

BOARD'S REPORT

To
 The Members,
Clean Sustainable Energy Private Limited

Your Directors have pleasure in presenting the 7th Annual Report together with the Audited Financial Statements of the Company for the financial year ended March 31, 2020 as under:

Business Review & Financial Results:

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

Particulars	(Amount in INR Millions)	
	Financial Year ended	
	31/03/2020	31/03/2019
Revenue from Operations	590.98	265.69
Other Income	14.60	0.83
Total Income	605.58	266.52
Less: Expenditure	100.68	88.65
Profit before Depreciation, Interest and Tax	504.9	177.87
Less: Depreciation and amortization expenses	201.43	102.88
Less: Interest on external borrowings	286.90	125.17
Profit before exceptional and extraordinary items	16.57	(50.18)
Less: Exceptional and extraordinary items	-	-
Profit/(loss) before Tax (PBT)	16.57	(50.18)
Tax Expense		
(i) Current Tax	-	-
(ii) Deferred Tax	(10.70)	(11.87)
(iii) Income tax earlier year	-	(0.01)
Net Profit/(Loss) after Tax (PAT)	27.27	(38.30)

Thus, the Company's revenue from operations during the year was Rs. 590.98 millions as compared to revenue from operations of Rs. 265.69 millions in the previous year.

Further, profit before tax of the Company was Rs. 16.57 millions as compared to the loss before tax of Rs. 50.18 millions in the previous year.

Whereas, net profit after tax was Rs. 27.27 millions as compared to net loss after tax of Rs. 38.30 millions in the previous year.

Dividend:

To strengthen the financial position of the Company and to augment working capital, your Directors do not recommend any dividend for the year 2019-20.

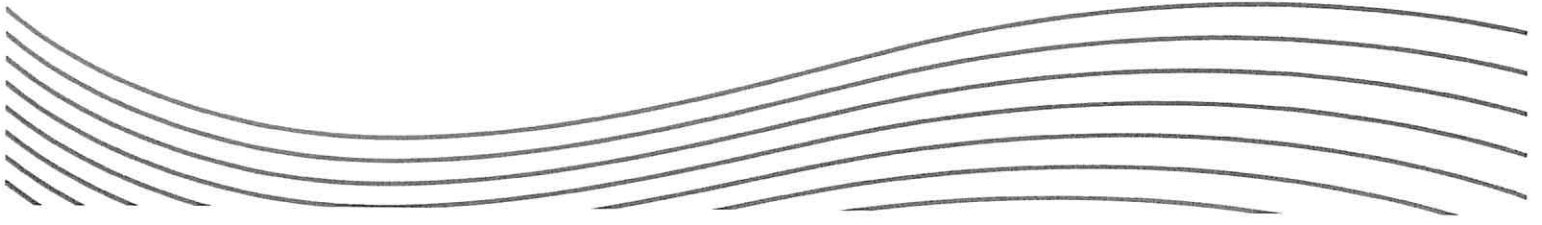
Reserves:

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

Renewable Energy Outlook in India:

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

Installed renewable power generation capacity has increased at a fast pace over the past few years, posting a CAGR of 17.28 per cent between Financial Year 2014-19. With the increased support of government and improved economics, the sector has become attractive from investors perspective. As India looks to meet its energy demand on its own, which is expected to reach 15,820 TWh by 2040, renewable energy is set to play an important role. As a part of its Paris Agreement commitments, the Government of India has set an ambitious target of achieving 175 GW of renewable energy capacity by 2022.



These include 100 GW of solar capacity addition and 60 GW of wind power capacity. The Government plans to establish renewable energy capacity of 450 GW by 2030.

Key Trends:

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

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

- Large scale storage a few years away

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

- Open Access & Distributed solar market - huge untapped potential

C&I consumers is the main demand source for both rooftop solar and open access projects. There is a huge untapped market in this sector. Although in short term this sector is facing resistance from the DISCOMs; however, with policy visibility this market would witness high growth. Residential rooftop solar prospects are expected to pick up due to clearer policy focus and improving availability of financing solutions.



- Manufacturing prospects on high hopes

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

- Lucrative financing environment

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

Market Size

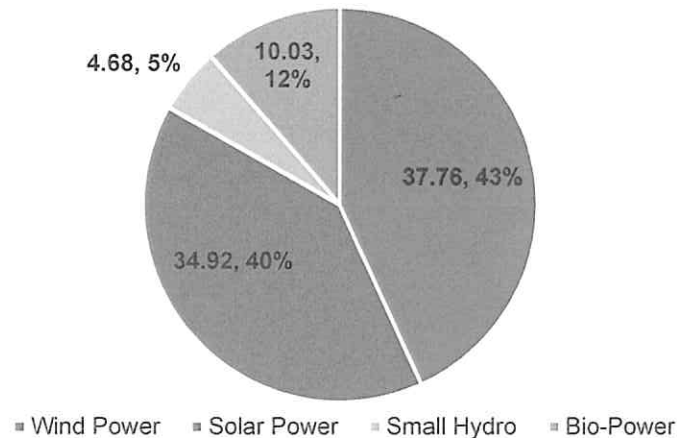
We have come a long way already with solar and wind power capacity addition far outpacing other sources. They are also now by far the two cheapest greenfield power sources. Renewable power penetration has grown from 3% to 10% in the last five years. But policy, execution and financial pressures have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

As of May31, 2020, total renewable power installed capacity (excluding large hydro) in the country stood at 77.64 GW. Off-grid renewable power capacity has also increased. As of October 2018, generation capacities for Waste to Energy, Biomass Gasifiers, SPV systems stood at 175.28 MWeq, 163.37 MWeq and 767.51 MWeq, respectively.

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



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



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

Solar Power

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



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

Investments/ Developments

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

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

- Around Rs 36,729.49 crore (US\$ 5.26 billion) investment has been made during April-December 2019 by private companies in renewable energy.
- Adani Green Energy entered into a binding agreement with Total Gas and Power Business Services SAS for investment of 510 million dollars to acquire 50 per cent stake and other instruments.
- Brookfield to invest US\$ 800 million in ReNew Power and also in discussion with Softbank Cleantech to invest US\$ 700 million.
- ReNew Power and Shapoorji Pallonji will invest nearly Rs 750 crore (US\$ 0.11 billion) in a 150 megawatt (mw) floating solar power project in Uttar Pradesh.
- Koppal Solar Park in Karnataka will be world's largest solar plant, with a capacity of 2500 MW.
- In the first half of 2018, India installed 1 MW of solar capacity every hour.



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

Government initiatives

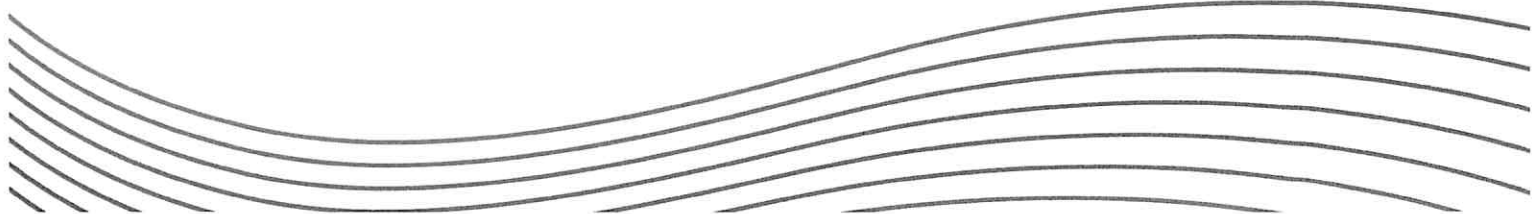
Some initiatives by the Government of India to boost the Indian renewable energy sector are as follows:

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

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

- Standard bidding guidelines

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



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

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

- Grid-Connected Rooftop Solar (RTS) Programme

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

- Wind-Solar Hybrid

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

- Offshore Wind Power in India

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

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



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

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

- Second Assembly of the International Solar Alliance (ISA)

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

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

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

- Atal Jyoti Yojana (AJAY) Phase-II

Applications covered: Solar Street Lights.

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

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

- India plans to add 30 GW of renewable energy capacity along a desert on its western border such as Gujarat and Rajasthan.
- Delhi government decided to shut down thermal power plant in Rajghat and develop it into 5,000 KW solar park



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

Road Ahead

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

It is expected that by the year 2040, around 49 per cent of the total electricity will be generated by the renewable energy, as more efficient batteries will be used to store electricity which will further cut the solar energy cost by 66 per cent as compared to the





current cost. Use of renewables in place of coal will save India Rs 54,000 crore (US\$ 8.43 billion) annually. The renewable energy will account for 55 per cent of the total installed power capacity by 2030.

Deposits:

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

Details of Subsidiary Companies/Associate Companies/Joint Ventures:

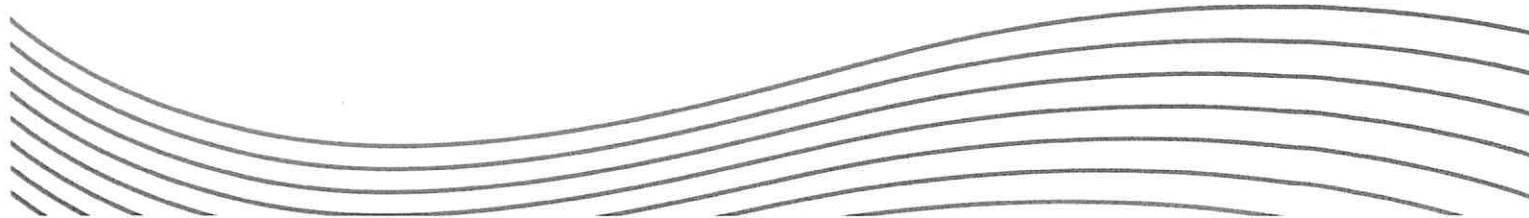
During the period under review, Avaada Ventures Private Limited (AVPL), the Holding Company had transferred its entire investment stake of 51% held in the Company in the form of equity shares and compulsorily convertible debentures to Avaada Energy Private Limited (AEPL), its subsidiary company pursuant to Securities Purchase Agreement executed amongst AVPL, AEPL and the Company.

Thus, the Company has become Wholly Owned Subsidiary Company of Avaada Energy Private Limited w. w.e.f November 19, 2019. Further, it does not have any subsidiary or joint venture during the year.

Board of Directors and Key Managerial Personnel:

During the year under review, Mr. Sushil Jain has resigned as the Director of the Company with effect from July 24, 2019.

The present directors of the Company are Mr. Mitish Somani and Mr. Jay Shukla and Ms. Nidhi Singhania continues to be the Company Secretary of the Company.



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

Eight (8) meetings of the Board of Directors were held during the year viz on May 21, 2019, July 04, 2019, September 21, 2019, September 26, 2019, October 22, 2019, November 14, 2019, March 7, 2020 and March 19, 2020 and the intervening gap between any two meetings was within the period prescribed by the Companies Act, 2013:

Directors Date of Board Meetings	Mr. Jay Shukla	Mr. Sushil Jain	Mr. Mitish Somani
May 21, 2019	Attended	Attended	Attended
July 04, 2019	Attended	Attended	Attended
September 21, 2019	Attended	NA	Attended
September 26, 2019	Attended	NA	Attended
October 22, 2019	Attended	NA	Attended
November 14, 2019	Attended	NA	Attended
March 7, 2020	Attended	NA	Attended
March 19, 2020	Attended	NA	Attended
% of attendance	100%	100%	100%

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.



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.

Statutory Auditors:

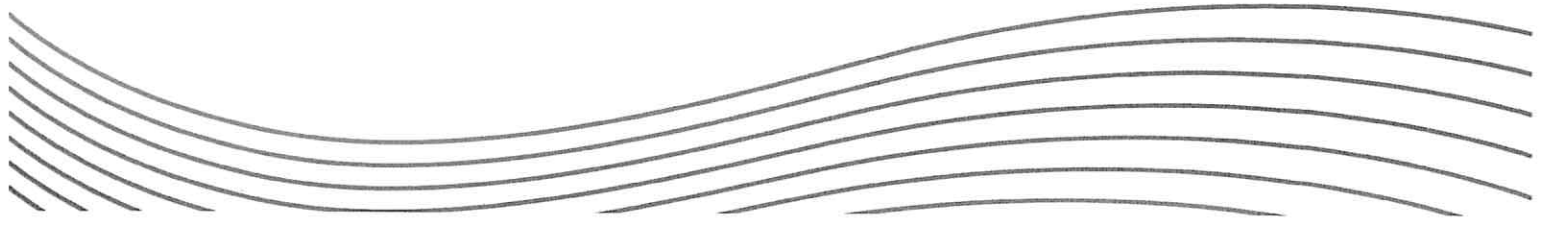
M/s Deloitte Haskins & Sells LLP, Chartered Accountants (FRN: 117366W/W-100018) were appointed as the Statutory Auditors of the Company at the Annual General Meeting held on September 26, 2019 for a term of five (5) years i.e. from financial year 2019-20 to financial year 2023-24 on such remuneration as may be mutually agreed upon between the Board of Directors of the Company and the Statutory Auditors at a later date.

Auditors' Report:

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

Internal Auditor:

Your Company had appointed Mr. Nitin Punjani as the Internal Auditor of the Company for the Financial Year 2019-20 on such terms as included in his terms of appointment and he reported to the Board of Directors of the Company. For the Financial Year 2020-21, the Company have appointed Acquisory Consulting LLP as the Internal Auditors of the Company and the scope, functioning, periodicity and methodology for conducting internal audit have been approved by the Board of Directors.



Cost Auditor:

The Board has 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 2020-21 in accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014.

Further, as per the provisions of the Companies Act, 2013, the remuneration payable to the cost auditor is subject to ratification by the members of the Company.

Secretarial Auditor:

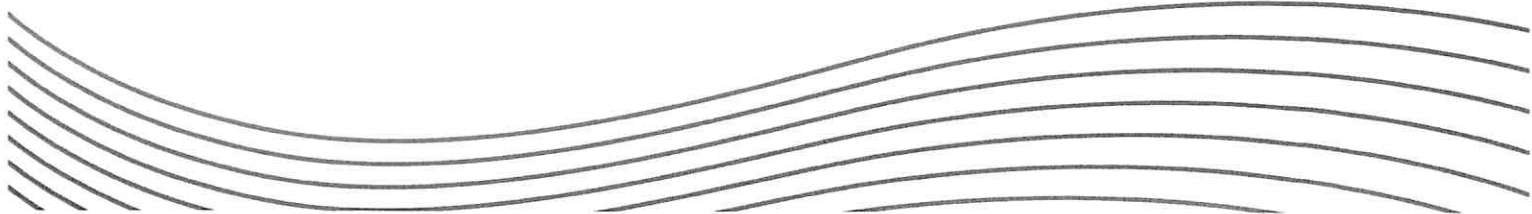
Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2020, the Company has appointed M/s Deepak A. Variya & Co., Practicing Company Secretary (Certificate of Practice Number: 10111) as the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

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, 2020 to which the financial statements relate and the date of this report which effects the financial position of the Company.

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.

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.

During the year under review, foreign exchange transactions were as under:

- Foreign Exchange Earnings - Nil
- Foreign Exchange Outgo on account of import of capital goods and other expenses is Rs. 0.746 million

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.

Extract of Annual Return:

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



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.

Directors' Responsibility Statement:

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

1. in the preparation of annual accounts for the year ended March 31, 2020, the applicable accounting standards have been followed and there are no material departures from the same;
2. 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, 2020 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 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.





CLEAN SUSTAINABLE ENERGY PRIVATE LIMITED

CIN: U40300MH2013PTC248435

Registered Office:

406, Hubtown Solaris,
N. S. Phadke Marg, Andheri (E),
Mumbai - 400069

T: +91-22-6140 8000

E: cleansustainable@avaada.com

www.avaadaenergy.com

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

Handwritten signature of Jay Shukla in black ink.

Jay Shukla

Director

DIN: 03121099

Handwritten signature of Mitish Somani in black ink.

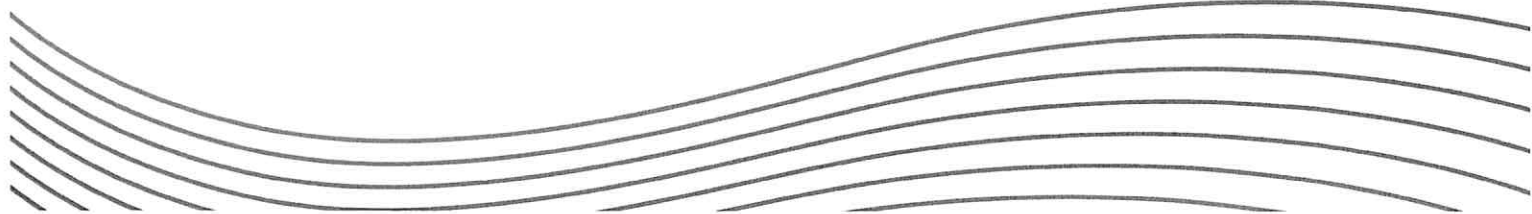
Mitish Somani

Director

DIN: 01853530

Place: Mumbai

Date: July 24, 2020



Annexure I
FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
 as on Financial Year ended March 31, 2020
 Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014

I REGISTRATION AND OTHER DETAILS:

i	CIN	U40300MH2013PTC248435
ii	Registration Date	September 23, 2013
iii	Name of the Company	Clean Sustainable Energy Private Limited
iv	Category/Sub-category of the Company	Private Company
v	Address of the Registered office and contact details	Hubtown Solaris, 4th Floor, 406, N.S. Phadke Marg, Near Andheri East West flyover, Mumbai - 400069
vi	Whether listed Company	No
vii	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Link Intime India Pvt Ltd. C-101, 247 Park, LBS Marg, Vikhroli (West) Mumbai- 400083 Tel No:- 02249186000

II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

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

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

III PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES:

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



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T: +91-22-6140 8000
E: cleansustainable@avaada.com
www.avaadaenergy.com

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

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	-	-	-	-	-	1	1	-	-
b) Central Govt. or State Govt.	-	-	-	-	-	-	-	-	-
c) Bodies Corporates and its nominee shareholders	28,149,999	1	28,150,000	100	28,149,999	-	28,149,999	100	-
d) Bank/ FI	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
SUB TOTAL:(A) (1)	28,149,999	1	28,150,000	100	28,149,999	1	28,150,000	100	-
(2) Foreign									
a) NRI- Individuals	-	-	-	-	-	-	-	-	-
b) Other Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks/ FI	-	-	-	-	-	-	-	-	-
e) Any other...	-	-	-	-	-	-	-	-	-
SUB TOTAL (A) (2)	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoter (A)= (A)(1)+(A)(2)	28,149,999	1	28,150,000	100.00	28,149,999	1	28,150,000	100.00	-
B. PUBLIC SHAREHOLDING									
(1) Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks/ FI	-	-	-	-	-	-	-	-	-
c) Central govt	-	-	-	-	-	-	-	-	-
d) State Govt.	-	-	-	-	-	-	-	-	-
e) Venture Capital Fund	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIS	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
SUB TOTAL (B)(1):	-	-	-	-	-	-	-	-	-
(2) Non Institutions									
a) Bodies corporates									
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs.1 lakhs	-	-	-	-	-	-	-	-	-
ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakhs	-	-	-	-	-	-	-	-	-
c) Others (specify)	-	-	-	-	-	-	-	-	-
SUB TOTAL (B)(2):	-	-	-	-	-	-	-	-	-
Total Public Shareholding (B)= (B)(1)+(B)(2)	-	-	-	-	-	-	-	-	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	28,149,999	1	28,150,000	100.00	28,149,999	1	28,150,000	100.00	-



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N. S. Phadke Marg, Andheri (E),
Mumbai - 400069
T: +91-22-6140 8000
E: cleansustainable@avaada.com
www.avaadaenergy.com

(ii) SHARE HOLDING OF PROMOTERS

Sr. No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		Number of shares	% of total shares of the Company	% of shares pledged/encumbered to total shares	Number of shares	% of total shares of the Company	% of shares pledged/encumbered to total shares	
1	Avaada Ventures Private Limited	14,361,400	51	51	-	-	-	(51)
2	Avaada Energy Private Limited (Formerly known as Giriraj Renewables Private Limited)	13,788,600	49	-	28,149,999	100	51	51
3	Mr. Vineet Mittal jointly with Avaada Energy Private Limited	-	-	-	1	-	-	-
		2,81,50,000	100	-	2,81,50,000	100	-	-

(iii) CHANGE IN PROMOTERS' SHAREHOLDING - NA

Sr. No.	Name	Share holding at the beginning of the Year		Cumulative Share holding during the year	
		No. of Shares	% of total shares of the Company	No of shares	% of total shares of the company
	At the beginning of the year				
	Date wise increase/ decrease in Promoters Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc)				
	At the end of the year				

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

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

(v) Shareholding of Directors & KMP - NIL

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

V INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment (Amt in INR Millions)				
Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year	3083.34	580.06		3663.40
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	36.45	-	-	36.45
Total (i+ii+iii)	3,119.79	580.06	-	3,699.85
Change in Indebtedness during the financial year				
Additions	220.10	6.05		226.15
Reduction	(74.79)			(74.79)
Addition-Interest accrued but not due	(21.35)			(21.35)
Net Change	123.96	6.05		130.01
Indebtedness at the end of the financial year				
i) Principal Amount	3,228.65	586.11	-	3,814.76
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	15.10			15.10
Total (i+ii+iii)	3,243.75	586.11		3,829.86

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL
REMUNERATION TO MANAGING DIRECTOR, WHOLE TIME DIRECTOR
A. AND/OR MANAGER: NIL

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

B. REMUNERATION TO OTHER DIRECTORS: NIL

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

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

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

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





CLEAN SUSTAINABLE ENERGY PRIVATE LIMITED

CIN: U40300MH2013PTC248435

Registered Office:
406, Hubtown Solaris,
N. S. Phadke Marg, Andheri (E),
Mumbai - 400069
T: +91-22-6140 8000
E: cleansustainable@avaada.com
www.avaadaenergy.com

VII PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

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

For and on behalf of the Board of Directors

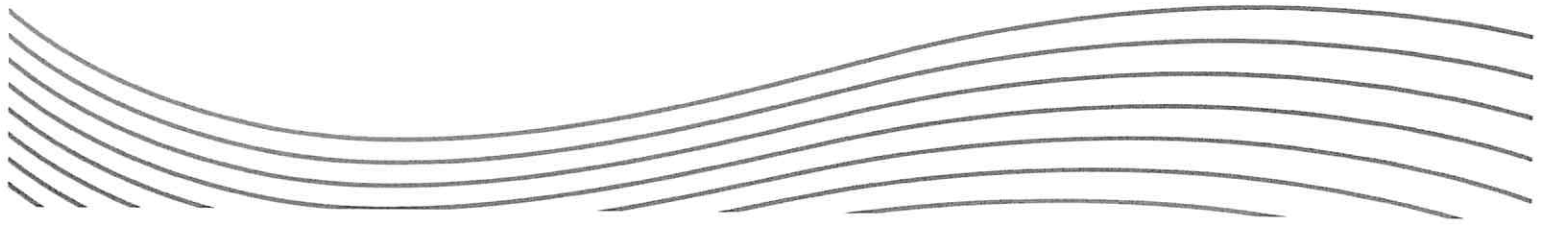
Handwritten signature of Jay Shukla in black ink.

Jay Shukla
Director
DIN: 03121099

Handwritten signature of Mitish Somani in black ink.

Mitish Somani
Director
DIN: 01853530

Place: Mumbai
Date : July 24, 2020



Deloitte Haskins & Sells LLP

Chartered Accountants
7th Floor, Building 10, Tower B,
DLF Cyber City Complex,
DLF City Phase II,
Gurugram - 122 002,
Haryana, India

Phone: +91 124 679 2000

Fax: +91 124 679 2012

INDEPENDENT AUDITOR'S REPORT

To The Members of Clean Sustainable Energy Private Limited Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Clean Sustainable Energy Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2020, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the [Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules 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 financial statements.

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

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's report, but does not include the financial statements and our auditor's report thereon.
- Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

④

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

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the 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 financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the Financial Statements

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



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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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



Deloitte Haskins & Sells LLP

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 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 A". 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,
 - h) In our opinion and to the best of our information and according to the explanations given to us, the Company being a private company, section 197 of the Act related to the managerial remuneration not applicable.
 - i) 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 34(d) to the financial statement.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses. Refer note 40 to the financial statement.
 - iii. There were no amounts, which were required to be transferred to the Investor Education and Protection Fund by the Company. Refer note 39 to the financial statement.



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

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)



Vikas Khurana
Partner
(Membership No. 503760)
UDIN: 20503760AAAAAD5943

Place: Gurugram
Date: July 24, 2020



Deloitte Haskins & Sells LLP

ANNEXURE "A" 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 Clean Sustainable Energy Private Limited ("the Company") as of March 31, 2020 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.



Deloitte Haskins & Sells LLP

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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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, 2020, 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 **Deloitte Haskins & Sells LLP**

Chartered Accountants

(Firm's Registration No. 117366W/W-100018)



Vikas Khurana

(Partner)

(Membership No. 503760)

UDIN: 20503760AAAAAD5943

Place: Gurugram

Date: July 24, 2020



Deloitte Haskins & Sells LLP

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT-

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
- (b) The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets yearly. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
- (c) The Company doesn't have any immovable properties of freehold or leasehold land and building and hence reporting under clause (i)(c) of the CARO is not applicable.
- (ii) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals and no material discrepancies were noticed on physical verification.
- (iii) Company has not granted any loans, secured or unsecured, to companies, firms, Limited liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013.
- (iv) The Company has not granted any loans, made investments or provided guarantees and hence reporting under clause (iv) of the CARO 2016 is not applicable.
- (v) According to the information and explanations given to us, the Company has not accepted any deposit during the year.
- (vi) According to the information and explanations given to us, the maintenance of cost records has not been specified by the Central Government under Section 148(1) of the Companies Act, 2013, hence reporting under clause (vi) CARO 2016 is not applicable.
- (vii) According to the information and explanations given to us, in respect of statutory dues:
 - (a) The Company has been regular in depositing undisputed statutory dues, including goods and services tax, cess and other material statutory dues applicable to it to the appropriate authorities and generally been regular in depositing undisputed income tax, custom duty and provident fund.



Deloitte Haskins & Sells LLP

We are informed that employees' state insurance and excise duty is not applicable to the Company.

- (b) There were no undisputed amounts payable in respect of custom duty, income tax, Provident fund, goods and services tax, cess and other material statutory dues in arrears as at March 31, 2020 for a period of more than six months from the date they became payable.

We are informed that employees' state insurance and excise duty is not applicable to the Company.

- (c) There are no dues of sales tax, customs duty, value added tax, goods and services tax and excise duty as on March 31, 2020 on account of disputes. Details of dues of Income tax which has not been deposited as on March 31, 2020 on account of dispute is given below.

Name of Statute	Nature of dues	Forum where dispute is pending	Period to which the amount pertains	Amount involved (INR in million)	Amount unpaid (INR in million)
Custom Act, 1962	Safeguard Duty	High Court	2018-19	739.55	380.98#

The Hon'ble High Court of Karnataka (Division Bench) vide interim order dated 27.03.2019 has allowed the release of consignment without insisting for payment of Safeguard Duty upon Company executing a bond.

- (viii) According to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to banks and financial institutions. The Company has not taken any loans or borrowings from government or issue any debentures during the year.
- (ix) In our opinion and according to the information and explanation given to us, the Company has applied the term loan during the year for the purposes for which they were raised. The Company has not raised any money by way of initial public offer or further public offer (including debt instruments).
- (x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- (xi) The Company is a private company and hence the provisions of Section 197 of the Companies Act, 2013 does not apply to the Company.



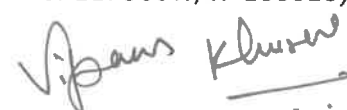
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- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the CARO 2016 is not applicable.
- (xiii) The Company is a Private Limited, hence the provision of the section 177 of the Companies Act, 2013 is not applicable to the Company. In our opinion and according to the information and explanations given to us the Company is in compliance with Section 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties entered during the year and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- (xiv) During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of CARO 2016 is not applicable to the Company.
- (xv) In our opinion and according to the information and explanations given to us, during the year, the Company has not entered into any non-cash transactions with its directors or directors of its holding, subsidiaries or persons connected with him and hence provisions of Section 192 of the Companies Act, 2013 are not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and hence reporting under clause (xvi) of CARO 2016 is not applicable to the Company.

For **Deloitte Haskins & Sells LLP**

Chartered Accountants

(Firm's Registration No. 117366W/W-100018)



Vikas Khurana

(Partner)

(Membership No. 503760)

UDIN: 20503760AAAAAD5943

Place: Gurugram

Date: July 24, 2020



Clean Sustainable Energy Private Limited

CIN - U40300MH2013PTC248435

Balance Sheet as at March 31, 2020

(All amounts in INR million unless stated otherwise)

Particulars	Note	March 31, 2020	March 31, 2019
ASSETS			
Non-current assets			
Property, plant and equipment	3	4,928.34	5,124.28
Right of use assets	4	62.27	-
Deferred tax assets (net)	5	22.57	11.87
Financial assets	6		
Other financial assets	6(a)	1.00	-
Non-current tax assets (net)	7	9.11	2.12
Total non-current assets (A)		5,023.29	5,138.27
Current assets			
Inventories	8	3.92	5.16
Financial assets	9		
Trade receivables	9(a)	52.39	-
Cash and cash equivalents	9(b)	69.91	118.47
Other bank balances	9(c)	128.52	12.24
Other financial assets	9(d)	53.76	57.05
Other current assets	10	22.14	37.88
Total current assets (B)		330.64	230.80
Total assets (A+B)		5,353.93	5,369.07
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	11	281.50	281.50
Instruments entirely equity in nature	12	718.60	718.60
Other equity	13	60.49	33.22
Total equity (C)		1,060.59	1,033.32
LIABILITIES			
Non-current liabilities			
Financial liabilities	14		
Borrowings	14(a)	3,212.65	3,010.69
Other financial liabilities	14(b)	67.48	221.16
Provisions	15	0.07	-
Total non-current liabilities (D)		3,280.20	3,231.85
Current liabilities			
Financial liabilities	16		
Borrowings	16(a)	523.11	523.11
Trade payables	16(b)		
Total outstanding dues of micro and small enterprises		-	-
Total outstanding dues of other creditors		391.45	413.16
Other financial liabilities	16(c)	98.48	166.05
Other current liabilities	17	0.10	1.58
Provisions	18	-	-
Total current liabilities (E)		1,013.14	1,103.90
Total equity and liabilities (C+D+E)		5,353.93	5,369.07

2 Summary of corporate information and significant accounting policies 1&2

See accompanying notes forming part of the financial statements

For Deloitte Haskins & Sells LLP
Chartered Accountants

Vikas Khurana
Partner

Date: July 24, 2020
Place: *Surgam*

Nidhi Singhania
Nidhi Singhania
Company Secretary,
Place: *Mumbai*

For and on behalf of Board of Directors

Jay Shankar Shukla
Jay Shankar Shukla
Director
DIN: 03121099
Place: *Mumbai*

Mitish Somani
Mitish Somani
Director
DIN: 01853530
Place: *Mumbai*

Clean Sustainable Energy Private Limited

CIN - U40300MH2013PTC248435

Statement of Profit and Loss for the year ended March 31, 2020

(All amounts in INR million unless stated otherwise)

Particulars	Note	March 31, 2020	March 31, 2019
Revenue from operations	19	590.98	265.69
Other income	20	14.60	0.83
Total income (A)		605.58	266.52
Expenses			
Employee benefit expenses	21	1.55	-
Finance costs	22	332.93	183.34
Depreciation expenses	23	201.43	102.88
Other expenses	24	53.10	30.48
Total expenses (B)		589.01	316.70
Profit/ (loss) before tax (C=A-B)		16.57	(50.18)
Tax expense:			
Current tax	5	-	-
Deferred tax		(10.70)	(11.87)
Income tax earlier year		-	(0.01)
Total tax expenses (D)		(10.70)	(11.88)
Profit/(loss) after tax (E=C-D)		27.27	(38.30)
Other comprehensive income			
Other comprehensive income/(loss) not to be reclassified to profit or loss in subsequent periods:		-	-
Re-measurement gains on defined benefit plans		-	-
Income tax effect of re-measurement gains on defined benefit plans		-	-
Other comprehensive income for the year, net of tax (F)		-	-
Total comprehensive income for the year, net of tax (G=E+F)		27.27	(38.30)
Earnings per share:			
(a) Basic	25	0.27	(0.41)
(b) Diluted		0.27	(0.41)
Summary of corporate information and significant accounting policies	1&2		
See accompanying notes forming part of the financial statements			

For Deloitte Haskins & Sells LLP
Chartered Accountants

Vikas Khurana
Partner

Date: July 24, 2020
Place: *Sydney*

For and on behalf of Board of Directors

Nidhi Singhania
Nidhi Singhania
Company Secretary
Place: *Mumbai*

Jay Shankar Shukla
Jay Shankar Shukla
Director
DIN: 03121099
Place: *Mumbai*

Mitish Somani
Mitish Somani
Director
DIN: 01853530
Place: *Mumbai*

Clean Sustainable Energy Private Limited
CIN - U40300MH2013PTC248435
Statement of Cash Flows for the year ended March 31, 2020
 (All amounts in INR million unless stated otherwise)

	March 31, 2020	March 31, 2019
A. Cash flow from operating activities		
Profit/ (loss) before tax	16.57	(50.18)
Adjustments		
Interest income	(12.30)	(0.83)
Interest expenses	292.95	126.36
Depreciation expenses	201.43	102.88
Profit on sale of investments	(2.30)	-
Operating profit before working capital changes	496.35	178.23
Adjustment for working capital changes		
Changes in inventories	1.24	(5.16)
Changes in trade receivable	(52.39)	-
Changes in other financial assets	3.29	(56.66)
Changes in other non current financial assets	(1.00)	-
Changes in other current assets	15.74	34.73
Changes in trade payables	(21.71)	379.04
Changes in other non current financial liabilities	(218.66)	221.16
Changes in other current financial liabilities	(82.66)	-
Changes in non-current provision	0.07	-
Changes in current provision	-	-
Changes in other current liabilities	(1.48)	(6.88)
Cash from operations	138.79	744.46
Income tax paid	(6.99)	(3.03)
Net cash from operating activities	131.80	741.43
B. Cash flow from investing activities		
Purchase of property, plant and equipment and intangible assets	(2.78)	(4,716.56)
Proceeds from sale of short term investments	2.30	-
Proceeds from investment in bank deposits	(116.27)	(12.24)
Interest received	12.30	0.44
Net cash used in investing activities	(104.45)	(4,728.36)
C. Cash flow from financing activities		
Proceeds from issue of share capital	-	281.40
Proceeds from long-term borrowings issued as fully compulsorily convertible debentures (FCCD)	-	118.60
Proceed of long term borrowings	1,138.35	3,198.75
Repayment of term loan	(942.45)	(54.00)
Proceed of long term borrowings from related party	6.05	56.95
Proceed of short term borrowings	-	592.20
Interest paid	(277.86)	(89.91)
Net cash (used in)/ from financing activities	(75.91)	4,103.99
Net (decrease) / increase in cash and cash equivalents (A+B+C)	(48.56)	117.06
Cash and cash equivalents at the beginning of the year	118.47	1.41
Cash and cash equivalents at the end of the year	69.91	118.47
Components of cash and cash equivalents	March 31, 2020	March 31, 2019
Cash on hand	-	-
Balances with scheduled banks:		
On current accounts	59.24	13.47
On fixed deposit account	10.67	105.00
Cash and cash equivalents (note 9(b))	69.91	118.47

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

For Deloitte Haskins & Sells LLP
 Chartered Accountants

Vikas Khurana
 Partner

Date: July 24, 2020

Place: *Suryanagar*

Nidhi Singhania
 Company Secretary
 Place: *Mumbai*

For and on behalf of Board of Directors

Jay Shankar Shukla
 Director
 DIN: 03121099
 Place: *Mumbai*

Mitish Somani
 Director
 DIN: 01853530
 Place: *Mumbai*

Clean Sustainable Energy Private Limited
CIN - U40300MH2013PTC248435
Statement of changes in equity for the year ended March 31, 2020
(All amounts in INR million unless stated otherwise)

(a) Equity share capital

Particulars	Number	Amount
Balance as at April 01, 2018	10,000	0.10
Changes in equity share capital (refer note 11)	2,81,40,000	281.40
Balance as at March 31, 2019	2,81,50,000	281.50
Changes in equity share capital (refer note 11)	-	-
Balance as at March 31, 2020	2,81,50,000	281.50

(b) Other equity

Particulars	Reserves and surplus, retained earnings	Equity component of interest free related party loan	Total Amount
Balance as at April 01, 2018	2.43	-	2.43
Loss for the year	(38.30)	-	(38.30)
Equity component - interest free loan received from related party	-	69.09	69.09
Balance as at March 31, 2019	(35.87)	69.09	33.22
Profit for the year	27.27	-	27.27
Balance as at March 31, 2020	(8.60)	69.09	60.49

Summary of corporate information and significant accounting policies

See accompanying notes forming part of the financial statements

For Deloitte Haskins & Sells LLP
Chartered Accountants

Vikas Khurana
Partner

Date: July 24, 2020
Place: *Suryan*

For and on behalf of Board of Directors

Nidhi Singhania
Nidhi Singhania
Company Secretary,
Place: *Mumbai*

Jay Shankar Shukla
Jay Shankar Shukla
Director
DIN: 03121099
Place: *Mumbai*

Mitish Somani
Mitish Somani
Director
DIN: 01853530
Place: *Mumbai*

1. Corporate information

Clean sustainable energy private limited ("the Company") is a private Company domiciled in India and incorporated on September 23, 2013 under the provisions of the Companies Act applicable in India. The Company became subsidiary of Avaada energy private limited (formerly known as Giriraj renewables energy private limited) i.e. November 14, 2019. The registered office of the Company is located at Maharashtra and is engaged in the business of generation of solar power. The Company had commissioned 60MW & 40MW (total capacity 100MW) solar power project at Bhadla, Rajasthan, on September 16, 2018 and October 06, 2018 respectively.

The financial statements were authorised for issue in accordance with a resolution of the Board of directors on July 24, 2020.

2. Significant accounting policies

2.1 Basis of preparation

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

For all periods up to and including the year ended March 31, 2017, the Company prepared its financial statements in accordance accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 and other relevant provisions and regulatory pronouncements (Indian GAAP). The financial statements for the year ended March 31, 2020, for the year ended March 31, 2019 and for the year ended March 31, 2018 has been prepared in accordance with Ind AS.

All financial information presented in INR has been rounded off to the nearest millions.

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

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

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

2.2 Summary of significant accounting policies

a) Use of estimates

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

b) Current versus non-current classification

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

An asset is treated as current when it is:

- expected to be realized or intended to sold or consumed in normal operating cycle;
- held primarily for the purpose of trading;
- expected to be realized within twelve months after the reporting period; or
- cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is treated as current when it is:

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

All other liabilities are classified as non-current.

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

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

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c) Property, plant and equipment

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

Cost also includes replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

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

Capital work in progress (CWIP)

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

d) De-recognition

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is derecognized. The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

e) Depreciation

Depreciation on power project related assets "Solar Power Generating System" is provided on straight line method by considering the useful life as per the PPAs i.e. 25 years.

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

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

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

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

Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the depreciation period or method, as appropriate, and are treated as changes in accounting estimates. The depreciation expense on tangible assets is recognised in the Statement of Profit and Loss unless such expenditure forms part of carrying value of another asset.

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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.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

g) Leases

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

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

Company as a Lessee

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

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

Company as a Lessor

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

As Per Ind AS 116 applicable from 1 April 2019

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

Company as a lessee

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate. The discount rate is generally based on the incremental borrowing rate calculated as the weighted average rate specific to the portfolio of leases with similar

Right-of-use assets

The Company recognizes right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use asset is depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

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Handwritten signatures and initials.

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.

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

As a lessor

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

Assumption:

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. For leases with reasonably similar characteristics, the Company may adopt the incremental borrowing rate for the entire portfolio of leases as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments.

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.

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i) **Financial instruments**

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

Financial assets

Initial recognition and measurement

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

Subsequent measurement

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

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

Debt instruments at amortized cost

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

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

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

Debt instrument at fair value through other comprehensive income (FVTOCI)

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

- (a) the objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets; and
- (b) the asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI).

However, the Company recognizes interest income, impairment losses & reversals in the Statement of Profit and Loss. On de-recognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified from the equity to Statement of Profit and Loss.

Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt instrument at fair value through profit and loss (FVTPL)

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

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

Equity instruments

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

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De-recognition

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

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

(b) the Company has transferred its contractual rights to receive cash flows from the financial asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and Either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the

asset, nor transferred control of the asset, the Company continues to recognize the asset to the extent of the Company's continuing involvement in the asset. In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

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

Impairment of financial assets

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

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

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

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events on a financial instrument that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECL impairment loss allowance (or reversal) recognised during the period is recognised as income/ expense in the Statement of Profit and Loss. This amount is reflected under the head 'other expenses' in the Statement of Profit and Loss. The balance sheet presentation for financial instruments is described below:

For financial assets measured at amortised cost: ECL is presented as an allowance i.e. as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount.

Until the asset meets write off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.





Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition as financial liabilities at fair value through profit or loss, loans and borrowings, payables, as appropriate.

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

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

Subsequent measurement

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

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Financial liabilities at amortised cost

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

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

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

Loans and borrowings

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

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

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

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

De-recognition

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

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 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.

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Offsetting of financial instruments

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

j). Trade payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are unsecured and are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

k). Trade receivable

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

l). Government grant

The Company recognizes government grants only when there is reasonable assurance that the conditions attached to them will be complied with, and the grants will be received. Government grants related to assets are treated as deferred income and are recognized in net profit in the Statement of Profit and Loss on a systematic and rational basis over the useful life of the asset. Government grants related to revenue are recognized on a systematic basis in net profit in the Statement of Profit and Loss over the periods necessary to match them with the related costs which they are intended to compensate.

m). Embedded derivatives

Derivatives embedded in a host contract that is an asset within the scope of Ind AS 109 are not separated. Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Derivatives embedded in all other host contract are separated only if the economic characteristics and risks of the embedded derivative are not closely related to the economic characteristics and risks of the host and are measured at fair value through profit or loss. Embedded derivatives closely related to the host contracts are not separated.

Embedded foreign currency derivatives

Embedded foreign currency derivatives are not separated from the host contract if they are closely related. Such embedded derivatives are closely related to the host contract, if the host contract is not leveraged, does not contain any option feature and requires payments in one of the following currencies:

- the functional currency of any substantial party to that contract,
- the currency in which the price of the related good or service that is acquired or delivered is routinely denominated in commercial transactions around the world,
- a currency that is commonly used in contracts to purchase or sell non-financial items in the economic environment in which the transaction takes place (i.e. relatively liquid and stable currency)

Foreign currency embedded derivatives which do not meet the above criteria are separated and the derivative is accounted for at fair value through profit and loss. The Company currently does not have any such derivatives which are not closely related.

n). Rounding of amount

All amounts disclosed in the financial statements and notes have been rounded off to the million as per the requirement of Part I of Schedule III, unless otherwise stated.

o). Revenue recognition

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

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

Sale of power

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

Sale of goods

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

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

Interest income

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

Dividend income

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

p). Foreign currencies

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

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

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

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

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

q). Income taxes

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

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

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

- deferred income tax is not recognised on the initial recognition (including MAT) of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

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

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

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

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

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

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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. Therefore, there is no reportable segment for the Company as per the requirements of Ind AS 108 - "Operating Segment".

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

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. 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.

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.

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.

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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 indications of impairment and the carrying amount of the cash generating unit exceeds its recoverable amount (i.e. the higher of the fair value less costs of disposal and value in use), an impairment loss is recognized. The carrying amount is reduced to the recoverable amount and the reduction is recognized as an impairment loss in the Statement of Profit and Loss. The impairment loss recognized in the prior accounting period is reversed to the extent of increase in the estimate of recoverable amount. Post impairment, depreciation is provided on the revised carrying value of the impaired asset over its remaining useful life.

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 takes place either:

- 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.

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). Inventories

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

x). Cash and cash equivalents

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

y). Events occurring after the balance sheet date

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

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z). Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

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

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

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

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

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

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

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

Short-term and other long-term employee benefits.

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

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

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

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

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3. Property, plant and equipment

	Building & improvements	Plant & machinery	Furniture & fixture	Office equipment's	Vehicle	Total
Gross block						
As at April 1, 2018	-	-	-	-	-	-
Additions during the year	135.72	5,091.15	0.12	0.17	-	5,227.16
As at March 31, 2019	135.72	5,091.15	0.12	0.17	-	5,227.16
Additions during the year	-	0.91	-	1.80	0.06	2.78
As at March 31, 2020	135.72	5,092.07	0.12	1.97	0.06	5,229.94
Accumulated depreciation						
As at April 01, 2018	-	-	-	-	-	-
Depreciation during the year	2.67	100.18	0.00	0.02	-	102.88
As at March 31, 2019	2.67	100.18	0.00	0.02	-	102.88
Depreciation for the year	5.16	193.48	0.01	0.07	0.00	198.72
As at March 31, 2020	7.83	293.66	0.02	0.09	0.00	301.60
Net block						
As at March 31, 2020	127.89	4,798.40	0.10	1.88	0.06	4,928.34
As at March 31, 2019	133.05	4,990.97	0.11	0.15	-	5,124.28

Assets charged against borrowings - All fixed assets of the company are subject to a first charge to secure the company's borrowings, refer note 14(a).

4. Carrying value of right of use assets

	Solar park facility on lease	Total
Gross Carrying amount		
Balance as at April 01, 2019	64.98	64.98
Addition during the period	-	-
Balance as at March 31, 2020	64.98	64.98
Accumulated Depreciation		
Balance as at April 01, 2019	-	-
Depreciation charged to profit and loss during the period	(2.71)	(2.71)
Balance as at March 31, 2020	(2.71)	(2.71)
Net Balance as at March 31, 2020	62.27	62.27

Transition to IND AS 116

Effective April 1, 2019, the Company adopted Ind AS 116 "Leases" and applied the standard to all Lease contracts existing on April 1, 2019 using the modified retrospective method and no cumulative adjustment is there which needs to be adjusted with retained earnings, on the date of initial application. Consequently, the Company recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the right of use asset at amount equivalent to lease liability at the date of initial application. Comparatives as at and for the year ended March 31, 2019 have not been retrospectively adjusted and therefore will continue to be reported under the accounting policies included in the audited financial statements for the year ended March 31, 2019.

Company as a lessee:

For transition, the Company has elected not to apply the requirements of Ind AS 116 to leases for which the underlying asset is of low value on a lease-by-lease basis. On transition, the adoption of the new standard resulted in recognition of Right of use asset (ROU) and equivalent lease liability of Rs. 64.98. In the statement of profit and loss account for the current period, the nature of expenses in respect of operating leases has changed from lease rent to depreciation cost for the right-to-use asset and finance cost for interest accrued on lease liability.

5. Deferred tax assets (net)

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

	As at March 31, 2020	As at March 31, 2019
(a) Profit or loss section		
Current tax:		
Current tax on profits for the year	-	-
Adjustments in respect of current income tax of previous year	-	(0.01)
Total current tax expense	-	(0.01)
Deferred tax charge (credit):		
Relating to origination and reversal of temporary differences	(10.70)	(11.87)
Total deferred tax	(10.70)	(11.87)
Income tax reported in the statement of profit or loss		
	(10.70)	(11.88)
Other comprehensive income/ (loss) section		
Deferred tax charge/ (credit):		
Re-measurement gains/ (losses) on defined benefit plans	-	-
Income tax charged /(credited) to other comprehensive income/ (loss)	-	-

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

Accounting profit / (loss) before income tax	16.56	(50.18)
At India's statutory income tax rate of 25.17% (March 31, 2019, 26.00%)	4.17	-
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Effect of expenses that are not deductible in determining taxable profit	1.52	594.18
Adjustments in respect of current income tax of previous year with return true up	(16.77)	(0.01)
Tax effect of tax rate change	0.38	(606.05)
Total adjustments	(14.87)	(11.88)
Income tax expense/ (income)	(10.70)	(11.88)

(c) Deferred tax asset

Particulars	April 1, 2019	Charge/ (credit) to Statement of Profit and Loss	Charge/(credit) to equity component of interest free related party loan	March 31, 2020
Property, plant and equipment	(612.11)	(502.31)	-	(109.80)
Carried forward losses	606.05	515.81	-	90.24
Unrealised exchange gain/ loss	32.43	8.32	-	24.11
Provision for expenses	0.27	0.50	-	(0.23)
Provision for employee benefits	-	(0.02)	-	0.02
Others	(14.77)	(33.00)	-	18.23
Net deferred tax asset	11.87	(10.70)	-	22.57

Particulars	April 1, 2018	Charge/ (credit) to Statement of Profit and Loss	Charge/(credit) to equity component of interest free related party loan	March 31, 2019
Property, plant and equipment	-	612.11	-	(612.11)
Carried forward losses	-	(606.05)	-	606.05
Unrealised exchange gain/ loss	-	(32.43)	-	32.43
Provision for expenses	-	(0.27)	-	0.27
Others	-	14.77	-	(14.77)
Net deferred tax asset	-	(11.87)	-	11.87

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 related to income taxes levied by the same tax authority.

* Pursuant to taxation laws (Amendment) Act , 2019 which is effective from 1st April, 2019 domestic companies have the option to pay income tax at 22% plus applicable surcharge and cess ('new tax regime') subject to certain conditions .

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6. Non-current financial assets

6(a) Other financial assets

Particulars	As at March 31, 2020	As at March 31, 2019
Carried at fair value through profit and loss		
Derivative assets	1.00	-
Total	1.00	-

7. Non-current tax assets (net)

Particulars	As at March 31, 2020	As at March 31, 2019
Advance tax, TDS and income tax refund	9.11	2.12
Total	9.11	2.12

8. Inventories

Particulars	As at March 31, 2020	As at March 31, 2019
Stores and spares (lower of cost or net realisable value)	3.92	5.16
Total	3.92	5.16

9. Current financial assets

9(a) Trade receivables

Particulars	As at March 31, 2020	As at March 31, 2019
Unsecured, considered good		
Trade receivables	52.39	-
Trade receivables which have significant increase in credit risk	-	-
Trade receivables - Credit impaired (cumulative)	-	-
Less : allowance for expected credit loss	-	-
Total receivables	52.39	-

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.

9(b) Cash and cash equivalents

Particulars	As at March 31, 2020	As at March 31, 2019
Balances with banks		
on current accounts	59.24	13.47
on deposit accounts (with original maturity of less than 3 months)	10.67	105.00
Cash in hand	-	-
Total	69.91	118.47

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

Particulars	As at March 31, 2020	As at March 31, 2019
Balances with Banks		
on Current Accounts	59.24	13.47
on deposit accounts (with original maturity of less than 3 months)	10.67	105.00
Cash on Hand	-	-
Total cash and cash equivalents	69.91	118.47

9(c) Other bank balances

Particulars	As at March 31, 2020	As at March 31, 2019
Term deposits with original maturity of more than 3 months but less than 12 months*	128.52	12.24
Total	128.52	12.24

*Term deposits of INR. 88.27 are under lien for the purpose Debt Service Reserve Account DSRA as per requirement of lenders.

Clean Sustainable Energy Private Limited

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

(All amounts in INR million unless stated otherwise)

9(d) Other financial assets

Particulars	As at March 31, 2020	As at March 31, 2019
Unsecured, considered good		
Interest accrued on fixed deposits	1.37	0.39
Unbilled revenue	52.39	56.66
Total	53.76	57.05

10. Other current assets

Particulars	As at March 31, 2020	As at March 31, 2019
Prepaid expenses	5.31	37.88
Prepaid lease rent	5.36	-
Advance to suppliers	0.80	-
Deposit under protest*	10.67	-
Total	22.14	37.88

*Amount deposited with SECI under protest against claim for delay in project completion .

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Clean Sustainable Energy Private Limited

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

(All amounts in INR million unless stated otherwise)

11. Equity share capital

Particulars	As at	As at	As at	As at
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Authorised share capital	Number of shares	Number of shares		
Equity shares of INR 10 each	3,00,00,000	3,00,00,000	300.00	300.00
Issued, subscribed and fully paid-up capital				
Equity shares of INR 10 each	2,81,50,000	2,81,50,000	281.50	281.50
Total			281.50	281.50

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

Particulars	As at	As at
	March 31, 2020	March 31, 2019
Equity Shares		
At the commencement of the year	2,81,50,000	10,000
Add: Conversion during the year	-	2,81,40,000
At the end of the year	2,81,50,000	2,81,50,000

(b) Conversion of fully compulsory convertible debentures (FCCD's) into equity share capital:

During the year ended March 31, 2019, 1,43,51,400 FCCD's of INR 10 each issued on September 1, 2017 and 1,37,88,600 FCCD's of INR 10 each issued on March 1, 2018 to Avaada Energy Private Limited (formerly known as Giriraj Renewables Private Limited), converted into 2,81,40,000 equity shares on May 22, 2018 of INR 10 each. The conversion ratio is one equity share against each FCCD converted.

(c) 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. The dividend proposed by the Board of directors is subject to the approval of the shareholders in the ensuing annual general meeting. In the event of Liquidation of the company, the holder of the equity shares will be entitled to receive remaining assets of the company, after distribution of preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(d) Shares held by holding company (expressed in absolute number)

Out of the equity shares issued by the Company, shares held by its holding company are as below:

Particulars	As at	As at
	March 31, 2020	March 31, 2019
Avaada Energy Private Limited (Formerly known as Giriraj Renewables Private Limited)*	2,81,50,000	1,37,88,600
Avaada Ventures Private Limited (Formerly known as Avaada Power Private Limited)	-	1,43,61,400
* One equity share held by Mr. Vineet Mittal jointly held with Avaada Energy Private Limited (Formerly known as Giriraj Renewables Private Limited)		

(e) Particulars of shareholders holding more than 5% equity shares (expressed in absolute number)

Particulars	As at		As at	
	March 31, 2020	% holding in the class	March 31, 2019	% holding in the class
Equity shares of INR 10 each fully paid-up and held by:				
Avaada Energy Private Limited*	2,81,50,000	100%	1,43,61,400	51%
Avaada Ventures Private Limited	-	0%	1,37,88,600	49%
* One equity share held by Mr. Vineet Mittal jointly held with Avaada Energy Private Limited (Formerly known as Giriraj Renewables Private Limited)				

12. Instruments entirely equity in nature

Particulars	As at	As at
	March 31, 2020	March 31, 2019
Fully compulsorily convertible debentures (FCCDs)		
Opening balance	718.60	600.00
Instrument issued during the year	-	400.00
Instrument converted to equity share during the year	-	(281.40)
Closing balance	718.60	718.60

Fully Compulsorily Convertible Debenture (FCCD)of face value of Rs. 10/- each, are convertible into equity share and carries 0% rate of interest and conversion ratio is one equity share against one FCCD. During the previous year 2,81,40,000 FCCD were converted to equity shares.

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Handwritten signatures

13. Other equity

Particulars	As at March 31, 2020	As at March 31, 2019
Retained earnings		
Opening balance	(35.87)	2.43
Net profit/(loss) for the year	27.27	(38.30)
Items of other comprehensive income recognised directly in retained earnings	-	-
Remeasurements of post-employment benefit obligation, net of tax	-	-
Closing balance (A)	(8.60)	(35.87)
Equity component of interest free related party loan		
Opening balance	69.09	-
Movement during the year	-	69.09
Closing balance (B)	69.09	69.09
Total (A+B)	60.49	33.22

14. Non-current financial liabilities

14(a) Long term borrowings

Particulars	As at March 31, 2020	As at March 31, 2019
Carried at amortised cost		
Secured		
Term loan		
Bank	-	434.26
Financial institution (refer note (a) below)	1,823.58	376.35
Buyer's credit (refer note (b) below)	1,405.07	2,272.73
Loan from related parties (refer note 28)	63.00	56.95
	3,291.65	3,140.29
Less: Current maturities of long term borrowings (refer note 16(c))	79.00	129.60
Total	3,212.65	3,010.69

Summary of borrowings arrangement:

(a) Term loan from NIIF Infrastructure Finance Limited (NIIF IFL) INR 1823.58 (March 31, 2019: Nil)

Indian rupee long term loan from NIIF limited carries annual interest rate of one year MCLR plus 85 basis points (effective rate for the year being 9.75% p.a.) payable at the end of every month. The principal amount is repayable in 74 structured quarterly instalments commencing from December 31, 2019. The loan is secured by first charge on entire immovable properties including, tangible/intangible assets, current assets (both present and future) including receivables,; first charge on cash and bank accounts but not limited to escrow accounts/trust and retention account and any other reserve, first charge on all the rights, title, interest, benefits, claims and demand in project agreement (including amendments in project agreement), clearances ,any guarantee, warranty , letter of credit, performance bond by any party to the project agreement. The loan is also secured by a corporate guarantee issued by Avaada Energy Private Ltd (formerly known as Giriraj Renewables Private Ltd) till Project Stabilization Date and pledge of shares & CCD's in the Company, held by Avaada Energy Private Limited (formerly known as Giriraj Renewables Private Limited) representing 51% of paid up equity share capital & CCD's.

(b) Buyer's credit from Yes bank limited INR 1405.07 (March 31, 2019 : INR 2272.73)

"Buyers' credit from Yes Bank carries interest rate ranges between 69 to 75 basis points plus 6 months Libor rate (effective rate ranges between 2.51% to 2.96 %) payable at the time of rollover of buyers credit. The principal amount is repayable within 180 days with rollover facility within for upto 3 years. The loan is secured by first charge on entire immovable properties including, tangible/intangible assets, current assets (both present and future) including receivables,; first charge on cash and bank accounts but not limited to escrow accounts/trust and retention account and any other reserve, first charge on all the rights, title, interest, benefits, claims and demand in project agreement (including amendments in project agreement), clearances ,any guarantee, warranty , letter of credit, performance bond by any party to the project agreement. The loan is also secured by a corporate guarantee issued by Avaada Energy Private Ltd (formerly known as Giriraj Renewables Private Ltd) till Project Stabilization Date and pledge of shares & CCD's in the Company, held by Avaada Energy Private Limited (formerly known as Giriraj Renewables Private Limited) representing 51% of paid up equity share capital & CCD's. The Buyers credit is sub limit of term loan and on payment shall convert to loan, considered non-current.

(c) Loan from Avaada Energy Private Limited INR 63.00 (March 31, 2019 : INR 56.95)

The loan is interest-free and is repayable after meeting compliances of loan conditions, with prior approval and due satisfaction of lenders. As estimated by company amount of unsecured loan can be repaid after a period of eight years from disbursement.

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

(All amounts in INR million unless stated otherwise)

14(b) Other financial liabilities

Particulars	As at March 31, 2020	As at March 31, 2019
Carried at amortised cost		
Decommissioning liabilities	5.10	4.61
Lease liability (refer note 4)	62.38	-
Carried at fair value through profit and loss		
Derivative liabilities	-	216.55
Total	67.48	221.16

15. Long term provisions

Particulars	As at March 31, 2020	As at March 31, 2019
Provision for employee benefits		
Gratuity (refer note 29)	0.03	-
Leave encashment	0.04	-
Total	0.07	-

16. Current financial liabilities

16(a) Short term borrowings

Particulars	As at March 31, 2020	As at March 31, 2019
Carried at amortised cost		
Loans repayable on demand to related parties (refer note 28)	523.11	523.11
Total	523.11	523.11

Terms and conditions:

(a) Loan repayable on demand

Interest free loan from Avaada Energy Private Limited for INR 523.11 (March 31, 2019: 523.11)

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

16(b) Trade payables

Particulars	As at March 31, 2020	As at March 31, 2019
Carried at amortised cost		
Capital creditors*	380.98	380.98
Payables to micro and small enterprises (refer note 35)	-	-
Payables to other parties	10.47	32.18
Total	391.45	413.16

*Capital creditors of INR 380.98 as amount outstanding for safeguard duty payable on import of solar modules vide custom vide notification no. 01/2018 Custom (SG)

16(c) Other financial liabilities

Particulars	As at March 31, 2020	As at March 31, 2019
Carried at amortised cost		
Current maturities of long-term borrowings	79.00	129.60
Interest accrued but not due		
Loan from banks	0.50	4.21
Buyers credit	14.60	32.24
Lease liability (refer note 4)	4.38	-
Total	98.48	166.05

17. Other current liabilities

Particulars	As at March 31, 2020	As at March 31, 2019
Statutory dues	0.10	1.58
Total	0.10	1.58

18. Short term provisions

Particulars	As at March 31, 2020	As at March 31, 2019
Provision for employee benefits*		
Gratuity (refer note 29)	-	-
Leave encashment	-	-
Total	-	-

*Gratuity provision is INR 648.00 and leave encashment provision is INR 781.00

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

(All amounts in INR million unless stated otherwise)

19. Revenue from operations

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Sale of electricity*	590.98	265.69
Total	590.98	265.69

* Revenue from sale of electricity includes rebate of INR 11.67 (March 31, 2019 INR 3.76)

20. Other income

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Interest income on deposits with bank	12.30	0.83
Profit on sale of investments	2.30	-
Total	14.60	0.83

21. Employee benefit expense

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Salary, wages and bonus	1.30	-
Contribution to provident fund and other funds	0.06	-
Gratuity expense (refer note 29)	0.02	-
Leave encashment	0.03	-
Staff Welfare	0.14	-
Total	1.55	-

22. Finance costs

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Interest costs on account of		
Loan from bank	180.69	124.04
Loan from financial institution	106.21	1.13
Loans from related parties	6.05	1.18
Decommissioning liability	0.49	0.25
Lease liability (refer note 4)	6.89	-
Exchange differences to the extent considered as borrowing cost	1.98	31.88
Interest on delayed payment of statutory dues	-	1.19
Bank charges	0.30	3.66
Other borrowing costs		
Processing fee	3.29	1.66
Letter of undertaking charges	25.89	17.15
Others	1.14	1.20
Total	332.93	183.34

23. Depreciation expenses

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Depreciation on property, plant and equipment	198.72	102.88
Depreciation of right of use asset	2.71	-
Total	201.43	102.88

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24. Other expenses

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Rent expense	0.22	2.69
Legal and professional expenses	1.84	5.32
Security expenses	7.58	2.11
Fees and subscription expenses	0.23	3.05
Insurance expenses	2.20	0.99
Auditor remuneration*	0.50	0.50
Printing and stationery expenses	0.02	0.01
Plant maintenance expenses	37.49	14.02
Guest house expenses	0.19	0.11
Project compliances charges	-	0.30
Travelling and conveyance expenses	1.02	0.54
Solar park facility & land development expenses	1.01	0.47
Miscellaneous expenses	0.12	0.02
Site overhead	0.04	0.02
Electricity sale expenses	0.64	0.33
Total	53.10	30.48

*Payment to auditors

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Statutory audit fee	0.50	0.40
Other services	-	0.10
Total	0.50	0.50

25. Earnings per share (EPS)

Earnings per share:

Basic	0.27	(0.41)
Diluted	0.27	(0.41)

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, 2020	For the year ended March 31, 2019
Profit for the year	27.27	(38.30)
Earnings used in the calculation of basic earnings per share from continuing operations	27.27	(38.30)
Weighted average number of equity shares for the purposes of basic earnings per share*	10,00,10,000	9,36,12,740

*FCCD considered as equity for calculating weighted average number of equity share

Diluted earnings per share:

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Profit for the year	27.27	(38.30)
Earnings used in the calculation of basic and diluted earnings per share from continuing operations	27.27	(38.30)

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	10,00,10,000	9,36,12,740
Weighted average number of equity shares used in the calculation of diluted earnings per share	10,00,10,000	9,36,12,740

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

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

26. 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:-

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.

Impairment of investments in subsidiaries

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

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

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.

Defined benefit plans (gratuity benefits)

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

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in India.

The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates in India.

Leases

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

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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.

Impairment of non-financial assets

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

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

(All amounts in INR millions unless stated otherwise)

27. 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.

28. Related party transactions

(i) Names of related parties and related party relationship

(a) Related parties where control exists

Ultimate holding company	Avaada Ventures Private Limited (Formerly known as Avaada Power Private Limited) holding ceased from November 19, 2019
Holding company	Avaada Energy Private Limited (Formerly known as Giriraj Renewables Private Limited) holding company w.e.f. November 19, 2019
Fellow subsidiary companies	Avaada Non-Conventional Energy Private Limited Avaada Sustainable Energy Private Limited

(ii) Transaction with related parties during the year

Particulars	Ultimate holding company		Holding and other related companies	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Issue / conversion of equity shares	-	143.51	-	137.89
Avaada Ventures Private Limited	-	143.51	-	-
Avaada Energy Private Limited	-	-	-	137.89
Issue of fully compulsory convertible debentures (FCCDs)	-	204.00	-	196.00
Avaada Ventures Private Limited	-	204.00	-	-
Avaada Energy Private Limited	-	-	-	196.00
Reimbursement of expenses paid/payable	-	-	-	8.60
Avaada Non-Conventional Energy Private Limited	-	-	-	8.20
Avaada Sustainable Energy Private Limited	-	-	-	0.40
Long term loan received	-	167.40	-	124.85
Avaada Energy Private Limited	-	-	-	124.85
Avaada Ventures Private Limited	-	167.40	-	-
Long term loan repaid	-	167.40	-	-
Avaada Ventures Private Limited	-	167.40	-	-
Demand loan received	-	-	11.71	1,286.22
Avaada Energy Private Limited	-	-	11.71	1,286.22
Demand loan repaid	-	-	11.78	763.10
Avaada Energy Private Limited	-	-	11.78	763.10
Purchase of goods & services under EPC contracts	-	-	-	3,766.03
Avaada Energy Private Limited	-	-	-	3,766.03
Reimbursement of expenses on our behalf	-	0.00	0.10	-
Avaada Energy Private Limited	-	-	0.10	-
Avaada Ventures Private Limited	-	0.00	-	-
Retirement obligation - employee transfer from	-	-	0.02	-
Avaada Energy Private Limited	-	-	0.02	-

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

(All amounts in INR millions unless stated otherwise)

(iii) Balances outstanding at the end of the year

Particulars	Ultimate holding company		Holding and other related companies	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Long term loan payable*	-	-	124.85	124.85
Avaada Energy Private Limited	-	-	124.85	124.85
Demand loan payable	-	-	523.11	523.11
Avaada Energy Private Limited	-	-	523.11	523.11
Bank guarantee issued on behalf of the company	1.00	-	-	-
Avaada Ventures Private Limited	1.00	-	-	-
Corporate guarantee issued in favour of banks for loan availed by the company**	-	3,320.00	3,290.17	-
Avaada Ventures Private Limited	-	3,320.00	-	-
Avaada Energy Private Limited	-	-	3,290.17	-

*including equity component of INR 69.09

**Corporate Guarantee amount is INR 3375.00 obligation is limited to the extend loan outstanding.

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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, 2020	March 31, 2019
Discount rate	6.81%	-
Salary increment rate	7.00%	-
Retirement age AVP and below	60 years	-
Mortality table	Indian Assured lives Mortality (2012-14)	-

Withdrawal rates: age related and past experience

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

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

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

	March 31, 2020	March 31, 2019
Opening defined benefit obligation	-	-
Obligation transferred from holding company (Acquisition Adjustment)	0.01	-
Current service cost	0.02	-
Interest cost	0.00	-
Re-measurements	0.00	-
Benefits paid	-	-
Actuarial (gain) / loss	-	-
Closing defined benefit obligation	0.03	-

Balance sheet

	March 31, 2020	March 31, 2019
Present value of defined benefit obligation	(0.03)	-
Fair value of plan assets	-	-
Plan asset / (liability)	(0.03)	-

Expenses recognised in statement of profit and loss

	March 31, 2020	March 31, 2019
Interest cost	0.00	-
Current service cost	0.02	-
Acquisition Adjustment	(0.01)	-
Net benefit expense	0.02	-

Expenses recognised in statement of other comprehensive income

	March 31, 2020	March 31, 2019
Actuarial (gain) / loss		
Due to change in demographic assumptions	0.00	-
Due to change in financial assumptions	0.00	-
Due to change in experience adjustments	(0.00)	-
Total expense recognised in statement of other comprehensive income	0.00	-

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

Sensitivity Level	Discount rate		Salary growth rate	
	0.50% increase	0.50% decrease	0.50% increase	0.50% decrease
Increase/ (decrease) in defined benefit obligation	(0.00)	0.00	0.00	(0.00)

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 pensions in payment, rate of increase of pensions before retirement and life expectancy are not applicable.

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

	March 31, 2020	March 31, 2019
Within one year	0.00	-
1-5 years	0.01	-
More than 5 years	-	-

The average duration of the defined benefit plan obligation at the end of the reporting period is 1.47 years (March 31, 2019: Nil)

Description of risk exposures:

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

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

(b) Defined contribution plan

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

	March 31, 2020	March 31, 2019
Employers' Contribution to Employee's Provident Fund	0.06	-
	0.06	-

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30. 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		Fair value	
		As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019
Financial assets					
<i>Measured at fair value through profit and loss</i>					
Derivative assets	6(a)	1.00	-	1.00	-
Financial liabilities					
<i>Measured at amortised cost</i>					
Bank borrowings (including current maturities)	14(a)	-	434.26	-	434.26
Borrowings from financial institution (including current maturities)	14(a)	1,823.58	376.35	1,823.58	376.35
Buyers credit	14(a)	1,405.07	2,272.73	1,405.07	2,272.73
Long term loan from related parties	14(a)	63.00	56.95	63.00	56.95
Decommissioning liabilities	14(b)	5.10	4.61	5.10	4.61
Lease liability (refer note 4)	14(b)	62.38	-	62.38	-
<i>Measured at fair value through profit and loss</i>					
Derivative liabilities	14(b)	-	216.55	-	216.55

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

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

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

Derivative assets/liabilities - The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows based on observable yield curves

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

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

31. Fair value hierarchy

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

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

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

	Fair value measurement using			
	Total	Quoted prices in active markets (Level 1)	Significant observable (Level 2)	Significant unobservable (Level 3)
Financial assets:				
- Derivative assets	1.00	-	1.00	-
Financial liabilities:				
- Derivative liabilities	-	-	-	-

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

	Fair value measurement using			
	Total	Quoted prices in active markets (Level 1)	Significant observable (Level 2)	Significant unobservable (Level 3)
Financial assets:				
- Derivative assets	-	-	-	-
Financial liabilities:				
- Derivative liabilities	216.55	-	216.55	-

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32. Financial risk management objectives and policies

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

(a) Market risk

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

(i) Interest rate risk

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

Interest rate sensitivity

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

	Amount of loan	Increase/(decrease) in %	Effect on profit(loss) before tax
March 31, 2020			
Term loan from banks and financial institutions	1,823.58		
Impact on profit before tax on account of increase in interest cost		1%	18.24
Impact on profit before tax on account of decrease in interest cost		-1%	(18.24)
March 31, 2019			
Term loan from banks and financial institutions	810.61		
Impact on profit before tax on account of increase in interest cost		1%	8.11
Impact on profit before tax on account of decrease in interest cost		-1%	(8.11)

(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.

Derivatives not designated as hedging instruments

The Company uses full currency cum interest rate swap and forward exchange contracts to manage its transaction exposures. These contracts are entered into for period consistent with the foreign currency exposures of the underlying transactions and with the intention to reduce the foreign exchange risk of future transactions.

Currency	As at March 31, 2020		As at March 31, 2019		
	Amount outstanding USD	Amount outstanding INR	Amount outstanding USD	Amount outstanding INR	
Full currency interest rate swap contracts - payable	USD	18.99	1,335.02	33.52	2,364.54

(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	As at
	March 31, 2020	March 31, 2019
Trade receivables	52.39	-
Other financial assets	53.76	57.05
Total	106.15	57.05

(i) Trade receivables

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

(ii) Financial instruments and cash deposits

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

(c) Liquidity risk

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

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

Particulars	Within 1 year	Between 1 and 5 years	More than 5 years	Total
Financial liabilities				
Term loan from Financial Institutions	79.00	321.12	1,423.46	1,823.58
Buyer's credit*	-	1,405.07	-	1,405.07
Long-term loan from related parties	-	-	124.85	124.85
Decommissioning liabilities	-	-	5.10	5.10
Lease liabilities	4.38	15.42	42.57	62.38
Short term borrowings	523.11	-	-	523.11
Trade payables	10.47	-	-	10.47
Other financial liabilities	98.48	-	-	98.48
	715.46	1,741.61	1,595.98	4,053.05
Financial assets				
Trade receivables	52.39	-	-	52.39
Cash and cash equivalents	69.91	-	-	69.91
Other bank balances	128.52	-	-	128.52
Other financial assets	53.76	-	-	53.76
	304.58	-	-	304.58

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

Particulars	Within 1 year	Between 1 and 5 years	More than 5 years	Total
Financial liabilities				
Term loan from banks*	91.20	343.06	-	434.26
Term loan from Financial Institutions	38.40	160.40	177.55	376.35
Buyer's credit*	-	2,272.73	-	2,272.73
Long-term loan from related parties	-	-	124.85	124.85
Decommissioning liabilities	-	-	4.61	4.61
Short term borrowings	523.11	-	-	523.11
Trade payables	32.18	-	-	32.18
Other financial liabilities	166.05	-	-	166.05
	850.94	2,776.19	307.01	3,934.14
Financial assets				
Cash and cash equivalents	118.47	-	-	118.47
Other bank balances	12.24	-	-	12.24
Other financial assets	57.05	-	-	57.05
	187.77	-	-	187.77

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

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Clean Sustainable Energy Private Limited

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

(All amounts in INR million unless stated otherwise)

33. Capital management

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

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

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

	As at March 31, 2020	As at March 31, 2019
Long term borrowings	3,291.65	3,140.29
Less: cash and cash equivalents	(69.91)	(118.47)
Net debt (A)	3,221.74	3,021.82
Equity	1,060.59	1,033.32
Capital and net debt (B)	4,282.33	4,055.14
Gearing ratio [(A)/(B)]	75%	75%

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34. Commitments and contingencies**a) Commitments**

The Company has entered into power supply agreements for a total term of 10/25 years (lock-in period of 10 years) with a commitment to supply power @ prices ranging from INR 2.62-4.63 Kwh during the lock-in period.

b) Contingent liabilities

The Company has given bank guarantee for INR 1.00 (March 31, 2019: 40.00).

ii. the Rajasthan Solar Energy Policy, 2019, provide to impose contribution towards development charges in the 'Rajasthan Renewable Energy Development Fund' (RREDF) on such projects that are commissioned before the date of commencement of the said Policy, for sale of power to Distribution Companies of Rajasthan @ Rs. 1 lac/MW/Year for the remaining life of the Project.

The Company has filed Writ Petition before this Hon'ble Court of Rajasthan seeking quashing and setting aside the RRECL's imposition of development charges, the contingent amount is 20 million (excluding interest).

c) Financial guarantee

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

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

35. Details of dues to micro and small enterprises as defied 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, 2020	As at March 31, 2019
a) The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier at the end of each accounting year.	-	-
b) The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	-	-
d) The amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-
	-	-

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

36. Assets pledged as security

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

	Note	As at March 31, 2020	As at March 31, 2019
Current assets			
Financial assets			
First charge			
Trade receivables	9(a)	52.39	-
Cash and cash equivalents	9(b)	69.91	118.47
Other bank balances	9(c)	128.52	12.24
Other financial assets	9(d)	53.76	57.05
		304.58	187.76
Non-financial assets			
First charge			
Inventories	8	3.92	5.16
Other current assets	10	22.14	37.88
		26.06	43.04
Total current assets pledged as security		330.64	230.80

Clean Sustainable Energy Private Limited

CIN - U40300MH2013PTC248435

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

(All amounts in INR million unless stated otherwise)

Non- current assets

Financial assets

Other financial assets

6(a)

1.00

-

Non-financial assets

First charge

Property, plant and equipment

3

4,928.34

5,124.28

Right of use assets

4

62.27

-

Non-current tax assets (net)

7

9.11

2.12

Total non-currents assets pledged as security

5,000.72

5,126.40

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 July 24, 2020.

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.

41. Recent Indian Accounting Standards (Ind AS)

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

For and on behalf of Board of Directors

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Nidhi Singhania
Company Secretary

Place: *Mumbai*

Jay Shankar Shukla
Director

DIN: 03121099

Place: *Mumbai*

Mitish Somani
Director

DIN: 01853530

Place: *Mumbai*