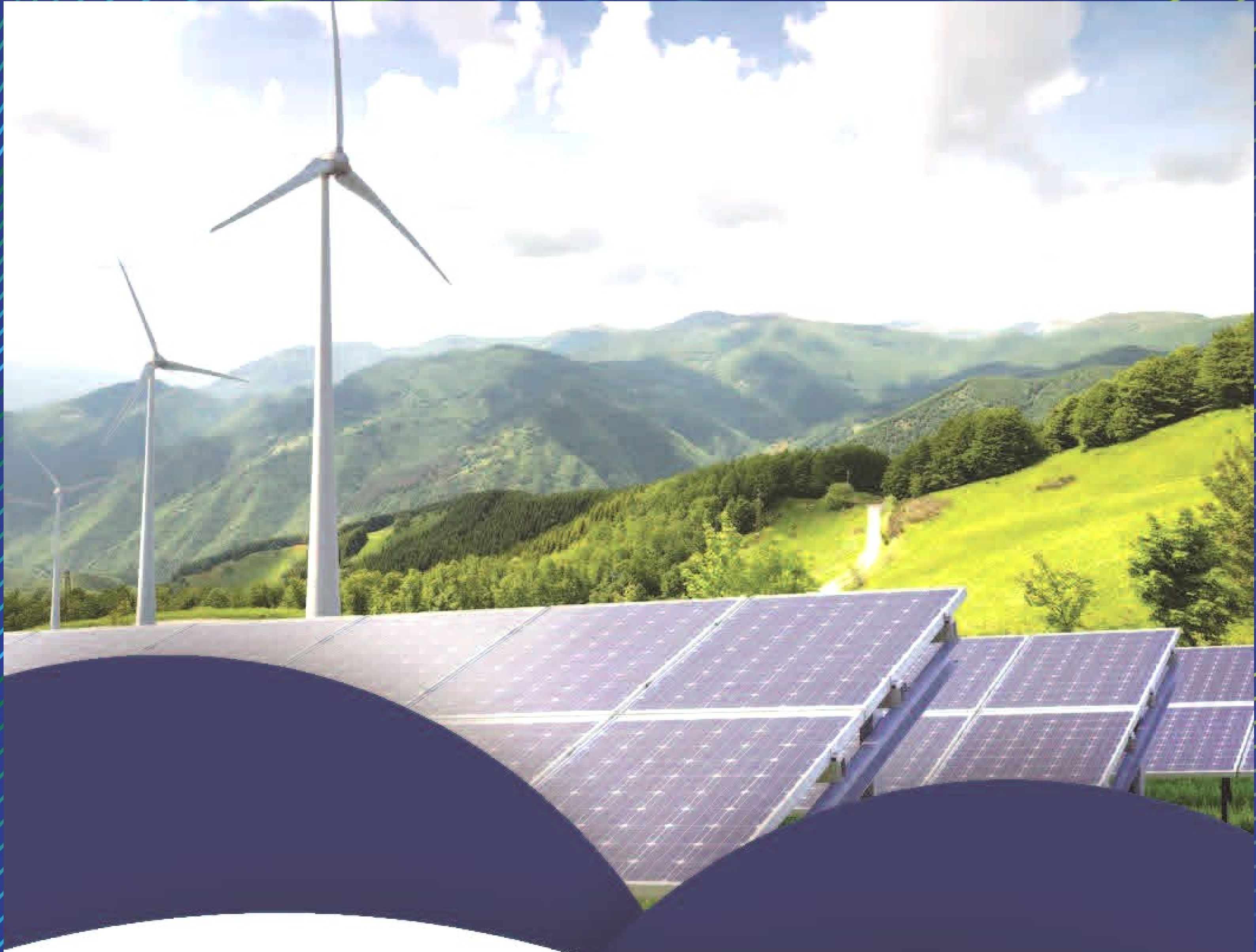

AVAADA SATARAMH PRIVATE LIMITED

Annual Report for the Financial Year 2022-23

Index

Corporate Information:

Registered Office: C-11, Sector-65, Gautam Buddha Nagar, Noida, Uttar Pradesh-201301

Corporate Office: 406, 4th Floor, Hubtown Solaris, N. S. Phadke Marg, Andheri (East), Mumbai - 400069

Email: avaadasataraMH@avaada.com

Website: https://avaada.com/SataraMH/

BOARD OF DIRECTORS

Mr. Sandeep Mahesh (DIN: 08193555), Director
(Appointed w.e.f December 9, 2021)
Mr. Gulab Singh (DIN: 08561956), Director
(Appointed w.e.f October 31, 2022)

AUDITORS:

Statutory Auditor:
M/s. Goyal Malhotra & Associates,
Chartered Accountants
Address: D-64, Ground Floor,
Near Park Plaza hotel,
Sector-55, Noida- 201301

Secretarial Auditor:
M/s. JMJA & Associates LLP,
Practicing Company Secretaries
Address: 131, 1st Floor, Building No. 2,
New Sonal Link Industrial Estate,
Malad (West), Mumbai- 400064

Cost Auditor:
M/s HCB & Co., the Cost Accountants

Internal Auditors:
M/s Grant Thornton Bharat LLP (From April 1, 2022)

REGISTRAR & TRANSFER AGENT:

Linkintime India Private Limited
Address: C 101, 247 Park, L B S Marg,
Vikhroli (West), Mumbai- 400083
Phone: +91 022- 49186000

DEBENTURE TRUSTEE:

Catalyst Trusteeship Limited
Address: 810, 8th Floor, Kailash Building 26,
Kasturba Gandhi Marg, New Delhi - 110001
Phone: +91 (11) 43029101

Delhi Office:
910/19, Suryakiran,
Kasturba Gandhi Marg,
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NOTICE

NOTICE is hereby given that the 4th annual general meeting of the members of **Avaada SataraMH Private Limited** will be held on Friday, September 29, 2023 at 02.00 p.m. at the registered office of the Company situated at C-11, Sector-65, Gautam Buddha Nagar, Noida, Uttar Pradesh-201301, to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited annual financial statements of the Company for the financial year ended March 31, 2023 together with the Reports of the Board of Directors and the Auditors thereon.

SPECIAL BUSINESS:

2. **To appoint Mr. Gulab Singh (DIN: 08561956) as the Director of the Company:**

To consider and, if thought fit, to pass the following resolution, with or without modification, as an Ordinary Resolution:

"**RESOLVED THAT** Mr. Gulab Singh (DIN: 08561956) who was appointed as an additional director by the board of directors in their meeting held on October 28, 2022 with effect from October 31, 2022 in accordance with the provisions of Section 161 of the Companies Act, 2013 and who holds office only upto the date of this annual general meeting be and is hereby appointed as the Director of the Company.

RESOLVED FURTHER THAT the Directors and the Company Secretary of the Company be and are hereby severally authorised to do all the acts, deeds and things which are necessary to give effect to the said resolution."

3. **To ratify remuneration of M/s HCB & Co., the Cost Accountants as the Cost Auditors of the Company for the Financial Year 2023-24:**

To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution:**

AVAADA

AVAADA SATARAMH PRIVATE LIMITED
CIN: U40100UP2019PTC124019

Delhi Office:
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New Delhi – 110 001
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Registered Office:
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"**RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 including any statutory modification(s) or re-enactment(s) thereof, for the time being in force, the members of the Company hereby ratify the remuneration of INR 30,000/- (Indian Rupees Thirty Thousand Only) payable to M/s HCB & Co., the Cost Accountants (Firm Registration Number-000525), who has been appointed by the Board of Directors as the Cost Auditors of the Company to conduct the audit of the cost records of the Company for the Financial Year 2023-24.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Directors and Company Secretary of the Company be and are hereby severally authorized to do all such acts, deeds and matters that may be required in this regard."

By Order of the Board
For Avaada SataraMH Private Limited

Sandeep

Date: May 25, 2023
Place: Noida

Sandeep Mahesh
Director
DIN: 08193555

Delhi Office:
910/19, Suryakiran,
Kasturba Gandhi Marg,
New Delhi – 110 001
T: +011-68172100

Registered Office:
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NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
   Proxies, in order to be effective, should be duly stamped, completed, signed and deposited at the Registered Office of the Company not less than 48 hours before the Meeting.

2. Corporate Members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified true copy of the Board resolution authorizing their representative to attend and vote on their behalf at the Meeting.

3. An explanatory statement pursuant to Section 102 of the Companies Act, 2013 relating to the Special Business to be transacted at the Annual General Meeting in respect of Item nos. 2 and 3 is annexed hereto and forms part of the Notice.

4. A route map showing directions to reach the venue of the 4th annual general meeting of the Company is given at the end of this Notice.

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EXPLANATORY STATEMENT PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT, 2013

Item No. 2:

In terms of Section 161 of the Companies Act, 2013, Mr. Gulab Singh (DIN: 08561956) was appointed as an additional director of the Company at the board meeting held on October 28, 2022 with effect from October 31, 2022 to hold up to the date of the ensuing annual general meeting of the Company. His brief profile is as follows:-

Nationality	Indian
Date of Birth	March 15, 1963
Qualifications	B.E. in Electrical Engineering from Madhav Institute of Technology and Science
Experience	Mr. Singh has over 3 decades of industrial experience in Thermal Projects, Refineries, Petrochemicals, cross country pipelines and solar projects. He also worked as Founder of Pinakin Green Energy Pvt. Ltd. where he executed ground mounted and rooftop Projects on EPC and OPEX model. With Sterling and Wilson Pvt. Ltd., he was leading and executing multiple projects in different African countries. He also visited London for coordination of Offsite, RTF and Non-Plant Buildings planning activities of Jamnagar Refineries during his tenure in Reliance Industries. He worked in closed coordination with all the functions like Engineering, Procurement, Construction & Operations to deliver successful projects for the Companies for which he served.
Date of Appointment on the Board	October 31, 2022
Terms and Conditions of Appointment	Appointed as Non-Executive Director

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Details of remuneration sought to be paid	None
Last drawn remuneration	None
Shareholding in the Company	None
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company	None
Number of Meetings of the Board attended during the year	2 (Two)
Directorship in Other Companies	1. Avaada SataraMH Private Limited 2. Avaada MHSustainable Private Limited 3. Avaada Sunshine Energy Private Limited 4. Avaada Inclean Private Limited 5. Matatila Energy Private Limited 6. Avaada RJClean Private Limited 7. Avaada MHClean Private Limited 8. Avaada MHAmravati Private Limited 9. Avaada KNNandini Private Limited 10. Avaada MHRenewable2 Private Limited 11. Avaada Solar Power Private Limited 12. Avaada KNClean Private Limited
Chairman/Members in Committee of Board of Companies in which he/she is a Director.	None

Mr. Gulab Singh (DIN: 08561956) is not disqualified from being appointed as the Director in terms of Section 164 of the Act and has given his consent to act as the Director.

The Board is of opinion Mr. Gulab Singh (DIN: 08561956) possesses appropriate skills, experience and knowledge that will enable him to discharge his duties, roles and functions as the Director.

The Board of Directors recommends the passing of the resolution at item no. 2 of the notice by way of an ordinary resolution.

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Save and except Mr. Gulab Singh (DIN: 08561956), none of the other Directors or Key Managerial Personnel of the Company or their relatives are in any way concerned or interested, financially or otherwise in the resolution set out at item no. 2 of the Notice.

Item 3:

As the turnover of the Company during the Financial Year ended March 31, 2023 had exceeded Rs. 50 crores, in accordance with the provisions of Section 148 of the Companies Act, 2013, read with the Companies (Cost Records and Audit Rules) 2014 and other applicable provisions of the Companies Act, 2013, the Board of Directors in their meeting held on May 25, 2023 had approved the appointment of M/s HCB & Co., the Cost Accountants as the Cost Auditors for the financial year ending March 31, 2024 at remuneration of INR 30,000/- (Indian Rupees Thirty Thousand Only).

Further, in accordance with the said provisions of the Companies Act, 2013 and rules thereunder, the remuneration payable to the Cost Auditors as approved by the Board, needs to be ratified by the members of the Company.

Accordingly, ratification by the members is sought for the remuneration payable to the Cost Auditors for the financial year ending March 31, 2024 by approving the passing of an ordinary resolution as set out at Item No. 3 of the Notice.

None of the Directors or Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

By Order of the Board
For Avaada SataraMH Private Limited

Sandeep

Date: May 25, 2023
Place: Noida

Sandeep Mahesh
Director
DIN: 08193555

ATTENDANCE SLIP

To be handed over at the entrance of the Meeting Hall

4th Annual General Meeting

Friday, September 29, 2023 at 02.00 p.m.

Name of the Member(s)	
Registered address	
E-mail ID	
Folio No./DP ID-client ID	
No. of Shares	

I/We certify that I/We am/are the registered Member(s)/Proxy for the registered Member(s) of the Company.

I/We hereby record my/our presence at the 4th annual general meeting of the Company to be held at the registered office of the Company situated at C-11, Sector-65, Gautam Buddha Nagar, Noida, Uttar Pradesh-201301 on Friday, September 29, 2023 at 02.00 p.m.

Member's/Proxy Signature

Note: Please complete this slip and hand it over at the entrance of the Meeting venue.

Form no. MGT-11
Proxy Form

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Management and Administration Rules, 2014]

CIN	U40100UP2019PTC124019
Name of the Company	Avaada SataraMH Private Limited
Registered Office	C-11, Sector-65, Gautam Buddha Nagar, Noida, UP-201301
Name of the member(s)	
Registered Address	
E-mail ID	
Folio No./Client ID	
DP ID	

I/We, being the member(s) of ____________ shares of the above named Company, hereby appoint:

1.	Name	Address Signature: or failing him
2.	Name	Address Signature: or failing him
3.	Name	Address Signature: or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 4th annual general meeting of the Company to be held on Friday, September 29, 2023 at 02.00 p.m. at the registered office of the Company situated at C-11, Sector-65, Gautam Buddha Nagar, Noida, Uttar Pradesh-201301 and at any adjournment thereof in respect of such resolutions as are indicated below:

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https://avaada.com/SataraMH/

Sr. No. of resolution	Particulars	For	Against
Ordinary Business			
1.	To receive, consider and adopt the audited annual financial statements of the Company for the financial year ended March 31, 2023 together with the Reports of the Board of Directors and the Auditors thereon		
Special Business			
2.	To appoint Mr. Gulab Singh (DIN: 08561956) as the Director of the Company		
3.	To ratify remuneration of M/s HCB & Co., the Cost Accountants as the Cost Auditors of the Company for the Financial Year 2023-24		

Signed this ________ day of ______________ 2023

Affix
Revenue
Stamp

______________________ ______________________

Signature of shareholder Signature of Proxy holder(s)

Notes:

This form, in order to be effective, should be duly stamped, completed, signed and deposited at the registered office of the Company, not less than 48 hours before the commencement of the meeting.

Notwithstanding the above the Proxies can vote on such other items which may be tabled at the meeting by the shareholders present. Only noting is required since they were appointed last year

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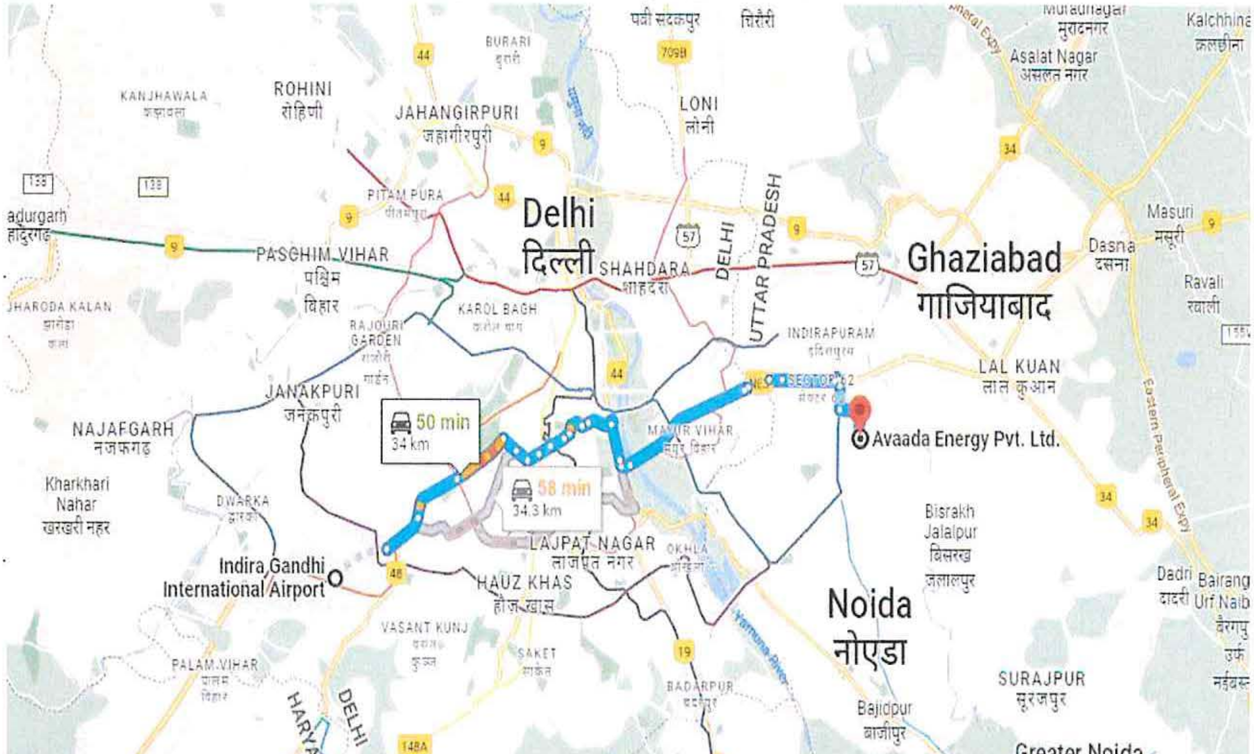
Route map and prominent land mark for easy location for venue of the 4th annual general meeting of the Company

Date: September 29 2023
Time: 02.00 p.m.
Venue: C-11, Sector-65, Gautam Buddha Nagar, Noida, Uttar Pradesh-201301

From Delhi International Airport to to said venue



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BOARD's REPORT

To,
The Members,
Avaada SataraMH Private Limited ('the Company')

On behalf of the Board of Directors, it is our pleasure to present the 4th Annual Report together with the Audited Financial Statements of the Company for the financial year ended March 31, 2023 as under:

Business Review and Financial Results:

A summary of the comparative financial performance of the Company for Financial Years 2022-23 and 2021-22 is presented below:

(Amount in INR millions)

Particulars	Financial Year ended	
	31.03.2023	31.03.2022
Revenue from Operations	519.51	505.84
Other Income	31.40	13.24
Total Income	550.91	519.08
Less: Expenditure	88.85	160.70
Profit/(Loss) before Depreciation, Interest and Tax	462.46	358.38
Less: Depreciation and amortization expenses	163.72	163.67
Less: Interest on external borrowings	186.00	209.38
Profit/(Loss) before exceptional and extraordinary items	112.74	(14.67)
Less: Exceptional and extraordinary items	-	-
Profit/(Loss) before Tax (PBT)	112.74	(14.67)
Provision for Income Tax (i) Current Tax (ii) Deferred Tax	 - 23.63	 - (1.14)
Net Profit/(Loss) after Tax (PAT)	**89.11**	**(13.53)**

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The Company has around 72 MW capacity Solar PV Power Project(s) operational in District Satara in the State of Maharashtra. The Company's revenue from operations during the year was INR 519.51 millions as compared to revenue of INR 505.84 millions in the previous year. Whereas, profit before tax of the Company was INR 112.74 millions as compared to the loss before tax of INR 14.67 millions in the previous year.

Further, the Company's net profit after tax was INR 89.11 millions as compared to net loss after tax of INR 13.53 millions in the last 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, 2023.

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:

India's renewable sector continues to grow driven by policy focus on clean energy resources with about 90% of capacity additions in 2022 coming from renewables. There were more than 70 GW renewable projects in pipeline in different stages of development as of the end of 2022. Implementation of low-emission strategies will be the priority for 2023, including the carbon market framework. The Indian renewable energy sector is the fourth most attractive renewable energy market in the world. India was ranked fourth in wind power, fourth in solar power and fourth in renewable power installed capacity as of end of 2022.

In line with Prime Minister's announcement at COP26, Ministry of New and Renewable Energy is working towards achieving 500 GW of installed electricity

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capacity from non-fossil sources by 2030. India's announcement that it intends to achieve net zero carbon emissions by 2070 and meet 50% of its electricity needs from renewable sources by 2030 marks a historic point in the global effort to combat climate change.

With the increased support of the Government and improved economics, the sector has become attractive from an 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.

While renewables supply chain issues continue to impact project costs and pipeline growth, the requirement of Approved List of Models and Manufacturers (ALMM) as imposed by the Ministry on upcoming Solar projects has turned out to be a major bottleneck in terms of capacity addition planning by the RE Developers in the Sector. The Government has prudently announced and given extension of time for RE projects with commissioning timeline upto March 31, 2024 and at the same time, the requirement of ALMM Compliances was also kept in abeyance for FY 2023-24.

Market Size for Renewable Energy in India:

rogramme/Scheme wise Cumulative Physical Progress as on April, 2023		
Sector	FY- 2022-23 Achievements (April 2023)	Cumulative Achievements (as on 30th-April-2023)
I. Installed RE Capacity (CAPACITIES IN MW)		
Wind Power	234.95	42868.08
Solar Power	297.53	67077.88
Small Hydro Power	0.00	4944.30
Biomass (Bagasse) Cogeneration	0.00	9433.56
Biomass (non-bagasse) Cogeneration	0.00	814.45
Waste to Power	0.00	248.14
Waste to Energy (off-grid)	52.29	305.89
Total	**532.48**	**1,25,692.30**

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Installed renewable power generation capacity has gained pace over the past few years, posting a CAGR of 15.92% between FY16-22. India is the market with the fastest growth in renewable electricity and by 2026, new capacity additions are expected to double.

As of March 2023, India's installed renewable energy capacity (including hydro) stood at 172 GW, representing 41.34% of the overall installed power capacity.

The country is targeting about 450 Gigawatt (GW) of installed renewable energy capacity by 2030 – about 280 GW (over 60%) is expected from solar.

Solar power installed capacity has increased by more than 18 times, from 2.63 GW in March 2014 to 67 GW at the end of March 2023.

With a potential capacity of 363 GW and with policies focused on the renewable energy sector, Northern India is expected to become the hub for renewable energy in India.

Government initiatives:

In the Union Budget 2022-23, the government allocated Rs 19,500 crore for a PLI scheme to boost manufacturing of high-efficiency solar modules.

Under the Union Budget 2022-23, the government allocated US$ 885 million (Rs. 7,327 crore) for the solar power sector including grid, off-grid, and PM-KUSUM projects. Further, the government has announced the issuance of sovereign green bonds, as well as conferring infrastructure status to energy storage systems, including grid-scale battery systems.

Some initiatives by Government of India during the review year to boost India's renewable energy sector are as follows:

<u>Electricity (Promoting Renewable Energy through Green Energy open Access) Rules, 2022</u>

For unshackling the RE Sector, i.e. to remove barriers in availability and utilisation of RE and to address the issues that have hindered the growth of open access for a long

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time, Green Open Access Rules, 2022 have been issued. The Rules reduces the Open Access limit from 1 MW to 100 kW, which pave the way for small consumers also to purchase RE and there is no limit for Captive Consumers.

Any consumer can demand supply of Green power from DISCOMs. It will allow Commercial and Industrial Consumers to purchase RE on voluntarily basis. The Rules will streamline the Open Access approval process including timely approval, transparency, simplification. Approval of open access to be granted in 15 days or else it will be deemed to have been approved. The special provisions for cross-subsidy surcharge, additional surcharge, standby charge as well as for banking, will incentivise the consumers to get Green Power at reasonable rates. As per these Rules, the tariff for the green power will be determined by the Appropriate Commission, separately. For promoting Green Hydrogen/Green Ammonia and Waste to Energy Plants, Special concessions are given in the rules. POSOCO has been notified as Central Nodal Agency to set up and operate a single window green energy open access system for renewable energy.

As mandated under these Rules to operationalise green open access, a web portal has been designed and developed by POSOCO and launched on November 11, 2022. This portal will facilitate as a single platform for submitting and approval of applications for open access. This will ensure faster and easier open access for utilising green energy by all stakeholders. Further, as mandated under these Rules Forum of Regulators has formulated a model-regulations on methodology for calculation of open access charges, as well as banking charges.

Developing Energy Storage for RE Expansion-Notification of BESS Guidelines

Keeping in the view the need of large scale RE integration with the grid and achieving a smooth energy transition, Ministry of Power has notified Bidding Guidelines for Procurement and Utilization of Battery Energy Storage Systems on March 11, 2022. Based on the above BESS bidding Guidelines, a pilot project on 1000MWh Battery Energy Storage System (BESS) has been awarded based on transparent bidding.

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One Sun, One World, One Grid (OSOWOG)

Ministry of Power constituted Task Force on OSOWOG for steering the agenda for OSOWOG. The Task Force studied techno-economic feasibility of interconnection of regional grids viz. South East Asia, South Asia, Middle East (Gulf Cooperation Council), Africa & Europe for exchange of renewable power and after discussion, it was agreed that initially interconnection with Sri Lanka, Myanmar and Maldives would be explored to further the objective of OSOWOG.

An Indian technical team had visited Maldives for studying the technical specifications of inter connection between India and Maldives through Lakshadweep. Charter for OSOWOG has been finalized, and a Steering Committee for OSOWOG is being set up.

Transmission Plan for integration of over 500 GW of non-fossil fuel capacity by 2030

India has huge ambitions in energy transition and plans to have 500 GW of non-fossil based electricity installed capacity by 2030, so that non-fossil cleaner fuel comprises of 50% of the installed capacity mix by 2030. Ministry of Power had constituted a high level committee under Chairperson, Central Electricity Authority with representatives from Solar Energy Corporation of India, Central Transmission Utility of India Ltd, Power Grid Corporation of India Ltd, National Institute of Solar Energy, and National Institute of Wind Energy for planning the transmission system required for having 500 GW of non-fossil fuel based installed capacity by 2030. The Committee prepared a detailed Plan titled *"Transmission System for Integration of over 500 GW RE Capacity by 2030"* in consultation with States and other stakeholders.

Issuance of Renewable Purchase Obligations (RPO) Trajectory

Renewable Purchase Obligation (RPO) and Energy Storage Obligation Trajectory till 2029-30 has been issued on July 22, 2022. This would help in meeting the renewable energy generation targets set by the Central Government.

Production Linked Incentive (PLI) Scheme:

Approval and Issuance of Rs.19,500 crore PLI Scheme (Tranche-II) for High Efficiency Solar PV Modules:

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Subsequent to the Cabinet approval dated September 21, 2022, Ministry of New & Renewable Energy on September 30, 2022, has issued Scheme Guidelines for implementation of the Production Linked Incentive Scheme (Tranche II) on 'National Programme on High Efficiency Solar PV Modules with an outlay of Rs. 19,500 crore. The Tranche-II is expected to result in setting up of around 65 GW of fully / partially integrated solar PV manufacturing.

Green Energy Corridor:

In order to facilitate renewable power evacuation and reshaping the grid for future requirements, the Green Energy Corridor (GEC) projects have been initiated. The first component of the scheme, Inter-state GEC with target capacity of 3200 circuit kilometer (ckm) transmission lines and 17,000 MVA capacity sub-stations, was completed in March 2020. The second component -Intra-state GEC with a target capacity of 9700 ckm transmission lines and 22,600 MVA capacity sub-stations is expected to be completed by March 2023. As on October 31, 2022, 8651 ckm of intra-state transmission lines have been constructed and 19558 MVA intra-state substations have been charged.

During the calendar year, a total of 183 ckm of transmission lines have been commissioned and 4930 MVA capacity of substations have been charged.

The Intra-State GEC Phase-II (InSTS GEC-II) scheme was approved by the CCEA in January 2022. The total target is 10750 ckm intra-state transmission lines and 27500 MVA sub-stations with scheduled commissioning timeline of March 2026.

Solar Parks Scheme:

To facilitate large scale grid-connected solar power projects, a scheme for "Development of Solar Parks and Ultra Mega Solar Power Projects" is under implementation with a target capacity of 40 GW capacity by March 2024. Solar Parks provide solar power developers with a plug and play model, by facilitating necessary infrastructure like land, power evacuation facilities, road connectivity, water facility etc. along with all statutory clearances. As on October 31, 2022, 56 Solar Parks have been sanctioned with a cumulative capacity of 39.28 GW in 14 states. Solar power

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projects of an aggregate capacity of over 10 GW have already been commissioned in 17 parks and the remaining parks are at various stages of implementation. Solar projects of capacity 832 MW have been commissioned in various Solar Parks during period January to October, 2022.

PM-KUSUM Scheme:

Pradhan Mantri Kisan Urja Suraksha evam Utthaan Mahaabhiyan (PM-KUSUM): To provide energy and water security, de-dieselise the farm sector and also generate additional income for farmers by producing solar power, Government launched PM-KUSUM Scheme for farmers. The Scheme consists of three components:

- Component A: Installation of 10,000 MW of Decentralized Grid Connected Solar Power Plants each of capacity up to 2 MW;
- Component B: Setting up of 20 lakh standalone Solar Powered Agriculture Pump; and
- Component C: Solarisation of 15 Lakh existing Grid-connected Agriculture Pumps

Department of Expenditure approved the proposal of MNRE to extend the Scheme till March 31, 2026 with following modifications:

Under Component-B and Component-C of the Scheme, Central Financial Assistance (CFA) will be available for pump capacity up to 15 HP to the individual farmers in the North-eastern States, UTs of Jammu & Kashmir and Ladakh, States of Uttarakhand and Himachal Pradesh and Island UTs of Andaman & Nicobar and Lakshadweep, and for each farmer in the cluster/ community irrigation projects in high water table areas in all the States/ UTs, subject to the restriction of 10% of the total allocation. For the remaining quantity the current provision will prevail, unless superseded.

The condition of domestic content requirement for solar cells has been waived off for the feeder solarization projects under Component-C for which work shall be awarded to the implementing company by June 20, 2023.

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Simplified procedure on Rooftop Solar (RTS):

To simplify implementation process, Ministry has developed a National Portal (solarrooftop.gov.in) wherein any residential consumer from any part of the country can apply for rooftop solar without waiting for Discom to finalise tender and empanel vendors. The subsidy is fixed and is same for the entire country. Since its launch on July 30, 2022, the total number of applications received on the national portal is for 117 MW solar capacity and the feasibility of more than 18 MW projects is granted.

Offshore Wind:

Strategy paper including business models for offshore wind energy has been issued. This provides roadmap for achieving 30 GW of offshore wind energy target by 2030. A concept note for VGF scheme of Rs 14283 crore for the initial 3 GW of offshore wind energy projects has been sent to Department of Expenditure, Ministry of Finance, for 'in-principle' approval. A trajectory to bid out offshore wind energy blocks for 37 GW capacity till Financial Year 2029-30 has been issued. Draft Offshore Wind Energy Lease Rules, 2022 have been finalized and sent for legal vetting. Draft contractual documents for offshore wind energy projects have been finalized and being circulated for stakeholders' consultation.

Road Ahead:

India has set a target to reduce the carbon intensity of the nation's economy by less than 45% by the end of the decade, achieve 50% cumulative electric power installed by 2030 from renewables, and achieve net-zero carbon emissions by 2070. Low-carbon technologies could create a market worth up to US$ 80 billion in India by 2030.

India's target is to produce five million Tonnes of green hydrogen by 2030. With Green Hydrogen target, India's electrolyzer manufacturing capacity is projected to reach 8 GW per year by 2025. The cumulative value of the green hydrogen market in India could reach US$ 8 billion by 2030 and India will require at least 50 gigawatt (GW) of electrolyzers or more to ramp up hydrogen production.

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India's ambitious renewables energy goals are transforming its power sector. Rising population and widespread electrification in rural homes is fuelling the demand for energy to power homes, businesses and communities. Clean energy will reduce pollution levels as villages become self-sustainable with their use of clean energy. In 2022, India's renewable energy sector is expected to boom with a likely investment of US$ 15 billion this year, as the government focuses on electric vehicles, green hydrogen, and the manufacturing of solar equipment.

It is expected that by 2040, around 49% of the total electricity will be generated by renewable energy as more efficient batteries will be used to store electricity, which will further cut the solar energy cost by 66% as compared to the current cost. The use of renewables in place of coal will save India INR 54,000 crores (US$ 8.43 billion) annually. Around 15,000 MW of wind-solar hybrid capacity is expected to be added between 2020-25.

As per the Central Electricity Authority (CEA) estimates, by 2029-2030, the share of renewable energy generation would increase from 18% to 44%, while that of thermal is expected to reduce from 78% to 52%. The CEA also estimates India's power requirement to grow to reach 817 GW 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. Further, the Company has no subsidiary or associates or joint ventures during the said period.

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Capital and Debt Structure:

(a) Share Capital

During the year under review, there has not been any change in the authorised, issued and paid-up share capital of your Company. The Authorised, issued, subscribed and paid-up share capital of your Company as of March 31, 2023 was as under:

Class of Shares Equity	Authorized Share Capital	Issued Share Capital	Subscribed Share Capital	Paid-up Share Capital
Number of Equity Shares	131,000,000	131,000,000	130,914,077	130,914,077
Nominal Value per share (in INR)	10	10	10	10
Total amount of equity shares (in INR)	1,310,000,000	1,310,000,000	1,309,140,770	1,309,140,770

During the period under review and as on the date of this report, there was no change in the authorised, issued, subscribed and paid-up equity share capital of the Company.

(b) Non-Convertible Debentures (NCDs)

During last financial year, your Company had issued and allotted 2,700 Secured, Redeemable, Rated, Listed, Non-Convertible Debentures (NCDs) of the face value of INR 1,000,000/- each aggregating up to INR 2,700,000,000/- with 6.75% p.a.p.q coupon rate for a tenure of 2 years 363 days for the purpose of refinancing of existing financial indebtedness of the Company availed from the existing lenders and promoter loans, payment of capital creditors and various purpose in the normal course of business and the said NCDs were listed on the wholesale debt market (WDM) of BSE Ltd on March 7, 2022.

Further, Catalyst Trusteeship Limited continues to be the Debenture Trustee to the issue and the Company have utilised the proceeds received from the said issue of NCDs for the purpose for which it was raised.

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Further, NCDs are secured by way of mortgage/charge against certain assets of the Company and the security cover in respect of these NCDs exceed hundred percent of the principal amount of the said NCDs as of March 31, 2023.

During the period under review, interest payment and principal repayment of NCDs was done on a quarterly basis as mentioned in the payment schedule of the Information Memorandum and the outstanding principal value of the NCDs is INR 960,000/- as on March 31, 2023.

Further, all the listing compliances and corporate announcements were made on a timely basis and there were no failures or late compliances on part of the Company. Also, during the year there were no fines or penalty levied by BSE Limited on account of non-compliance by the Company.

(c) Credit Rating

The credit rating of 2,700 NCDs issued by the Company on March 2, 2022 was re-affirmed by credit rating agency, viz. CRISIL Ratings Limited vide its letter dated January 27, 2023 and the credit rating details of the Company as on March 31, 2023 was as follows:

Rating Agency	Type of Instrument	Credit Rating
CRISIL Ratings Limited	Non-Convertible Debentures	CRISIL AAA/Stable

Disclosures under SEBI Operational Circular:

Large Corporate Disclosure

As the maturity of NCDs is for a period of more than one year and have a credit rating of CRISIL AAA/Stable, the Company would be considered as a 'Large Corporate' as per SEBI Circular no. SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021 ('SEBI Operational Circular') and any further amendments thereto. Further, there was no incremental borrowing done by the Company during the financial year ended March 31, 2023.

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Disclosures pertaining to Green Debt Securities

Disclosures pertaining to green debt securities issued by the Company as required under SEBI Circular no. SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021 ('SEBI Operational Circular') and additional disclosures prescribed under SEBI Circular no. SEBI/HO/DDHS/DDHS-RACPOD1/P/CIR/2023/023 dated February 06, 2023 is annexed with this report as **Annexure I.**

Change in Board of Directors and Key Managerial Personnel:

During the year under review, Mr. Gulab Singh was appointed as the additional director of the Company w.e.f. October 31, 2022 and would hold office till the ensuing annual general meeting of the Company. Your Directors recommend his appointment as the Director of the Company at the ensuing annual general meeting.

Further, Mr. Swapan Kumar Panda had tendered his resignation as the Director of the Company with effect from October 31, 2022.

Thus, as on March 31, 2023, the Directors of the Company were Mr. Sandeep Mahesh and Mr. Gulab Singh and Ms. Hemangi Trivedi was the Company Secretary and Compliance Officer of the Company.

Further, Ms. Hemangi Trivedi had tendered her resignation as the Company Secretary and Compliance Officer of the Company w.e.f. April 15, 2023.

Number of Meetings of the Board of Directors and Attendance of Directors:

Six (6) meetings of the Board of Directors were held during the period viz on May 30, 2022, August 12, 2022, October 28, 2022, November 11, 2022, February 9, 2023 and March 29, 2023 and the intervening gap between any two meetings was within the period prescribed under the Companies Act, 2013:

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Directors / Date of Board Meetings	Mr. Swapan Kumar Panda	Mr. Sandeep Mahesh	Mr. Gulab Singh
May 30, 2022	Attended	Attended	NA
August 12, 2022	Attended	Attended	NA
October 28, 2022	Attended	Attended	Attended
November 11, 2022	NA	Attended	Attended
February 9, 2023	NA	Attended	Attended
March 29, 2023	NA	Attended	Attended
% of attendance	**100%**	**100%**	**100%**

Board Evaluation:

Since the Company was a private limited company during the period from April 1, 2022 till March 31, 2023, the disclosure on annual evaluation of the performance was not applicable to the Company.

Auditors and Auditors' Report:

M/s Goyal Malhotra & Associates, the Chartered Accountants (FRN: 008015C), were appointed as the Statutory Auditors of the Company at the annual general meeting held on September 28, 2020 for a term of five (5) years i.e. from financial year 2020-21 to financial year 2024-25 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.

The notes to the financial statements referred to in the Auditors' Report are self-explanatory. There are no reservations, adverse remarks or qualifications in the Auditors' Report and therefore do not call for any clarification or comments under Section 134 of the Companies Act 2013. The Auditor's Report is enclosed with the financial statements in this Annual Report.

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Internal Auditor:

Your Company had appointed M/s Grant Thornton Bharat LLP as the Internal Auditor of the Company to conduct the Internal Audit for the financial year 2022-23 on such terms as included in their terms of appointment and the scope, functioning, periodicity and methodology for conducting internal audit was approved by the Board of Directors.

Secretarial Auditor:

Your Company had appointed M/s JMJA & Associates LLP, Practicing Company Secretaries (Certificate of Practice Number: 7447) as the Secretarial Auditor to undertake the Secretarial Audit of the Company for the Financial Year 2022-23 in accordance with the provisions of Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2020. The Secretarial Audit report for said Financial Year 2022-23 in the prescribed Form MR-3 is appended with this Boards' Report as **Annexure II.** There were no qualifications, reservation or adverse remarks given by the Secretarial Auditor in the Secretarial Audit Report of the Company.

Further, M/s JMJA & Associates LLP, Practicing Company Secretaries (Certificate of Practice Number: 7447) have been reappointed as the Secretarial Auditor of the Company by the Board for the financial year 2023-24.

Cost Auditor:

The Board had appointed M/s HCB & Co, Cost Accountants (Firm Registration No.000525) for conducting the audit of cost records of the Company for the Financial Year 2022-23 in accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014.

Further, M/s HCB & Co, Cost Accountants (Firm Registration No. 000525) have been reappointed as the Cost Auditors of the Company by the board for financial year 2023-24. Further, as per said provisions of the Companies Act, 2013, the remuneration payable to the cost auditor is subject to ratification by the members of the Company.

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CIN: U40100UP2019PTC124019

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Annual Return:

Pursuant to Section 134(3)(a) and Section 92(3) of the Companies Act, 2013 read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014, the draft Annual Return as on March 31, 2023 in Form No. MGT-7, shall be available on the Company's webpage and can be accessed at the weblink: https://avaada.com/SataraMH/

Governance Policies of the Company:

Vigil Mechanism (Whistle Blower Policy)

The Company has established a Vigil Mechanism and adopted Vigil Mechanism Policy that enables the directors and group employees to bring to the attention of the management any issue which is perceived to be in violation of or in conflict with the fundamental business principles of the Company.

The Vigil Mechanism provides for (a) adequate safeguards against victimization of persons who use the Vigil Mechanism; and (b) direct access to the Board of Directors of the Company or any authorized person in appropriate or exceptional cases.

The Vigil Mechanism Policy is uploaded on the webpage of the Company at https://avaada.com/SataraMH/img/SataraMHWHISTLEBLOWER%20POLICY%20AND%20VIGIL%20MECHANISM.pdf

Corporate Social Responsibility (CSR) Policy

Pursuant to the provisions of Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014 and Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021, the Company has adopted Corporate Social Responsibility (CSR) Policy effective from April 1, 2023. The Policy on Corporate Social Responsibility is uploaded on the webpage of the Company at https://avaada.com/SataraMH/img/ASataraMHPL-CSR%20Policy.pdf

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Policy on Preservation and Archival of Documents

Further, pursuant to provisions of Regulation 9 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, the Company has adopted the Policy on Preservation and Archival of Documents to aid the employees in handling the documents efficiently either in physical form or in electronic form. It covers various aspects on preservation of the documents, archival of the same and safe disposal/destruction of the documents. The Policy on Preservation and Archival of Documents is uploaded on the webpage of the Company at https://avaada.com/SataraMH/img/Preservation%20and%20Archival%20of%20Documents_Avaada%20SataraMH.pdf

Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (Fair Disclosure Policy)

During the year under review, pursuant to Regulation 8(1) of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015) read with Regulation 51(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, the Company has established the Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information to ensure timely, fair and adequate disclosure of Unpublished Price Sensitive Information ("UPSI"). The Fair Disclosure Policy is uploaded on the webpage of the Company at https://avaada.com/SataraMH/img/SataraMH-Code%20of%20Conduct-BOD.pdf

Conservation of Energy, Technology Absorption, 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.

Further, there is no foreign exchange earnings and foreign exchange outgo on account of import of services is INR 0.15 million.

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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 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 period under review.

Particulars of Employees and Related Disclosures:

There were no employees who were falling under the preview of rule 5 (2) of the Companies (Appointment and Remuneration) Rules 2014 during the period under review.

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:

No material changes and commitments occurred between the end of the Financial Year of the Company i.e. March 31, 2023 to which the financial statements relate and the date of this report which effects the financial position of the Company.

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.

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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.

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, 2023, the applicable accounting standards have been followed and there are no material departures from the same;
2. they have 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, 2023 and of the profit of the Company for that period;
3. they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 2013 for

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safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

4. the annual accounts have been prepared on a going concern basis; and
5. they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

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

	Gulab Singh	**Sandeep Mahesh**
Date: May 25, 2023	**Director**	**Director**
Place: Noida	**DIN: 08561956**	**DIN: 08193555**

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Annexure - I

Disclosures applicable to Green Debt Securities under SEBI Circulars:

1. List of project(s) and/ or asset(s) to which proceeds of the Green Debt Securities have been allocated/invested including a brief description of such project(s):

The amount of INR 2,700 millions raised by issuance of green debt securities has been fully allocated for re-financing of "Eligible Green Projects" as defined in the Green Bond framework i.e. for existing around 72 MW solar electricity generation facilities/plant of the Company operational in the State of Maharashtra wherein 100% of electricity generated from the said plant is derived from solar energy resources. Thus, the Company has utilized the proceeds from the issue of green debt securities viz. non-convertible debentures ('NCDs') for the purpose for which these proceeds have been raised.

2. Environmental impact of the Project(s) in which the proceeds from issue of Green Bonds have been invested:

The said Solar Plant had a significant impact in terms of avoidance of emissions of carbon dioxide (CO2) apart from other air pollutants associated with energy generation. The CO2 emission reductions on account of said Solar Plant of the Company during the Financial Year (FY) 2022-23 are shared below:

Project Type	Capacity (in MW AC)	Annual Generation (MWh/year) During FY 2022-2023	Projected Emission reduction (tCO2/year) During FY 2022-2023
Solar PV Project	72.01	149,054	139,634

3. Methods and the key underlying assumptions used in preparation of the performance indicators and metrics and compliance with globally accepted standard(s) for measurement of the environmental impact:

All the data presented in the above table is based on the monthly factual data collection. For CO_2 eq emission reduction, combined margin grid emission factor is taken from

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CO_2 baseline database version 18, December 2022, published by Central Electricity Authority (CEA), Government of India.

The Company follows the International Financial Corporation (IFC) performance standards, 2012 to comply with environmental and social management system.

4. Deployment of the mitigation plan for the perceived social and environmental risks:

Since solar power projects are categorized as non-polluting under White Category as per MoEF&CC notification date March 5, 2016, no EIA is mandated.

However, as a best practices an Environmental & Social Management Plan is prepared to mitigate or address the risks identified as an outcome of Environmental & Social Impact Assessment Study conducted for the Project.

5. Disclosures of major elements of Business Responsibility and Sustainability Report (BRSR):

The major elements of Business Responsibility and Sustainability Report (BRSR) as prescribed under SEBI Circular no. SEBI/HO/DDHS/DDHS-RACPOD1/P/CIR /2023/023 dated February 06, 2023 is annexed as Annexure 1A to this report as a matter of good governance practice.

6. Appointment of third party reviewer/certifier for verification of impact reporting:

The Company have engaged third party viz. 'Bureau Veritas Industrial Services (BVIS) India Private Limited' for verification of impact reporting.

For and on behalf of the Board of Directors

Gulab Singh
Director
DIN: 08561956

Sandeep Mahesh
Director
DIN: 08193555

Date: May 25, 2023
Place: Noida

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Annexure IA

Disclosure of major elements of Business Reporting and Sustainability (BRSR)

1. **Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:**

Parameter	As at March 31, 2023	As at March 31, 2022
Total electricity consumption (A)**(MWh)**	1094.67	1100.79
Total fuel consumption (B) **- Litres**	1898.2	3182
Total Energy Consumption (B) **– J**	58,76,82,72,000	98,51,47,20,000
Energy consumption through other sources (C)	-	-
Total energy consumption (A+B+C) in Joules	39,99,58,02,72,000	40,61,35,87,20,000
Energy intensity per rupee of turnover *(Total energy consumption/ turnover in rupees)*	7699	8029
Energy intensity *(optional)* – the relevant metricmay be selected by the entity	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. Yes, Bureau Veritas Industrial Services (BVIS) India Private Limited

2. **Does the entity have any sites/ facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.** - No

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3. **Provide details of the following disclosures related to water, in the following format:**

Parameter	As at March 31, 2023	As at March 31, 2022
Water withdrawal by source (in kilolitres)		
(i) Surface water	-	-
(ii) Groundwater	-	-
(iii) Third party water	1281	844.72
(iv) Seawater / desalinated water	-	-
(v) Others	-	-
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	-	-
Total volume of water consumption (in kilolitres)	1281	844.72
Water intensity per rupee of turnover *(Water consumed / turnover)*	0.0000025	0.0000017
Water intensity *(optional)* – the relevant metric may be selected by the entity	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency: Yes, Bureau Veritas Industrial Services (BVIS) India Private Limited

4. **Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.** – No, since solar power projects are categorized as non-polluting under White Category as per MoEF&CC notification date March 5, 2016

5. **Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:**

Parameter	*Please specifyunit*	As at March 31, 2023	As at March 31, 2022
NOx	-	-	-
SOx	-	-	-
Particulate matter (PM)	-	-	-

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Persistent organic pollutants (POP)	-	-	-
Volatile organic compounds (VOC)	-	-	-
Hazardous air pollutants (HAP)	-	-	-
Others – please specify	-	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.- Yes, Bureau Veritas Industrial Services (BVIS) India Private Limited

6. **Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:**

Parameter	***Unit***	**As at March 31, 2023**	**As at March 31, 2022**
Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	*Metric tonnes of CO2 equivalent*	4.07	6.83
Total Scope 2 emissions (Break-up of the GHG into CO2,CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	*Metric tonnes of CO2 equivalent*	0.777	0.782
Total Scope 1 and Scope 2 emissions per rupee of turnover		0.000000009	0.000000015
Total Scope 1 and Scope 2 emission intensity *(optional)* – therelevant metric may be selected by the entity	-	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.- Yes, Bureau Veritas Industrial Services (BVIS) India Private Limited

7. **Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.**: The project is itself a non-polluting renewable energy project.

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8. **Provide details related to waste management by the entity, in the following format:**

Parameter	As at March 31, 2023	As at March 31, 2022
Total Waste generated (in metric tonnes)		
Plastic waste ***(A)***	-	-
E-waste ***(B)***	5.63	6.25
Bio-medical waste ***(C)***	-	-
Construction and demolition waste ***(D)***	-	-
Battery waste ***(E)***	-	-
Radioactive waste ***(F)***	-	-
Other Hazardous waste. Please specify, if any. ***(G)***	-	-
Other Non-hazardous waste generated ***(H)***. *Please specify, if any.* (Break-up by composition i.e. by materials relevant to the sector)	-	-
Total (A+B + C + D + E + F +G + H)	5.63	6.25
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	-	-
(ii) Re-used	-	-
(iii) Other recovery operations	-	-
Total	-	-
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	-	-
(ii) Landfilling	-	-
(iii) Other disposal operations	-	-
Total	-	-

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Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.- Yes, Bureau Veritas Industrial Services (BVIS) India Private Limited

9. **Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.**

Solar PV plant does not involve generation of any kind of hazardous waste from its process or activities. The only major waste generated from the plant is the damaged/broken solar modules which are being kept in isolated closed and covered area/steel containers till final disposal to authorized recyclers. Other solid waste and scrap materials like cable parts and carton box are stored in designated area and sold to the local vendor as and when required. Also, efforts are made to make purposeful utilisation of waste wherever possible.

10. **If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:**

S. No.	Location of operations/ offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective actiontaken, if any.
1	Avaada SataraMH Private Limited, Satara, Maharashtra	Solar PV Project	Not Applicable

11. **Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:**

A detailed Environmental & Social Impact Assessment (ESIA) Study is carried out for each project as per National & International guidelines and as a result ESIA, an Environmental & Social Management Plan is prepared and duly implemented at project level.

Name and brief details of project	EIA NotificationNo.	Date	Whether conducted by independent external agency (Yes /No)	Results communicatedin public domain (Yes / No)	Relevant Web link
Avaada SataraMH Private Limited, Satara, Maharashtra	Not Applicable	-	YES	No	-

12. **Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:**

Not applicable as Solar PV Project is categorized as white category as per guidelines on Categorization of Industries issued by MOEF & CC on February 29, 2016 and subsequent Circular/Notification vide no. B- 29012/ESS (CPA)/2015-16 issued by CPCB on March 7, 2016 which states that "There shall be no necessity of obtaining the Consent to Establish/Operate" for White category of industries.

S. No.	Specify the law / regulation/ guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties/ action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
-	-	-	-	-

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Leadership Indicators

1. **Provide break-up of the total energy consumed (in Joules or multiples) from renewable and non-renewable sources, in the following format:**

Parameter	As at March 31, 2023	As at March 31, 2022
From renewable sources		
Total electricity consumption (A)(MWh)	-	-
Total fuel consumption (B)(liters)	-	-
Energy consumption through othersources (C)	-	-
Total energy consumed from renewable sources (A+B+C)	-	-
From non-renewable sources		
Total electricity consumption (D) in MWh	1094.67	1100.79
Total fuel consumption (E) Litres	1898.2	3182
Energy consumption through othersources (F)	-	-
Total energy consumed from non-renewable sources (D+E+F) in Joules	39,99,58,02,72,000	40,61,35,87,20,000

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.- Yes, Bureau Veritas Industrial Services (BVIS) India Private Limited

Provide the following details related to water discharged:

Parameter	As at March 31, 2023	As at March 31, 2022
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water		

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- No treatment	-	-
- With treatment – please specify level oftreatment	-	-
(ii) To Groundwater		
- No treatment	-	-
- With treatment – please specify level oftreatment	-	-
(iii) To Seawater		
- No treatment	-	-
- With treatment – please specify level oftreatment	-	-
(iv) Sent to third-parties		
- No treatment	-	-
- With treatment – please specify level oftreatment	-	-
(v) Others		
- No treatment	-	-
- With treatment – please specify level oftreatment	-	-
Total water discharged (in kilolitres)	Nil	Nil

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. - Yes, Bureau Veritas Industrial Services (BVIS) India Private Limited

2. **Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):**

For each facility/plant located in areas of water stress, provide the following information:

(i) Name of the area: Satara, Maharashtra
(ii) Nature of operations: Solar Power Generation
(iii) Water withdrawal, consumption and discharge in the following format:

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Parameter	As at March 31, 2023	As at March 31, 2022
Water withdrawal by source (in kilolitres)		
(i) Surface water	-	-
(ii) Groundwater	-	-
(iii) Third party water	1281	844.72
(iv) Seawater / desalinated water	-	-
(v) Others	-	-
Total volume of water withdrawal(in kilolitres)		
Total volume of water consumption (in kilolitres)	1281	844.72
Water intensity per rupee of turnover *(Water consumed / turnover)*	0.0000025	0.0000017
Water intensity *(optional)* – the relevant metric may be selected by theentity	-	-
Water discharge by destination and level of treatment (in kilolitres)		
(i) Into Surface water		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(ii) Into Groundwater		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iii) Into Seawater		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iv) Sent to third-parties		
- No treatment	-	-
- With treatment – please	-	-

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specify level of treatment		
(v) Others		
- No treatment	-	-
- With treatment - please specify level of treatment	-	-
Total water discharged (in kilolitres)	Nil	Nil

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. Yes, Bureau Veritas Industrial Services (BVIS) India Private Limited

3. **Please provide details of total Scope 3 emissions & its intensity, in the following format:**

Parameter	***Unit***	**As at March 31, 2023**	**As at March 31, 2022**
Total Scope 3 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	*Metric tonnes of CO2 equivalent*	0.120	0.133
Total Scope 3 emissions per rupee of turnover		0.000000000231	0.000000000263
Total Scope 3 emission intensity *(optional)* – the relevant metric may be selected by the entity		-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.- Yes, Bureau Veritas Industrial Services (BVIS) India Private Limited

4. **With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity**

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on biodiversity in such areas along-with prevention and remediation activities.- Not Applicable

5. **If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:**

Sr. No	Initiative undertaken	Details of the initiative (*Web-link, if any, may be provided along-withsummary)*	Outcome of the initiative
1	Adoption of dry robotic cleaning for solar panels	Adopted dry robotic cleaning system instead of wet cleaning of solar module. This system has significantly reduced water consumption	By adoption of robotic dry cleaning system, around 5448 KL of water is being saved annually

6. **Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.**

Avaada Group has prepared a site-specific Emergency Management Plan for implementation at the project site in the event of an emergency situation so that the loss of life and damage to the properties and natural resources are minimized. This plan outlines a series of emergency actions that will be executed by Avaada and its contractors to ensure preparedness and response to emergency situations throughout the life cycle of the project.

The overall objective of an OSEP is for what to do and what not during an emergency. The following aspects are included in emergency preparedness plan:-

- To assess what dangers could arise to people on and offsite as a result of these foreseeable emergencies and what the effects could it pose on the environment;
- To contain and control incidents; and
- To assess the risk involved, and to mitigate the same by pre-planned remedial and rescue measures using, when necessary, the combined resources of the organization

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concerned and the public emergency services.

The training of the individual personnel's duties under the plans are being imparted to familiarize on site personnel with their roles/ duties, their equipment, and the details of the plans, specific needs of each particular site for dealing with those emergencies.

7. **Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.** – No significant value chain impact on environment has been identified due to operations of the project.

8. **Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.** – Avaada Group's environmental & social requirements for contractors/service providers is an integral part of GCC with all the vendors.

For and on behalf of the Board of Directors

Gulab Singh
Director
DIN: 08561956

Sandeep Mahesh
Director
DIN: 08193555

Date: May 25, 2023
Place: Noida

Annexure II

FORM NO. MR-3
[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2023

To
The Members,
AVAADA SATARAMH PRIVATE LIMITED
C-11, Sector-65, Gautam Buddha Nagar
Noida, UP- 201301

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **AVAADA SATARAMH PRIVATE LIMITED**(CIN: U40100UP2019PTC124019) (hereinafter referred as "the Company") having its registered office situated at C-11, Sector-65, Gautam Buddha Nagar, Noida, UP- 201301. The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period **April 01, 2022 to March 31, 2023** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the period **April 01, 2022 to March 31, 2023** as per the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made there under;
(ii) The Securities Contracts (Regulation) Act, 1956 and the rules made there under; ***Not applicable to the Company***
(iii) The Depositories Act, 1996 and the Regulations and Byelaws framed there under;
(iv) Foreign Exchange Management Act, 1999 and the rules and regulation made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and Commercial Borrowings; ***Not applicable to the Company during the Audit Period***
(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992
  (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulation, 2011; ***Not applicable to the Company during the Audit Period***
  (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulation, 2015 as amended from time to time;
  (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulation, 2009; ***Not applicable to the Company during the Audit Period***

(d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; ***Not applicable to the Company during the Audit Period***
(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) 1993 regarding the Companies Act and dealing with client;
(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; ***Not applicable to the Company during the Audit Period***
(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; ***Not applicable to the Company during the Audit Period***
(i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as the NCDs are listed in the wholesale Debt Market of BSE;
(j) Securities And Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulation, 2021;

(vi) In respect of any other laws specifically applicable to the Company is the Electricity Act, 2003

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

Secretarial Standards issued by The Institute of Company Secretaries of India with respect to the Board and General Meetings.

The Listing Agreement entered between the Company and BSE Limited.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, etc. as mentioned above.

We further report that:

a) The Board of Directors of the Company is duly constituted. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act;

i. Adequate notice is given to all the Directors to schedule the board meetings, agenda and detailed notes on agenda were sent at least seven days in advance or shorter notice as the case may be, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

ii. During the period under review, resolutions were carried out unanimously. The minutes of the meeting did not reveal any dissenting views by any member of the Board of Directors during the period under review;

b) Based on the information provided and the representations made by the Company, its officers, and on review of the overall compliance report of the group, in our opinion, there are adequate systems and processes in the company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines;

We further report that during the audit period, the Company had the following major corporate actions/events:

1. Appointment of Mr. Gulab Singh as an Additional Director (Non-Executive) w.e.f. October 31, 2022;

2. Resignation of Mr. Swapan Kumar Panda as a Director (Non-Executive) w.e.f. October 31, 2022;

For JMJA & Associates LLP,
Practising Company Secretaries
Peer Review Certificate No. 980/2020

MANSI
DAMANIA

Digitally signed by MANSI DAMANIA
DN: c=IN, st=Maharashtra,
2.5.4.20=bb6db263080a0edda72ee9ccc20fcc3
2579bd6da79b67720b69818e07008823b,
postalCode=400066, street=F 302 GODAVARI
CHSL, SHANTIVAN, BORIVALI EAST,
pseudonym=39f07439cce6636de9036fe167e3
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serialNumber=d1ac26128053c28f5e39ba5b11
03956fba695b90936e23b4d7cebbf7688f04da,
o=Personal, cn=MANSI DAMANIA
Date: 2023.05.25 14:53:57 +05'30'

CS Mansi Damania
Designated Partner
FCS: 7447| COP: 8120

UDIN: F007447E000375738

Place: Mumbai
Date: May 25, 2023

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

'Annexure'

To,
The Members,
AVAADA SATARAMH PRIVATE LIMITED

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

1. Maintenance of Secretarial records is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit;

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

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company;

4. Wherever required, we have obtained the Management representation about the compliance of applicable laws, rules and regulations etc.;

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

6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company;

For JMJA & Associates LLP,
Practising Company Secretaries
Peer Review Certificate No. 980/2020

MANSI DAMANIA
Digitally signed by MANSI DAMANIA
Date: 2023.05.25 14:57:45 +05'30'

CS Mansi Damania
Designated Partner
FCS: 7447| COP: 8120

UDIN: F007447E000375738

Place: Mumbai
Date: May 25, 2023

Goyal Malhotra & Associates
Chartered Accountants

D-64, Ground Floor, Near Radission Hotel,
Sector-55, Noida - 201301 (U.P.)
Ph. : +91-120-4340341, 4155181, 8130048250
E-mail : contact@goyalmalhotra.com
Website : www.goyalmalhotra.com

INDEPENDENT AUDITOR'S REPORT

To
The Members of
Avaada SataraMH Private Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **Avaada SataraMH Private Limited** ("the Company"), which comprise the Balance Sheet as at **March 31, 2023**, 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, 2023, 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 ethical 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 obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional Judgment, were of most significance in our audit of the financial statements of the current period. We have determined that there are no key audit matters to communicate in our report.

Goyal Malhotra & Associates
NOIDA
Chartered Accountants

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

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and our auditors' 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 identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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

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, other 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

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

- Obtain an understanding of internal 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 standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

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

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

Report on other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the **"Annexure A"** a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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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 (including other comprehensive income), the Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flows dealt with by this Report are in agreement with the books of account.

   d) In our opinion, the aforesaid financial statements comply with the IND AS 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 March 31, 2023, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023, from being appointed as a director in terms of Section 164(2) of the Act.

   f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **Annexure "B".** Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

   g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the company is a private limited company. Hence, reporting under this section is not applicable to the Company

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

      i. The Company does not have any pending litigations which would impact its financial position. Refer note 36 to the financial statement.

      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.

      iv. a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:

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NOIDA
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- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or
- provide any guarantee, security, or the like to or on behalf of the Ultimate Beneficiaries.

b) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded Company shall:

- directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or
- provide any guarantee, security, or the like from or on behalf of the Ultimate Beneficiaries; and

c) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under subclause (iv)(a) and (iv)(b) contain any material mis-statement.

v. The company has neither declared nor paid dividend during the year.

For **GOYAL MALHOTRA & ASSOCIATES**
Chartered Accountants
FRN: 008015C

CA (Dr.) Manoj Goyal
Partner
Membership Number: 098958
Place: Noida
Date: May 25, 2023
UDIN: 23098958BGUYEF7173

Annexure A to the Independent Auditor's report on the standalone financial statements of Avaada SataraMH Private Limited for the year ended March 31, 2023
(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Matters to be included in auditor's report. - The auditor's report on the accounts of a company to which this Order applies shall include a statement on the following matters, namely: -

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

(B) As the Company does not hold any intangible assets, reporting under clause 3(i)(a)(B) of the Order is not applicable.

(b) The Property, Plant and Equipment were physically verified during the year by the Management in accordance with a program of verification, which in our opinion, provides for physical verification of all the Property, Plant and Equipment at reasonable intervals.

According to the information and explanations given to us no material discrepancies were noticed on such verification.

(c) Based on our examination of the registered sale deed and lease agreement for land on which building is constructed and registered sale deed provided to us, we report that, the title in respect of self-constructed buildings and title deeds of all other immovable properties (other than the properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the financial statements included in Property, Plant and Equipment, are held in the name of the Company as at balance sheet date.

(d) The Company has not revalued any of its Property, Plant and Equipment (including Right of Use assets) during the year.

(e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

(ii) (a) The inventories were physically verified during the year by the management at reasonable intervals. In our opinion and according to the information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and nature of its operations. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories applicable, when compared with books of accounts.

(b) According to the information and explanations given to us, at any given point of time of the year, the Company has not been sanctioned working capital from banks or financial institutions and hence reporting under clause (ii)(b) of the Order is not applicable.

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(iii) The Company has not made any investments in, provided any guarantee or security, and granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year, and hence reporting under clause 3(iii) of the Order is not applicable.

(iv) The Company has not granted any loans, made investments, or provided guarantees or securities during the year and hence reporting under clause 3(iv) of the Order is not applicable.

(v) The Company has not accepted any deposit or amount which are deemed to be deposits. Hence reporting under clause 3(v) of the order is not applicable.

(vi) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013. We have broadly reviewed the books of account maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained by the Company. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) According to the information and explanations given to us, in respect of statutory dues:

(a) Undisputed statutory dues, including Goods and Service Tax, Provident Fund, Income-tax, duty of Custom, cess and other material statutory dues applicable to the Company have been regularly deposited by it with the appropriate authorities.

We were informed that the provisions of Employees' State Insurance Act, 1948 are not applicable to the Company.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, duty of Custom, cess and other material statutory dues in arrears as at March 31, 2023 for a period of more than six months from the date they became payable.

(b) There are no statutory dues referred to in sub clause (a) above which have not been deposited on account of disputes as on March 31, 2023.

(viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.

(ix) (a) In our opinion, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.

(b) The company has not been declared willful defaulter by any bank or financial institution or government or any government authority.

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(c) To the best of our knowledge and belief, in our opinion, term loans availed by the Company were, applied by the Company during the year for the purposes for which the loans were obtained.

(d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, *prima facie*, not been used during the year for long-term purposes by the Company.

(e) The Company did not have any subsidiary or associate or joint venture during the year and hence, reporting under clause 3(ix)(e) of the Order is not applicable.

(f) The Company did not have any subsidiary or associate or joint venture during the year and hence, reporting under clause 3(ix)(f) of the Order is not applicable.

(x) (a) In our opinion and according to the information and explanations given to us, no moneys have been raised by way of debt instruments during the year and hence, reporting under clause 3(x)(a) of the Order is not applicable.

(b) The Company has not made any preferential allotment or private placement of (fully or partly or optionally) shares during the year.

(xi) (a) To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.

(c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year and up to the date of this report.

(xii) The Company is not a Nidhi Company and hence reporting under clause 3(xii) of the Order is not applicable.

(xiii) In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) (a) The Company has an internal audit system commensurate with the size and nature of its business.

(b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.

(xv) In our opinion during the year the Company has not entered into any non-cash transactions with any of its directors or directors of its holding company, or persons

Goyal Malhotra & Associates * NOIDA * Chartered Accountants connected with such directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) (c) and (d) of the Order is not applicable.

(xvii) The Company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors of the Company during the year.

(xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) The Company was not having net worth of rupees five hundred crore or more, or turnover of rupees one thousand crore or more or a net profit of rupees five crore or more during the immediately preceding financial year and hence, provisions of Section 135 of the Act are not applicable to the Company during the year. Accordingly, reporting under clause 3(xx) of the Order is not applicable for the year.

For Goyal Malhotra & Associates
Chartered Accountants
FRN: 008015C

CA (Dr.) Manoj Goyal
Partner
Membership No.: 098958
Place: Noida
Date: May 25, 2023
UDIN: 23098958BGUXEF7173

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT
(Referred to in paragraph (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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

We have audited the internal financial controls over financial reporting of **Avaada SataraMH Private Limited** ("the Company") as of March 31, 2023 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Goyal Malhotra & Associates NOIDA Chartered Accountants

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, based on the criteria for internal financial control over financial reporting established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Goyal Malhotra & Associates
Chartered Accountants
FRN: 008015C

Goyal Malhotra & Associates NOIDA Chartered Accountants

CA (Dr.) Manoj Goyal
Partner
Membership No.: 098958
Place: Noida
Date: May 25, 2023
UDIN: 23098958BGUXEF7173

Avaada SataraMH Private Limited
CIN - U40100UP2019PTC124019
Balance Sheet as at March 31, 2023
(All amounts in INR Millions unless stated otherwise)

Particulars	Note	As at March 31, 2023	As at March 31, 2022
ASSETS			
Non current assets			
Property, plant and equipment	3	3,392.99	3,534.57
Right of use assets	4	482.65	504.59
Financial assets	5		
Other financial assets	5(a)	343.90	351.74
Deferred tax assets (net)	6	-	4.70
Non-current tax assets (net)	7	2.24	1.21
Total non-current assets (A)		**4,221.78**	**4,396.81**
Current assets			
Inventories	8	2.49	0.71
Financial assets	9		
Investments	9(a)	187.87	-
Trade receivables	9(b)	111.01	87.18
Cash and cash equivalents	9(c)	52.23	30.03
Other financial assets	9(d)	0.41	2.07
Other current assets	10	9.12	0.54
Total current assets (B)		**363.13**	**120.53**
Total assets (A+B)		**4,584.91**	**4,517.34**
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	11	1,309.14	1,309.14
Other equity	12	119.71	42.33
Total equity (C)		**1,428.85**	**1,351.47**
LIABILITIES			
Non-current liabilities			
Financial liabilities	13		
Borrowings	13(a)	2,535.60	2,655.34
Lease liability	13(b)	243.18	233.55
Deferred Tax Liabilities (net)	6	30.66	-
Provisions	14	0.10	0.07
Other non current liabilities	15	58.54	-
Total non current liabilities (D)		**2,868.08**	**2,888.96**
Current liabilities			
Financial liabilities	16		
Borrowings	16(a)	218.12	224.53
Lease liability	16(b)	12.09	9.65
Trade payables	16(c)		
Total outstanding dues of micro and small enterprises	16(c)	0.62	-
Total outstanding dues to creditors other than micro and small enterprises	16(c)	22.95	21.13
Other financial liabilities	16(d)	33.35	19.49
Other current liabilities	17	0.85	2.11
Provisions	18	-	-
Total current liabilities (E)		**287.98**	**276.91**
Total equity and liabilities (C+D+E)		**4,584.91**	**4,517.34**

See accompanying notes forming part of the financial statements 1-40.

For Goyal Malhotra & Associates
Chartered Accountants
FRN 006015C

Manu Goyal
Partner
Membership No. 098958
Date: May 25, 2023
Place: Noida

For and on behalf of Board of Directors

Gulab Singh
Director
DIN: 08561956
Date: May 25, 2023
Place: Noida

Sandeep Mahesh
Director
DIN: 08193555
Date: May 25, 2023
Place: Noida

AVAADA SATARAMH PRIVATE LIMITED

Avaada SataraMH Private Limited
CIN - U40100UP2019PTC124019
Statement of Profit and loss for the year ended March 31, 2023
(All amounts in INR Millions unless stated otherwise)

Particulars	Note	For the year ended March 31, 2023	For the year ended March 31, 2022
Income			
Revenue from operations	19	519.51	505.84
Other income	20	31.40	13.24
Total income (A)		**550.91**	**519.08**
Expenses			
Employee benefits expenses	21	2.66	2.87
Finance costs	22	221.97	323.37
Depreciation and amortisation expenses	23	163.72	163.67
Other expenses	24	49.82	43.84
Total expenses (B)		**438.17**	**533.75**
Profit/(Loss) before tax (C=A-B)		**112.74**	**(14.67)**
Tax expense:	6		
Current tax		-	-
Deferred tax charge		23.63	(1.14)
Total tax expenses (D)		**23.63**	**(1.14)**
Profit/(Loss) after tax (E=C-D)		**89.11**	**(13.53)**
Other comprehensive income/ (loss)			
Items that will not be reclassified to profit or loss:			
Re-measurement of liabilities/(assets)*		-	0.01
Income tax effect of above		-	-
Other comprehensive income/(loss) for the year, net of tax (F)		**-**	**0.01**
Total comprehensive income/ (loss) for the year, net of tax (G=E+F)		**89.11**	**(13.52)**
*Expressed in absolute - re-measurement of liabilities/ (assets) INR 1,998 (March 31, 2022: INR 6,142)			
**Expressed in absolute - income tax effect INR (343) (March 31, 2022: INR (1,054))			
Earnings per share:	25		
(a) Basic (INR)		0.68	(0.10)
(b) Diluted (INR)		0.68	(0.10)
See accompanying notes forming part of the financial statements	1-40		

For Goyal Malhotra & Associates
Chartered Accountants
FRN 008015C

Manoj Goyal
Partner
Membership No. 098958
Date: May 25, 2023
Place: Noida

For and on behalf of Board of Directors

Gulab Singh
Director
DIN: 08561956
Date: May 25, 2023
Place: Noida

Sandeep Mahesh
Director
DIN: 08193555
Date: May 25, 2023
Place: Noida

AVAADA SATARAMH PRIVATE LIMITED

Avaada SataraMH Private Limited
CIN - U40100UP2019PTC124019
Statement of Cash flows for the year ended March 31, 2023
(All amounts in INR Millions unless stated otherwise)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
A. Cash flow from operating activities		
Net profit/ (loss) before tax	112.74	(14.67)
Adjustments		
Interest income on term deposits	(10.91)	(2.92)
Interest income on security deposits	(6.64)	(6.25)
Deferred income	(6.26)	-
Provision no longer required written back	(1.54)	-
Profit on sale of investments	(5.90)	(0.17)
Interest on non converible debentures	186.00	209.38
Interest on loan from related party	8.80	7.89
Interest on lease liability	24.16	23.03
Loss/(Gain) on foreign exchange	-	11.56
Depreciation on property, plant and equipment	141.77	141.73
Depreciation on right of use assets	21.94	21.94
Operating profit before working capital changes	**464.16**	**391.52**
Adjustment for working capital changes		
Changes in current financial assets	1.80	(0.05)
Changes in inventories	(1.78)	(0.49)
Changes in trade receivables	(23.84)	16.38
Changes in other current assets	(8.59)	0.49
Changes in provisions	0.04	(0.08)
Changes in trade payables	3.99	(1.47)
Changes in other financial liabilities	13.87	(45.20)
Changes in lease liabilities	(12.10)	2.41
Changes in other non current financial liabilities	64.80	-
Changes in other current liabilities	(1.27)	0.99
Cash from operations	**501.08**	**364.50**
Income tax paid	(1.04)	(0.54)
Net cash generated from/(used in) operating activities	**500.04**	**363.96**
B. Cash flow from investing activities		
Purchase of property, plant and equipment and intangible assets	(0.20)	(0.29)
Purchase of investments of mutual fund	-	(110.99)
Proceeds from sale of investments of mutual fund	(181.97)	111.16
Purchase of investments in bank deposits	14.48	(520.97)
Proceeds from investment in bank deposits	-	354.32
Interest received	10.77	2.92
Net cash generated from/ (used in) investing activities	**(156.92)**	**(163.85)**
C. Cash flow from financing activities		
Repayment of long term buyers credit	-	(848.91)
Repayment of long term borrowings	-	(1,668.83)
Proceeds/ (repayment) from debentures	(108.00)	2,680.84
Proceeds/ (repayment) of short term borrowings	(33.40)	(149.44)
Interest and other borrowing costs paid	(179.52)	(209.38)
Net cash generated from/ (used in) financing activities	**(320.92)**	**(195.72)**
Net increase/(decrease) in cash and cash equivalents (A+B+C)	22.20	4.39
Cash and cash equivalents at the beginning of the year	30.03	25.64
Cash and cash equivalents at the end of the year	**52.23**	**30.03**

Components of cash and cash equivalents	**As at March 31, 2023**	**As at March 31, 2022**
Balances with banks:		
In current accounts	8.09	30.03
On fixed deposit account	44.14	-
Cash and cash equivalents	**52.23**	**30.03**

See accompanying notes forming part of the financial statements 1-40.

For Goyal Malhotra & Associates
Chartered Accountants
FRN 008015C

Manoj Goyal
Partner
Membership No. 098958
Date: May 25, 2023
Place: Noida

For and on behalf of Board of Directors

Gulab Singh
Director
DIN: 08561956
Date: May 25, 2023
Place: Noida

Sandeep Mahesh
Director
DIN: 08193555
Date: May 25, 2023
Place: Noida

AVAADA SATARAMH PRIVATE LIMITED

Avaada SataraMH Private Limited
CIN - U40100UP2019PTC124019
Statement of Changes in Equity for the year ended March 31, 2023
(All amounts in INR millions unless stated otherwise)

(a) Equity share capital

Particulars		Number	Amount
Balance as at April 01, 2021		13,09,14,077	1,309.14
Changes in equity share capital (refer note 11)		-	-
Balance as at March 31, 2022		**13,09,14,077**	**1,309.14**
Changes in equity share capital (refer note 11)		-	-
Balance as at March 31, 2023		**13,09,14,077**	**1,309.14**

(b) Other equity

Particulars	Reserves and Surplus	Debenture redemption reserve	Equity component on interest free loan from related party	Total
Balance as at April 01, 2021	**(27.63)**		**83.48**	**55.85**
Profit/ (loss) for the year	(13.53)		-	(13.53)
Other comprehensive income/(loss) for the year	0.01		-	0.01
Balance as at March 31, 2022	**(41.15)**	**-**	**83.48**	**42.33**
Profit/ (loss) for the year	89.11		(11.73)	77.38
Other comprehensive income/(loss) for the year	-		-	-
Trasfer to debenture redemption reserve	(47.96)	47.96	-	-
Balance as at March 31, 2023	**(0.00)**	**47.96**	**71.75**	**119.71**

See accompanying notes forming part of the financial statements 1-40.

For Goyal Malhotra & Associates
Chartered Accountants
FRN 008015C

Manoj Goyal
Partner
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Date: May 25, 2023
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Date: May 25, 2023
Place: Noida

AVAADA SATARAMH PRIVATE LIMITED

1. Corporate information

Avaada SataraMH Private Limited("the Company") is a private Company domiciled in India and incorporated on December 02, 2019 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 Noida, Uttar Pradesh and is engaged in the business of generation of solar power. The Company has 72 Mw solar power project at Satara, Maharashtra.

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 Statement of compliance and 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, as amended from time to time.

The financial statements have been prepared on the accrual and going concern basis and the historical cost convention except for derivative financial instruments, certain financial assets and liabilities measured at fair value and employee benefit expenses. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

All amounts disclosed in these financial statements have been rounded to the nearest million as per the requirements of Schedule III of the Companies Act, 2013, unless otherwise stated.

2.2 Summary of significant accounting policies

a) Use of estimates

The preparation of financial statements in conformity with recognition and principle criteria of 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 and 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.

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.

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AVAADA SATARAMH PRIVATE LIMITED

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 the statement of 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 met.

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.

e) Depreciation
Depreciation is provided for property, plant and equipment on a straight line basis so as to expense the cost less residual value over their estimated useful lives, based on useful life given in schedule II of Companies Act except solar power generating assets, where estimated useful life considered based on a technical evaluation. The estimated useful lives and residual values are reviewed at the end of each reporting period, with the effect of any change in estimate accounted for on a prospective basis.

Type of asset	Useful lives
Buildings & Improvement (Solar Power Generating System)	25 years
Plant and equipment (Solar Power Generating System)	25 years
Plant and equipment (Other)	15 years
Vehicles	10 years
Computer equipment	3 years
Office equipment	5 years

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

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.

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.

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.

An intangible asset is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any 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.

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AVAADA SATARAMH PRIVATE LIMITED *

g) Leases

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 except for leases of low-value assets and short term leases. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right-of-use assets

The Company recognizes right-of-use assets at the commencement date of lease (i.e., the date of underlying asset is ready 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 short lease term or useful life.

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

The right-of-use 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 Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). exemption also applies the lease of low-value assets recognition 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.

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) Assets held for sale

Non-current assets are classified as "Held for Sale" if their carrying amount is intended to be recovered principally through sale rather than through continuing use. The condition for classification of "Held for Sale" is met when the non-current asset is available for sale. Non-current assets held for sale are measured at the lower of carrying amount and fair value less cost to sell.

j) Inventories

Inventories comprises stores and spare parts and are 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.

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AVAADA SATARAMH PRIVATE LIMITED

k) 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 asset

Financial assets are recognised when an entity becomes a party to the contractual provisions of the instruments. Financial assets are initially measured at fair value. Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets (other than financial assets at fair value through profit or loss) are added to the fair value of the financial assets on initial recognition. Transaction costs directly attributable to the acquisition of financial assets at fair value through profit or loss (FVTPL) are recognised in the Statement of Profit and Loss.
All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets. With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient.

Financial assets that are held within a business model whose objective is to hold assets in order to collect contractual cash flows; and the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding are subsequently measured at amortised cost (except for financial assets that are designated as at FVTPL on initial recognition) using the effective interest (EIR) method and are subject to impairment.

Financial assets that are held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding are subsequently measured at fair value through other comprehensive income (except for financial assets that are designated as at FVTPL on initial recognition).

All other financial assets are subsequently measured at fair value.

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset, or, where appropriate, a shorter period, to the gross carrying amount on initial recognition. Income is recognised on an effective interest basis for financial assets other than those financial assets classified as at FVTPL. Interest income is recognised in the Statement of Profit and Loss and is included in the 'Other income'.

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in the Statement of Profit and Loss.

The Company assesses at each Balance Sheet date whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial
assets which are not fair valued through profit or loss.
The Company recognises lifetime expected losses for all trade receivables. For all other financial assets, expected credit losses are measured at an amount
equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognized as an impairment gain or loss in profit or loss.

For trade receivables, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date.

Financial Liabilities

Financial liabilities are recognised when an entity becomes a party to the contractual provisions of the instruments. Financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial liabilities (other than financial liabilities at FVTPL) are deducted from the fair value of the financial liabilities on initial recognition. Transaction costs directly attributable to the acquisition of financial liabilities at FVTPL are recognised immediately in the Statement of Profit and Loss and is included in 'finance costs'.

Financial liabilities are classified as at FVTPL when the financial liability is held for trading or it is designated as at FVTPL all other financial liabilities are subsequently measured at amortised cost using the effective interest rate method or at FVTPL.

The effective interest rate method is a method of calculating the amortised cost of a financial liability and of allocating interest expense and other directly attributable costs over the relevant period. The effective interest rate is the rate that exactly discounts estimated contracted future cash payments through the expected life of the financial liability to the net carrying amount on initial recognition. The expected life of a financial liability can be a shorter period when the contractual arrangements include prepayment provisions and when such prepayments are expected.

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AVAADA SATARAMH PRIVATE LIMITED *

Expense is recognised on an effective interest basis for financial liabilities other than those financial liabilities classified as at FVTPL. Interest expense is recognised in profit or loss and is included in the 'Finance costs' line item.

Non-refundable fees and related direct costs associated with the origination of borrowings are deferred and netted against borrowings and recognised using effective interest rate method.

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the Statement of Profit and Loss.

The Company's financial liabilities comprise of borrowings, trade payables and other payables. These liabilities are measured subsequently at amortised cost.

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.

l) Investment in Subsidiaries, Associates and Joint Ventures
Investment in subsidiaries, jointly controlled entities and associates are measured at cost less impairment, if any, as per Ind AS 27 - 'Separate Financial Statements'.

m) Cash & cash equivalents and bank deposits
Cash consists of balances with banks which are unrestricted for withdrawal and usage. The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents.

Short-term bank deposits are made for varying periods depending on the immediate cash requirements of the Company. Cash and cash equivalents include bank deposits having original maturity period of less than three months. Bank deposits with original maturity period of more than three months but less than 12 months are presented as 'Other bank balances'. Bank deposits with original maturity of more than twelve months are presented as 'Other financial assets'.

n) Derivative Financial Instruments
Derivative instruments such as forward currency contracts are used to hedge foreign currency risks, and are initially recognized at their fair values on the
date on which a derivative contract is entered into and are subsequently re-measured at fair value on each reporting date. A hedge of foreign currency
risk of a firm commitment is accounted for as a fair value hedge. Any gains or losses arising from changes in the fair value of derivatives are taken directly to Statement of Profit and Loss

o) Revenue recognition

Revenue from contracts with customers is recognized on transfer of control of promised goods or services to a customer at an amount that reflects the consideration to which the Company is expected to be entitled to in exchange for those goods or services,

Sale of power
Revenue arrangement
The Company's revenue arrangement is based on long term PPA with its customer. As per the PPA the Company's performance obligation is to supply solar power at the rates specified in the PPA.

Recognition
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 kilowatt hour agreed to in the respective PPAs.

Measurement
Revenue is measured at the fair value of the consideration received or receivable net of the estimated variable considerations

As per the terms of the PPA, the variable considerations include:
1. Expected compensation for non-fulfilment of minimum supply commitments - The Company is obliged to sell minimum solar power in a year as per the PPA. In case of default of aforesaid obligation, the Company is liable to pay compensation to customer as per the terms of the PPA. As at the year end the Company has estimated that no such penalty will be paid by the Company and accordingly no adjustment has been made in revenue.
2. Deviation settlement mechanism charges which is imposed for over drawl/ injection and under drawl/injection from the schedule for the generators

Income from carbon emission reduction
The Company recognized carbon emission reduction "CER" income in the period when it is reasonably certain that the Company will be able to comply with the conditions necessary to obtain these carbon emission reduction. Company recognise CER value at average price of open contract for sale of CER with customers.

Sale of goods
Revenue from selling goods with revenue recognised at a point in time when control of the goods has transferred to the customer. The performance obligation in case of product is satisfied at a point in time i.e., when the material is shipped to the customer. Revenue is measured at 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.

Rendering of Services
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.

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's gross carrying amount on initial recognition. Interest income is included in the Statement of Profit and Loss.

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

Costs of obtaining long-term contracts
Costs to obtain a contract that would have been incurred regardless of whether the contract was obtained shall be recognised as an expense when incurred, unless those costs are explicitly chargeable to the customer regardless of whether the contract is obtained. The Company incurred the incremental costs for obtaining PPA and recognise these cost as an asset if the Company expects to recover those costs and shall be amortized over the life of the contract/PPA.
No judgement is needed to measure the amount of costs of obtaining contracts.

p) Foreign currencies
These Financial Statements 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. Exchange differences arising on settlement or translation of monetary items are recognized in profit or loss in the period in which they arise.

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.

q) Income taxes
Tax expense represents the sum of current tax and deferred tax. Current and deferred tax are recognised in the Statement of Profit and Loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

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 and taxable 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 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 liabilities are recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary
differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

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).

The carrying amount of deferred tax assets 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.

r) 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.

s) 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. The weighted average numbers of shares also includes fixed number of equity shares that are issuable on conversion of conversion of a mandatorily convertible instrument, from the date consideration is received (generally the date of their issue)of such instruments. 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 except where results are anti-dilutive.
The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any bonus issue, bonus element in a rights issue, share split and reverse share split (consolidation of shares).

t) 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.

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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.

u) 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 any internal or external indicators of impairment , or when annual impairment testing for an asset is required 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.

In assessing value in use, the estimated future cash flows are discounted to their present value using an appropriate discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

The Company bases its impairment calculation on most recent budgets and forecast calculations, which are prepared separately for the Company's CGUs to which the individual assets are allocated.

v) 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

- 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.

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.

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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.

w) Events occurring after the balance sheet date

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

x) Retirement and other employee benefits

(i) Short-term obligations Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees 'services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

(ii) Other long-term employee benefit obligations The liabilities for earned leave that are not expected to be settled wholly within 12 months are measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the discount rates for Government Securities (G-Sec) at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurement as a result of experience adjustments and changes in actuarial assumptions are recognised in the Statement of Profit and Loss.

Defined contribution plan

Eligible employees of the Company receive benefits from the Provident Fund, administered by the Government of India, which is a defined contribution plan. Both the employees and the Company make monthly contributions to the Provident Fund equal to a specified percentage of the eligible employees' salary. The Company has no further funding obligation under the Provident Fund, beyond the contributions elected or required to be made thereunder. Contributions to the Provident Fund by the Company are charged to expense in the period in which services are rendered by the covered employees.

Defined benefit plan

Employees are entitled to benefits under the Payment of Gratuity Act, 1972 ('the Gratuity Act') a defined benefit post-employment plan covering eligible employees of the Company. This plan provides for a lump-sum payment to eligible employees at retirement, death, and incapacitation or on termination of employment, of an amount based on the respective employee's salary and tenure of employment.

For defined benefit retirement plan, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Past service cost is recognised in the Statement of Profit and Loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset.

Defined benefit costs are categorised as follows: service cost (including current service cost and past service cost, as well as gains and losses on curtailments and settlements); net interest expense or income; and remeasurement. The Company presents service cost and net interest expense or income in Statement of Profit and Loss in 'Employee benefits expense'.

y) Recent Indian Accounting Standards (Ind AS)

Recent accounting pronouncements Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, as below:

Ind AS 1 - Presentation of Financial Statements - This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and the impact of the amendment is insignificant in the standalone financial statements.

Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors - This amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its standalone financial statements.

Ind AS 12 - Income Taxes - This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its standalone financial statement.

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(All amounts in INR Millions unless stated otherwise)

3. Property, plant and equipment

	Freehold land	Building & improvements	Plant & machinery	Office equipments	Total
Cost					
As at April 1, 2021	1.92	62.78	3,666.83	-	3,731.53
Additions during the year	-	-	0.29	-	0.29
As at March 31, 2022	**1.92**	**62.78**	**3,667.12**	**-**	**3,731.82**
Additions during the year	-	-	-	0.20	0.20
As at March 31, 2023	**1.92**	**62.78**	**3,667.12**	**0.20**	**3,732.02**
Accumulated depreciation					
As at April 1, 2021	-	0.93	54.59	-	55.52
Depreciation for the year	-	2.39	139.34	-	141.73
As at March 31, 2022	**-**	**3.32**	**193.93**	**-**	**197.25**
Depreciation for the year	-	2.40	139.36	0.02	141.78
As at March 31, 2023	**-**	**5.72**	**333.29**	**0.02**	**339.03**
Carrying Value					
As at March 31, 2023	**1.92**	**57.06**	**3,333.83**	**0.18**	**3,392.99**
As at March 31, 2022	1.92	59.47	3,473.19	-	3,534.57

(i) Assets charged against borrowings - Property, plant and equipment (except Freehold land and Building & improvements) of the Company are subject to a first charge to secure the company's borrowings, refer note 13(a).

Impairment of Property, plant and equipment :
The Company periodically evaluates whether events have occurred that would render the property, plant and equipment's carrying value not recoverable. If such circumstances arise, the Company estimates the value in use by discounting the expected future operating cash flows to determine impairment effect. During the current year, no such events have occurred that would render management to evaluate impairment, however the Company has conducted impairment evaluation on value of property, plant and equipment and estimated that there is no impairment during the period ending March 31, 2023.

4. Right of use assets

	Land	Leasehold property	Total
Cost			
As at April 01, 2021	215.31	333.16	548.47
Addition during the year	-	-	-
As at March 31, 2022	**215.31**	**333.16**	**548.47**
Addition during the year	-	-	-
As at March 31, 2023	**215.31**	**333.16**	**548.47**
Accumulated Depreciation			
As at April 01, 2021	8.61	13.33	21.94
Depreciation during the year	8.61	13.33	21.94
As at March 31, 2022	**17.22**	**26.66**	**43.88**
Depreciation during the year	8.61	13.33	21.94
As at March 31, 2023	**25.83**	**39.99**	**65.82**
Carrying Value			
As at March 31, 2023	**189.48**	**293.17**	**482.65**
As at March 31, 2022	198.09	306.50	504.59

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(All amounts in INR Millions unless stated otherwise)

Non-current financial assets

5(a). Other financial assets

Particulars	As at March 31, 2023	As at March 31, 2022
Unsecured, considered good		
Term deposits with original maturity of more than 12 months*	231.10	245.58
Security deposits (refer note 31)	112.80	106.16
Total	**343.90**	**351.74**

*Term deposit of INR 231.10 (March 31, 2022: INR 245.58) are under lien for the purpose of Debt Service Reserve Account DSRA as per requirement of lenders.
Refer note 13(a) for assets pledged as securities

6. Deferred tax liabilities (net)

The major components of income tax expense for the year ended March 31, 2023 and March 31, 2022 are:

(a) Profit or loss section	For the year ended, March 31, 2023	For the year ended, March 31, 2022
Current tax:		
Current tax on profits for the year	-	-
Total current tax expense	-	-
Deferred tax charge (credit):		
Relating to origination and reversal of temporary differences	23.63	(1.14)
MAT credit	-	-
Total deferred tax	**23.63**	**(1.14)**
Income tax expense (income) reported in the statement of profit or loss	**23.63**	**(1.14)**
Other comprehensive income section		
Deferred tax :		
Re-measurement gains on defined benefit plans*	-	(0.00)
Income tax related to other comprehensive income	-	(0.00)

*Expressed in value - Deferred tax on re-measurement gains on defined benefit plans INR -1054

(b) Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2023 and March 31, 2022.

Accounting profit / (loss) before income tax	**112.75**	(14.67)
At India's statutory income tax rate of 17.16% (March 31, 2022: 17.16%)	19.35	(2.52)
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Effect of expenses that are not deductible in determining taxable profit	0.01	1.35
Others	4.27	0.02
Effect of difference in tax rate	-	-
Total adjustments	**4.28**	**1.37**
Tax expesne/(income) recognised in the Statement of Profit or Loss	23.63	(1.14)

(c) Deferred tax asset/ (liability)

The balance comprises temporary differences attributable to:

Particulars	As at April 1, 2022	(Charge)/ credit to Statement of Profit and Loss	Charge/ (credit) to other comprehensive income	Charge/(credit) to equity component	As at March 31, 2023
Carried forward losses	286.25	69.34	-	-	355.59
Property, plant and equipment	(288.58)	(100.29)	-	-	(388.87)
Right-of-use asset	(86.59)	3.77	-	-	(82.82)
Lease Liabilities	41.73	2.07	-	-	43.80
Security deposits	55.16	(1.14)	-	-	54.02
Non-Convertible Debentures	(3.29)	1.11	-	-	(2.18)
Long term borrowing equity component	-	1.51	-	(11.73)	(10.22)
Provision for employee benefits*	0.01	0.01	-	-	0.02
Provision for expenses	0.01	(0.01)	-	-	-
Net deferred tax asset/(liability)	**4.70**	**(23.63)**	-	**(11.73)**	**(30.66)**

*expressed in value - Other comprehensive income INR 343 (March 31, 2022: INR 1054) (expressed in absolute)

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(All amounts in INR Millions unless stated otherwise)

Particulars	As at April 1, 2021	(Charge)/ credit to Statement of Profit and Loss	Charge/ (credit) to other comprehensive income	(Charge)/ credit to equity component	As at March 31, 2022
Property, plant and equipment	(116.86)	(171.72)	-	-	(288.58)
Provision for employee benefits	0.03	(0.02)	-	-	0.01
Unabsorbed loss carry forward	121.60	164.65	-	-	286.25
Provision for project expenses	0.01	-	-	-	0.01
Others	(1.22)	8.23	-	-	7.01
Net deferred tax asset/(liability)	**3.56**	**1.14**	-	-	**4.70**

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.

7. Non-current tax assets (net)

Particulars	As at March 31, 2023	As at March 31, 2022
Tax deduction/collected of source	2.24	1.21
Total	**2.24**	**1.21**

Refer note 13(a) for assets pledged as securities

8. Inventories

Particulars	As at March 31, 2023	As at March 31, 2022
Stores and spares	2.49	0.71
Total	**2.49**	0.71

Refer note 13(a) for assets pledged as securities

9. Current financial assets

9(a) Investments

Particulars	As at March 31, 2023	As at March 31, 2022
Carried at fair value through profit and loss		
Investments in mutual funds (quoted)		
BSL Cash Plus-Growth-Direct	187.87	-
	187.87	-
Aggregate book value of quoted investments	187.87	-
Aggregate market value of quoted investments	187.87	-

9(b) Trade receivables

Particulars	As at March 31, 2023	As at March 31, 2022
Carried at amortised cost		
Unsecured, considered good	111.01	87.18
Total receivables	**111.01**	**87.18**

Refer note 13(a) for assets pledged as securities

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.

Trade receivables ageing schedule as at March 31, 2023

Particulars	Outstanding for following periods from due date of payment					
	Not due*	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables						
a) considered good	95.50	7.59	3.80	4.12	-	**111.01**
b) Significate increase in credit risk	-	-	-	-	-	-
c) Credit Impaired	-	-	-	-	-	-
(ii) Disputed Trade Receivables						
a) considered good	-	-	-	-	-	-
b) Significate increase in credit risk	-	-	-	-	-	-
c) Credit Impaired	-	-	-	-	-	-
Total	**95.50**	**7.59**	**3.80**	**4.12**	-	**111.01**

(All amounts in INR Millions unless stated otherwise)

Trade receivables ageing schedule as at March 31, 2022

Particulars	Outstanding for following periods from due date of payment					
	Not due*	Less than 1 year	1-2 years	1-2 years	More than 3 years	Total
(i) Undisputed Trade receivables						
a) considered good	83.37	3.81	-	-	-	**87.18**
b) Significate increase in credit risk	-	-	-	-	-	-
c) Credit Impaired	-	-	-	-	-	-
(ii) Disputed Trade Receivables						
a) considered good	-	-	-	-	-	-
b) Significate increase in credit risk	-	-	-	-	-	-
c) Credit Impaired	-	-	-	-	-	-
Total	**83.37**	**3.81**	**-**	**-**	**-**	**87.18**

*Unbilled revenue of INR 53.35 (March 31, 2022 INR 46.64) included in trade receivables

9(c). Cash and cash equivalents

Particulars	As at March 31, 2023	As at March 31, 2022
Balances with banks		
in current accounts	8.09	30.03
in deposits with original maturity of less than 3 months	44.14	-
Total	**52.23**	**30.03**

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

Particulars	As at March 31, 2023	As at March 31, 2022
Balances with banks		
in current accounts	8.09	30.03
in Deposits with original maturity of less than 3 months	44.14	-
Total cash and cash equivalents	**52.23**	**30.03**

9(d) Other financial assets

Particulars	As at March 31, 2023	As at March 31, 2022
Unsecured, considered good		
Security deposit	0.27	2.07
Interest accrued on fixed deposits	0.14	-
Total	**0.41**	**2.07**

Refer note 13(a) for assets pledged as securities

10. Other current assets

Particulars	As at March 31, 2023	As at March 31, 2022
Unsecured, considered good		
Advances to suppliers	8.90	0.42
Advances to employees	0.08	-
Prepaid expenses	0.14	0.12
Total	**9.12**	**0.54**

Refer note 13(a) for assets pledged as securities

11. Equity share capital

Particulars	As at March 31, 2023	As at March 31, 2022
Authorised share capital		
Equity shares of INR 10 each	1,310.00	1,310.00
Issued, subscribed and fully paid-up capital		
Equity shares of INR 10 each	1,309.14	1,309.14
Total	**1,309.14**	**1,309.14**

Refer note 13(a) for share pledged as securities

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(All amounts in INR Millions unless stated otherwise)

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

Particulars	As at March 31, 2023	As at March 31, 2022
Equity Shares		
At the commencement of the year	13,09,14,077	13,09,14,077
Movements during the year	-	-
At the end of the year	**13,09,14,077**	**13,09,14,077**

(b) Terms/rights attached to equity shares:
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. 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 comp
Shares held by its holding company are as below

Particulars	As at March 31, 2023	As at March 31, 2022
Avaada Energy Private Limited *	9,68,75,962	9,68,75,962

*One equity share held by Mrs. Sindoor Mittal jointly with Avaada Energy Private Limited

(d) Particulars of shareholding more than 5% equity shares

	As at March 31, 2023		As at March 31, 2022	
Particulars	**Number of Shares**	**% holding in the class**	**Number of Shares**	**% holding in the class**
Equity shares of INR 10 each fully paid-up and held by:				
Avaada Energy Private Limited*	9,68,75,962	74.00%	9,68,75,962	74.00%
Bharat Forge Limited	1,42,45,000	10.88%	1,42,45,000	10.88%
Sudarshan Chemical Industries Limited	66,92,000	5.11%	66,92,000	5.11%
Praxair India Private Limited	70,00,615	5.35%	70,00,615	5.35%
Kalyani Technoforge Limited	61,00,500	4.66%	61,00,500	4.66%

(e) Particulars of shareholding of promoters

	As at March 31, 2023		As at March 31, 2022	
Promoter name	**Number of Shares**	**% holding in the class**	**Number of Shares**	**% holding in the class**
Equity shares of INR 10 each fully paid-up and held by:				
Avaada Energy Private Limited*	9,68,75,962	74.00%	9,68,75,962	74.00%

*One equity share held by Mrs. Sindoor Mittal jointly with Avaada Energy Private Limited

12. Other equity

Particulars	As at March 31, 2023	As at March 31, 2022
Retained earnings		
Opening balance	(41.15)	(27.63)
Net Profit/ (loss) for the year	89.11	(13.53)
Items of other comprehensive income recognised directly in retained earnings		
Remeasurements of post-employment benefit obligation, net of tax	-	0.01
Less - Transfer to debenture redemption reserve	(47.96)	
Closing balance (A)	**(0.00)**	**(41.15)**
Debenture Redemption Reserve		
Opening balance *	-	-
Movement during the year	47.96	-
Closing balance (B)	**47.96**	**-**
Equity component on interest free loan from related party		
Opening balance	83.48	83.48
Movement during the year	-	-
Less:- Deferred tax liability on equity component	(11.73)	-
Closing balance (C)	**71.75**	**83.48**
Total (A+B)	**119.71**	**42.33**

*Under the guidelines of Sec 71(4) of the Companies Act the Company has maintained the Debenture Redemption Reserve Account lower of 10% of the amount of remaining outstanding NCD issued or accumulated amount of retained earnings available at the end of the financial year. The deposits created to fulfill the requirement of DSRA is also regarded as meeting the compliance of rule 18(7) of Companies (Share and Debentures) Rules, 2014 relating to creation of the Debenture Redemption Fund, 25% of the Debenture amount due to mature within the following year.

(All amounts in INR Millions unless stated otherwise)

13. Non-current financial liabilities

13(a). Long term borrowings

Particulars	As at March 31, 2023	As at March 31, 2022
Carried at amortised cost		
Secured		
Non-convertible debentures	2,579.31	2,680.84
Unsecured		
Loan from related parties (refer note 31 & 13(a)(ii))	91.29	82.50
	2,670.60	**2,763.34**
Less: Current maturities of long term borrowings (refer note 16(a))	135.00	108.00
Total	**2,535.60**	**2,655.34**

Summary of borrowings arrangement

(i) Non-Convertible Debenture INR 2579.31 (March 31, 2022: INR 2680.84)

On March 2, 2022, the Company has issued 2,700 secured, redeemable, rated, listed non-convertible debentures "NCD" having a face value of INR 1,000,000 each at a fixed coupon rate of 6.75% per annum payable quarterly, at par aggregating to INR 2,700 million on private placement basis. These NCDs will be due for maturity on February 28, 2025.

These NCDs are secured by:

a) First ranking pari passu charge on the said immovable property (Project land) of Avaada Energy Private Limited at District Satara, Maharashtra & on immoveable properties including Project Land of the Company

b) First ranking pari passu charge over all present and future moveable fixed assets, current assets and bank accounts of the Company, assignment/ security over rights under project documents, reserves maintained by the Company in connection with the Debentures

c) Exclusive pledge over up to 74% of the total issued and paid-up share capital of the Company

d) Unconditional and irrevocable corporate guarantee from Avaada Solarise Energy Private Limited, Fermi Solarfarms Private Limited, Clean Sustainable Energy Private Limited (on a joint and several basis) in favor of the Debenture Trustee, in accordance with the terms of the Deed of Guarantee.

(ii) Loan from Avaada Energy Private Limited amounting to INR 91.29 (March 31, 2022: INR 82.50)

The loan is interest-free and is repayable after approval and compliances of bank and financial institutions conditions for repayment, however for accounting calculation of amortisation, period of loan considered eight years.

13(b) Lease liability

Particulars	As at March 31, 2023	As at March 31, 2022
Carried at amortised cost		
Lease liability	243.18	233.55
Total	**243.18**	**233.55**

14. Long term provisions

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for employee benefits		
Gratuity (refer note 29)	0.05	0.04
Leave encashment (refer note 29)	0.05	0.03
Total	**0.10**	**0.07**

15. Other non current liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Deferred income	58.54	-
Total	**58.54**	**-**

16. Current financial liabilities

16(a) Short term borrowings

Particulars	As at March 31, 2023	As at March 31, 2022
Carried at amortised cost		
Secured		
Current maturities of long-term borrowings	135.00	108.00
Unsecured		
Loans repayable on demand to related parties (refer note 31)	83.12	116.53
Total	**218.12**	**224.53**

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(All amounts in INR Millions unless stated otherwise)

Terms and conditions:

(a) Loan from related parties

Interest free loan from Avaada Energy Private Limited amounting to INR 82.93 (March 31, 2022 : INR 113.95).
Interest free loan from Avaada Clean Project Private Limited amounting to INR 0.19 (March 31, 2022 : INR 2.39).
Interest free loan from Avaada Venture Project Private Limited amounting to NIL (March 31, 2022 : INR 0.09).
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 on demand. As at March 31, 2023, considering the size of the loan amount, the management has concluded that the related interest expense is immaterial and has not recognised any deemed equity.

16(b) Lease liability

Particulars	As at March 31, 2023	As at March 31, 2022
Carried at amortised cost		
Lease liability	12.09	9.65
Total	**12.09**	**9.65**

Reconciliation of liabilities arising from fiancncing activities pursuant to IND AS 7 - Cash Flows

The table below details change in the Company's liabilities arising from financing activities, including both cash and non cash changes. Liabilities arising from financing activities are those for which cash flows where, or future cash flows will be, classified in the Company's statement of cash flows as cash flows from financing activities.

Movement for the year ended March 31, 2023

Particulars	Opening balance as at April 1, 2022	Non-cash changes	Financing cash flows	Closing balance as at March 31, 2023
Lease liabilities	243.20	12.07	-	255.27

Movement for the year ended March 31, 2022

Particulars	Opening balance as at April 1, 2021	Non-cash changes	Financing cash flows	Closing balance as at March 31, 2022
Lease liabilities	231.71	23.03	11.54	243.20

16(c) Trade payables

Particulars	As at March 31, 2023	As at March 31, 2022
Carried at amortised cost		
Total outstanding dues of micro and small enterprises (refer note 27)	0.62	-
Total outstanding dues to other parties other than micro and small enterprises	22.95	21.13
Total	**23.57**	**21.13**

Trade payable ageing schedule as at March 31, 2023:

Particulars	Outstanding for following periods from due date of payment					
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	0.27	0.35	-	-	-	0.62
(ii) Others	4.59	2.00	16.36	-	-	22.95
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - others	-	-	-	-	-	-

Trade payable ageing schedule as at March 31, 2022:

Particulars	Outstanding for following periods from due date of payment					
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-	
(ii) Others	-	21.03	0.10	-	-	21.13
(iii) Disputed dues - MSME	-	-	-	-	-	
(iv) Disputed dues - others	-	-	-	-	-	-

16(d) Other financial liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Carried at amortised cost		
Lease rent payable to related parties (refer note 31)	33.35	19.49
Total	**33.35**	**19.49**

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(All amounts in INR Millions unless stated otherwise)

17. Other current liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Statutory dues	0.85	2.11
Total	**0.85**	**2.11**

18. Short term provisions

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for employee benefits		
Gratuity (refer note 29)*	-	-
Leave encashment (refer note 29)**	-	-
Total	-	-

*Expressed in value - Gratuity INR 853 (March 31, 2022 INR 1,108)
**Expressed in value - Leave encashment INR 745 (March 31, 2022 INR 1,641)

19. Revenue from operations

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Electricity revenue		
Sale of of electricity*	519.51	505.84
Total	**519.51**	**505.84**

*Sale of electricity is net of deviation charges of INR 3.64 (March 31, 2022: INR NIL)

20. Other income

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Profit on sale of investments	5.90	0.17
Interest income on -		
Term deposits	10.91	2.91
Security deposits	6.64	6.25
Deferred income	6.26	-
Provision no longer required written back	1.54	-
Miscellaneous income	0.15	3.91
Total	**31.40**	**13.24**

21. Employee benefit expense -

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Salary, wages and bonus	2.27	2.52
Contribution to provident fund and other funds	0.11	0.10
Gratuity expense (refer note 29)	0.03	0.02
Leave encashment expense (refer note 29)	0.03	0.04
Staff welfare	0.22	0.19
Total	**2.66**	**2.87**

22. Finance costs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest costs on account of		
Loan from banks	-	194.39
Loans from related parties (refer note 31)	8.80	7.89
Non convertible debenture	186.00	14.99
Lease liability (Refer note 13(b))	24.16	23.03
Delayed payment of statutory dues	0.05	0.01
Exchange differences to the extent considered as borrowing cost	-	11.56
Other borrowing costs		
Bank charges and bank gaurantee charges	0.21	1.19
Processing fees	-	52.19
Other borrowing cost	2.75	18.12
Total	**221.97**	**323.37**

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23. Depreciation and amortisation

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Depreciation on property, plant and equipment	141.78	141.73
Depreciation on right of use assets	21.94	21.94
Total	**163.72**	**163.67**

24. Other expenses

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Auditor remuneration*	0.27	0.17
Electricity expenses	11.02	10.72
Fees and subscription expenses	0.26	0.10
Insurance expenses	8.62	8.31
Rent expense	0.49	1.73
Legal and professional expenses	3.70	0.79
Plant maintenance expenses	13.97	12.77
Project compliance charges	3.15	1.69
Security expenses	7.00	6.19
Miscellaneous expenses	1.34	1.37
Total	**49.82**	**43.84**

***Auditor remuneration include**

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Statutory audit fee	0.12	0.12
other services	0.15	0.05
Total	**0.27**	**0.17**

25. Earnings per share (EPS)

Earnings per equity share:		
Basic	0.68	(0.10)
Diluted	0.68	(0.10)

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 ended March 31, 2023	For the year ended March 31, 2022
Profit/(loss) for the year	89.11	(13.53)
Earnings used in the calculation of basic earnings per share from continuing operations	89.11	(13.53)
Weighted average number of equity shares for the purposes of basic earnings per share	13,09,14,077	13,09,14,077

Diluted earnings per share:

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Profit/(loss) for the year	89.11	(13.52)
Earnings used in the calculation of basic and diluted earnings per share from continuing operations	89.11	(13.52)

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	13,09,14,077	13,09,14,077
Weighted average number of equity shares used in the calculation of diluted earnings per share	13,09,14,077	13,09,14,077

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.

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26. Financial Ratios

Particulars	For the year ended, March 31, 2023	For the year ended, March 31, 2022	Variance %
Current Ratio (in times) (Current Assets/Current Liabilities) **Reasons for variance:-** Increase in investment in current assets resulted in increase of current ratio.	1.26	0.44	189.70%
Debt-Equity Ratio (in times) [Total Debt*/ Equity]	2.11	2.31	-8.87%
Debt Service Coverage Ratio (in times) [(Profit after Tax excluding exceptional items + Finance Cost+ Depreciation / (Interest payment + Principal repayment)]	1.55	1.65	-5.95%
Return on Equity Ratio (in times) (Profit after tax /shareholder equity **Reasons for variance:-** The increase is mainly on account of reduction of finance cost.	0.06	(0.01)	722.94%
Inventory Turnover Ratio (Net Sales/Average inventory)**	NA	NA	NA
Trade Receivable Turnover Ratio (in times) (Sale of Products /Average Trade Receivable)	5.24	5.30	1.16%
Net capital turnover ratio (Net Sales / Working capital) **Reasons for variance**:- Increase in current assets resulted in increase of Net capital turnover ratio.	6.91	-3.23	313.71%
Trade payables turnover ratio (in times) (Net credit purchases / Average Payable)***	NA	NA	NA
Net Profit Margin (%) [Profit after tax/Revenue from Operations] **Reasons for variance**:- Increase in Profit after tax resulted in increase of Net profit margin.	17.15%	-2.67%	741.28%
Return on capital employed (Profit before tax+finance cost)/(Tangible net worth + Total debt* + Deferred tax liabilities)	7.09%	6.54%	-8.29%
Return on investment (%) Income generated from investments / Time weighted average investments	6.28%	NA	NA

*Total debt Includes non-current borrowing and current borrowing.

**Not applicable, as company has only inventory of stores and spare parts. There is no inventory of finished goods.

***Not Applicable, as the company payables outstanding are for other expenses, for which no credit period is defined.

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

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, 2023	As at March 31, 2022
The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier at the end of each accounting year.	0.62	-
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;	-	-
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;	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
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.	-	-

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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:-

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.

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 terms. 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.

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.

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. 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, 2023**	**March 31, 2022**
Discount rate	7.53%	7.40%
Salary increment rate	7.00%	7.00%
Retirement age	60 years	60 years
Retirement age VP and above	60 years	60 years
Mortality table	Indian Assured lives Mortality (2012-14)	Indian Assured lives Mortality (2012-14)

Withdrawal rates: age related and past experience	**% Withdrawal**	**% Withdrawal**
Age	**March 31, 2023**	**March 31, 2022**
Upto 30 year	3%	3%
Between 31 and 44 years	2%	2%
Above 44 years	1%	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

Changes in the present value of the defined benefit obligation are as follows:	**March 31, 2023**	**March 31, 2022**
Opening defined benefit obligation	0.04	0.08
Current service cost		-
Past service cost	0.03	0.02
Interest cost	-	0.01
Benefits paid	(0.02)	(0.06)
Contribution paid to the Fund		-
Actuarial (gain) / loss		-
Total Actuarial (Gain)/Loss on Obligation	-	(0.01)
Closing defined benefit obligation	**0.05**	**0.04**

Balance sheet	**March 31, 2023**	**March 31, 2022**
Present value of defined benefit obligation	(0.05)	(0.04)
Fair value of plan assets	-	-
Plan asset / (liability)	**(0.05)**	**(0.04)**

Expenses recognised in statement of profit and loss	**March 31, 2023**	**March 31, 2022**
Interest cost	-	0.01
Current service cost	-	-
Past service cost	0.03	0.01
Net benefit expense	**0.03**	**0.02**

Actuarial (gain) / loss	**March 31, 2023**	**March 31, 2022**
Actuarial (gain) / loss		
Due to change in demographic assumptions	-	-
Due to change in financial assumptions	(0.01)	(0.01)
Due to change in experience adjustments*	(0.00)	(0.00)
Total	**(0.00)**	**(0.01)**

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*Expressed in value INR 580 (March 2022 INR 1,861)

A quantitative sensitivity analysis for significant assumption is as shown below:

	As at March 31, 2023			
	Discount rate		Salary growth rate	
Sensitivity Level	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)
*Expressed in value	(5,047)	5,710	5,712	(5,093)
	As at March 31, 2022			
	Discount rate		**Salary growth rate**	
Sensitivity Level	0.50% increase	0.50% decrease	0.50% increase	0.50% decrease
Increase/ (decrease) in defined benefit obligation*	(0.00)	0.00	0.00	(0.00)
*Expressed in value	(3,614.00)	4,106.00	4,102.00	(3,643.00)

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

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

	March 31, 2023	March 31, 2022
Within one year*	0.00	0.00
1-5 years	0.01	0.01
More than 5 years	0.01	-

The average duration of the defined benefit plan obligation at the end of the reporting year is 2.65 year (March 31, 2022, 2.34)
*Expressed in value-Within one year INR 2,289 (March 31, 2022 INR 1,325)

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
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

(b) Compensated absence : The amount of the provision INR 0.05 Millions (March 31, 2022 INR 0.03 Millions)

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

	March 31, 2023	March 31, 2022
Discount rate	7.53%	7.40%
Salary increment rate	7.00%	7.00%
Leave availment rate	0.50%	0.50%
Retirement age	60 years	60 years
Mortality table	Indian Assured lives Mortality (2012-14)	Indian Assured lives Mortality (2012-14)

Withdrawal rates: age related and past experience	**% Withdrawal**	**% Withdrawal**
Age	**March 31, 2023**	**March 31, 2022**
Upto 30 year	3%	3%
Between 31 and 44 years	2%	2%
Above 44 years	1%	1%

A quantitative sensitivity analysis for significant assumption is as shown below:

	As at March 31, 2023			
	Discount rate		Salary growth rate	
Sensitivity Level	0.50% increase	0.50% decrease	0.50% increase	0.50% decrease
Increase/ (decrease) in defined benefit obligation	(0.00)	0.01	0.01	(0.00)
*Expressed in value	(4,554)	5,144	5,146	(4,595)
	As at March 31, 2022			
	Discount rate		**Salary growth rate**	
Sensitivity Level	0.50% increase	0.50% decrease	0.50% increase	0.50% decrease
Increase/ (decrease) in defined benefit obligation	(0.00)	0.00	0.00	(0.00)
*Expressed in value	(2,818)	3,200	3,196	(2,840)

(c) Defined contribution plan
During the year, the Company has recognised the following amounts in the Statement of Profit and Loss

	March 31, 2023	March 31, 2022
Employers' Contribution to Employee's Provident Fund	0.05	0.06
	0.05	**0.06**

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30. 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.

31. 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
Holding company	Avaada Energy Private Limited
Fellow Subsidiary	Avaada Clean Project Private Limited
	Fermi Solarfarms Private Limited
	Clean Sustainable Energy Private Limited
	Avaada Solarise Private Limited
Key managerial personnel	Sandeep Mahesh (Director)
	Swapan Kumar Panda (Director) (resigned w.e.f October 31, 2022)
	Gulab Singh (Director) (appointed w.e.f october 28, 2022)

(ii) Transaction with related parties during the year

Particulars	Ultimate holding company		Holding Company & Other	
	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2023	For the year ended March 31, 2022
Short term borrowings received	-	-	**37.02**	**110.80**
Avaada Energy Private Limited	-	-	32.09	110.80
Avaada Clean Project Private Limited	-	-	4.93	-
Short term borrowings return	**0.19**	-	**78.26**	**269.33**
Avaada Venture Private Limited	0.19	-	-	-
Avaada Energy Private Limited	-	-	65.32	265.59
Avaada Clean Project Private Limited	-	-	12.94	3.74
Parent mediclaim obligation - employee transfer from	-	-	**0.03**	-
Avaada Energy Private Limited	-	-	0.03	-
Reimbursement of expenses by	-	**0.19**	**7.99**	**8.91**
Avaada Venture Private Limited	-	0.19	-	-
Avaada Energy Private Limited	-	-	2.18	3.01
Avaada Clean Project Private Limited	-	-	5.81	5.90
Lease rent expenses as per lease agreeemnt with	-	-	**13.87**	**13.95**
Avaada Energy Private Limited	-	-	13.87	13.95

(iii) Balances outstanding at the end of the year

Particulars	Ultimate holding company		Holding Company & Other	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
Long term borrowings	-	-	**150.87**	**150.87**
Avaada Energy Private Limited*	-	-	150.87	150.87
Short term borrowings	-	**0.19**	**83.12**	**116.34**
Avaada Venture Private Limited	-	0.19	-	-
Avaada Energy Private Limited	-	-	82.93	113.95
Avaada Clean Project Private Limited	-	-	0.19	2.39
Security deposit given to	-	-	**427.60**	**427.60**
Avaada Energy Private Limited	-	-	427.60	427.60
Lease rent payable	-	-	**33.35**	**19.48**
Avaada Energy Private Limited	-	-	33.35	19.48
Bank guarantee issued on behalf of the company by	**70.00**	-	-	-
Avaada Ventures Private Limited	70.00	-	-	-

*including equity component of INR 71.75 million (As at March 31, 2022: INR 83.48 million)

All the amounts payable to related parties above are unsecured and will be settled in cash.

(iv) Fermi Solarfarms Private Limited, Clean Sustainable Energy Private Limited and Avaada Solarise Energy Private Limited has given corporate guarantee for an amount INR 11,700 Mn(March 31, 2022: 11,700 Mn) in favour of Non-Convertible debenture

(All amounts in INR Millions unless stated otherwise)

32 Fair values

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 As at March 31, 2023	Fair value As at March 31, 2023	Carrying value As at March 31, 2022	Fair value As at March 31, 2022
Financial assets					
Measured at fair value through profit and loss					
Investments	9(a)	187.87	187.87	-	-
Measured at amortised cost					
Security deposits	5(a)	112.80	112.80	106.16	106.16
Term Deposit	5(a)	275.24	275.24	245.58	-
Trade receivables	9(b)	111.01	111.01	87.18	87.18
Cash and cash equivalents	9(c)	8.09	8.09	30.03	30.03
Other bank balances	9(c)	-	-	-	-
Other financial assets	9(d)	0.41	0.41	2.07	2.07
Financial liabilities					
Measured at amortised cost					
Debenture	13(a)	2,579.31	2,579.31	2,680.84	2,680.84
Loan from related parties	13(a)&16(a)	174.41	174.41	199.03	199.03
Lease liability	13(b)&16(b)	255.27	255.27	243.20	243.20
Trade payables	16(c)	23.57	23.57	21.13	21.13
Other financial liabilities	16(d)	33.35	33.35	19.49	19.49

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 financial assets as at March 31, 2023

	Total	Fair value measurement using: Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs
Financial assets measured at FVTPL:		(Level 1)	(Level 2)	(Level 3)
- Investments in Mutual fund	187.87	187.87		

Quantitative disclosures fair value measurement hierarchy for financial assets as at March 31, 2022

	Total	Fair value measurement using: Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs
Financial assets measured at FVTPL:		(Level 1)	(Level 2)	(Level 3)
- Investments in Mutual fund	-	-		

Quantitative disclosures fair value measurement hierarchy for liabilities as at March 31, 2023

	Total	Fair value measurement using: Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs
		(Level 1)	(Level 2)	(Level 3)
Financial liabilities				
- Derivative liabilities	-	-	-	-

Quantitative disclosures fair value measurement hierarchy for liabilities as at March 31, 2022

	Total	Fair value measurement using: Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs
		(Level 1)	(Level 2)	(Level 3)
Financial liabilities				
- Derivative liabilities	-	-	-	-

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(All amounts in INR Millions unless stated otherwise)

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 it's 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 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

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:

March 31, 2023	**Amount of loan**	**Increase/ (decrease) in %**	**Effect on profit(loss) before tax**
Variable Interest Borrowing	2,579.31		
Impact on profit before tax on account of increase in interest cost		1.00%	(25.79)
Impact on profit before tax on account of decrease in interest cost		-1.00%	25.79

March 31, 2022	**Amount of loan**	**Increase/ (decrease) in %**	**Effect on profit(loss) before tax**
Variable Interest Borrowing	2,680.84		
Impact on profit before tax on account of increase in interest cost		1.00%	(26.81)
Impact on profit before tax on account of decrease in interest cost		-1.00%	26.81

(ii) Foreign currency risk

The company is exposed to foreign exchange risk as the Company has taken foreign currency loans/buyers credit. The Company holds derivative financial instruments such as foreign exchange forward and option contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. The exchange rate between the rupee and foreign currencies has changed substantially in recent years and may fluctuate substantially in the future.

(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:

Particulars	**As at March 31, 2023**	**As at March 31, 2022**
Trade receivables	111.01	87.18
Security deposit	344.17	353.81
Other financial assets	0.14	-
Total	**455.32**	**440.99**

(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 high. Company primarily generates revenue from sale of power to its customers which are high rated entities.The company does not foresee any credit risk attached to receivables from such entities. The company does not hold collateral as security.

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(All amounts in INR Millions unless stated otherwise)

(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.

(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.

Liquidity and Interest risk tables

The following tables summarises the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company is required to pay. The tables include both interest and principal cash flows to the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate at the end of the reporting period. The contractual maturity is based on the earliest date on which the Company is required to pay.

The table below provides details regarding the contractual maturities of financial liabilities as at March 31, 2023:

Particulars	Effective interest rate (% p.a.)	Within 1 year	Between 1 and 5 years	More than 5 years	Total	Carrying amount
Fixed interest rate						
Non Convertible Debenture	7.04%	306.54	2,605.93	-	2,912.48	2,579.31
Lease liability	10.18%	47.33	69.15	796.20	912.69	255.27
Non-Interest bearing						
Long-term loan from related parties		-	-	150.87	150.87	91.29
Borrowings		83.12	-	-	83.12	83.12
Trade payables		23.57	-	-	23.57	23.57
Other financial liabilities		33.35	-	-	33.35	33.35
		493.91	**2,675.09**	**947.07**	**4,116.07**	**3,065.91**

*Includes principal and interest cash flows.

The table below provides details regarding the contractual maturities of financial liabilities as at March 31, 2022:

Particulars	Effective interest rate (% p.a.)	Within 1 year	Between 1 and 5 years	More than 5 years	Total	Carrying amount
Fixed interest rate						
Non Convertible Debenture	7.04%	287.52	2,912.48	-	3,200.00	2,680.84
Lease liability	10.18%	12.29	60.52	825.44	898.25	243.20
Non-Interest bearing						
Long-term loan from related parties		-	-	150.87	150.87	82.50
Borrowings		116.53	-	-	116.53	116.53
Trade payables		21.13	-	-	21.13	21.13
Other financial liabilities		19.49	-	-	19.49	19.49
		456.96	**2,973.00**	**976.31**	**4,406.27**	**3,163.69**

*Includes principal and interest cash flows.

The following table summarises the Company's expected maturity for its non-derivative financial assets. The table has been drawn up based on the undiscounted contractual maturities of the financial assets including interest that will be earned on those assets.

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(All amounts in INR Millions unless stated otherwise)

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 offset by cash and cash equivalents) 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.

	As at March 31, 2023	As at March 31, 2022
Long term borrowings (inclduing current maturities of long term borrowing)	2,670.60	2,763.34
Less: Cash and cash equivalents	52.23	30.03
Net debt (A)	**2,722.83**	**2,793.37**
Total equity	1,428.85	1,351.47
Capital and net debt (B)	**4,151.68**	**4,144.84**
Gearing ratio [(A)/(B)]	**65.58%**	**67.39%**

36. Commitments and contingencies

a) Leases

The Company does not have any commitment with respect to leases.

b) Capital and other commitments

The Company does not have any long term commitment or non-cancellable contractual commitments.

c) Contingent liabilities

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

d) The Company has given corporate guarantee amount INR 11,232.00 (amount of NCD outstanding) in favour of Catalyst Trustee Limited (Debenture trustee) of Avaada Solarise Energy Private Limited, Clean Sustainable Energy Private Limited and Fermi Solarfarms Private

37. Events after the reporting period

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

38. Approval of financial statements

The financial statements were approved for issue by the Board of Directors on May 25, 2023.

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

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

See accompanying notes forming part of the financial statements 1-40.

For Goyal Malhotra & Associates
Chartered Accountants
FRN 008015C

Manoj Goyal
Partner
Membership No. 098958
Date: May 25, 2023
Place:

For and on behalf of Board of Directors

Gulab Singh
Director
DIN: 08561956
Date: May 25, 2023
Place: Noida

Sandeep Mahesh
Director
DIN: 08193555
Date: May 25, 2023
Place: Noida