5,000 KW solar park
- Rajasthan government in Budget 2019-20 exempted solar energy from electricity duty and focuses on the utilization of solar power in its agriculture and public health sectors.
- A new Hydropower policy for 2018-28 has been drafted for the growth of hydro projects in the country.
- The Government of India has announced plans to implement a US\$ 238 million National Mission on advanced ultra-supercritical technologies for cleaner coal utilisation.
- The Ministry of New and Renewable Energy (MNRE) has decided to provide custom and excise duty benefits to the solar rooftop sector, which in turn will lower the cost of setting up as well as generate power, thus boosting growth.
- The Indian Railways is taking increased efforts through sustained energy efficient measures and maximum use of clean fuel to cut down emission level by 33 per cent by 2030.

## Road Ahead

The Government of India is committed to increased use of clean energy sources and is already undertaking various large-scale sustainable power projects and promoting green energy heavily. In addition, renewable energy has the potential to create many employment opportunities at all levels, especially in rural areas. The Ministry of New and Renewable Energy (MNRE) has set an ambitious target to set up renewable energy capacities to the tune of 175 GW by 2022 of which about 100 GW is planned for solar, 60 for wind and other for hydro, bio among other. As of June 2018, Government of India is aiming to achieve 225 GW of renewable energy capacity by 2022, much ahead of its target of 175 GW as per the Paris Agreement. India's renewable energy sector is expected to attract investments of up to US\$ 80 billion in the next four years. About 5,000 Compressed Biogas plants will be set up across India by 2023.





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It is expected that by the year 2040, around 49 per cent of the total electricity will be generated by the renewable energy, as more efficient batteries will be used to store electricity which will further cut the solar energy cost by 66 per cent as compared to the current cost. Use of renewables in place of coal will save India Rs 54,000 crore (US\$ 8.43 billion) annually. The renewable energy will account for 55 per cent of the total installed power capacity by 2030.

### **Deposits:**

The Company has not accepted any public deposits within the meaning of Section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014 and any amendments thereto.

### **Details of Subsidiary Companies/Associate Companies/Joint Ventures:**

Your Company continues to be the Subsidiary Company of Avaada Energy Private Limited (formerly known as 'Giriraj Renewables Private Limited'). Further, the Company has no subsidiary or associates or joint ventures during the said period.

### **Board of Directors and Key Managerial Personnel:**

There was no change in the composition of the Board of Directors of the Company and the present directors of the Company are Mr. T.R Kishor Nair and Mr. Ravi Kant Verma.

During the year, Ms. Deepmala Pareek was appointed as the Company Secretary of the Company.

### **Number of meetings of the Board of Directors and attendance of directors:**

Seventeen (17) meetings of the Board of Directors were held during the period viz on April 12, 2019, May 09, 2019, May 16, 2019, May 22, 2019, May 23, 2019, May 24, 2019,



**AVAADA SOLARISE ENERGY PRIVATE LIMITED**

CIN: U40300DL2018PTC338280

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May 27, 2019, May 28, 2019, June 26, 2019, June 29, 2019, August 06, 2019, August 22, 2019, September 10, 2019, December 03, 2019, December 11, 2019, February 03, 2020 and March 18, 2020 and the intervening gap between any two meetings was within the period prescribed under the Companies Act, 2013:

Directors Date of Board Meetings	Mr. T.R Kishor Nair	Mr. Ravi Kant Verma
April 12, 2019	Attended	Attended
May 09, 2019	Attended	Attended
May 16, 2019	Attended	Attended
May 22, 2019	Attended	Attended
May 23, 2019	Attended	Attended
May 24, 2019	Attended	Attended
May 27, 2019	Attended	Attended
May 28, 2019	Attended	Attended
June 26, 2019	Attended	Attended
June 29, 2019	Attended	Attended
August 06, 2019	Attended	Attended
August 22, 2019	Attended	Attended
September 10, 2019	Attended	Attended
December 03, 2019	Attended	Attended
December 11, 2019	Attended	Attended
February 03, 2020	Attended	Attended
March 18, 2020	Attended	Attended
<b>% of attendance</b>	<b>100%</b>	<b>100%</b>

**Shifting of Registered Office of the Company:**

During the year under review, the registered office of the Company have been shifted from '3rd Floor, PTI Building, 4, Parliament Street, New Delhi - 110001' to '910/19,



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Suryakiran, Kasturba Gandhi Marg, New Delhi - 110001' to facilitate operational convenience for the Company.

### **Changes in Capital Structure:**

During the period under review, the Company had offered 4,29,90,000 equity shares of face value of Rs. 10/- to its existing shareholders on rights basis. The Holding Company, Avaada Energy Private Limited had subscribed to 4,28,40,000 equity shares of Rs.10 each.

Further, the members of the Company had approved issue of upto 13,50,00,000 Fully & Compulsorily Convertible Debentures (FCCDs) of Rs. 10 each to Avaada Energy Private Limited on preferential allotment basis in one or more tranches at the extra ordinary general meeting of the Company held on May 22, 2019. Against the said issue, the Holding Company had subscribed to 12,84,90,000 Compulsorily Convertible Debentures (CCDs) of Rs. 10/- each during the year.

Accordingly, the paid-up equity share capital of the Company as on March 31, 2020 was Rs. 42,85,00,000/- divided into 4,28,50,000 equity shares of Rs.10/-.

### **Alteration of Article of Association of the Company:**

During the period under review, the articles of association of the Company was altered to incorporate the terms and conditions contained in the sanction letter bearing no REC/CO/REN/Solar/2019-20/ASoEPL/50 dated May 17, 2019 issued by REC Limited, formerly known as Rural Electrification Corporation Limited to the Company in relation to the rupee term loan aggregating up to INR 514,00,00,000/- availed the Company for part financing the estimated project cost of solar photovoltaic power plants of 150 MW (3x50 MW) capacity being constructed and developed by the Company in Pavagada Solar Park in the State of Karnataka and the terms of the rupee term loan agreement executed between the Company and the said Lender as amended from time to time and other financing documents.



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### **Statutory Auditors:**

M/s Goyal Malhotra & Associates, Chartered Accountants (FRN: 008015C), were appointed as the Statutory Auditors of the Company at the Annual General Meeting held on September 27, 2019 for the period of five years i.e, from the financial year 2019-20 to financial year 2023-24 on such remuneration as may be mutually agreed upon between the Board of Directors of the Company and the Statutory Auditors at a later date.

### **Auditors' Report:**

The Auditors' Report including annexures thereto is self-explanatory and do not call for any further comments and explanations from the Board as there are no qualifications or adverse remarks by the Auditors in their report.

### **Internal Auditor:**

Acquisory Consulting LLP have been appointed as the Internal Auditors of the Company for the Financial Year 2020-21, and the scope, functioning, periodicity and methodology for conducting internal audit have been approved by the Board of Directors.

### **Secretarial Auditor:**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2020, the Company has appointed M/s Deepak A. Variya & Co., Practicing Company Secretary (Certificate of Practice Number: 10111) as the Secretarial Auditor to undertake the Secretarial Audit of the Company for the Financial Year 2020-21.





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### **Extract of Annual Return:**

The extract of annual return in Form MGT 9 as required pursuant to provisions of Section 92(3) and Rule 12 of the Companies (Management and Administration) Rules, 2014 is appended as an **Annexure I** to this Report.

### **Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo:**

The provisions of Section 134 (3) of the Companies Act 2013 read with Rule 8 of the Companies (Accounts) Rules 2013 regarding disclosure of particulars with respect to Conservation of Energy and Technology absorption are not applicable to your Company.

There are no Foreign Exchange Earnings and Outgo during the year.

### **Particulars of Loans given, Investments made, Guarantees given and Securities provided:**

Your Company is engaged in provision of infrastructural facilities, therefore, exempted from compliance of applicable provisions of section 186 (2) of the Companies Act, 2013 and rules thereunder.

### **Particulars of Contracts or Arrangements with Related Parties:**

All the contracts or arrangements or transactions with related parties were in compliance with the provisions of the Companies Act, 2013 and rules thereunder. There were no material contracts or arrangements or transactions with related parties during the year under review.





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**Material Changes and Commitments, if any, affecting the financial position of the Company, which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report:**

There are no such material changes and commitments which have occurred affecting the financial position of the Company between the period April 1, 2020, and the date of this Board's Report.

**Details of significant and Material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and the Company's operations in future:**

There are no significant material orders passed by the regulators or courts or tribunals that would impact the going concern status of the Company and the Company's operations at present and in future.

**Compliance with Secretarial Standards:**

The Company has complied with Secretarial Standards on Board Meetings and General Meetings issued by the Institute of Company Secretaries of India, as applicable to the Company.

**Risk Management:**

The Company is managing its risks through well-defined internal financial controls and there are no risks that may threaten the existence of the Company. The Company has formulated entry level controls for risk management in the Company. It identifies the components of risk evaluation and the principles based on which the controls have been formulated.







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T : +91-22-6140 8000

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### **Internal Control System:**

Your Company has in place adequate internal control system with reference to adherence to policies and procedures for ensuring the orderly and efficient conduct of business, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records and timely preparation of reliable financial information.

### **Directors' Responsibility Statement:**

Pursuant to Section 134(3)(c) of the Companies Act, 2013, the Directors confirm that:

1. in the preparation of annual accounts for the year ended March 31, 2020, the applicable accounting standards have been followed and there are no material departures from the same;
2. the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2020 and of the profit of the Company for the year.;
3. the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. the Directors had prepared annual accounts on a going concern basis; and
5. the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.



AVAADA SOLARISE ENERGY PRIVATE LIMITED

CIN: U40300DL2018PTC338280

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**Acknowledgements:**

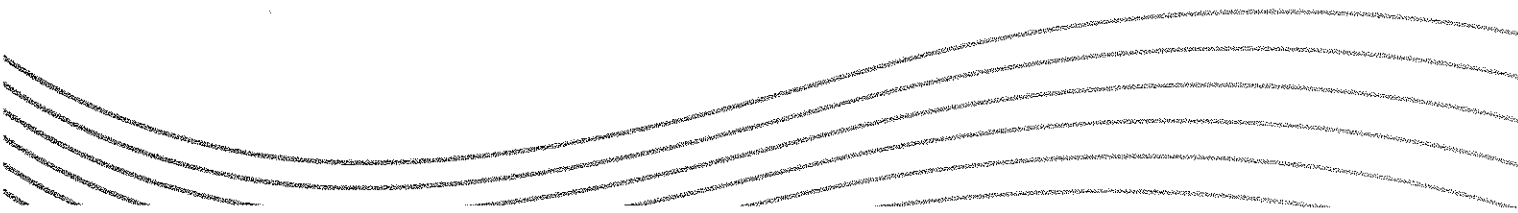
Your Board wishes to place on record their appreciation for the valuable support and assistance received by your Company from all the stakeholders and look forward to their continued support.

**For and on behalf of the Board of Directors**

**Ravi Kant Verma**  
Director  
DIN: 07299159

**T.R. Kishor Nair**  
Director  
DIN: 05112576

**Date: June 19, 2020**  
**Place: Noida**



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**Annexure I****FORM NO. MGT 9****EXTRACT OF ANNUAL RETURN**

as of financial year ended March 31, 2020

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

**I REGISTRATION AND OTHER DETAILS:**

i	CIN	U40300DL2018PTC338280
ii	Registration Date	September 5, 2018
iii	Name of the Company	Avaada Solarise Energy Private Limited
iv	Category/Sub-category of the Company	Private Company
v	Address of the Registered office and contact details	910/19, Suryakiran, Kasturba Gandhi Marg, New Delhi-110001
vi	Whether listed Company	No
vii	Name , Address & contact details of the Registrar & Transfer Agent, if any.	Link Intime India Pvt Ltd. C-101, 247 Park, LBS Marg, Vikhroli (West)Mumbai- 400083 Tel No:- 02249186000

**II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:**

All the business activities contributing 10% or more of the total turnover of the Company shall be

Sr. No.	Name and Description of main products/services	NIC Code of the Product/ Service	% to total turnover of the Company
1	Electric power generation through solar energy	35105/106	100%

**III PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES:**

Sr. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares held	Applicable Section
1	Avaada Energy Private Limited (Formerly known as 'Giriraj Renewables Private Limited') Address:406, 4th Floor, Hubtown Solaris, N. S. Phadke Road, Near Gokhale Flyover, Andheri East, Mumbai- 400069	U80221MH2007PTC336458	Holding Company	100.00%	Section 2(46) of Companies Act, 2013



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## IV SHAREHOLDING PATTERN (Equity Share capital Break up as % to total Equity)

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/HUF	-	-	-	-	-	1	1	-	-
b) Central Govt. or State Govt.	-	-	-	-	-	-	-	-	-
c) Bodies Corporates and its nominee shareholder	-	10,000	10,000	100.00	428,499,999	-	428,499,999	100.00	-
d) Bank/ FI	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
<b>SUB TOTAL:(A) (1)</b>	-	10,000	10,000	100.00	428,499,999	1	428,500,000	100.00	-
<b>(2) Foreign</b>									
a) NRI- Individuals	-	-	-	-	-	-	-	-	-
b) Other Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks/ FI	-	-	-	-	-	-	-	-	-
e) Any other...	-	-	-	-	-	-	-	-	-
<b>SUB TOTAL (A) (2)</b>	-	-	-	-	-	-	-	-	-
<b>Total Shareholding of Promoter (A)= (A)(1)+(A)(2)</b>	-	10,000	10,000	100.00	428,499,999	1	428,500,000	100.00	-
<b>B. PUBLIC SHAREHOLDING</b>									
<b>(1) Institutions</b>									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks/ FI	-	-	-	-	-	-	-	-	-
c) Cenrral govt	-	-	-	-	-	-	-	-	-
d) State Govt.	-	-	-	-	-	-	-	-	-
e) Venture Capital Fund	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIS	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
<b>SUB TOTAL (B)(1):</b>	-	-	-	-	-	-	-	-	-
<b>(2) Non Institutions</b>									
a) Bodies corporates									
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individuals shareholders holding nominal share capital upto Rs.1 lakhs	-	-	-	-	-	-	-	-	-
ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakhs	-	-	-	-	-	-	-	-	-
c) Others (specify)	-	-	-	-	-	-	-	-	-
<b>SUB TOTAL (B)(2):</b>	-	-	-	-	-	-	-	-	-
<b>Total Public Shareholding (B)= (B)(1)+(B)(2)</b>	-	-	-	-	-	-	-	-	-
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C)</b>	-	10,000	10,000	100.00	428,499,999	1	428,500,000	100.00	-



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## (ii) SHARE HOLDING OF PROMOTERS

Sr. No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		Number of shares	% of total shares of the Company	% of shares pledged/encumbered to total shares	Number of shares	% of total shares of the Company	% of shares pledged/encumbered to total shares	
1	Avaada Energy Private Limited (Formerly known as 'Giriraj Renewables Private Limited')	9,999		-	428,499,999		51	-
2	Mr. Vineet Mittal (Nominee of Avaada Energy Private Limited)	1	100			100		
3	Mr. Vineet Mittal jointly with Avaada Energy Private Limited			-	1		-	-
	<b>Total</b>	<b>10,000</b>	<b>100</b>	<b>-</b>	<b>428,500,000</b>	<b>100</b>	<b>51</b>	<b>-</b>

## (iii) CHANGE IN PROMOTERS' SHAREHOLDING

Sr. No.	Name	Share holding at		Date	Increase/Decrease in shareholding	Reason	Cumulative Share holding	
		No. of Shares	% of total shares of the Company				No of shares	% of total shares of the company
1	At the beginning of the year	10,000	100	-	-	-	10,000	100
2	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/ bonus/ sweat equity etc)	42,840,000	99.98	16.05.2019	Increase	Allotment of further equity shares on rights issue basis	42,850,000	100
3	At the end of the year	42,850,000	100	31.03.2020	-	-	42,850,000	100

## (iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters & Holders of GDRs &

Sr. No.	For Each of the Top 10 Shareholders	Share holding at the beginning of the Year		Share holding at the end of the Year	
		No. of shares	% of total shares of the company	No of shares	% of total shares of the company
		N.A.			

## (v) Shareholding of Directors & KMP - NIL

Sr. No.	For Each of the Directors & KMP	Shareholding at the end of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No of shares	% of total shares of the Company
1	At the beginning of the year	No transaction during the year			
2	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/ bonus/ sweat equity etc)				
3	At the end of the year				



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V INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment (Amt in INR Thousands)				
Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	-	1,496.00	-	1,496.00
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	<b>1,496.00</b>	-	<b>1,496.00</b>
<b>Change in Indebtedness during the financial year</b>				
Additions-Principal Amount	5,115.95	-	-	5,115.95
Reductions-Principal Amount	-	(1,476.17)	-	(1,476.17)
Additions- Interest due but not paid	-	-	-	-
Additions-Interest accrued but not due	1.43	-	-	-
Reduction	-	-	-	-
<b>Net Change</b>	<b>5,117.38</b>	<b>(1,476.17)</b>	-	<b>3,641.21</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	5,115.95	19.83	-	5,135.78
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	1.43	-	-	1.43
<b>Total (i+ii+iii)</b>	<b>5,117.38</b>	<b>19.83</b>	-	<b>5,137.21</b>

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

REMUNERATION TO MANAGING DIRECTOR, WHOLE TIME DIRECTOR

A. AND/OR MANAGER: NIL

Sr. No.	Particulars of Remuneration	Name of the MD/WTD/Manager	Total Amount
1	<b>Gross salary</b>		
	(a) Salary as per provisions contained in section 17(1) of the Income Tax 1961.	-	-
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	-	-
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-
2	Stock option	-	-
3	Sweat Equity	-	-
4	Commission	-	-
	- as % of profit	-	-
	- others (specify)	-	-
5	Others (please specify)	-	-
	<b>Total (A)</b>	-	-
	Ceiling as per the Act	-	-



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**B. REMUNERATION TO OTHER DIRECTORS: NIL**

Sr.No.	Particulars of Remuneration	Name of the Directors			Total Amount
	<b>Independent Directors</b>				
1	(a) Fee for attending Board/Committee meetings	-	-	-	-
	(b) Commission	-	-	-	-
	(c) Others (please specify)	-	-	-	-
	<b>Total (B) (1)</b>	-	-	-	-
	<b>Other Non-Executive Directors</b>				
2	(a) Fee for attending Board/Committee meetings	-	-	-	-
	(b) Commission	-	-	-	-
	(c) Others (please specify)	-	-	-	-
	<b>Total (B) (2)</b>	-	-	-	-
	<b>Total (B) = B (1) + B (2)</b>	-	-	-	-
	<b>Total Managerial Remuneration</b>	-	-	-	-
	<b>Overall Ceiling as per the Act.</b>	-	-	-	-

**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD: NIL**

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			Total Amount
		CEO	Company Secretary*	CFO	
	<b>Gross salary</b>				
1	(a) Salary as per provisions contained in section 17(1) of the Income Tax 1961.	-	-	-	-
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	-	-
2	Stock option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	- as % of profit	-	-	-	-
	- others (specify)	-	-	-	-
5	Others (please specify)	-	-	-	-
	<b>Total (C)</b>	-	-	-	-

\* As the Company Secretary is drawing salary from the Holding Company, she is not drawing any remuneration from the Company



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VII PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

There were no penalties, punishment or compounding of offences during the year ended March 31, 2020

For and on behalf of the Board of Directors

Ravi Kant Verma  
Director  
DIN: 07299159

T.R.Kishor Nair  
Director  
DIN: 05112576

Date : June 19, 2020

Place: Noida





## **INDEPENDENT AUDITOR'S REPORT**

### **TO THE MEMBERS OF AVAADA SOLARISE ENERGY PRIVATE LIMITED**

#### **Report on the Audit of the Standalone Financial Statements**

##### **Opinion**

We have audited the accompanying standalone financial statements of **Avaada Solarise Energy Private Limited** ("the Company"), which comprise the Balance Sheet as at **March 31, 2020**, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

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 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

##### **Basis for Opinion**

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

##### **Information Other than the Standalone Financial Statements and Auditor's Report Thereon**

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.



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

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

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

### **Management's Responsibility 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, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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. The Board of Directors are 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 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 financial 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 the 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.

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

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



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

### **Other Matter**

Coronavirus disease 2019 ('COVID-19'), was declared a global pandemic by World Health Organisation, the Indian Government announced a strict 21-day lockdown on March 24, 2020, which was further extended till June 30, 2020 across the India to contain the spread of the virus. This has resulted in restriction on physical visit to the client locations and the need for carrying out alternative audit procedures as per the Standards on Auditing prescribed by the Institute of Chartered Accountants of India (ICAI).

We have performed procedures to assess and evaluate the impact on financial statements because of business decisions, government actions or economic environment developments. Our ability to perform regular audit procedures has been impacted which has required us in certain cases to perform alternative audit procedures and exercise significant judgment in respect of the following:

Audit and quality control procedures which were earlier performed in person could not be performed; and hence alternative procedures have been performed based on inquiries (through phone calls, video calls and e-mail communications) and review of scanned documentation sent through e-mails, followed up with sighting with original documents.

Year-end inventory observation of inventory counts could not be performed. However, inventory counts were observed subsequent to year-end; and rolled back to year-end.

### **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 "A"** statement on the matters Specified in paragraphs 3 and 4 of the Order, to the extent applicable.
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 and the Statement of Profit and Loss 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 Rule 7 of the Companies (Accounts) Rules, 2014.



- e) On the basis of written representations received from the directors as on 31 March, 2019, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2020, from being appointed as a director in terms of Section 164(2) of the Act.
- f) Since the Company's turnover as per last audited financial statements is less than Rs.50 Crores and its borrowings from banks and financial institutions at any time during the year is less than Rs.25 Crores, the Company is exempted from getting an audit opinion with respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls.
- g) In our opinion and to the best of our information and according to the explanations given to us, we report as under with respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014:
- 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 derivatives contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which required to be transferred by the Company to the Investor Education and Protection Fund.

**For Goyal Malhotra & Associates**  
Chartered Accountants  
FRN: 008015C

  
(Manoj Goyal)

Partner

Membership No.: 098958

Place: Noida

Date: 19<sup>th</sup> June, 2020

UDIN: 20098958AAAAIY6115

**“Annexure A” to the Independent Auditor’s Report of even date to the members of “AVAADA SOLARISE ENERGY PRIVATE LIMITED” on the financial statements for the year ended 31 March 2020.**

**Annexure A**

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The fixed assets have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification of the fixed assets is reasonable having regard to the size of the Company and the nature of its assets.
- (c) We have inspected the original title deeds of the immovable properties of the company held as fixed assets which are in the custody of the company and obtained confirmation from the bank for those, which has been mortgaged with bank. Based on our audit procedure and the information and explanations given to us, the title deeds of immovable properties, as disclosed in the financial statements, are held in the name of the Company.
- (ii) (a) As explained to us, the inventories of finished goods, stores, spare parts and raw materials were physically verified at regular intervals by the Management. In case of inventories lying with third parties, certificates of stocks holding have been received.
- (b) In our opinion and according to the information and explanation given to us, the procedures of physical verification of inventories followed by the Management were reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification of stock as compared to book records.
- (iii) The Company has not granted any loan, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the provisions of clauses 3(iii)(a), 3(iii)(b) and 3(iii)(c) of the Order are not applicable.



- (iv) In our opinion and according to the information and explanation given to us, the Company has not entered into any transaction covered under Sections 185 and 186 of the Act. Accordingly, the provisions of clause 3(iv) of the Order are not applicable.
- (v) In our opinion and according to the information and explanation given to us, 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) In our opinion and according to the information and explanation given to us, the company is not required to maintain cost records pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013. Accordingly, the provisions of clause 3(vi) of the Order are not applicable.
- (vii) (a) According to the information and explanation given to us the Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues applicable to it with the appropriate authorities.
- (b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues in arrears as at March 31, 2020 for a period of more than six months from the date they became payable.
- (viii) Based on our audit procedure and on the information and explanations given by the management, we are of the opinion that the company has not defaulted in repayment of loans or borrowings to a financial institution, bank government or dues to debenture holders.
- (ix) The Company did not raise moneys by way of initial public offer or further public offer (including debt instruments) and term loans taken have been applied by the Company during the year for the purposes for which they were raised, other than temporary deployment pending application of proceeds.
- (x) No fraud by the Company or on the Company by its officers or employees has been noticed or reported during the period covered by our audit.
- (xi) In our opinion and according to the information and explanations given to us, the Company has not paid / provided any managerial remuneration during the year, hence the provisions related to the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013 are not applicable to the company.



- (xii) In our opinion, the Company is not a Nidhi Company. Accordingly, provisions of clause 3(xii) of the Order are not applicable.
- (xiii) In our opinion all transactions with the related parties are in compliance with Section 188 of Act, where applicable, and the requisite details have been disclosed in the financial statements etc., as required by the applicable accounting standards, further provisions of Section 177 are not applicable to the company.
- (xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partially convertible debentures.
- (xv) In our opinion, the Company has not entered into any non-cash transactions with the directors or persons connected with them covered under Section 192 of the Act during the year.
- (xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

**For Goyal Malhotra & Associates**

Chartered Accountants

FRN: 008015C

**(Manoj Goyal)**

Partner

Membership No.: 098958

Place: Noida

Date: 19<sup>th</sup> June, 2020

UDIN: 20098958AAAAIY6115



**Avaada Solarise Energy Private Limited**

**CIN:- U40300DL2018PTC338280**

**Balance Sheet as at March 31, 2020**

(All amounts in INR millions unless stated otherwise)

Particulars	Note	March 31, 2020	March 31, 2019
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3	6,653.87	-
Right of use assets	4	343.24	-
Capital Work-in-Progress	5	-	674.16
Deferred tax assets (net)	15	-	1.10
Financial assets	6		
Other financial assets	6(a)	1.09	-
Non-current tax assets (net)	7	3.05	-
<b>Total non-current assets (A)</b>		<b>7,001.25</b>	<b>675.26</b>
<b>Current assets</b>			
Inventories	8	25.07	-
Financial assets	9		
Trade receivables	9(a)	158.47	-
Cash and cash equivalents	9(b)	60.82	0.06
Other bank balances	9(c)	178.30	-
Other financial assets	9(d)	91.48	-
Other current assets	10	4.30	904.16
<b>Total current assets (B)</b>		<b>518.44</b>	<b>904.22</b>
<b>Total assets (A+B)</b>		<b>7,519.69</b>	<b>1,579.48</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Equity share capital	11	428.50	0.10
Instruments entirely equity in nature	12	1,284.90	-
Other equity	13	113.57	(3.12)
<b>Total equity (C)</b>		<b>1,826.97</b>	<b>(3.02)</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Financial liabilities	14		
Borrowings	14(a)	5,033.71	-
Other financial liabilities	14(b)	332.76	-
Deferred tax liabilities (net)	15	38.31	-
Provisions	16	0.02	-
<b>Total non-current liabilities (D)</b>		<b>5,404.80</b>	<b>-</b>
<b>Current liabilities</b>			
Financial liabilities	17		
Borrowings	17(a)	19.83	1,496.00
Trade payables	17(b)	-	-
Total outstanding dues of micro and small enterprises		-	-
Total outstanding dues of other creditors		145.83	78.87
Other financial liabilities	17(c)	119.44	-
Other current liabilities	18	2.82	7.63
Provisions	19	-	-
<b>Total current liabilities (E)</b>		<b>287.92</b>	<b>1,582.50</b>
<b>Total equity and liabilities (C+D+E)</b>		<b>7,519.69</b>	<b>1,579.48</b>

Summary of corporate information and significant accounting policies  
See accompanying notes forming part of the financial statements

1&2



Partners  
Membership No. 098958  
For and on behalf of  
**Goyal Malhotra & Associates**  
Chartered Accountants  
FRN 008015C  
Date : June 19, 2020  
Place: Noida  
UDIN: 20098958AAFAIY6115

For and on behalf of Board of Directors

*Ravi Kant Verma*

**Ravi Kant Verma**  
Director  
DIN: 07299159

*T. R. Kishor Nair*

**T. R. Kishor Nair**  
Director  
DIN: 05112576

Avaada Solarise Energy Private Limited  
 CIN:- U40300DL2018PTC338280  
 Statement of Profit and Loss for the year ended March 31, 2020  
 (All amounts in INR millions unless stated otherwise)

Particulars	Note	March 31, 2020	March 31, 2019
Revenue from operations	20	307.02	-
Other income	21	31.77	-
<b>Total income (A)</b>		<b>338.79</b>	<b>-</b>
<b>Expenses</b>			
Cost of goods and services	22	0.09	-
Employee benefit expense	23	0.46	-
Finance costs	24	103.93	-
Depreciation expenses	25	51.98	-
Other expenses	26	26.23	4.22
<b>Total expenses (B)</b>		<b>182.69</b>	<b>4.22</b>
<b>Profit/ (Loss) before tax (C=A-B)</b>		<b>156.10</b>	<b>(4.22)</b>
<b>Tax expense:</b>			
Current tax	15	-	-
Deferred tax charge		39.41	(1.10)
<b>Total tax expenses (D)</b>		<b>39.41</b>	<b>(1.10)</b>
<b>Profit/(Loss) after tax (E=C-D)</b>		<b>116.69</b>	<b>(3.12)</b>
<b>Other comprehensive income</b>			
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:			
Re-measurement gains on defined benefit plans		-	-
Income tax effect of re-measurement gains on defined benefit plans		-	-
<b>Other comprehensive income for the year, net of tax (F)</b>		<b>-</b>	<b>-</b>
<b>Total comprehensive income for the year, net of tax (G=E+F)</b>		<b>116.69</b>	<b>(3.12)</b>
<b>Earnings per share:</b>			
(a) Basic	27	0.79	(312.38)
(b) Diluted		0.79	(312.38)

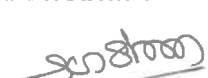
Summary of corporate information and significant accounting policies 1&2

See the accompanying notes forming part of the financial statement.

Mansi Goyal  
 Partner  
 Membership No. 098958  
 For and on behalf of  
**Goyal Malhotra & Associates**  
 Chartered Accountants  
 FRN 008015C  
 Date : June 19, 2020  
 Place: Noida  
 UDIN: 20098958AAAAIY6115

For and on behalf of Board of Directors

  
**Ravi Kant Verma**  
 Director  
 DIN: 07299159

  
**T. R. Kishor Nair**  
 Director  
 DIN: 05112576

**Avaada Solarise Energy Private Limited**

**CIN:- U40300DL2018PTC338280**

**Statement of Cash Flows for the year ended March 31, 2020**

(All amounts in INR millions unless stated otherwise)

Particulars	March 31, 2020	March 31, 2019
<b>A. Cash flow from operating activities</b>		
Profit/ (loss) before tax	156.10	(4.22)
<b>Adjustments</b>		
Finance costs	103.94	-
Lease liability	16.66	-
Decommissioning liability	0.18	-
Depreciation on property, plant and equipment	45.68	-
Depreciation on right of use	6.29	-
Profit on sale of investments	(1.24)	-
Interest income	(30.53)	-
<b>Operating profit / (loss) before working capital changes</b>	<b>297.08</b>	<b>(4.22)</b>
Adjustment for working capital changes		
Changes in security deposits	(1.09)	-
Changes in other financial assets	(91.21)	-
Changes in inventory	(25.07)	-
Changes in trade receivables	(158.47)	-
Changes in other current assets	899.86	(904.16)
Changes in trade payables	66.95	78.88
Changes in other financial liabilities	433.93	7.63
Changes in provisions	0.01	-
Changes in other current liabilities	(4.80)	-
<b>Cash from/ used in operations</b>	<b>1,417.19</b>	<b>(821.87)</b>
Income tax paid	(3.05)	-
<b>Net cash from/ used in operating activities</b>	<b>1,414.14</b>	<b>(821.87)</b>
<b>B. Cash flow from investing activities</b>		
Purchase of property, plant and equipment (including capital advances and payables for capital expenditure)	(6,374.92)	(674.17)
Proceeds from investment in mutual fund	1.24	-
Proceeds from investment in bank deposits	(178.30)	-
Interest received	30.26	-
<b>Net cash used in investing activities</b>	<b>(6,521.72)</b>	<b>(674.17)</b>
<b>C. Cash flow from financing activities</b>		
Proceeds from issue of share capital	428.40	0.10
Proceeds from issue of fully compulsory convertible debentures	1,284.90	-
Proceeds from long term borrowings	5,033.71	-
Proceeds from short term borrowings	18.88	1,496.00
Repayment of short term borrowings	(1,495.05)	-
Interest Paid	(102.50)	-
<b>Net cash from financing activities</b>	<b>5,168.34</b>	<b>1,496.10</b>
<b>Net increase/(decrease) in cash and cash equivalents (A+B+C)</b>	<b>60.76</b>	<b>0.06</b>
Cash and cash equivalents at the beginning of the year	0.06	-
<b>Cash and cash equivalents at the end of the year</b>	<b>60.82</b>	<b>0.06</b>
<b>Components of cash and cash equivalents</b>	<b>March 31, 2020</b>	<b>March 31, 2019</b>
Balances with scheduled banks:		
On current accounts	41.79	0.06
On fixed deposit account	19.03	-
Cash on hand	-	-
<b>Cash and cash equivalents (note 9(b))</b>	<b>60.82</b>	<b>0.06</b>

Summary of corporate information and significant accounting policies  
See accompanying notes forming part of the financial statements.



Partner  
Membership No. 98958  
For and on behalf of  
**Goyal Malhotra & Associates**  
Chartered Accountants  
FRN 008015C  
Date : June 19, 2020  
Place: Noida  
UDIN: 20098958 AAAA146115

For and on behalf of Board of Directors

**Ravi Kant Verma**  
Director  
DIN: 07299159

**T. R. Kishor Nair**  
Director  
DIN: 05112576

Avaada Solarise Energy Private Limited  
 CIN:- U40300DL2018PTC338280  
 Statement of Changes in equity for the year ended March 31, 2020  
 (All amounts in INR millions unless stated otherwise)

(a) Equity Share Capital

Particulars	Number	Amount
Balance as at April 01, 2018	-	-
Changes in equity share capital (refer note 11)	10,000	0.10
Balance at March 31, 2019	10,000	0.10
Changes in equity share capital (refer note 11)	4,28,40,000	428.40
Balance at March 31, 2020	4,28,50,000	428.50

(b) Other equity

As on March 31, 2020

Particulars	Retained Earnings	Total other equity
Balance as at April 01, 2018	-	-
Loss for the year	(3.12)	(3.12)
Balance as at March 31, 2019	(3.12)	(3.12)
Profit for the year	116.69	116.69
Balance at March 31, 2020	113.57	113.57

Summary of corporate information and significant accounting policies

See accompanying notes forming part of the financial statements



Partner  
 Membership No. 078958  
 For and on behalf of  
**Goyal Malhotra & Associates**  
 Chartered Accountants  
 FRN 008015C  
 Date : June 19, 2020  
 Place: Noida  
 UDIN: 20098958AAAAIY6115

For and on behalf of Board of Directors

  
**Ravi Kant Verma**  
 Director  
 DIN: 07299159

  
**T. R. Kishor Nair**  
 Director  
 DIN: 05112576

## 1. Corporate information

Avaada Solarise Energy Private Limited ("the Company") is a private Company domiciled in India and incorporated on September 05, 2018 under the provisions of the Companies Act applicable in India. The Company is subsidiary of Avaada Energy Private Limited. The registered office of the Company is located at New Delhi and is engaged in the business of generation of solar power. The Company has 150 Mw solar power project at Pavaagada, Karnataka.

The financial statements were authorised for issue in accordance with a resolution of the Board of directors on June 19, 2020.

The Company is primarily engaged in the business of generation of Solar power and operation & maintenance of power plants.

## 2. Significant accounting policies

### 2.1 Basis of preparation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013, read together with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, Companies (Indian Accounting Standards) Amendment Rules, 2016 issued by the Ministry of Corporate Affairs.

The financial statements for the year ended March 31, 2020 and for the year ended March 31, 2019 has been prepared in accordance with Ind AS. All financial information presented in INR has been rounded off to the nearest millions.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing account standard required a change to the accounting policy hitherto in use.

The financial statements have been prepared on a going concern and historical cost basis and on accrual method of accounting, except for the following assets and liabilities which have been measured at fair value:

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

### 2.2 Summary of significant accounting policies

#### a) Use of estimates

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

#### 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 treated as current when it is:

- expected to be realized or intended to sold or consumed in normal operating cycle;
- held primarily for the purpose of trading;
- expected to be realized within twelve months after the reporting period; or
- cash or cash equivalents 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 treated as current when it is:

- expected to be settled in normal operating cycle;
- held primarily for the purpose of trading;
- 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

All other liabilities are classified as non-current.

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

The operating cycle is the time between the acquisition of assets for processing and their realization/settlement in cash and cash equivalents. The Company has identified twelve months as their operating cycle for classification of their current assets and liabilities.



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**c) Property, plant and equipment**

Property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost of Property, plant and equipment comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than subsequently recoverable from tax authorities), any directly attributable expenditure on making the asset ready for its intended use and borrowing costs attributable to acquisition of qualifying assets up to the date the asset is ready for its intended use.

Cost also includes replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the 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 profit or loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are

Property, plant and equipment acquired and put to use for project purpose and capitalised and depreciation thereon is included in the project cost till the project is ready for its intended use.

**Capital work in progress (CWIP)**

Assets in the course of construction are capitalised in the assets under capital work in progress (CWIP). At the point when an asset is operating at management's intended use, the cost of construction is transferred to the appropriate category of property, plant and equipment and depreciation commences. Where an obligation (legal or constructive) exists to dismantle or remove an asset or restore a site to its former condition at the end of its useful life, the present value of the estimated cost of dismantling, removing or restoring the site is capitalized along with the cost of acquisition or construction upon completion and a corresponding liability is recognized.

**d) De-recognition**

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is derecognized. 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.

**e) Depreciation**

Depreciation on power project related assets is provided on straight line method by considering the useful life as per the PPA's i.e. 25 years.

Depreciation on other assets is calculated on straight line method by considering the useful life prescribed in Part C of Schedule II of the Companies Act, 2013. The identified components are depreciated over their useful lives; the remaining asset is depreciated over the life of the principal asset.

Assets individually costing less than Rs. 5,000 are fully depreciated in the year of acquisition.

Leasehold improvements to office facilities are depreciated over the shorter of the lease period or the estimated useful life of the improvement.

The assets' residual values and useful lives are reviewed at each financial year end or whenever there are indicators for impairment, and adjusted prospectively.

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 depreciation period or method, as appropriate, and are treated as changes in accounting estimates. The depreciation expense on tangible assets is recognised in the Statement of Profit and Loss unless such expenditure forms part of carrying value of another asset.

**f) Intangible assets**

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or 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 the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the Statement of Profit and Loss unless such expenditure forms part of carrying value of another asset.

Intangible assets with indefinite useful lives are not amortized, but are tested for impairment at each year end either individually or at the cash generating unit level.



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Gains or losses arising from de-recognition 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 and Loss when the asset is derecognised.

**g) Leases**

**As per Ind AS 17 applicable till period ended 31 March, 2019**

**Company as a Lessee**

Operating lease payments are recognised as an expenses in statement of Profit & Loss on a straight line basis over the lease term.

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

**Company as a Lessor**

Leases in which the group 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 recognized on a straight-line basis over the term of relevant lease. Initial direct cost incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized over the lease term on the same basis as rental income. Contingent rents are recognized as revenue in the period in which they are earned.

**As Per Ind AS 116 applicable from 1 April 2019**

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

**As a lessee**

The Company applies a single recognition and measurement approach for all leases and leases of low-value assets. The Company recognizes lease liabilities to make lease payment and right to use the underlying assets.

**i) Right-of-use assets**

The Company recognizes right-of-use assets at the commencement date of lease (i.e., the date of underlying the 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 term:

The cost reflects the exercise of a purchase option, as if ownership of the leased asset transfers to the Company at the end of the lease term. Depreciation on right of use assets is calculating using the estimated life of the asset.

The right-of-use asset are also subject to impairment.

**ii) Lease liabilities**

At the commencement date of the lease, the Company recognizes 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 receivables, 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 recognized as expense (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., change 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.

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

The Group 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). It also applies the lease of low-value assets recognition exemption to lease of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

**h) 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 capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.



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Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost less any interest income earned on temporary investment of specific borrowings pending their expenditure on qualifying assets.

Borrowing cost includes interest expense as per effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial liability or a shorter period, where appropriate, to the amortised cost of a financial liability after considering all the contractual terms of the financial instrument.

The Company determines the amount of borrowing costs eligible for capitalisation as the actual borrowing costs incurred on that borrowing during the period, to the extent that an entity borrows funds specifically for obtaining a qualifying asset. In case if the Company borrows generally and uses the funds for obtaining a qualifying asset, borrowing costs eligible for capitalisation are determined by applying a capitalisation rate to the expenditures on that asset.

#### i) 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 recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

###### Subsequent measurement

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

- Debt instruments at amortized cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through Profit & Loss (FVTPL)
- Equity instruments measured at fair value through Other comprehensive income (FVTOCI)
- Equity instruments in subsidiaries/associates carried at cost

###### Debt instruments at amortized cost

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

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

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method, less impairment. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the Statement of Profit and Loss. The losses arising from impairment are recognized in the Statement of Profit and Loss. The category applies to the Company's trade receivables, unbilled revenue, cash and cash equivalents, other bank balances, security deposits, etc.

###### Debt instrument at fair value through other comprehensive income (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 & reversals in the Statement of Profit and Loss. On de-recognition of the asset, cumulative gain or loss previously recognized 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 fair value through profit and loss (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.



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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').

Debt instrument included within FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

#### Equity instruments

All equity investments (other than equity investments in subsidiaries) in scope of Ind AS 109 are measured at fair value. Equity instruments in subsidiaries are carried at cost in financial statements less impairments if any. Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

#### De-recognition

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

(a) the contractual rights to receive cash flows from the asset have expired, or

(b) the Company has transferred its contractual rights to receive cash flows from the financial 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 recognize the asset to the extent of the Company's continuing involvement in the asset. In that case, the Company also recognizes 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:

- financial assets that are debt instruments, and are measured at amortized cost e.g. security deposits, and bank balances;
- Financial assets that are debt instruments and are measured as at FVTOCI.
- Trade receivables or any contractual right to receive cash or another financial asset.

For recognition of impairment loss on these financial assets and risk exposure, the Company determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, twelve month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in the 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 a twelve 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 on a financial instrument that are possible within 12 months after the reporting

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.

ECL impairment loss allowance (or reversal) recognised during the period is recognised 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 financial instruments is described below:



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For financial assets measured at amortised cost: 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.

#### 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, as appropriate.

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

The Company's financial liabilities include trade and other payables, loans and borrowings, other financial liabilities.

##### 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.

##### Financial liabilities at amortised cost

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.

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

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

#### Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the Statement of Profit and Loss.

#### Loans and borrowings

Financial guarantees issued by the Company on behalf of group companies are designated as 'Insurance Contracts'. The Company assess at the end of each reporting period whether its recognised insurance liabilities (if any) are adequate, using current estimates of future cash flows under its insurance contracts. If that assessment shows that the carrying amount of its insurance liabilities is inadequate in the light of the estimated future cash flows, the entire deficiency is recognised in profit or loss.

If a financial guarantee is an integral element of debts held by the entity, it is not accounted for separately.

Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

#### De-recognition

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



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**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 operation. Such changes are evident to external parties. A change in the business model occurs when the Company either 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 immediate next reporting period following the change in the business model. The Company does not restate any previously recognized gains, losses (including impairment gains or losses) or interest.

**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 recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

**j) Revenue recognition**

Effective April 1, 2018, the Company has applied Ind AS 115 "Revenue from Contracts with Customers" which establishes a comprehensive framework to depict timing and amount of revenue to be recognised. The Company has adopted Ind AS 115 using cumulative catch-up transition method, where any effect arising upon application of this standard is recognised as at the date of initial application (i.e. April 1, 2018). The standard is applied only to contracts that are not completed as at the date of initial application and the comparative information in the statement of profit and loss is not restated - i.e. the comparative information continues to be reported under previous standards on revenue i.e. Ind AS 18 and Ind AS 11. There was no impact on adoption of Ind AS 115 to the financial statements of the Company.

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made.

**Sale of power**

Revenue from sale of power is recognized when persuasive evidence of an arrangement exists, the fee is fixed or determinable, solar energy kilowatts are supplied and collectability is reasonably assured. Revenue is based on the solar energy kilowatts actually supplied to customers multiplied by the rate per Kilo-watt hour agreed to in the respective PPAs. The solar energy kilowatts supplied by the Company are validated by the customer prior to billing and recognition of revenue.

**Sale of goods**

Revenue from sale of goods is recognised when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated cost can be estimated reliably, there is no continuing effective control or managerial involvement with the goods, and the amount of revenue can be measured reliably.

Revenue from rendering of services is recognised when the performance of agreed contractual task has been completed. Revenue from operations is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

**Interest income**

Interest Income from a Financial Assets is recognised using effective interest rate method.

**Dividend income**

Dividend Income is recognised when the Company's right to receive the amount has been established.

**k) Foreign currencies**

The Company's financial statement are presented in Indian Rupees (INR), which is the Company's functional currency. Functional currency is the currency of the primary economic environment in which a company operates and is normally the currency in which the company primarily generates and expends cash.

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

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.



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Exchange differences arising on settlement or translation of monetary items are recognized 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. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of gain or loss on change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognized in other comprehensive income or profit or loss are also recognized in other comprehensive income or profit or loss, respectively).

Foreign exchange difference on foreign currency borrowings, settlement gain/loss and fair value gain/loss on derivative contract relating to borrowings are accounted and disclosed under finance cost. Such exchange difference does not include foreign exchange difference regarded as an adjustment to the borrowings cost and capitalised with cost of assets.

**l) Income taxes**

Tax expense represents the sum of current tax and deferred tax.

Current tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the reporting date and includes any adjustment to tax payable in respect of previous years.

Subject to exceptions below, deferred tax is provided, using the balance sheet method, on all deductible temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes, on carry forward of unused tax credits and unused tax loss:

- deferred income tax is not recognised on the initial recognition (including MAT) 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; and

- deferred tax assets are recognised only to the extent that it is more likely than not that they will be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Tax relating to items recognized outside profit or loss is recognised outside profit or loss (either in other comprehensive income or equity).

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

The carrying amount of deferred tax assets (including MAT credit available) is reviewed at each reporting date and is adjusted to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

**m) Segment reporting**

An operating segment is a component of the company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the company's other components, and for which discrete financial information is available. All operating segments' operating results are regularly reviewed by the Company's chief operating decision maker to make decisions about resources to be allocated to the segments and assess their performance. Therefore, there is no reportable segment for the Company as per the requirements of Ind AS 108 - "Operating Segment".

The Company's Chief Operating Officer is the chief operating decision maker (CODM).

**n) Earnings per share**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting 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.



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**o) Provisions, contingencies and commitments**

**General**

Provisions are recognized 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, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the Statement of Profit and Loss net of any reimbursement.

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 recognized as a finance cost.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources would be required to settle the obligation, the provision is reversed.

**Contingent assets / liabilities**

Contingent assets are not recognised. However, when realisation of income is virtually certain, then the related asset is no longer a contingent asset, and is recognised as an asset.

A disclosure for contingent liabilities is made where there is-

- a) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or
- b) a present obligation that arises from past events but is not recognized because:

- it is not probable that an outflow of resources embodying economic benefit will be required to settle the obligation; or
- the amount of the obligation cannot be measured with sufficient reliability.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets.

Provisions, contingent liabilities, contingent assets and commitments are reviewed at each reporting period.

Provisions for onerous contracts are recognized when the expected benefit to be derived by the Company from a contract are lower than the unavoidable costs of meeting the future obligations under the contract.

**p) Impairment of non-financial assets**

Cash generating units as defined in Ind AS 36 on impairment of assets are identified at the balance sheet date. At the date of Balance Sheet, if there are indications of impairment and the carrying amount of the cash generating unit exceeds its recoverable amount (i.e. the higher of the fair value less costs of disposal and value in use), an impairment loss is recognized. The carrying amount is reduced to the recoverable amount and the reduction is recognized as an impairment loss in the Statement of Profit and Loss. The impairment loss recognized in the prior accounting period is reversed to the extent of increase in the estimate of recoverable amount. Post impairment, depreciation is provided on the revised carrying value of the impaired asset over its remaining useful life.

**q) 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

- In the principal market for the asset or liability
- 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.



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

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized 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 recognized 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.

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.

**r) Inventories**

Inventories comprises stores and spare parts and is carried at lower of cost and net realisable value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Net realisable value represents the estimated selling price in the ordinary course of business less costs necessary to make the sale.

**s) Cash and cash equivalents**

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

**t) Events occurring after the balance sheet date**

Impact of events occurring after the balance sheet date that provide additional information materially affecting the determination of the amounts relating to conditions existing at the balance sheet date are adjusted to respective assets and liabilities.

**u) Retirement and other employee benefits**

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme 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.

Retirement benefit in the form of gratuity is a defined benefit scheme. Gratuity liability of employees is accounted for on the basis of actuarial valuation on projected unit credit method at the close of the year. Company's contribution made to Life Insurance Corporation is expensed off at the time of payment of premium.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

Retirement benefits in the form of Superannuation Fund is a defined contribution scheme and the contributions are charged to the statement of profit and loss of the year when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the respective funds.



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Short-term and other long-term employee benefits.

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

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

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

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

**Recent accounting pronouncement issued but not yet effective up to the date of issuance of financial statements**

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2020.



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Avaada Solarise Energy Private Limited

CIN:- U40300DL2018PTC338280

Notes to financial statements for the year ended March 31, 2020

(All amounts in INR millions unless stated otherwise)

**3 Property, plant and equipment**

Particulars	Freehold land	Building & improvements	Plant & machinery	Furniture and Fixtures	Total
<b>Gross block</b>					
As at April 1, 2018	-	-	-	-	-
Additions during the year	-	-	-	-	-
As at March 31, 2019	-	-	-	-	-
Additions during the year	1.36	159.04	6,538.98	0.18	6,699.56
As at March 31, 2020	<b>1.36</b>	<b>159.04</b>	<b>6,538.98</b>	<b>0.18</b>	<b>6,699.56</b>
<b>Accumulated depreciation</b>					
As at April 1, 2018	-	-	-	-	-
Depreciation for the year	-	-	-	-	-
As at March 31, 2019	-	-	-	-	-
Depreciation for the year	-	1.09	44.59	0.01	45.69
As at March 31, 2020	-	<b>1.09</b>	<b>44.59</b>	<b>0.01</b>	<b>45.69</b>
<b>Net Block</b>					
As at March 31, 2020	<b>1.36</b>	<b>157.95</b>	<b>6,494.39</b>	<b>0.17</b>	<b>6,653.87</b>
As at March 31, 2019	-	-	-	-	-

(i) The assets are pledged as security against borrowings. Refer note 14(a).

(ii) Borrowing costs capitalised during the year 105.58 (March 31, 2019: INR Nil) Refer note 37.

**4 Carrying value of right of use assets**

Particulars	Solar park facility on lease	Total
Reclassified on account of adoption of Ind AS 116	357.54	357.54
Addition during the year	-	-
Depreciation charged to profit and loss during the year	(14.30)	(14.30)
As at March 31, 2020	<b>343.24</b>	<b>343.24</b>



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**Avaada Solarise Energy Private Limited**

**CIN:- U40300DL2018PTC338280**

**Notes to financial statements for the year ended March 31, 2020**

(All amounts in INR millions unless stated otherwise)

**5. Capital work-in-progress**

Particulars	As at March 31, 2020	As at March 31, 2019
<b>Capital work-in-progress represents solar power plant under construction, the breakup is as follows:</b>		
<b>Opening Balance</b>	674.16	-
Project compliance expenses	-	0.94
Bank charges on bank guarantee	-	3.64
Solar park facility and land development	-	668.01
Rent expenses	-	0.02
Legal and professional expenses	-	1.55
Miscellaneous expenses	-	-
Capitalised during the year	(674.16)	-
<b>Total</b>	<b>-</b>	<b>674.16</b>

**6. Non-current financial assets**

**6(a). Other financial assets**

Particulars	As at March 31, 2020	As at March 31, 2019
<b>(Unsecured, considered good)</b>		
Security deposits	1.09	-
<b>Total</b>	<b>1.09</b>	<b>-</b>

**7. Non-current tax assets (net)**

Particulars	As at March 31, 2020	As at March 31, 2019
TDS and advance tax (net of provision for tax INR Nil (March 31, 2019: Nil))	3.05	-
<b>Total</b>	<b>3.05</b>	<b>-</b>

**8. Inventories**

Particulars	As at March 31, 2020	As at March 31, 2019
Stores and spares (lower of cost or net realisable value)	25.07	-
<b>Total</b>	<b>25.07</b>	<b>-</b>

**9. Financial assets**

**9(a). Trade receivables**

Particulars	As at March 31, 2020	As at March 31, 2019
<b>Unsecured, considered good</b>		
Trade receivables	158.47	-
Trade receivables which have significant increase in credit risk	-	-
Trade receivables - Credit impaired (cumulative)	-	-
Less : allowance for expected credit loss	-	-
<b>Total receivables</b>	<b>158.47</b>	<b>-</b>

No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days from the date of invoice.



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## 9(b). Cash and cash equivalents

Particulars	As at March 31, 2020	As at March 31, 2019
<b>Balances with banks</b>		
in current accounts	41.79	0.06
in deposit accounts (with original maturity less than three months)	19.03	-
Cash on hand	-	-
<b>Total</b>	<b>60.82</b>	<b>0.06</b>

For the purpose of Statement of cash flows, cash and cash equivalents comprise the following:

Particulars	As at March 31, 2020	As at March 31, 2019
<b>Balances with banks</b>		
in current accounts	41.79	0.06
in deposit accounts (with original maturity less than three months)	19.03	-
Cash on hand	-	-
<b>Total cash and cash equivalents</b>	<b>60.82</b>	<b>0.06</b>

## 9(c). Other bank balances

Particulars	As at March 31, 2020	As at March 31, 2019
Term deposits with original maturity of more than 3 months but less than 12 months	178.30	-
<b>Total</b>	<b>178.30</b>	<b>-</b>

## 9(d). Other financial assets

Particulars	As at March 31, 2020	As at March 31, 2019
<b>(Unsecured, considered good)</b>		
Unbilled revenue	91.21	-
Interest accrued on fixed deposits	0.27	-
<b>Total</b>	<b>91.48</b>	<b>-</b>

## 10. Other current assets

Particulars	As at March 31, 2020	As at March 31, 2019
Advances to suppliers	0.46	2.95
EPC advance - related parties (refer note 30)	-	901.21
Prepaid expenses	3.84	-
<b>Total</b>	<b>4.30</b>	<b>904.16</b>

## 11. Equity share capital

Particulars	As at	As at	As at	As at
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
<b>Authorised share capital</b>	<b>Number of shares</b>	<b>Number of shares</b>		
Equity shares of INR 10 each	4,40,00,000	4,40,00,000	440.00	440.00
<b>Issued, subscribed and fully paid-up capital</b>				
Equity shares of INR 10 each	4,28,50,000	10,000	428.50	0.10
<b>Total</b>			<b>428.50</b>	<b>0.10</b>

## (a) Reconciliation of shares outstanding at the beginning and at the end of the year (expressed in absolute numbers)

Particulars	As at March 31, 2020	As at March 31, 2019
<b>Equity Shares</b>		
At the commencement of the year	10,000	-
Add: Issued during the year (refer note (b) below)	4,28,40,000	10,000
<b>At the end of the year</b>	<b>4,28,50,000</b>	<b>10,000</b>



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**(b) Terms/rights attached to equity share**

The Company has single class of equity shares having a par value of INR 10 per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing annual general meeting. In the event of liquidation of the Company, the holder of the equity shares will be entitled to receive remaining assets of the Company, after distribution of preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**(c) Shares held by holding company**

Out of the equity shares issued by the Company, shares held by its holding company are as below: (expressed in absolute numbers)

Particulars	As at	As at
	March 31, 2020	March 31, 2019
Avaada Energy Private Limited (Formerly known as Giriraj Renewables Private Limited)*	4,28,50,000	10,000

\* One equity share held by Mr. Vineet Mittal jointly with Avaada Energy Private Limited (Formerly known as Giriraj Renewables Private Limited).

**(d) Particulars of shareholders holding more than 5% equity shares ( expressed in absolute numbers)**

Particulars	As at March 31, 2020		As at March 31, 2019	
	Number of Shares	% holding in the class	Number of Shares	% holding in the class
<b>Equity shares of INR 10 each fully paid-up and held by:</b>				
Avaada Energy Private Limited (Formerly known as Giriraj Renewables Private Limited)	4,28,50,000	100%	10,000	100%

\* One equity share held by Mr. Vineet Mittal jointly with Avaada Energy Private Limited (Formerly known as Giriraj Renewables Private Limited).

**12. Instruments entirely equity in nature**

Particulars	As at	As at
	March 31, 2020	March 31, 2019
<b>Instruments entirely equity in nature</b>		
<b>Fully compulsorily convertible debentures (FCCDs)</b>		
Opening balance	-	-
Add: issued during the year	1,284.90	-
<b>Closing balance</b>	<b>1,284.90</b>	<b>-</b>

**Fully compulsorily convertible debentures (FCCDs)**

The Company has issued 12,84,90,000 FCCDs (4,00,00,000 FCCDs on 23.05.2019, 3,00,00,000 FCCDs on 24.05.2019, 3,00,00,000 FCCDs on 27.05.2019, and 2,84,90,000 FCCDs on 28.05.2019), of INR 10 each. FCCD issued at 0% interest and each FCCD is convertible into equity share of Rs. 10 each without any further act or application by FCCD holder, not later than ten years from the date of allotment.

**13. Other equity**

Particulars	As at	As at
	March 31, 2020	March 31, 2019
<b>Retained earnings</b>		
Opening balance	(3.12)	-
Net profit/ (loss) for the year	116.69	(3.12)
<b>Closing balance</b>	<b>113.57</b>	<b>(3.12)</b>

**14. Non-current financial liabilities****14(a). Long term borrowings**

Particulars	As at	As at
	March 31, 2020	March 31, 2019
<b>Carried at amortised cost</b>		
<b>Secured</b>		
Term loan from financial institutions*	5,115.95	-
	<b>5,115.95</b>	<b>-</b>
Less: Current maturities of long term borrowings	82.24	-
<b>Total</b>	<b>5,033.71</b>	<b>-</b>



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\* Net of unamortised processing fees

**Summary of borrowings arrangement:**

**Term loan from RECL amounting to INR 5139.36 (March 31, 2019 : Nil)**

Indian rupee long term loan from RECL carries annual interest rate of ~10.16p.a. payable at the end of every Month. Rebate of 25 basis point is available after 3 month post COD, there after the effective rate will be ~9.92% p.a., payable at the end of every month. The principal amount is repayable in 225 structured monthly instalments commencing from January 31, 2021. The loan is secured by first charge on entire movable properties, including plant and machinery, machinery spares, equipment's, tools and accessories, furniture, fixtures, vehicles, stocks and all other movable assets, present and future, all the present and future book debts, bills, receivables, monies including bank accounts, claims of all kinds and stocks including consumables and other general stores; first charge on all the rights, title, interest, benefits, claims and demand in project agreement (including amendments in project agreement), clearances ,any guarantee, warrant , letter of credit, performance bond provided by any party to the project agreement, implementation support agreement (ISA) and land sub-lease agreement (LSAs) . The loan is also secured by short fall undertaking for funding time cost overrun and corporate guarantee issued by Avaada Energy Private Ltd and pledge of shares in the Company, held by Avaada Energy Private Limited (formerly known as Giriraj Renewables Private Limited) representing 51% of paid up equity share capital and 51% of CCDs.

**14(b). Other financial liabilities**

Particulars	As at March 31, 2020	As at March 31, 2019
<b>Carried at amortised cost</b>		
<b>Carried at fair value through profit and loss</b>		
Lease liability	325.38	-
Decommissioning liabilities	7.38	-
<b>Total</b>	<b>332.76</b>	<b>-</b>

**15. Deferred tax liabilities (net)**

The major components of income tax expense for the years ended March 31, 2020 and March 31, 2019 are:

**(a) Profit or loss section**

	As at March 31, 2020	As at March 31, 2019
<b>Current tax:</b>		
Current tax on profits for the year	-	-
Adjustments in respect of current income tax of previous year	-	-
<b>Total current tax expense</b>	<b>-</b>	<b>-</b>
<b>Deferred tax charge (credit):</b>		
Relating to origination and reversal of temporary differences	39.41	(1.10)
MAT Credit	-	-
<b>Total deferred tax</b>	<b>39.41</b>	<b>(1.10)</b>
<b>Income tax reported in the statement of profit or loss</b>	<b>39.41</b>	<b>(1.10)</b>
<b>Other comprehensive income/ (loss) section</b>		
<b>Deferred tax charge (credit):</b>		
Re-measurement gains/ (losses) on defined benefit plans	-	-
<b>Income tax charged/ (credited) to other comprehensive income/ (loss)</b>	<b>-</b>	<b>-</b>

**(b) Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2020 & March 31, 2019**

<b>Accounting profit / (loss) before income tax</b>	156.11	(4.22)
At India's statutory income tax rate of 25.17 % (March 31, 2019: 26%)	39.29	(1.10)
<b>Tax effect of amounts which are not deductible (taxable) in calculating taxable income:</b>		
Effect of expenses that are not deductible in determining taxable profit	(0.02)	1.73
Adjustments in respect of current income tax of previous year	0.14	-
MAT credit	-	(0.40)
Tax effect of tax rate change	-	(0.13)
<b>Total adjustments</b>	<b>0.12</b>	<b>1.20</b>
<b>Income tax expense/ (income)</b>	<b>39.41</b>	<b>0.10</b>



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**(c) Deferred tax asset/ (liability)**

Particulars	April 1, 2019	Charge/ (credit) to Statement of Profit and Loss	Charge/(credit) to other comprehensive income	As at March 31, 2020
Property, plant and equipment and intangible assets	-	52.39	-	(52.39)
Carried forward losses	1.10	(14.14)	-	15.24
Provision for employee benefits	-	-	-	-
Others	-	1.16	-	(1.16)
<b>Net Deferred tax liability</b>	<b>1.10</b>	<b>39.41</b>	<b>-</b>	<b>(38.31)</b>

Particulars	April 1, 2018	Charge/ (credit) to Statement of Profit and Loss	Charge/(credit) to other comprehensive income	As at March 31, 2019
Carried forward losses	-	(1.10)	-	1.10
<b>Net Deferred tax assets</b>	<b>-</b>	<b>(1.10)</b>	<b>-</b>	<b>1.10</b>

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

\* Pursuant to taxation laws ( Amendment ) Act , 2019 which is effective from 1st April, 2019 domestic companies have the option to pay income tax at 22% plus applicable surcharge and cess ( 'new tax regime' ) subject to certain conditions . Based on the Company assessment of the expected year of transition to new tax regime, the company has remeasured the recoverability of Minimum Alternate Tax ( 'MAT' ) and accordingly charged off MAT credit to profit and loss account.



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**16. Long term provisions**

Particulars	As at March 31, 2020	As at March 31, 2019
<b>Provision for employee benefits</b>		
Gratuity (refer note 31)	0.01	-
Leave encashment	0.01	-
<b>Total</b>	<b>0.02</b>	<b>-</b>

**17. Current financial liabilities**

**17(a). Short term borrowings**

Particulars	As at March 31, 2020	As at March 31, 2019
<b>Carried at amortised cost</b>		
<b>Unsecured</b>		
Loans repayable on demand		
- Related parties (refer note 30)	19.83	1,496.00
<b>Total</b>	<b>19.83</b>	<b>1,496.00</b>

**Terms and conditions:**

**(a) Loan from related parties**

Interest free loan from Avaada Energy Private Limited amounting to INR 18.92 (March 31, 2019: 1,496.00)

Interest free loan from Avaada Ventures Private Limited amounting to INR 0.91 (March 31, 2019: Nil)

The borrowing is in the nature of revolving credit facility as and when requested by the Company. It is interest-free and does not have a fixed tenure.

The loan is repayable when demanded by the lender.

**17(b). Trade payables**

Particulars	As at March 31, 2020	As at March 31, 2019
<b>Carried at amortised cost</b>		
Payables to micro and small enterprises (refer note 38)	-	-
Payables to other parties	145.83	78.87
<b>Total</b>	<b>145.83</b>	<b>78.87</b>

**17(c). Other financial liabilities**

Particulars	As at March 31, 2020	As at March 31, 2019
<b>Carried at amortised cost</b>		
Current maturities of long-term borrowings	82.24	-
Interest accrued but not due on borrowings	1.43	-
Lease liability	34.49	-
Payables for capital expenditure to related party (refer note 30)	1.28	-
<b>Total</b>	<b>119.44</b>	<b>-</b>

**18. Other current liabilities**

Particulars	As at March 31, 2020	As at March 31, 2019
Statutory dues	2.82	7.63
<b>Total</b>	<b>2.82</b>	<b>7.63</b>

**19. Short term provisions**

Particulars	As at March 31, 2020	As at March 31, 2019
<b>Provision for employee benefits</b>		
Gratuity (refer note 31)*	-	-
Leave encashment**	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

\* Gratuity INR 163 (March 31, 2019: INR Nil)

\*\* Leave encashment INR 236 (March 31, 2019: INR Nil)



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Avaada Solarise Energy Private Limited

CIN:- U40300DL2018PTC338280

Notes to financial statements for the year ended March 31, 2020

(All amounts in INR millions unless stated otherwise)

20. Revenue from operations

Particulars	For the year ended	For the year ended
	March 31, 2020	March 31, 2019
<b>Electricity revenue</b>		
Sales of electricity	306.93	-
Sale of material	0.09	-
<b>Total</b>	<b>307.02</b>	<b>-</b>

21. Other income

Particulars	For the year ended	For the year ended
	March 31, 2020	March 31, 2019
Profit on sale of investments	1.24	-
Interest income on deposits with bank	30.53	-
<b>Total</b>	<b>31.77</b>	<b>-</b>

22. Cost of goods and services

Particulars	For the year ended	For the year ended
	March 31, 2020	March 31, 2019
Cost of sale of material (Inventory)	0.09	-
<b>Total</b>	<b>0.09</b>	<b>-</b>



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23. Employee benefit expense

Particulars	For the year ended	For the year ended
	March 31, 2020	March 31, 2019
Salary, wages and bonus	0.37	-
Contribution to provident fund and other funds	0.02	-
Gratuity expense (Refer note 31)	0.01	-
Leave encashment	0.01	-
Staff Welfare	0.05	-
<b>Total</b>	<b>0.46</b>	<b>-</b>

24. Finance costs

Particulars	For the year ended	For the year ended
	March 31, 2020	March 31, 2019
<b>Interest costs on account of:</b>		
Loan from financial institutions	86.29	-
Lease liability	16.66	-
Decommissioning liability	0.18	-
Interest on delayed payment of statutory dues	0.10	-
Bank charges	0.49	-
<b>Borrowing costs</b>		
Processing fees	0.21	-
<b>Total</b>	<b>103.93</b>	<b>-</b>

25. Depreciation expenses

Particulars	For the year ended	For the year ended
	March 31, 2020	March 31, 2019
Depreciation on property, plant and equipment	45.69	-
Depreciation on right of use	6.29	-
<b>Total</b>	<b>51.98</b>	<b>-</b>

26. Other expenses

Particulars	For the year ended	For the year ended
	March 31, 2020	March 31, 2019
Plant maintenance expenses	21.50	-
Electricity sale expenses	0.01	-
Legal and professional	0.11	0.11
Fees and subscription	0.48	4.09
Insurance	1.04	-
Auditor remuneration*	0.15	0.02
Site overhead	0.02	-
Printing and stationary	0.02	-
Guest house expenses	0.01	-
Security	2.33	-
Travelling and conveyance	0.56	-
<b>Total</b>	<b>26.23</b>	<b>4.22</b>



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**\*Payment to auditors**

Particulars	For the year	For the year
	ended	ended
	March 31, 2020	March 31, 2019
Statutory audit fee	0.15	0.02
<b>Total</b>	<b>0.15</b>	<b>0.02</b>

**27. Earnings per share (EPS)**

Earnings per share:		
Basic	0.79	(312.38)
Diluted	0.79	(312.38)

**Basic earnings per share:**

The earnings and weighted average number of equity shares used in the calculation of basic earnings per share are as follows

Particulars	For the year	For the year
	ended	ended
	March 31, 2020	March 31, 2019
Profit/ (loss) for the year	116.69	(3.12)
Earnings used in the calculation of basic earnings per share from continuing operations	116.69	(3.12)
Weighted average number of equity shares for the purposes of basic earnings per share	14,70,18,333	10,000

**Diluted earnings per share:**

Particulars	For the year	For the year
	ended	ended
	March 31, 2020	March 31, 2019
Profit/ (loss) for the year	116.69	(3.12)
Earnings used in the calculation of basic and diluted earnings per share from continuing operations	116.69	(3.12)

The weighted average number of equity shares for the purposes of diluted earnings per share reconciles with the weighted average number of equity shares used in the calculation of basic earnings per share as follows:

Weighted average number of equity shares used in the calculation of basic earnings per share	14,70,18,333	10,000
Weighted average number of equity shares used in the calculation of diluted earnings per share	14,70,18,333	10,000

There is no potential equity shares that are anti-dilutive and therefore not considered for the weighted average number of equity shares for the purpose of diluted earnings per share. The following potential equity shares are anti-dilutive and therefore excluded from the weighted average no. of equity shares for the purpose of diluted earnings per shares.

Particulars	For the year	For the year
	ended	ended
	March 31, 2020	March 31, 2019
	Quantity	Quantity
Describe the nature	-	-



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## 28. Disclosure of 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.

### Judgements, estimates and assumptions

The judgements and 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 judgements, 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.

### Significant judgements, estimates and assumptions are as specified below:-

#### Defined benefit plans (gratuity benefits)

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

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 in India.

#### Provisions and contingent liabilities

The Company estimates the provisions that have present obligations as a result of past events and it is probable that outflow of resources will be required to settle the obligations. These provisions are reviewed at the end of each reporting period and are adjusted to reflect the current best estimates.

The Company uses significant judgements to disclose contingent liabilities. Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non- occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Contingent assets are neither recognised nor disclosed in the financial statements.

#### Taxes

Deferred tax assets are recognised for unabsorbed tax losses, unabsorbed depreciation and all deductible temporary differences, to the extent that it is probable that future taxable profit will be available against which they can be utilised. 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.

The Company has reviewed tax losses and unabsorbed depreciation, and determined that it is probable that sufficient future taxable profits will be available against which such tax losses and unabsorbed depreciation can be utilised. Thus, the Company has recognized a corresponding deferred tax asset on the same.

Any changes in these assumptions may have an impact on the measurement of the deferred taxes in future

#### Leases

The Company has taken certain land and land & building on long term lease basis. The lease agreements generally have an escalation clause and are generally non-cancellable. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company evaluates if an arrangement qualifies to be a lease as per the requirements of IND AS 116. Identification of a lease requires judgment. The Company uses judgement in assessing the lease term and the applicable discount rate. The discount rate is generally based on the incremental borrowing rate.

#### Fair value of interest-free long term loans

The fair value of interest-free loans is determined using discounted cash flow method using a market interest rate of a comparable instrument having the same term. The difference between the fair value and transaction value has been considered as deemed equity contribution from the parent company hence recognised and included in equity.



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**Fair value of financial instruments**

When the fair values of financial assets and financial liabilities 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 present valuation technique. 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. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

**Impairment of non-financial assets**

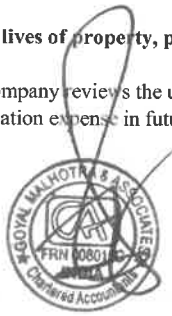
The recoverable amount of property, plant and equipment, capital work in progress, intangible assets and intangible assets under development is based on estimates and assumptions, in particular the expected market outlook and future cash flows associated with the power project. There is no indication of impairment of assets as at each reporting date. Any changes in these assumptions may have an impact on the measurement of the recoverable amount resulting in impairment.

**Impairment of investments in subsidiaries**

The Company reviews its carrying value of investments carried at cost (net of impairment, if any) annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for in the statement of profit and loss.

**Useful lives of property, plant and equipment**

The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.



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**29. Operating Segments**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Company is involved in only one business, which is the generation and transmission of solar power. Hence, the Company has only one operating segment. Further, the Company is having a single geographical segment since its operations are wholly based in India. Therefore no disclosure has been made in the financial statements.

**30. Related party transactions****(i) Names of related parties and related party relationship****(a) Related parties where control exists**

Ultimate holding company

Avaada Ventures Private Limited (Formerly Known as Avaada Power Private Limited)

Holding company

Avaada Energy Private Limited (Formerly known as Giriraj Renewables Private Limited)

Fellow Subsidiary Company

Avaada Clean Project Private Limited  
Viraj Solar Maharashtra Private Limited**(ii) Transaction with related parties during the year**

Particulars	Ultimate holding company		Holding and other related companies	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
<b>Issue of equity shares</b>	-	-	428.40	0.10
Avaada Energy Private Limited	-	-	428.40	0.10
<b>Issue of Fully compulsory convertible debentures (FCCDs)</b>	-	-	1,284.90	-
Avaada Energy Private Limited	-	-	1,284.90	-
<b>Demand loan received</b>	-	-	18.88	1,496.00
Avaada Energy Private Limited	-	-	18.88	1,496.00
<b>Sale of trading goods</b>	0.11	-	-	-
Avaada Ventures Private Limited	0.11	-	-	-
<b>Purchase of goods &amp; services under EPC contracts</b>	-	-	4,752.21	-
Avaada Energy Private Limited	-	-	4,752.21	-
Avaada Clean Project Private Limited	-	-	962.90	-
<b>EPC advance paid</b>	-	-	3,850.99	901.21
Avaada Energy Private Limited	-	-	3,850.99	901.21
Avaada Clean Project Private Limited	-	-	962.90	-
<b>EPC advance return</b>	-	-	1,496.00	-
Avaada Energy Private Limited	-	-	1,496.00	-
<b>Reimbursement of expenses by</b>	1.01	3.33	3.35	0.00
Avaada Energy Private Limited	-	-	3.35	0.00
Avaada Ventures Private Limited	1.01	3.33	-	-
<b>Purchase of Land</b>	-	-	1.28	-
Viraj Solar Maharashtra Private Limited	-	-	1.28	-

**(iii) Balances outstanding at the end of the year**

Particulars	Ultimate holding company		Holding and other related companies	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
<b>Payables for capital expenditure</b>	-	-	1.28	-
Viraj Solar Maharashtra Private Limited	-	-	1.28	-
<b>Short term borrowings</b>	0.91	-	18.92	1,496.00
Avaada Energy Private Limited	-	-	18.92	1,496.00
Avaada Ventures Private Limited	0.91	-	-	-
<b>EPC advances given to</b>	-	-	-	901.21
Avaada Energy Private Limited	-	-	-	901.21
<b>Corporate guarantee issued in favour of banks in relation to loan availed by the company</b>	-	-	5,201.90	-
Avaada Energy Private Limited	-	-	5,201.90	-



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**31. Gratuity and other post employment benefit plans****(a) Defined benefit plan - gratuity**

The Company has a defined benefit for gratuity. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The Company provides for the liability in its books of accounts based on the actuarial valuation. The following tables summarize the components of net benefit expense recognized in the statement of profit and loss and the funded status and amounts recognized in the balance sheet for the respective plans.

The principal assumptions used in determining gratuity benefit obligations for the Company's plan are shown below:

	March 31, 2020	March 31, 2019
Discount rate	6.81%	-
Salary increment rate	7.00%	-
Retirement age AVP and below	60 years	-
Retirement age VP and above	Indian Assured lives	-
Mortality table	Mortality (2012-04)	-

**Withdrawal rates: age related and past experience**

Age	% Withdrawal	
	March 31, 2020	March 31, 2019
Upto 30 year	3%	-
Between 31 and 44 years	2%	-
Above 44 years	1%	-

The principal assumptions are the discount rate and salary growth rate. The discount rate is generally based upon the market yield available on the Government bonds at the accounting date with a term that matches that of the liabilities and the salary growth rate takes account of inflation, seniority, promotion and other relevant factors on long term basis.

**Changes in the present value of the defined benefit obligation are as follows:**

	March 31, 2020	March 31, 2019
Opening defined benefit obligation	-	-
Acquisition Adjustment	-	-
Obligation transferred to holding company	-	-
Current service cost	0.01	-
Interest cost	-	-
Re-measurements	-	-
Benefits paid	-	-
Actuarial (gain) / loss	-	-
<b>Closing defined benefit obligation</b>	<b>0.01</b>	<b>-</b>

**Balance sheet**

	March 31, 2020	March 31, 2019
Present value of defined benefit obligation	(0.01)	-
Fair value of plan assets	-	-
<b>Plan asset / (liability)</b>	<b>(0.01)</b>	<b>-</b>

**Expenses recognised in statement of profit and loss**

	March 31, 2020	March 31, 2019
Interest cost	-	-
Current service cost	0.01	-
Acquisition Adjustment	-	-
<b>Net benefit expense</b>	<b>0.01</b>	<b>-</b>

**Expenses recognised in Statement of other comprehensive income**

	March 31, 2020	March 31, 2019
Actuarial (gain) / loss	-	-
Due to change in demographic assumptions	-	-
Due to change in financial assumptions	-	-
Due to change in experience adjustments	-	-
<b>Total expense recognised in statement of other comprehensive income</b>	<b>-</b>	<b>-</b>

**A quantitative sensitivity analysis for significant assumption as at March 31, 2020 is as shown below:**

Sensitivity Level	Discount rate		Salary growth rate	
	0.50% increase	0.50% decrease	0.50% increase	0.50% decrease
Increase/ (decrease) in defined benefit obligation	(0.01)	0.01	0.01	(0.01)

Sensitivities due to mortality & withdrawals are not material hence impact of change due to these is not calculated. Sensitivities as to rate of increase of pensions in payment, rate of increase of pensions before retirement and life expectancy are not applicable.



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The following payments are expected contributions to the defined benefit plan in future years:

	March 31, 2020	March 31, 2019
Within one year	-	-
1-5 years	-	-
More than 5 years	-	-

The average duration of the defined benefit plan obligation at the end of the reporting period is 0.32 years (March 31, 2019: Nil)

**Description of risk exposures:**

Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such company is exposed to various risks as follows:

- a) Salary Increases- Actual salary increases will increase the Plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.
- b) Discount Rate : Reduction in discount rate in subsequent valuations can increase the plan's liability.
- c) Mortality & disability – Actual deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.
- d) Withdrawals – Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact plan's liability.

**(b) Defined contribution plan**

During the year, the Company has recognised the following amounts in the Statement of Profit and Loss

	March 31, 2020	March 31, 2019
Employer's Contribution to Employee's Provident Fund	0.02	-
	<b>0.02</b>	<b>-</b>



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**32. 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:

	Note	Carrying Value		Fair value	
		March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
<b>Financial assets</b>					
<i>Measured at amortised cost</i>					
Deposits	6(a)	1.09	-	1.09	-
<b>Financial liabilities</b>					
<i>Measured at fair value through profit and loss</i>					
Lease liability	14(b)	325.38	-	325.38	-
Decommissioning liabilities	14(b)	7.38	-	7.38	-
<i>Measured at amortised cost</i>					
Financial Institutions Borrowings	14(a)	5,115.95	-	5,115.95	-

The management assessed that the fair value of cash and cash equivalents, other bank balances, short term borrowings, trade payables, payables for capital expenditure and other short term financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

**Deposits** - The management assessed that fair values of the deposits to approximate their carrying value due to amortised cost being calculated based on the effective interest rates.

**Borrowings** - The carrying value and fair value of floating rate borrowings has been considered the same since the interest rate approximates its fair value.

**Long term loan from related parties and FCCDs** - The fair value is determined by using discounted cash flow method using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. The own non-performance risk was assessed to be insignificant. The management has estimated the carrying value of the instruments to be reasonable approximation of fair values as on reporting date.

**33. Fair value hierarchy**

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consists of the following three levels:

- Level 1 — 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.

**Quantitative disclosures fair value measurement hierarchy for assets as at March 31, 2020**

	Total	Fair value measurement using		
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
<b>Financial assets:</b>				
- Investments in Mutual fund	-	-	-	-

**Quantitative disclosures fair value measurement hierarchy for liabilities as at March 31, 2020**

	Total	Fair value measurement using		
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
<b>Financial liabilities</b>				
- Lease Liabilities	325.38	-	325.38	-
- Derivative liabilities	7.38	-	7.38	-



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Quantitative disclosures fair value measurement hierarchy for assets as at March 31, 2019

	Fair value measurement using			
	Total	Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs
		(Level 1)	(Level 2)	(Level 3)
<b>Financial assets:</b>				
- Investments in Mutual fund	-	-	-	-

Quantitative disclosures fair value measurement hierarchy for liabilities as at March 31, 2019

	Fair value measurement using			
	Total	Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs
		(Level 1)	(Level 2)	(Level 3)
<b>Financial liabilities</b>				
- Lease Liabilities	-	-	-	-
- Derivative liabilities	-	-	-	-



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**34. Financial risk management objectives and policies**

In its ordinary operations, the Company's activities expose it to the various types of risks, which are associated with the financial instruments and markets in which it operates. The Company has a risk management policy which covers the foreign exchanges risks and other risks associated with the financial assets and liabilities such as interest rate risks and credit risks. The risk management policy is approved by the board of directors. The following is the summary of the main risks:

**(a) Market risk**

Market risk is the risk that changes in market prices, such as foreign exchange rates (currency risk) and interest rates (interest rate risk) will affect the Company's income or value of its holding of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

**(i) Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The capital expenditure of the company is financed by loans, the shareholders' fund and internal proceeds. The interest bearing loans of the Company comprises of both fixed and floating rate.

**Interest rate sensitivity**

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on loans and borrowings. With all other variables held constant, the Company's profit before tax is affected on account of impact on floating rate borrowings, as follows:

	Amount of Loan in Mn	Increase/(decr ease) in basis points	Effect on loss before tax / CWIP
<b>March 31, 2020</b>			
Term Loan from financial institutions	5115.95		
Impact on profit before tax on account of increase in interest costs		1.00%	51.16
Impact on profit before tax on account of decrease in interest costs		-1.00%	(51.16)
<b>March 31, 2019</b>			
Term Loan from financial institutions	-		
Impact on profit before tax on account of increase in interest costs		1.00%	-
Impact on profit before tax on account of decrease in interest costs		-1.00%	-

**(b) Credit risk**

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments. Credit risk is managed by company's established policy, procedures and control relating to customer credit risk management.

Financial assets that potentially exposed the Company to credit risk are listed below:

	March 31, 2020	March 31, 2019
Trade receivables	158.47	-
Other financial assets	91.48	-
<b>Total</b>	<b>249.95</b>	<b>-</b>

**(i) Trade Receivables**

Customer credit risk is managed on the basis of Company's established policy, procedures and control relating to customer credit risk management. Outstanding customer receivables are regularly monitored. The Company evaluates the concentration of risk with respect to trade receivables as low. The Company primarily generates revenue from sale of power to single off taker. The trade receivables mainly comprise of private companies, however the Company does not foresee any credit risk attached to receivables from such companies. The Company does not hold collateral as security.

**(ii) Financial instruments and cash deposits**

Credit risk from balances with banks are managed by the Company's management in accordance with the approved policy. Investments of surplus funds are made only with approved counterparties. Counterparty credit limits are reviewed by the management on an annual basis. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.



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**(c) Liquidity risk**

Liquidity risks are managed by the Company's management in accordance with Company's policy. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank loans and equity shares. The company attempts to ensure that there is a balance between the timing of outflow and inflow of funds. The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low since company has access to a sufficient variety of sources of funding. The Company is not subject to any restrictions on the use of its capital that could significantly impact its operations. In light of these facilities, the Company is not exposed to any significant liquidity risk.

The table below provides details regarding the contractual maturities of financial assets and liabilities as at March 31, 2020:

Particulars	Within 1 year	Between 1 and 5 years	More than 5 years	Total
<b>Financial liabilities</b>				
Term loan from financial institutions*	82.24	616.80	4,416.91	5,115.95
Lease liability	34.49	101.95	188.94	325.38
Decommissioning liabilities	-	-	7.38	7.38
Borrowings	19.83	-	-	19.83
Trade payables	145.83	-	-	145.83
Other financial liabilities	37.20	-	-	37.20
	<b>319.59</b>	<b>718.75</b>	<b>4,613.23</b>	<b>5,651.57</b>
<b>Financial assets</b>				
Trade receivables	158.47	-	-	158.47
Cash and cash equivalents	60.82	-	-	60.82
Other bank balances	178.30	-	-	178.30
Other financial assets	91.48	-	-	91.48
	<b>489.07</b>	<b>-</b>	<b>-</b>	<b>489.07</b>

The table below provides details regarding the contractual maturities of financial assets and liabilities as at March 31, 2019:

Particulars	Within 1 year	Between 1 and 5 years	More than 5 years	Total
<b>Financial liabilities</b>				
Borrowings	1,496.00	-	-	1,496.00
Trade payables	78.87	-	-	78.87
	<b>1,574.87</b>	<b>-</b>	<b>-</b>	<b>1,574.87</b>
<b>Financial assets</b>				
Cash and cash equivalents	0.06	-	-	0.06
	<b>0.06</b>	<b>-</b>	<b>-</b>	<b>0.06</b>

\*Amount within 1 year is as per the actual repayment schedule and the total amount is net of processing fee.

**35. Capital management**

The Company manages its capital to ensure that it will be able to continue as going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The Capital structure of the Company consist of net debt (borrowings as detailed in notes below) and total equity of the company.

In order to achieve this overall objective of capital management, amongst other things, the Company aims to ensure that it meets financial covenants attached to the borrowings facilities defining capital structure requirements, where breach in meeting the financial covenants may permit the lender to call the borrowings.

There have been no breach in the financial covenants of any borrowing facilities during the year. There is no change in in the objectives, policies or processes for managing capital over previous year.

	March 31, 2020	March 31, 2019
Long term borrowings	5,033.71	-
Less: Cash and cash equivalents	(60.82)	(0.06)
<b>Net debt (A)</b>	<b>4,972.89</b>	<b>(0.06)</b>
<b>Equity (B)</b>	<b>1,826.97</b>	<b>(3.02)</b>
<b>Capital and net debt (B)</b>	<b>6,799.86</b>	<b>(3.08)</b>
<b>Gearing ratio   (A)/(B)  </b>	<b>73.13%</b>	<b>1.95%</b>



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**36. Commitments and contingencies****a) Commitments**

The Company has entered into power supply agreements for a total term of 25 years with a commitment to supply power @ prices INR 2.92 /KwH with an escalation of Nil.

**b) Contingent liabilities**

The Company has given bank guarantee for INR 61.89 (March 31, 2019: Nil).

**c) Financial guarantee**

The ultimate holding Company has issued financial guarantee to banks on account of loans availed by the Company. In accordance with the policy of the Company, the Company has designated such guarantees as "Insurance Contracts". Accordingly, there are no assets or liabilities recognised in the balance sheet under these contracts.

d) The Company does not have any pending litigations which would impact its financial position.

**37. Capitalisation of expenditure (net)**

During the year, the Company has capitalised the following expenses of revenue nature to the cost of fixed assets. Consequently, expenses disclosed under the respective notes are net of amounts capitalised by the Company.

	For the year ended March 31, 2020	For the year ended March 31, 2019
Finance costs	105.58	-
Solar park facility & land development	804.03	-
Legal & professional expenses	3.26	-
Project compliance Expenses	800.77	-
	<b>1,713.64</b>	<b>-</b>

**38.** Based on intimation received by the Company from its supplier regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 the relevant information is provided below:

	As at March 31, 2020	As at March 31, 2019
a) The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier at the end of each accounting year.	-	-
b) 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 amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
c) 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 the Micro, Small and Medium Enterprises Development Act, 2006;	-	-
d) The amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-
	<b>-</b>	<b>-</b>

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.



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Avaada Solarise Energy Private Limited

CIN:- U40300DL2018PTC338280

Notes to financial statements for the year ended March 31, 2020

(All amounts in INR millions unless stated otherwise)

**39. Assets pledged as security**

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

Particulars	Note	As at March 31, 2020	As at March 31, 2019
<b>Current</b>			
<b>Financial assets</b>			
First charge			
Trade receivables	9(a)	158.47	-
Cash and cash equivalents	9(b)	60.82	0.06
Other bank balances	9(c)	178.30	-
Other financial assets	9(d)	91.48	-
		<b>489.07</b>	<b>0.06</b>
<b>Non-financial assets</b>			
First charge			
Inventories	8	25.07	-
Other current assets	10	4.30	904.16
		<b>518.44</b>	<b>904.22</b>
<b>Total current assets pledged as security</b>		<b>518.44</b>	<b>904.22</b>
<b>Non-current</b>			
<b>Financial assets</b>			
Other financial assets	6(a)	1.09	-
<b>Non-financial assets</b>			
First charge			
Property, plant and equipment	3	6,653.87	-
Right of use assets	4	343.24	-
Capital Work-in-Progress	5	-	674.16
		<b>6,998.20</b>	<b>674.16</b>
<b>Total non-currents assets pledged as security</b>		<b>6,998.20</b>	<b>674.16</b>

**40. Events after the reporting period**

There are no significant reportable events occurring after the reporting period.

**41. Approval of financial statements**

The financial statements were approved for issue by the Board of Directors on June 19, 2020.

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

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

44. Previous year's figures have been regrouped/ reclassified wherever necessary to correspond with the current year's classification / disclosure.

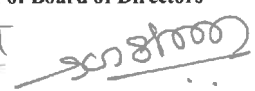
Summary of corporate information and significant accounting policies

See accompanying notes forming part of the financial statements

For and on behalf of Board of Directors

  
Ravi Kant Verma  
Partner  
Membership No. 098958  
For and on behalf of  
Goyal Malhotra & Associates  
Chartered Accountants  
FRN 008015C  
Date : June 19, 2020  
Place: Noida  
UDIN: 20098958AAAAY6115

  
Ravi Kant Verma  
Director  
DIN: 07299159

  
T. R. Kishor Nair  
Director  
DIN: 05112576