



AVAADA SOLARISE ENERGY PRIVATE LIMITED

Annual Report for the Financial Year 2022-23

Index

Sr No.	Particulars
1.	Corporate Information
2.	Notice of Fifth Annual General Meeting
3.	Board's Report
4.	Independent Auditor's Report on Standalone Financial Statements for financial year 2022-23
5.	Financial Statements for financial year 2022-23



Corporate Information:

Registered Office: 910/19, Suryakiran, Kasturba Gandhi Marg, New Delhi – 110001

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

Email: avaadasolarise@avaada.com

Website: <https://avaada.com/solarise/>

BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

Mr. Rajesh Bihari Dwivedi (DIN: 09133422), Director

Mr. Gopal Goel (DIN: 09133443), Director

Ms. Aadishri Sahasrabuddhe (ACS-60642), Company Secretary & Compliance Officer

AUDITORS:

Statutory Auditor:

**M/s. Deloitte Haskins & Sells,
Chartered Accountants**

Address: 10th Floor, Building 10, Tower B,
DLF Cyber City Complex,
DLF City Phase-II, Gurgaon- 122001

Secretarial Auditor:

**M/s Deepak A. Variya & Co.,
Practicing Company Secretaries**

Address: Office No. 305, Kaveri Commercial
Premises, Co-op. Soc Ltd, Third Floor,
Sakinaka, Mumbai- 400072

Cost Auditor:

M/s HCB & Co., the Cost Accountants

Internal Auditors:

M/s Grant Thornton Bharat LLP

REGISTRAR & TRANSFER AGENT:

Linkintime India Private Limited

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

DEBENTURE TRUSTEE:

Catalyst Trusteeship Limited

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

Correspondence Office:
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N. S. Phadke Marg, Andheri (E),
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T : +91-22-6140 8000

Registered Office:
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NOTICE

NOTICE is hereby given that the 5th annual general meeting of the members of Avaada Solarise Energy Private Limited ("the Company") will be held on Friday, September 29, 2023 at 01.40 p.m. at 406, 4th Floor, Hubtown Solaris, N. S. Phadke Marg, Andheri (East), Mumbai - 400069, to transact the following business:

ORDINARY BUSINESS:

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

SPECIAL BUSINESS:

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

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

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



AVAADA SOLARISE ENERGY PRIVATE LIMITED

CIN: U40300DL2016PTC338280

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

**By Order of the Board
For Avaada Solarise Energy Private Limited**

A handwritten signature in blue ink, appearing to read "Aadishri", with a stylized flourish.

**Aadishri Sahasrabuddhe
Company Secretary**

**Place: Mumbai
Date: May 25, 2023**





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NOTES:

- 1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

Proxies, in order to be effective, should be duly stamped, completed, signed and deposited at the Registered Office of the Company not less than 48 hours before the meeting.

2. Corporate Members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified true copy of the Board resolution authorizing their representative to attend and vote on their behalf at the meeting.
3. An explanatory statement pursuant to Section 102 of the Companies Act, 2013 relating to the Special Business to be transacted at the annual general meeting in respect of Item no. 2 is annexed hereto and forms part of the Notice.



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

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

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

Accordingly, ratification by the members is sought for the remuneration payable to the Cost Auditors for the financial year ending March 31, 2024 by approving the passing of an ordinary resolution as set out at Item No. 2 of the Notice.

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

**By Order of the Board
For Avaada Solarise Energy Private Limited**



**Aadishri Sahasrabudhe
Company Secretary**

**Place: Mumbai
Date: May 25, 2023**





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ATTENDANCE SLIP

To be handed over at the entrance of the Meeting Hall

5th annual general meeting

Friday, September 29, 2023 at 01.40 p.m.

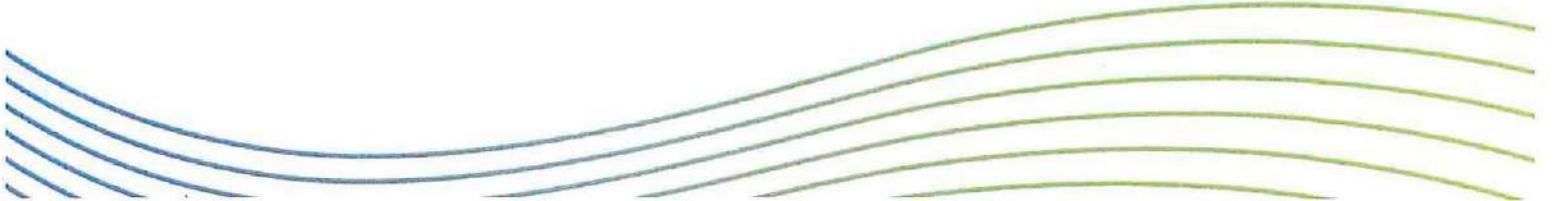
Name of the Member(s)	
Registered address	
E-mail ID	
Folio No./DP ID-client ID	
No. of Shares	

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

I/We hereby record my/our presence at the 5th annual general meeting of the Company held at 406, 4th Floor, Hubtown Solaris, N. S. Phadke Marg, Andheri (East), Mumbai - 400069 on Friday, September 29, 2023 at 01.40 p.m.

Member's/Proxy Signature

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



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Form no. MGT-11
Proxy Form

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

CIN	U40300DL2018PTC338280
Name of the Company	Avaada Solarise Energy Private Limited
Registered Office	910/19, Suryakiran, Kasturba Gandhi Marg, New Delhi – 110001
Name of the member(s)	
Registered Address	
E-mail ID	
Folio No./Client ID	
DP ID	

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

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

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 5th annual general meeting of the Company to be held on Friday, September 29, 2023 at 01.40 p.m. at 406, 4th Floor, Hubtown Solaris, N. S. Phadke Marg, Andheri (East), Mumbai – 400069 and at any adjournment thereof in respect of such resolutions as are indicated below:



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

Signed this _____ day of _____ 2023

Affix
Revenue
Stamp

Signature of shareholder

Signature of Proxy holder(s)

Notes:

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

Notwithstanding the above the Proxies can vote on such other items which may be tabled at the meeting by the shareholders present.



BOARD'S REPORT

To,
 The Members,
 Avaada Solarise Energy Private Limited ("the Company")

On behalf of the Board of Directors, it is our pleasure to present the 5th Annual Report together with the Audited Financial Statements of the Company for the financial year ended March 31, 2023 as under:

Financial Results and Business Review:

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

(Amount in INR millions)

Particulars	Financial Year ended	
	31/03/2023	31/03/2022
Revenue from Operations	947.55	929.74
Other Income	30.64	30.30
Total Income	978.19	960.04
Less: Expenditure	158.58	287.25
Profit/(Loss) before Depreciation, Interest and Tax	819.61	672.79
Less: Depreciation and amortization expense	268.87	271.36
Less: Interest on external borrowings	346.36	465.47
Profit/(Loss) before exceptional and extraordinary items	204.38	(64.04)
Less: Exceptional and extraordinary items	-	-
Profit/(Loss) before Tax (PBT)	204.38	(64.04)
Provision for Income Tax		
(i) Current Tax	-	-
(ii) Deferred Tax	51.87	(29.85)
Net Profit/(Loss) after Tax (PAT)	152.51	(34.19)

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The Company has 3x50 MW Grid Connected Solar PV Power Project operational in Pavagada Taluka in the State of Karnataka. The Company's revenue from operations during the year was INR 947.55 millions as compared to revenue of INR 929.74 millions in the previous year. Whereas, profit before tax of the Company was INR 204.38 millions as compared to loss before tax of INR 64.04 millions in the previous year.

Further, the Company's net profit for the year was INR 152.51 millions as compared to net loss after tax of INR 34.19 millions in the previous year.

Dividend:

To strengthen the financial position of the Company and to augment working capital your directors do not recommend any dividend for the year ended March 31, 2023.

Reserves:

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

Renewable Energy Outlook:

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

In line with Prime Minister's announcement at COP26, Ministry of New and Renewable Energy is working towards achieving 500 GW of installed electricity capacity from non-fossil sources by 2030. India's announcement that it intends to achieve net zero carbon emissions by 2070 and meet 50% of its electricity needs from renewable sources by 2030 marks a historic point in the global effort to combat climate change.



With the increased support of the Government and improved economics, the sector has become attractive from an investors perspective. As India looks to meet its energy demand on its own, which is expected to reach 15,820 TWh by 2040, renewable energy is set to play an important role.

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

Market Size for Renewable Energy in India:

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

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



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

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

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

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

Government initiatives:

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

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

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

Electricity (Promoting Renewable Energy through Green Energy open Access) Rules, 2022:

For unshackling the RE Sector, i.e. to remove barriers in availability and utilisation of RE and to address the issues that have hindered the growth of open access for a long time, Green Open Access Rules, 2022 have been issued. The Rules reduces the Open Access limit from 1 MW to 100 kW, which pave the way for small consumers also to purchase RE and there is no limit for Captive Consumers.

Any consumer can demand supply of Green power from DISCOMs. It will allow Commercial and Industrial Consumers to purchase RE on voluntarily basis. The Rules will

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

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

Developing Energy Storage for RE Expansion-Notification of BESS Guidelines:

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

One Sun, One World, One Grid (OSOWOG):

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



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

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

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

Issuance of Renewable Purchase Obligations (RPO) Trajectory:

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

Production Linked Incentive (PLI) Scheme:

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

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



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Green Energy Corridor:

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

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

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

Solar Parks Scheme:

To facilitate large scale grid-connected solar power projects, a scheme for “Development of Solar Parks and Ultra Mega Solar Power Projects” is under implementation with a target capacity of 40 GW capacity by March 2024. Solar Parks provide solar power developers with a plug and play model, by facilitating necessary infrastructure like land, power evacuation facilities, road connectivity, water facility etc. along with all statutory clearances. As on October 31, 2022, 56 Solar Parks have been sanctioned with a cumulative capacity of 39.28 GW in 14 states. Solar power projects of an aggregate capacity of over 10 GW have already been commissioned in 17 parks and the remaining parks are at various stages of implementation. Solar projects of capacity 832 MW have been commissioned in various Solar Parks during period January to October, 2022.

PM-KUSUM Scheme:

Pradhan Mantri Kisan Urja Suraksha evam Utthaan Mahaabhiyan (PM-KUSUM): To provide energy and water security, de-dieselise the farm sector and also generate



additional income for farmers by producing solar power, Government launched PM-KUSUM Scheme for farmers. The Scheme consists of three components:

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

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

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

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

Simplified procedure on Rooftop Solar (RTS):

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



Offshore Wind:

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

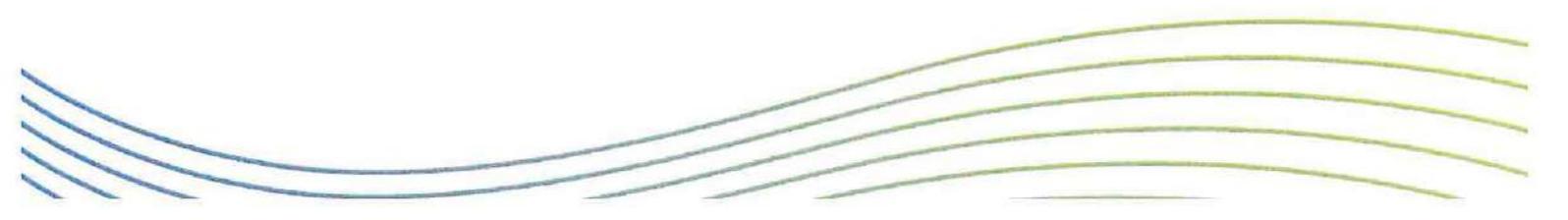
Road Ahead:

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

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

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

It is expected that by 2040, around 49% of the total electricity will be generated by renewable energy as more efficient batteries will be used to store electricity, which will



further cut the solar energy cost by 66% as compared to the current cost. The use of renewables in place of coal will save India INR 54,000 crores (US\$ 8.43 billion) annually. Around 15,000 MW of wind-solar hybrid capacity is expected to be added between 2020-25.

As per the Central Electricity Authority (CEA) estimates, by 2029-2030, the share of renewable energy generation would increase from 18% to 44%, while that of thermal is expected to reduce from 78% to 52%. The CEA also estimates India's power requirement to grow to reach 817 GW by 2030.

Deposits:

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

Details of Subsidiary Companies/Associate Companies/Joint Ventures:

Your Company continues to be the Subsidiary Company of Avaada Energy Private Limited. Further, the Company has no subsidiary or associates or joint ventures during the said period.

Capital and Debt Structure:

(a) Authorized Share Capital

During the year under review, there was no change in the authorized share capital of your Company. The authorized share capital of your Company as of March 31, 2023 was INR 440,000,000 divided into 44,000,000 equity shares of INR 10/- each.

(b) Issued and Paid-up Share Capital

During the year under review, there has not been any change in the issued and paid-up share capital of your Company. The issued and paid-up equity share capital of your

Company as of March 31, 2023 was INR 428,500,000 divided into 42,850,000 equity shares of INR 10/- each.

(c) Fully Compulsorily Convertible Debentures (FCCDs)

During the year under review, there was no change in the Fully Compulsorily Convertible Debentures (FCCDs) issued by your Company. The quantum of FCCDs as of March 31, 2023 was INR 1,284,900,000/- divided into 128,490,000 FCCDs of INR. 10/- each.

(d) Non-Convertible Debentures (NCDs)

During last financial year, your Company had issued and allotted 4,990 Secured, Redeemable, Rated, Listed, Non-Convertible Debentures (NCDs) of the face value of INR 1,000,000/- each aggregating up to INR 4,990,000,000/- with 6.75% p.a.p.q coupon rate for a tenure of 2 years 363 days for the purpose of refinancing of existing financial indebtedness of the Company availed from the existing lenders and promoter loans, payment of capital creditors and various purpose in the normal course of business and the said NCDs were listed on the wholesale debt market (WDM) of BSE Ltd on March 7, 2022.

Further, Catalyst Trusteeship Limited continues to be the Debenture Trustee to the issue and the Company have utilised the proceeds received from the said issue of NCDs for the purpose for which it was raised. Further, NCDs are secured by way of mortgage/charge against certain assets of the Company and the security cover in respect of these NCDs exceed hundred percent of the principal amount of the said NCDs as of March 31, 2023.

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

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

(e) Credit Rating

The credit rating of 4,990 NCDs issued by the Company on March 2, 2022 was re-affirmed by credit rating agency, viz. CRISIL Ratings Limited vide its letter dated January 27, 2023 and the credit rating details of the Company as on March 31, 2023 was as follows:

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

Disclosures under SEBI Operational Circular:

Large Corporate Disclosure

As the maturity of NCDs is for a period of more than one year and have a credit rating of CRISIL AAA/Stable, the Company would be considered as a 'Large Corporate' as per SEBI Circular nos. SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021 ('SEBI Operational Circular') and any further amendments thereto.

Further, there was no incremental borrowing done by the Company during the financial year ended March 31, 2023.

Disclosures pertaining to Green Debt Securities

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

Board of Directors and Key Managerial Personnel:

During the year under review, designation of Mr. Rajesh Bihari Dwivedi and Mr. Gopal Goel was regularized from additional director to director of the Company by the members in their 4th annual general meeting held on September 26, 2022. Thus, the present Directors of the Company are Mr. Rajesh Bihari Dwivedi and Mr. Gopal Goel.

Further, Ms. Aadishri Sahasrabuddhe continues to be the Company Secretary and Compliance Officer of the Company in compliance with the provisions of Regulation 6 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

Number of meetings of the Board of Directors and attendance of Directors:

Nine (9) meetings of the Board of Directors were held during the period viz on April 14, 2022, May 18, 2022, May 30, 2022, July 22, 2022, August 12, 2022, September 26, 2022, November 11, 2022, February 9, 2023 and March 28, 2023 and the intervening gap between any two meetings was within the period prescribed under the Companies Act, 2013:

Directors	Mr. Rajesh Bihari Dwivedi	Mr. Gopal Goel
Date of Board Meetings		
April 14, 2022	Attended	Attended
May 18, 2022	Attended	Attended
May 30, 2022	Attended	Attended
July 22, 2022	Attended	Attended
August 12, 2022	Attended	Attended
September 26, 2022	Attended	Attended
November 11, 2022	Attended	Attended
February 9, 2023	Attended	Attended
March 28, 2023	Attended	Attended
% of attendance	100%	100%

Board Evaluation:

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

Corporate Social Responsibility Initiatives:

The Board of Directors had granted its approval to undertake its Corporate Social Responsibility (CSR) activities through Avaada Foundation, Avaada Group Section 8



Company incorporated for purpose pursuant to the collaboration agreement for Corporate Social Responsibility activities executed between Avaada Foundation, Avaada Ventures Private Limited and Avaada Energy Private Limited and Deed of Adherence executed between Avaada Foundation, Avaada Ventures Private Limited, Avaada Energy Private Limited and the Subsidiaries of Avaada Energy Private Limited including the Company.

In accordance with the proposed CSR Action Plan during the financial year 2022-23, Avaada Foundation undertook the social development activities in Dhar District in the State of Madhya Pradesh as under:

Sr No	Focus Areas	CSR Programs	Locations	Lives Touched
1	Education	Promoted education for all programs by providing financial support for the establishment of educational institutes	Dhar, Madhya Pradesh	Targeted to reach 100 under privileged children

The annual report on CSR activities undertaken by Avaada Foundation on behalf of the Company is attached herewith as **Annexure II**.

Auditors & Auditors' Report:

M/s Deloitte Haskins & Sells, Chartered Accountants (FRN: 015125N) were appointed as the Statutory Auditors of the Company at the 4th annual general meeting held on September 26, 2022 for a term of five (5) years i.e. from financial year 2022-23 to financial year 2026-27 on such remuneration as may be mutually agreed upon between the Board of Directors of the Company and the Statutory Auditors at a later date.

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



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Internal Auditor:

The Board of Directors of the Company had appointed M/s Grant Thornton Bharat LLP as the Internal Auditors of the Company to conduct the Internal Audit for the Financial Year 2022-23, and the scope, functioning, periodicity and methodology for conducting internal audit was approved by the Board of Directors.

Cost Auditor:

Your Company had re-appointed M/s HCB & Co, Cost Accountants (Firm Registration No.000525 to conduct audit of cost records of the Company for the year ended on March 31, 2023 in accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014.

The Cost Audit Report for the year 2021-22 was filed within the due date with the Ministry of Corporate Affairs. The Company has maintained the cost accounts and records in accordance with Section 148 of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014.

Further, M/s HCB & Co, the Cost Accountants (Firm Registration No. 000525) have been re-appointed as the Cost Auditors of the Company for the Financial Year 2023-24. 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:

Your Company had 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 2022-23 in accordance with the provisions of Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2020.

The draft Secretarial Audit Report for said Financial Year 2022-23 in the prescribed Form MR-3 is appended with this Boards' Report as **Annexure III** and there were no



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qualifications, reservation or adverse remarks given by the Secretarial Auditor in the Secretarial Audit Report of the Company.

Further, your Directors have re-appointed M/s Deepak A. Variya & Co., Practicing Company Secretary (Certificate of Practice Number: 10111) as the Secretarial Auditor of the Company for the Financial Year 2023-24.

Annual Return:

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

Governance Policies of the Company:

Vigil Mechanism (Whistle Blower Policy)

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

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

The details of establishment of Vigil Mechanism/ Whistle Blower Policy is uploaded on the webpage of the Company at: <https://avaada.com/solarise/img/Annexure%204%20-%20Vigil%20Mechanism%20Policy-Solarise.pdf>

Corporate Social Responsibility Policy

The Board of Directors of your Company has approved and adopted Corporate Social Responsibility Policy on April 1, 2021, pursuant to section 135 of the Companies Act, 2013

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and rules thereunder. The purpose of CSR Policy is to articulate what CSR means to the Company, kind of projects to be undertaken, identifying broad areas of intervention, approach to be adopted to achieve the CSR goals and monitoring mechanism. This Policy is aligned with the Company's objectives, principles and values, for delineating its responsibility as a socially and environmentally responsible corporate citizen. The details of establishment of CSR Policy is uploaded on the webpage of the Company at: <https://avaada.com/solarise/img/Annexure%205-CSR%20Policy-Solarise.pdf>

Policy on Preservation and Archival of Documents of the Company

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

https://avaada.com/solarise/img/Preservation%20and%20Archival%20of%20Documents_Avaada%20Solarise%20Energy.pdf

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

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

https://avaada.com/solarise/img/Fair%20Disclosure%20policy_Avaada%20Solarise%20Energy.pdf



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

The provisions of Section 134 (3) of the Companies Act 2013 read with Rule 8 of the Companies (Accounts) Rules 2013 regarding disclosure of particulars with respect to Conservation of Energy and Technology absorption are not applicable to your Company. Further, there were no foreign exchange earnings and outgo during the year.

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

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

Particulars of Contracts or Arrangements with Related Parties:

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

Particulars of Employees and Related Disclosures:

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

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

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



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

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

Compliance with Secretarial Standards:

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

Risk Management:

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

Internal Control System:

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

Directors' Responsibility Statement:

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

1. in the preparation of annual accounts for the year ended March 31, 2023, the applicable accounting standards have been followed and there are no material departures from the same;



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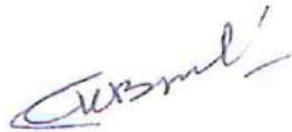
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2. they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2023 and of the profit of the Company for that period;
3. they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. the annual accounts have been prepared on a going concern basis; and
5. they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

Acknowledgements:

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

For and on behalf of the Board of Directors



Rajesh Bihari Dwivedi
Director
DIN: 09133422



Gopal Goel
Director
DIN: 09133443

Date: May 25, 2023
Place: Noida



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

The amount of INR 4,990 millions raised by issuance of green debt securities has been fully allocated for re-financing of "Eligible Green Projects" as defined in the Green Bond framework i.e. for existing 50x3 MW Solar electricity generation facilities/Plant of the Company operational in the State of Karnataka wherein 100% of electricity generated from the said plant is derived from solar energy resources. Thus, the Company has utilized the proceeds from the issue of green debt securities viz. non-convertible debentures ('NCDs') for the purpose for which these proceeds have been raised.

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

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

Project Type	Capacity (in MW AC)	Annual generation (MWh/year) during FY 2022-2023	Projected emission reduction (tCO ₂ /year) during FY 2022-2023
Solar PV Project	50x3	3,32,381	3,11,374

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

All the data presented in the above table is based on the monthly factual data collection. For CO₂ eq emission reduction, combined margin grid emission factor is taken from CO₂ baseline database version 18, December 2022, published by Central Electricity Authority (CEA), Government of India.

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

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

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

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

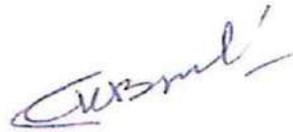
5. Disclosures of major elements of Business Responsibility and Sustainability Report (BRSR):

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

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

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

For and on behalf of the Board of Directors



Rajesh Bihari Dwivedi
Director
DIN: 09133422



Gopal Goel
Director
DIN: 09133443

Date: May 25, 2023
Place: Noida



Annexure IA
Disclosure of major elements of Business Reporting and Sustainability (BRSR):
Essential Indicators:

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

Parameter	As at March 31, 2023	As at March 31, 2022
Total electricity consumption (A)(MWh)	1,023.38	1,167.13
Total fuel consumption (B) - Litres	3,757.81	6,130.80
Total Energy Consumption (B) - J	1,16,34,17,97,600	1,89,80,95,68,000
Energy consumption through other sources (C)	-	-
Total energy consumption (A+B+C) in Joules	38,00,50,97,97,600	43,91,47,75,68,000
Energy intensity per rupee of turnover (Total energy consumption/ turnover in rupees)	4,011	4,723
Energy intensity (optional) - the relevant metric may be selected by the entity	-	-

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

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



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

Parameter	As at March 31, 2023	As at March 31, 2022
Water withdrawal by source (in kilo litres)		
(i) Surface water	-	-
(ii) Groundwater	-	-
(iii) Third party water	11,730	15,637.40
(iv) Seawater / desalinated water	-	-
(v) Others	-	-
<i>Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)</i>	-	-
Total volume of water consumption (in kilo litres)	11,730	15,637.40
Water intensity per rupee of turnover (Water consumed / turnover)	0.0000124	0.0000168
Water intensity (optional) - the relevant metric may be selected by the entity	-	-

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

- 4. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation. - No, since solar power projects are categorized as non-polluting under White Category as per MoEF&CC notification date March 5, 2016.**
- 5. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:**

Parameter	Please Specify unit	As at March 31, 2023	As at March 31, 2022
NO _x	-	-	-
SO _x	-	-	-
Particulate matter (PM)	-	-	-
Persistent organic pollutants (POP)	-	-	-

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

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

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

Parameter	Unit	As at March 31, 2023	As at March 31, 2022
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	<i>Metric tonnes of CO₂ equivalent</i>	8.06	13.15
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	<i>Metric tonnes of CO₂ equivalent</i>	0.727	0.829
Total Scope 1 and Scope 2 emissions per rupee of turnover		0.000000009	0.000000015
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity	-	-	-

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

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



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

Parameter	As at March 31, 2023	As at March 31, 2022
Total Waste generated (in metric tonnes)		
Plastic waste (A)	-	-
E-waste (B)	2.50	2.63
Bio-medical waste (C)	-	-
Construction and demolition waste (D)	-	-
Battery waste (E)	-	-
Radioactive waste (F)	-	-
Other Hazardous waste. Please specify, if any. (G)	-	-
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	-	-
Total (A+B + C + D + E + F +G + H)	2.50	2.63
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	-	-
(ii) Re-used	-	-
(iii) Other recovery operations	-	-
Total	-	-
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	-	-
(ii) Landfilling	-	-
(iii) Other disposal operations	-	-
Total	-	-

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

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

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

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

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

11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year: A detailed Environmental & Social Impact Assessment (ESIA) Study is carried out for each project as per National & International guidelines and as a result ESIA, an Environmental & Social Management Plan is prepared and duly implemented at project level.

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes/No)	Results communicate in public domain (Yes/No)	Relevant Web link
Avaada Solarise Energy Private Limited, Pavagada, Karnataka	N.A.	-	Yes	No	-

12. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format: Not applicable as Solar PV Project is categorized as white category as per guidelines on Categorization of Industries issued by MOEF & CC on February 29, 2016 and subsequent Circular/Notification vide no. B-29012/ESS (CPA)/2015-16 issued by CPCB on March 7, 2016 which states that "There shall be no necessity of obtaining the Consent to Establish/Operate" for White category of industries.

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

Leadership Indicators

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

Parameter	As at March 31, 2023	As at March 31, 2022
From renewable sources		
Total electricity consumption (A)(MWh)	-	-
Total fuel consumption (B)(liters)	-	-
Energy consumption through othersources (C)	-	-
Total energy consumed fromrenewable sources (A+B+C)	-	-
From non-renewable sources		
Total electricity consumption (D) in MWh	1,023.38	1,167.13
Total fuel consumption (E) Litres	3,757.81	6,130.80
Energy consumption through othersources (F)	-	-
Total energy consumed fromnon-renewable sources (D+E+F) in Joules	38,00,50,97,97,600	43,91,47,75,68,000

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

Provide the following details related to water discharged:

Parameter	As at March 31, 2023	As at March 31, 2022
Water discharge by destination and level of treatment (in kilo litres)		
(i) To Surface water		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(ii) To Groundwater		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iii) To Seawater		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iv) Sent to third-parties		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(v) Others		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
Total water discharged (in kilo litres)	Nil	Nil

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

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

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

- (i) Name of the area: Pavagada, Karnataka
- (ii) Nature of operations: Solar Power Generation



(iii) Water withdrawal, consumption and discharge in the following format:

Parameter	As at March 31, 2023	As at March 31, 2022
Water withdrawal by source (in kilo litres)		
(i) Surface water	-	-
(ii) Groundwater	-	-
(iii) Third party water	11,730	15,637.40
(iv) Seawater/desalinated water	-	-
(v) Others	-	-

Total volume of water withdrawal (in kilolitres)	As at March 31, 2023	As at March 31, 2022
Total volume of water consumption (in kilolitres)	11,730	15,637.40
Water intensity per rupee of Turnover (<i>Water consumed /turnover</i>)	0.0000124	0.0000168
Water intensity (<i>optional</i>) - the relevant metric may be selected by the entity	-	-
Water discharge by destination and level of treatment (in kilo litres)		
(i) Into Surface water		
- No treatment	-	-
- With treatment- please specify level of treatment	-	-
(ii) Into Groundwater		
- No treatment	-	-
- With treatment- please specify level of treatment	-	-
(iii) Into Seawater		
- No treatment	-	-
- With treatment- please specify level of treatment	-	-

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(iv) Sent to third-parties		
- No treatment	-	-
- With treatment- please specify level of treatment	-	-
(v) Others		
- No treatment	-	-
- With treatment-please specify level of treatment	-	-
Total water discharged (in kilolitres)	Nil	Nil

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

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

Parameter	Unit	As at March 31, 2023	As at March 31, 2022
Total Scope 3 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	<i>Metric tonnes of CO₂ equivalent</i>	0.053	0.056
Total Scope 3 emissions per rupee of turnover		0.000000000056	0.000000000060
Total Scope 3 emission intensity (optional) - therelevant metric may be selected by the entity		-	-

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

3. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities. - Not Applicable



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

Sr. No	Initiative undertaken	Details of the initiative (<i>Web-link, if any, may be provided along-with summary</i>)	Outcome of the initiative
1	Adoption of dry robotic cleaning for solar panels	Adopted dry robotic cleaning system instead of wet cleaning of solar modules. This system has significantly reduced water consumption	By adoption of robotic dry cleaning system, around 5675 KL of water is being saved annually

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

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

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

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

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

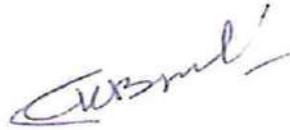


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6. **Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard** - No, significant value chain impact on environment has been identified due to operations of the project.
7. **Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts-** Avaada Group's environmental & social requirements for contractors/service providers is an integral part of GCC with all the vendors.

For and on behalf of the Board of Directors



Rajesh Bihari Dwivedi
Director
DIN: 09133422



Gopal Goel
Director
DIN: 09133443

Date: May 25, 2023
Place: Noida





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Annexure II

Annual Report on Corporate Social Responsibility Activities as prescribed under Section 135 of the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014

1. Brief outline on CSR Policy of the Company:

The CSR policy of the Company was adopted by the Board on August 4, 2020 and it focuses on Education, Empowerment, Environment and Health and other CSR activities and the said policy has been amended by the Board on March 22, 2021 effective from April 1, 2021 pursuant to the amended provisions of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021.

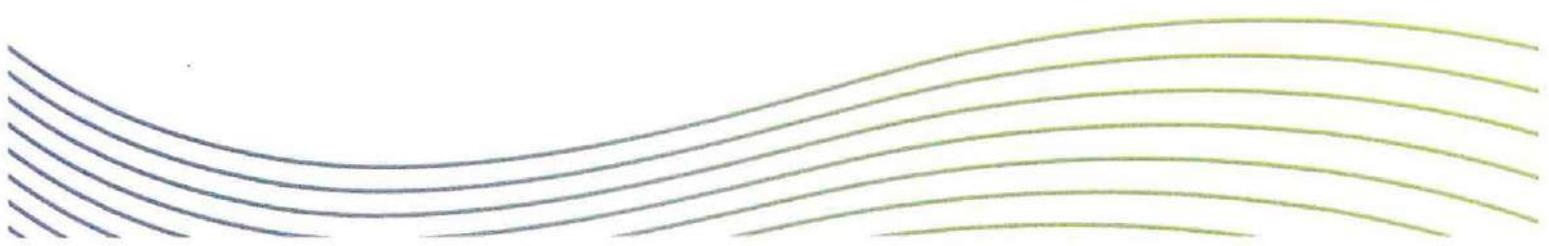
The main objective of the CSR Policy is to lay down guidelines and make CSR as one of the key business drivers for sustainable development of the environment and the society in which the Company operates in particular and the overall development of the global community at large.

2. CSR Committee:

Pursuant to the amendment to the provisions of Section 135 of the Companies Act, 2013 vide the Companies (Amendment) Act, 2020 read with the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021, if the annual CSR obligation of any Company does not exceed Rupees Fifty Lakhs, the Company no longer falls under the criteria for constituting and continuing with the Corporate Social Responsibility Committee. It was thus decided to dissolve the said Corporate Social Responsibility Committee of the Board and the functions earlier delegated to the said Committee are being discharged by the Board.

3. The web-link for CSR Policy and CSR projects approved by the Board is disclosed on the website of the Company:

<https://avaada.com/solarise/img/Annexure%205-CSR%20Policy-Solarise.pdf>



4. The details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014:

The Company at present is not required to carry out impact assessment in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014.

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any

The Company does not have any amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014.

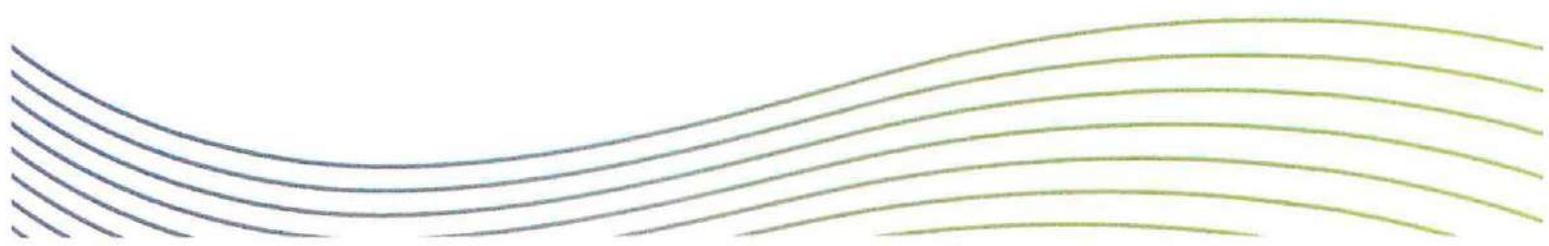
6. Average net profit of the company as per section 135(5): INR 53.92 million

- (a) Two percent of average net profit of the company as per section 135(5): **INR 1.08 million**
 (b) Surplus arising out of the CSR projects or programs or activities of the previous financial years: **NIL**
 (c) Amount required to be set off for the financial year, if any: **NIL**
 (d) Total CSR obligation for the financial year (7a+7b-7c): **INR 1.08 million**

7. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year 2022-23 (INR in millions)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
1.10	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
	NIL	N.A.	N.A.	NIL	N.A.

(b) Details of CSR amount spent against ongoing projects for the financial year: Not Applicable



(c) Details of CSR amount spent against other than ongoing projects for the financial year:

(1) Sr No	(2) Name of the Project	(3) Item from the list of activities in schedule VII to the Act	(4) Local area (Yes / No)	(5) Location of the project		(6) Amount spent for the project (INR in millions)	(7) Mode of implementation - Direct (Yes/ No)	(8) Mode of implementation - Through implementing agency	
				State	District			Name	CSR registration number
1	Supported establishment of educational institutes in rural community under 'Education for all Program'	Education	No	Madhya Pradesh	Dhar	1.10	No	Avaada Foundation	CSR0000 2025

(d) Amount spent in Administrative Overheads: INR 0.05 million

(e) Amount spent on Impact Assessment, if applicable: N.A.

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): INR 1.15 million

(g) Excess amount for set off, if any: N.A.

Sr. No.	Particulars	Amounts (INR in millions)
(i)	Two percent of average net profit of the company as per section 135(5)	1.08
(ii)	Total amount spent for the Financial Year	1.15
(iii)	Excess amount spent for the financial year [(ii)-(i)]	0.07
(iv)	Surplus arising out of the CSR projects or programs or activities of the previous financial years, if any	NIL
(v)	Amount available for set off in succeeding financial years[(iii)-(iv)]	0.07

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8. (a) Details of Unspent CSR amount for the preceding three financial years: Nil

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): N.A.

9. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year: Not Applicable

(a) Date of creation or acquisition of the capital asset(s): N.A.

(b) Amount of CSR spent for creation or acquisition of capital asset: N.A.

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.: N.A.

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset): N.A.

10. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5):

The Company has spent its CSR obligation in full during the Financial Year 2022-23.

For and on behalf of the Board of Directors



Rajesh Bihari Dwivedi
Director
DIN: 09133422



Gopal Goel
Director
DIN: 09133443

Date: May 25, 2023

Place: Noida





Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2023

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
AVAADA SOLARISE ENERGY PRIVATE LIMITED
CIN: U40300DL2018PTC338280
Registered office: 910/19, Suryakiran, Kasturba Gandhi Marg,
New Delhi - 110001, India

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by AVAADA SOLARISE ENERGY PRIVATE LIMITED (hereinafter called "the company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2023 ("Audit Period") complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2023 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;



- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings (Not applicable to the Company during Audit Period)
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable to the Company:
- a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - d. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
 - e. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
 - f. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - g. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - h. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - i. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- (vi) In respect of other laws specifically applicable to the Company, the below-mentioned other law is specifically applicable to the Company:
- a) Electricity Act, 2003;



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

- (i) Secretarial Standards with regard to Meeting of Board of Directors (SS-1) and General Meeting (SS-2) issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with BSE Limited.

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

We have relied on information/ records produced by the Company during the course of my audit and the reporting is limited to that extent.

We further report that

Board of Directors of the Company is duly constituted. There were no changes in the composition of the Board of Directors during the period under review.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and in case of shorter notice, consent of board members was obtained and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

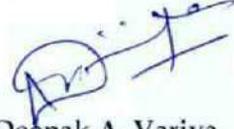
We further report that during the audit period there were no following specific events/actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

- (i) Public/ preferential issue of shares / debentures / sweat equity, etc.
- (ii) Redemption / buy-back of securities
- (iii) Major decisions taken by the members in pursuance to Section 180 of the Companies Act, 2013 (The Company being a private company is exempt from compliance of the provisions of Section 180 of the Companies Act, 2013).
- (iv) Merger / amalgamation / reconstruction, etc.
- (v) Foreign technical collaborations.



This report is to be read with our letter of even date, which is annexed as ANNEXURE-I, and it forms an integral part of this report.

For DEEPAK A. VARIYA & CO.
COMPANY SECRETARIES



Deepak A. Variya
Proprietor
C.P. No. 10111



Place: Mumbai
Date: 25th May, 2023
UDIN:F008830E000379541

ANNEXURE - I

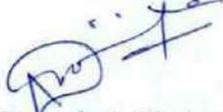
To,
The Members,
AVAADA SOLARISE ENERGY PRIVATE LIMITED
CIN: U40300DL2018PTC338280
Registered office: 910/19, Suryakiran, Kasturba Gandhi Marg,
New Delhi - 110001, India

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

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial Records. The verification was done on the test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted/ will conduct the affairs of the Company.

Place: Mumbai
Date: 25th May, 2023
UDIN: F008830E000379541

For DEEPAK A. VARIYA & CO.
COMPANY SECRETARIES


Deepak A. Variya
Proprietor
C.P. No. 10111



INDEPENDENT AUDITOR'S REPORT

To The Members of Avaada Solarise Energy Private Limited Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Avaada Solarise Energy Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2023, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows 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, 2023, 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 (SAs) specified under section 143(10) of the Act. 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.

Key Audit Matters

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

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 report, but does not include the financial statements and our auditor's report thereon.
- Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether 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.



Responsibilities of Management and Those Charged with Governance 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Company's 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.

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 with reference to financial statements 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.



Deloitte Haskins & Sells

- 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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 Statement of Cash Flows 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, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls with reference to financial statements 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 with reference to financial statements.
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended,

In our opinion and to the best of our information and according to the explanations given to us, the Company being a private company, section 197 of the Act related to the managerial remuneration is not applicable.



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- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. (a) The Management has represented that, to the best of its knowledge and belief, as disclosed in the note 39 to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The Management has represented, that, to the best of its knowledge and belief, as disclosed in the note 39 to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
 - v. The Company has not declared or paid any dividend during the year and has not proposed final dividend for the year.
 - vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company w.e.f. April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.
2. As required by the Companies (Auditor's Report) Order, 2020 ("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**
Chartered Accountants
(Firm's Registration No. 015125N)



Robin Joseph

Robin Joseph
Partner
(Membership No. 512029)
(UDIN:23512029BHAKGR8291)

Place: Gurugram
Date: May 25, 2023

**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 with reference to financial statements under
Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls with reference to financial statements of Avaada Solarise Energy Private Limited ("the Company") as of March 31, 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls with reference to financial statements based on the internal control with reference to financial statements 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 with reference to financial statements 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 with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls with reference to financial statements

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



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prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to financial statements

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

Opinion

In our opinion, 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 with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2023, based on the criteria for internal financial control with reference to financial statements 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.

Our opinion is not modified in respect of this matter.

For **Deloitte Haskins & Sells**
Chartered Accountants
(Firm's Registration No. 015125N)



Robin Joseph

Robin Joseph
Partner
(Membership No. 512029)
(UDIN: 23512029BHAKGR8291)

Place: Gurugram
Date: May 25, 2023

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)

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of Right-of-Use asset.
- (B) As the Company does not hold any intangible assets, reporting under clause 3(i)(a)(B) of the Order is not applicable.
- (b) Some of the Property, Plant and Equipment, (including right-of-use assets) were physically verified during the year by the Management in accordance with a programme of verification, which in our opinion provides for physical verification of all the Property, Plant and Equipment, (including right-of-use assets) at reasonable intervals having regard to the size of the Company and the nature of its activities. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) Based on our examination of the registered sale deed and lease agreement for land on which building is constructed and registered sale deed provided to us, we report that, the title in respect of self-constructed buildings and title deeds of all other immovable properties (other than the properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the financial statements included in Property, Plant and Equipment, are held in the name of the Company as at balance sheet date.
- (d) The Company has not revalued any of its Property, Plant and Equipment (including Right-of-Use assets) during the year.
- (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii) (a) The inventories were physically verified during the year by the management at reasonable intervals. In our opinion and according to the information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and nature of its operations. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories applicable, when compared with books of accounts.
- (b) According to the information and explanations given to us, at any given point of time of the year, the Company has not been sanctioned working capital from banks or financial institutions and hence reporting under clause 3(ii)(b) of the Order is not applicable.



- (iii) (a) The Company not made any investment, has not provided any guarantee, loan, advances in nature of loan or security to any other entity during the year. Further, the Company along with three other fellow subsidiaries has issued non-convertible debentures during the previous year aggregating to INR 14,400 million, for which the Company along with other three fellow subsidiaries have provided guarantee on jointly and severally basis to the debenture trustees. Details of outstanding guarantees as at March 31, 2023 are as given below:

(Amount in INR million)

	Loans	Advances in nature of loans	Guarantees on behalf of fellow subsidiaries	Security
Aggregate amount granted / provided during the year:				
- Others	Nil	Nil	Nil	Nil
Balance outstanding as at balance sheet date in respect of above cases:				
- Others	Nil	Nil	9,033.60	Nil

- (b) The Company has not made any investments, has not provided any guarantee, loan, advances in nature of loan or security to any other entity during the year and hence reporting under clause 3(iii)(b), (c), (d), (e) and (f) is not applicable.
- (iv) The Company has not made any investment during the year under section 186 (1) of the Companies Act, 2013. As per Section 186 (11) read with Schedule VI, provisions of Section 186 except 186(1) with respect to grant of loans, providing guarantees and security would not apply to the Company as the Company is providing infrastructural facilities. The Company has not granted any loans or provided guarantees under Section 185 of the Companies Act 2013.
- (v) The Company has not accepted any deposit or amount which are deemed to be deposits. Hence reporting under clause 3(v) of the order is not applicable.
- (vi) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013. We have broadly reviewed the books of account maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained by the Company. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) According to the information and explanations given to us, in respect of statutory dues:
- (a) Undisputed statutory dues, including Goods and Service Tax, Provident Fund, Income-tax, duty of Custom, cess and other material statutory dues applicable to the Company have generally been regularly deposited by it with the appropriate authorities. We were informed that the provisions of Employees' State Insurance Act, 1948 are not applicable to the Company.

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



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- (b) There are no statutory dues referred to in sub clause (a) above which have not been deposited on account of disputes as on March 31, 2023.
- (viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.
- (ix) (a) In our opinion, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year. As at March 31, 2023, the Company has interest free loan amounting to INR 113.79 million which are repayable on demand. According to information and explanations given to us, such loans have not been demanded for repayment during the financial year.
- (b) The company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- (c) The Company has not taken any term loan during the year and there are no unutilised term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable
- (d) On an overall examination of the financial statements of the Company, the funds raised on short-term have, *prima facie*, not been used during the year for long-term purposes.
- (e) The Company did not have any subsidiary or associate or joint venture during the year and hence, reporting under clause 3(ix)(e) and (f) of the Order is not applicable.
- (x) (a) The Company has not issued any of its securities (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
- (b) During the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
- (c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year and up to the date of this report.
- (xii) The Company is not a Nidhi Company and hence reporting under clause 3(xii) of the Order is not applicable.
- (xiii) In our opinion, the Company is in compliance with Section 188 of the Companies Act for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards. The Company is a private company and hence the provisions of section 177 of the Companies Act, 2013 are not applicable to the Company.
- (xiv) (a) In our opinion, the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We were unable to obtain on timely basis any of the internal audit reports of the Company issued for the period under audit, hence we were unable to consider the internal audit reports in our audit.



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- (xv) In our opinion during the year the Company has not entered into any non-cash transactions with any of its directors or directors of its holding company, or persons connected with such directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.
- (b) According to the information and explanation given to us, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- (xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors of the Company during the year.
- (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there are no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause 3(xx) of the Order is not applicable for the year.

For **Deloitte Haskins & Sells**
Chartered Accountants
(Firm's Registration No. 015125N)



Robin Joseph

Robin Joseph
Partner

(Membership No.512029)
(UDIN: 23512029BHAKGR8291)

Place: Gurugram
Date: May 25, 2023

Avaada Solarise Energy Private Limited

CIN:- U40300DL2018PTC338280

Balance Sheet as at March 31, 2023

(All amounts in INR million unless stated otherwise)

Particulars	Note	As at March 31, 2023	As at March 31, 2022
ASSETS			
Non-current assets			
Property, plant and equipment	3	5,916.75	6,172.70
Right-of-use assets	4	271.26	284.18
Financial assets	5		
Other financial assets	5(a)	405.89	251.91
Non-current tax assets (Net)	6	2.84	4.61
Total non-current assets (A)		6,596.74	6,713.40
Current assets			
Inventories	7	12.82	17.61
Financial assets	8		
Investments	8(a)	382.44	-
Trade receivables	8(b)	269.90	260.58
Cash and cash equivalents	8(c)	0.95	62.06
Other bank balances	8(d)	64.00	191.40
Other financial assets	8(e)	0.05	-
Other current assets	9	7.87	23.10
Total current assets (B)		738.03	554.75
Total assets (A+B)		7,334.77	7,268.15
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	10	428.50	428.50
Instruments entirely equity in nature	11	1,284.90	1,284.90
Other equity	12	261.92	109.40
Total equity (C)		1,975.32	1,822.80
LIABILITIES			
Non-current liabilities			
Financial liabilities	13		
Borrowings	13(a)	4,561.91	4,746.93
Lease liability	13(b)	297.24	297.53
Deferred tax liabilities (net)	14	99.96	48.09
Provisions	15	9.90	9.10
Total non-current liabilities (D)		4,969.01	5,101.65
Current liabilities			
Financial liabilities	16		
Borrowings	16(a)	313.39	246.74
Lease liability	16(b)	31.83	30.50
Trade payables	16(c)		
Total outstanding dues of micro enterprises and small enterprises		2.24	1.90
Total outstanding dues to creditors other than micro enterprises and small enterprises		22.59	40.47
Other financial liabilities	16(d)	19.75	19.75
Other current liabilities	17	0.64	4.34
Provisions	18	-	-
Total current liabilities (E)		390.44	343.70
Total liabilities (F= D+E)		5,359.45	5,445.35
Total equity and liabilities (C+F)		7,334.77	7,268.15

See accompanying notes forming part of the financial statements

1-44

In terms of our report attached

For Deloitte Haskins & Sells

Chartered Accountants

Robin Joseph

Robin Joseph
Partner



Place: Gurugram
Date: May 25, 2023

Aadishri Vinay Sahasrabudde

Aadishri Vinay Sahasrabudde
Company secretary

Date: May 25, 2023

For and on behalf of board of directors

Rajesh Bihari Dwivedi

Rajesh Bihari Dwivedi
Director

DIN: 09133422

Place: Noida

Date: May 25, 2023

Gopal Goel

Gopal Goel
Director

DIN: 09133443

Place: Noida

Date: May 25, 2023



Avaada Solarise Energy Private Limited
CIN:- U40300DL2018PTC338280
Statement of Profit and Loss for the year ended March 31, 2023
(All amounts in INR million unless stated otherwise)

Particulars	Note	For the year ended March 31, 2023	For the year ended March 31, 2022
Income			
Revenue from operations	19	947.55	929.74
Other income	20	30.64	30.30
Total income (A)		978.19	960.04
Expenses			
Cost of sale of material	21	4.19	-
Employee benefits expenses	22	2.74	4.17
Finance costs	23	379.68	640.57
Depreciation expenses	24	268.87	271.36
Other expenses	25	118.33	107.98
Total expenses (B)		773.81	1,024.08
Profit / (loss) before tax (C=A-B)		204.38	(64.04)
Tax expense:			
Current tax	14	-	-
Deferred tax		51.87	(29.85)
Total tax expenses (D)		51.87	(29.85)
Profit / (loss) after tax (E=C-D)		152.51	(34.19)
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss:			
Re-measurement of defined benefit obligation		0.01	(0.03)
Income tax effect of above		-	0.01
Other comprehensive income / (loss) for the year, net of tax (F)		0.01	(0.02)
Total comprehensive income / (loss) for the year, net of tax (G=E+F)		152.52	(34.21)
Earnings per share:			
(a) Basic (INR)	26	0.89	(0.20)
(b) Diluted (INR)		0.89	(0.20)
See accompanying notes forming part of the financial statements	1-44		

In terms of our report attached
For Deloitte Haskins & Sells
Chartered Accountants

Robin Joseph
Robin Joseph
Partner



Place: Gurugram
Date : May 25, 2023

Aadishri Vinay Sahasrabudhe
Aadishri Vinay Sahasrabudhe
Company secretary

Date : May 25, 2023

For and on behalf of board of directors

Rajesh Bihari Dwivedi *Gopal Goel*
Rajesh Bihari Dwivedi **Gopal Goel**
Director Director
DIN: 09133422 DIN: 09133443
Place: Noida Place: Noida
Date : May 25, 2023 Date : May 25, 2023

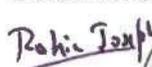


Avaada Solarise Energy Private Limited
CIN:- U40300DL2018PTC338280
Statement of Cash Flows for the year ended March 31, 2023
(All amounts in INR million unless stated otherwise)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
A. Cash flow from operating activities		
Profit/(Loss) before tax	204.38	(64.04)
Adjustments		
Interest and other borrowing costs	347.23	585.70
Processing fees	-	22.21
Interest on lease liability	31.54	31.84
Interest on decommissioning liability	0.91	0.82
Depreciation on property, plant and equipment	255.95	255.93
Depreciation on right-of-use assets	12.92	15.43
Interest income on bank deposits	(18.83)	(21.86)
Change in fair value of mutual fund investments	(4.44)	-
Exchange gain	-	(0.13)
Gain on sale of investments	(5.50)	(0.36)
Operating profit before working capital changes	824.16	825.54
Adjustment for working capital changes		
Changes in security deposits	-	(0.50)
Changes in inventory	(0.14)	3.76
Changes in trade receivables	(9.32)	(82.56)
Changes in other assets	15.23	(16.95)
Changes in trade payables	(17.54)	(30.58)
Changes in provisions	0.01	(0.08)
Changes in other liabilities	10.03	3.38
Cash generated from operating activities	822.43	702.01
Income tax paid (net of income tax refund)	1.77	0.49
Net cash flow from operating activities (A)	824.20	702.50
B. Cash flow from investing activities		
Purchase of property, plant and equipment	-	(0.14)
Investment in mutual fund	(728.30)	(142.99)
Redemption of investment in mutual fund	355.80	143.35
Investment in bank deposits	(763.76)	(1,645.15)
Proceeds from redemption of bank deposits	737.18	1,577.52
Interest income received	18.78	23.59
Net cash used in investing activities (B)	(380.30)	(43.82)
C. Cash flow from financing activities		
Proceeds from non-current borrowings	-	4,990.00
Repayment of non-current borrowings	(199.60)	(5,056.10)
Proceeds from current borrowings	88.20	18.13
Repayment of current borrowings	(30.46)	(1.53)
Payment for processing fees of non-current borrowing	-	(44.61)
Payment of lease liability	(30.50)	(30.50)
Interest and other borrowing costs paid	(332.65)	(585.92)
Net cash used in financing activities (C)	(505.01)	(710.53)
Net decrease in cash and cash equivalents (A+B+C)	(61.11)	(51.85)
Cash and cash equivalents at the beginning of the year	62.06	113.91
Cash and cash equivalents at the end of the year	0.95	62.06
Components of cash and cash equivalents	As at	As at
	March 31, 2023	March 31, 2022
Balances with banks in current accounts	0.95	62.06
Cash and cash equivalents	0.95	62.06

See accompanying notes forming part of the financial statements (1-44)

In terms of our report attached
For Deloitte Haskins & Sells
Chartered Accountants


Robin Joseph
Partner


Anishri Vinay Sahasrabudhe
Company secretary

Place: Gurugram
Date: May 25, 2023

For and on behalf of board of directors


Rajesh Bihari Dwivedi
Director
DIN: 09133422
Place: Noida
Date: May 25, 2023


Gopal Goel
Director
DIN: 09133443
Place: Noida
Date: May 25, 2023



Avaada Solarise Energy Private Limited

CIN:- U40300DL2018PTC338280

Statement of changes in equity for the year ended March 31, 2023

(All amounts in INR million unless stated otherwise)

(a) Equity share capital

Particulars	Number	Amount
Balance as at April 01, 2021	4,28,50,000	428.50
Changes in equity share capital due to prior period errors	-	-
Restated balance at the beginning of the previous reporting period	4,28,50,000	428.50
Changes in equity share capital (refer note 10)	-	-
Balance at March 31, 2022	4,28,50,000	428.50
Changes in equity share capital due to prior period errors	-	-
Restated balance at the beginning of the previous reporting period	4,28,50,000	428.50
Changes in equity share capital (refer note 10)	-	-
Balance at March 31, 2023	4,28,50,000	428.50

(b) Instruments entirely equity in nature

Particulars	Number	Amount
Balance as at April 01, 2021	12,84,90,000	1,284.90
Movement during the year	-	-
Balance at March 31, 2022	12,84,90,000	1,284.90
Movement during the year	-	-
Balance at March 31, 2023	12,84,90,000	1,284.90

(c) Other equity

Particulars	Retained earnings	Debenture redemption reserve	Total other equity
Balance as at April 01, 2021	143.61	-	143.61
Loss for the year	(34.19)	-	(34.19)
Other comprehensive loss, net of tax	(0.02)	-	(0.02)
Transfer to debenture redemption reserve	(109.44)	109.44	-
Balance as at March 31, 2022	(0.04)	109.44	109.40
Profit for the year	152.51	-	152.51
Other comprehensive loss, net of tax	0.01	-	0.01
Transfer to debenture redemption reserve	(152.51)	152.51	-
Balance at March 31, 2023	(0.03)	261.95	261.92

See accompanying notes forming part of the financial statements (1-44)

In terms of our report attached
For Deloitte Haskins & Sells
Chartered Accountants

Robin Joseph
Robin Joseph
Partner
Place: Gurugram
Date: May 25, 2023



Aadishri Vinay Sahasrabudhe
Aadishri Vinay Sahasrabudhe
Company secretary

Date: May 25, 2023

For and on behalf of board of directors

Rajesh Bihari Dwivedi
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Director
DIN: 09133422
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Director
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Place: Noida
Date: May 25, 2023



Avaada Solarise Energy Private Limited

CIN:- U40300DL2018PTC338280

Notes to Financial Statements for the year ended March 31, 2023

(All amounts in INR million unless stated otherwise)

1. Corporate information

Avaada Solarise Energy Private Limited ("the Company") is a private Company domiciled in India and incorporated on September 05, 2018 under the provisions of the Companies Act, 2013 applicable in India as subsidiary of Avaada Energy Private Limited. The registered office of the Company is located at 910/19, Suryakiran, Kasturba Gandhi Marg, New Delhi 110001. The Company has an installed generation capacity of 150 MW solar power project at location of project Pavagada, Karnataka.

The Company is principally engaged in the provision of sale of power.

2. Significant accounting policies

2.1 Statement of compliance and basis of preparation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013, read together with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time.

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

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

2.2 Summary of significant accounting policies

a) Use of estimates

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

b) Current and non-current classification

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

An asset is treated as current when it is:

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

All other assets are classified as non-current.

A liability is treated as current when it is:

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

All other liabilities are classified as non-current.

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

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

c) Property, plant and equipment

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

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



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Avaada Solarise Energy Private Limited

CIN:- U40300DL2018PTC338280

Notes to Financial Statements for the year ended March 31, 2023

(All amounts in INR million unless stated otherwise)

d) De-recognition

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

e) Depreciation

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

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

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

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

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

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

f) Leases

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

As a lessee

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

i) Right-of-use assets

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

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

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



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ii) Lease liabilities

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

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

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

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

g) 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.

h) Inventories

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

i) Financial instruments

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

Financial asset

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

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets. With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient.

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

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



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Avaada Solarise Energy Private Limited

CIN:- U40300DL2018PTC338280

Notes to Financial Statements for the year ended March 31, 2023

(All amounts in INR million unless stated otherwise)

All other financial assets are subsequently measured at fair value.

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

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

The Company assesses at each Balance Sheet date whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss.

The Company recognises lifetime expected losses for all trade receivables. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognized as an impairment gain or loss in profit or loss.

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

Financial Liabilities

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

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

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

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

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

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

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

Reclassification of financial assets

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

Offsetting of financial instruments

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



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Avaada Solarise Energy Private Limited

CIN:- U40300DL2018PTC338280

Notes to Financial Statements for the year ended March 31, 2023

(All amounts in INR million unless stated otherwise)

j) Cash and cash equivalents

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

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

k) Revenue recognition

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

Sale of power

Revenue arrangement

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

Recognition

Revenue from sale of power is recognized when persuasive evidence of an arrangement exists, the fee is fixed or determinable, solar energy kilowatts are supplied and collectability is reasonably assured. Revenue is based on the solar energy kilowatts actually supplied to customers multiplied by the rate per kilowatt hour agreed to in the respective PPAs.

Measurement

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

As per the terms of the PPA, the variable considerations include:

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

Income from carbon emission reduction

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

Sale of goods

Revenue from selling goods with revenue recognised at a point in time when control of the goods has transferred to the customer. The performance obligation in case of product is satisfied at a point in time i.e., when the material is shipped to the customer. Revenue is measured at fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

Interest income

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

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

Dividend income

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



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Costs of obtaining long-term contracts

Costs to obtain a contract that would have been incurred regardless of whether the contract was obtained shall be recognised as an expense when incurred, unless those costs are explicitly chargeable to the customer regardless of whether the contract is obtained. The Company incurred the incremental costs for obtaining PPA and recognise these cost as an asset if the Company expects to recover those costs and shall be amortized over the life of the contract/PPA.

No judgement is needed to measure the amount of costs of obtaining contracts.

l) Foreign currencies

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

Transactions in foreign currencies are initially recorded by the Company at the functional currency spot rates at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognized in profit or loss in the period in which they arise.

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

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

m) Income taxes

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

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

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

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

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

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

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

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

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

n) 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.



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o) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average numbers of shares also includes fixed number of equity shares that are issuable on conversion of conversion of a mandatorily convertible instrument, from the date consideration is received (generally the date of their issue) of such instruments. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

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

The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any bonus issue, bonus element in a rights issue, share split and reverse share split (consolidation of shares).

p) 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.

q) Impairment of non-financial assets

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

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

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



r) 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.

s) 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.

t) Retirement and other employee benefits

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

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

Defined contribution plan

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

Defined benefit plan

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

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

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



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Avaada Solarise Energy Private Limited

CIN:- U40300DL2018PTC338280

Notes to Financial Statements for the year ended March 31, 2023

(All amounts in INR million unless stated otherwise)

u) Recent Indian Accounting Standards (Ind AS)

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

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

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

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

Other amendments include amendments in Ind AS 102, Share-based Payments, Ind AS 103, Business Combination, Ind AS 109, Financial Instruments, Ind AS 115, Revenue from Contract with Customers, are mainly editorial in nature in order to provide better clarification of respective Ind AS. The Company does not expect to have any significant impact in its financial statements due to these amendments.



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Avaada Solarise Energy Private Limited

CIN:- U40300DL2018PTC338280

Notes to Financial Statements for the year ended March 31, 2023

(All amounts in INR million unless stated otherwise)

3. Property, plant and equipment

Particulars	Freehold land	Building and improvements	Plant and machinery	Vehicles	Furniture and Fixtures	Computer	Office equipment'	Total
Cost								
As at April 1, 2021	1.36	159.04	6,567.99	0.13	0.18	-	0.20	6,728.90
Additions during the year	-	-	-	-	-	0.05	0.09	0.14
As at March 31, 2022	1.36	159.04	6,567.99	0.13	0.18	0.05	0.29	6,729.04
Additions during the year	-	-	-	-	-	-	-	-
As at March 31, 2023	1.36	159.04	6,567.99	0.13	0.18	0.05	0.29	6,729.04
Accumulated depreciation								
As at April 1, 2021	-	7.13	293.24	-	0.03	-	0.01	300.41
Depreciation for the year	-	6.04	249.82	0.01	0.02	-	0.04	255.93
As at March 31, 2022	-	13.17	543.06	0.01	0.05	-	0.05	556.34
Depreciation for the year	-	6.04	249.82	0.01	0.02	0.01	0.05	255.95
As at March 31, 2023	-	19.21	792.88	0.02	0.07	0.01	0.10	812.29
Carrying amount								
As at March 31, 2023	1.36	139.83	5,775.11	0.11	0.11	0.04	0.19	5,916.75
As at March 31, 2022	1.36	145.87	6,024.93	0.12	0.13	0.05	0.24	6,172.70

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

Impairment of Property, plant and equipment :

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

4. Right-of-use assets

Particulars	Land (Solar park facility) on lease	Total
Gross carrying amount		
As at April 1, 2021	291.99	291.99
Adjustment for the year	30.98	30.98
Additions during the year	-	-
As at March 31, 2022	322.97	322.97
Adjustment for the year	-	-
Additions during the year	-	-
As at March 31, 2023	322.97	322.97
Accumulated depreciation		
As at April 1, 2021	23.36	23.36
Adjustment for the year	2.51	2.51
Depreciation for the year	12.92	12.92
As at March 31, 2022	38.79	38.79
Adjustment for the year	-	-
Depreciation for the year	12.92	12.92
As at March 31, 2023	51.71	51.71
Carrying amount		
As at March 31, 2023	271.26	271.26
As at March 31, 2022	284.18	284.18

Refer note 13(a) for assets pledged as securities



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Avaada Solarise Energy Private Limited

CIN:- U40300DL2018PTC338280

Notes to Financial Statements for the year ended March 31, 2023

(All amounts in INR million unless stated otherwise)

5. Non-current financial assets

5(a). Other financial assets

Particulars	As at March 31, 2023	As at March 31, 2022
Carried at amortised cost		
Security deposits (Unsecured, considered good)	0.53	0.53
Bank deposits with remaining maturity of more than twelve months*	405.36	251.38
Total	405.89	251.91

*Bank deposits of INR. 400.10 (March 31, 2022 INR 251.30) are under lien for the purpose Debt Service Reserve Account as per requirement of debenture trust deed.

Refer note 13(a) for assets pledged as securities

6. Non-current tax assets (Net)

Particulars	As at March 31, 2023	As at March 31, 2022
Tax deducted at source and advance tax	2.84	4.61
Total	2.84	4.61

7. Inventories

Particulars	As at March 31, 2023	As at March 31, 2022
Stores and spares	12.82	17.61
Total	12.82	17.61

Refer note 13(a) for assets pledged as securities

8. Financial assets

8(a). Investments

Particulars	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
Carried at fair value through profit and loss	Number	Number		
Investments in mutual funds (quoted)				
Aditya Birla Sun Life Liquid Fund - Direct plan growth	8,85,855.94	-	321.64	-
Aditya Birla Sun Life CRISIL IBX AAA Jun 2023 Index Fund - Direct plan growth	19,16,218.73	-	20.18	-
Aditya Birla Sun Life Arbitrage Fund - Direct plan growth	16,89,623.81	-	40.62	-
Total			382.44	-
Aggregate book value of quoted investments			382.44	-
Aggregate market value of quoted investments			382.44	-

Refer note 13(a) for assets pledged as securities

8(b). Trade receivables

Particulars	As at March 31, 2023	As at March 31, 2022
Carried at amortised cost		
Considered good - Secured	-	58.40
Considered good - Unsecured	269.90	202.18
Total receivables	269.90	260.58

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

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



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Avaada Solarise Energy Private Limited

CIN:- U40300DL2018PTC338280

Notes to Financial Statements for the year ended March 31, 2023

(All amounts in INR million unless stated otherwise)

Trade receivables ageing schedule as at March 31, 2023

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables							
(a) Considered good*	188.62	81.28	-	-	-	-	269.90
(b) Significant increase in credit risk	-	-	-	-	-	-	-
(c) Credit impaired	-	-	-	-	-	-	-
(ii) Disputed Trade receivables							
(a) Considered good	-	-	-	-	-	-	-
(b) Significant increase in credit risk	-	-	-	-	-	-	-
(c) Credit impaired	-	-	-	-	-	-	-

*Unbilled revenue of INR 97.55 included in trade receivables

Trade receivables ageing schedule as at March 31, 2022

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables							
(a) Considered good*	177.91	82.67	-	-	-	-	260.58
(b) Significant increase in credit risk	-	-	-	-	-	-	-
(c) Credit impaired	-	-	-	-	-	-	-
(ii) Disputed Trade receivables							
(a) Considered good	-	-	-	-	-	-	-
(b) Significant increase in credit risk	-	-	-	-	-	-	-
(c) Credit impaired	-	-	-	-	-	-	-

*Unbilled revenue of INR 92.90 included in trade receivables

Refer note 13(a) for assets pledged as securities

8(c). Cash and cash equivalents

Particulars	As at	As at
	March 31, 2023	March 31, 2022
Balance with banks in current accounts	0.95	62.06
Total	0.95	62.06

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

Particulars	As at	As at
	March 31, 2023	March 31, 2022
Balance with banks in current accounts	0.95	62.06
Total cash and cash equivalents	0.95	62.06

Refer note 13(a) for assets pledged as securities

8(d). Other bank balances

Particulars	As at	As at
	March 31, 2023	March 31, 2022
Balance with banks in bank deposit and current accounts	64.00	191.40
Total	64.00	191.40

*Bank deposit of INR. Nil (Current accounts March 31, 2022 INR 149.70) are under lien for the purpose Debt Service Reserve Account.

Refer note 13(a) for assets pledged as securities

8(e). Other financial assets

Particulars	As at	As at
	March 31, 2023	March 31, 2022
Carried at amortised cost		
Interest accrued on bank deposits	0.05	-
Total	0.05	-

Refer note 13(a) for assets pledged as securities



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Avaada Solarise Energy Private Limited

CIN:- U40300DL2018PTC338280

Notes to Financial Statements for the year ended March 31, 2023

(All amounts in INR million unless stated otherwise)

9. Other current assets

Particulars	As at	As at
	March 31, 2023	March 31, 2022
Advances to suppliers	0.12	17.13
Prepaid expenses	7.75	5.97
Total	7.87	23.10

Refer note 13(a) for assets pledged as securities

10. Equity share capital

Particulars	As at	As at	As at	As at
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Authorised share capital	Number	Number		
Equity shares of INR 10 each	4,40,00,000	4,40,00,000	440.00	440.00
Issued, subscribed and fully paid-up capital				
Equity shares of INR 10 each	4,28,50,000	4,28,50,000	428.50	428.50
Total			428.50	428.50

Refer note 13(a) for share pledged as securities

(a) Reconciliation of shares outstanding at the beginning and at the end of the year:

Particulars	As at	As at
	March 31, 2023	March 31, 2022
Equity Shares of INR 10 each fully paid-up and held by:	Number	Number
At the commencement of the year	4,28,50,000	4,28,50,000
Movements during the year	-	-
At the end of the year	4,28,50,000	4,28,50,000

(b) Terms/rights attached to equity share

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

(c) Shares held by holding company

Shares held by its holding company are as below:

Particulars	As at	As at
	March 31, 2023	March 31, 2022
Equity shares of INR 10 each fully paid-up and held by:	Number	Number
Avaada Energy Private Limited*	4,28,50,000	4,28,50,000

(d) Particulars of shareholders holding more than 5% equity shares

Particulars	As at March 31, 2023		As at March 31, 2022	
	Number	% holding in the class	Number	% holding in the class
Equity shares of INR 10 each fully paid-up and held by:				
Avaada Energy Private Limited*	4,28,50,000	100%	4,28,50,000	100%

(e) Particulars of shareholding of promoters

Promoter name	As at March 31, 2023		As at March 31, 2022	
	Number	% holding in the class	Number	% holding in the class
Equity shares of INR 10 each fully paid-up and held by:				
Avaada Energy Private Limited*	4,28,50,000	100%	4,28,50,000	100%

* One equity share held by Mr. Vineet Mittal jointly with Avaada Energy Private Limited.

11. Instruments entirely equity in nature

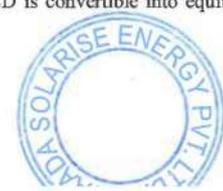
Particulars	As at	As at
	March 31, 2023	March 31, 2022
Fully compulsorily convertible debentures (FCCDs)		
Opening balance	1,284.90	1,284.90
Movements during the year	-	-
Closing balance	1,284.90	1,284.90

Fully compulsorily convertible debentures (FCCDs)

During FY 2019-20, the Company issued 12,84,90,000 FCCDs of INR 10 each at Nil coupon rate, Each FCCD is convertible into equity share of Rs. 10 each without any further act or application by FCCD holder, not later than ten years from the date of allotment.



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Avaada Solarise Energy Private Limited

CIN:- U40300DL2018PTC338280

Notes to Financial Statements for the year ended March 31, 2023

(All amounts in INR million unless stated otherwise)

12. Other equity

Particulars	As at March 31, 2023	As at March 31, 2022
Retained earnings		
Opening balance	(0.04)	143.61
Net profit/(Loss) for the year	152.51	(34.19)
Items of other comprehensive income recognised directly in retained earnings		
Remeasurements of post-employment benefit obligation, net of tax	0.01	(0.02)
Less - Transfer to debenture redemption reserve	(152.51)	(109.44)
Closing balance (A)	(0.03)	(0.04)
Debenture redemption reserve		
Opening balance	109.44	-
Movement during the year*	152.51	109.44
Closing balance (B)	261.95	109.44
Total (A+B)	261.92	109.40

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

13. Non-current financial liabilities**13(a). Long term borrowings**

Particulars	As at March 31, 2023	As at March 31, 2022
Carried at amortised cost		
Secured		
Non-convertible debentures	4,761.51	4,946.53
Less: Current maturities of long term borrowings	199.60	199.60
Total	4,561.91	4,746.93

Summary of borrowings arrangement:

Non-convertible debentures amounting to INR 4,761.51 (March 31, 2022 : 4,946.53).

On March 2, 2022 the Company has issued 4,990 secured, redeemable, rated, listed non-convertible debentures (NCD) having face value of INR 1,000,000 each at fixed coupon rate of 6.75% (effective interest rate is 7.10% (March 31, 2022: 7.10%) per annum payable quarterly, at par aggregating to INR 4,990 million on private placement basis. These NCDs will be due for maturity on February 28, 2025.

These NCDs are secured by:

- The substitution right in respect of the Implementation Support Agreements and the Sub-Lease Agreements, duly acknowledged and consented to by the Lessor, in accordance with the terms of the Substitution Letter.
- First ranking pari passu charge on both present and future comprising of moveable fixed assets, current assets, all receivables, bank accounts, all reserves maintained by the Company in relation to the Debentures excluding project land on which Debenture trustees has exclusive charge.
- First ranking security (by way of assignment/charge) over all the rights, title, interest, benefits, claims and demands under project documents
- Pledge over up to 99.99% of the total issued and paid-up share capital of the Company and 100% of the compulsory convertible debentures approved by its shareholders,
- Unconditional and irrevocable corporate guarantee from Fermi Solarfarms Private Limited, Avaada SataramH Private Limited, and Clean Sustainable Energy Private Limited (on a joint and several basis) in favour of the Debenture Trustee, in accordance with the terms of the Deed of Guarantee.

As per the agreement with lenders, the Company has to comply with certain financial and non-financial covenant. The Company has complied with financials and material non-financial covenants.

The Management concluded to classify the loan as "current" or "non-current" based on its original repayment schedule as on the Balance Sheet date.



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Avaada Solarise Energy Private Limited

CIN:- U40300DL2018PTC338280

Notes to Financial Statements for the year ended March 31, 2023

(All amounts in INR million unless stated otherwise)

13(b). Lease liability

Particulars	As at March 31, 2023	As at March 31, 2022
Carried at amortised cost		
Lease liability	297.24	297.53
Total	297.24	297.53

14. Deferred tax liabilities (net)

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

(a) Statement of Profit or loss section

	For the year ended March 31, 2023	For the year ended March 31, 2022
Current tax:		
Current tax	-	-
Total current tax expense	-	-
Deferred tax		
Deferred tax charge/ (credit)	51.87	(29.85)
Total deferred tax charge/ (credit)	51.87	(29.85)
Tax expense/ (credit) recognised in the Statement of Profit or Loss	51.87	(29.85)

Other comprehensive income/ (loss) section

Deferred tax charge (credit):

Re-measurement gains/ (losses) on defined benefit plans

- 0.01

Income tax charged/ (credited) to other comprehensive income/ (loss)

- **0.01**

(b) Reconciliation of tax expense and the accounting profit multiplied by enacted tax rate for March 31, 2023 and March 31, 2022

Profit/ (loss) before tax	204.38	(64.04)
At enacted tax rate of 25.17 % (March 31, 2022: 25.17%)	51.44	(16.12)
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Effect of expenses that are not deductible in determining taxable profit	0.29	0.38
Tax impact of processing fees charged to Statement of Profit and Loss due to prepayment of term loan	-	(5.59)
Adjustments in respect of income tax of previous year	0.14	(8.53)
Total adjustments	0.43	(13.74)
Income tax expense/ (income) as per statement of Profit and Loss	51.87	(29.86)

(c) The movement in gross deferred tax assets and liabilities (before set off) for the year ended March 31, 2023 is as follows:

Particulars	As at April 1, 2022	(Charge)/ credit to Statement of Profit and Loss	Charge/(credit) to other comprehensive income	As at March 31, 2023
Carried forward losses and unabsorbed depreciation	993.98	71.69	-	1,065.67
Property, plant and equipment	(1,044.57)	(129.69)	-	(1,174.26)
Right-of-use asset	(71.53)	3.25	-	(68.28)
Lease liabilities	82.56	0.27	-	82.83
Non-convertible debentures	(10.94)	3.67	-	(7.27)
Decommissioning liability	2.26	0.23	-	2.49
Others	0.15	(1.29)	-	(1.14)
Net deferred tax liability (net)	(48.09)	(51.87)	-	(99.96)



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Avaada Solarise Energy Private Limited

CIN:- U40300DL2018PTC338280

Notes to Financial Statements for the year ended March 31, 2023

(All amounts in INR million unless stated otherwise)

(c) The movement in gross deferred tax assets and liabilities (before set off) for the year ended March 31, 2022 is as follows:

Particulars	As at April 1, 2021	(Charge)/ credit to Statement of Profit and Loss	Charge/(credit) to other comprehensive income	As at March 31, 2022
Carried forward losses and unabsorbed depreciation	714.62	279.36	-	993.98
Property, plant and equipment	(794.29)	(250.28)	-	(1,044.57)
Right-of-use asset	5.88	(77.41)	-	(71.53)
Lease liabilities	(4.40)	86.96	-	82.56
Non-convertible debentures	-	(10.94)	-	(10.94)
Decommissioning liabilities	0.19	2.07	-	2.26
Others	0.05	0.09	(0.01)	0.15
Net deferred tax liability (net)	(77.95)	29.85	(0.01)	(48.09)

The tax effects of significant temporary differences that resulted in deferred income tax assets and liabilities are as follows :

Particulars	As at March 31, 2023	As at March 31, 2022
Deferred income tax assets after set off	1,150.99	1,078.95
Deferred income tax liabilities after set off	(1,250.95)	(1,127.04)
Net deferred tax liability (net)	(99.96)	(48.09)

15. Long term provisions

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for employee benefits		
Gratuity (refer note 32)	0.01	0.08
Compensated absences	0.01	0.06
Provision for asset retirement obligation		
Decommissioning liabilities	9.88	8.96
Total	9.90	9.10

16. Current financial liabilities

16(a). Current borrowings

Particulars	As at March 31, 2023	As at March 31, 2022
Carried at amortised cost		
Secured		
Current maturities of long-term borrowings	199.60	199.60
Unsecured		
Loans from related parties (refer note 31)	113.79	47.14
Total	313.39	246.74

Terms and conditions:

(a) Loan from related parties

Interest free loan from Avaada Energy Private Limited amounting to INR 103.34 (March 31, 2022: 43.57)

Interest free loan from Avaada Clean Project Private Limited amounting to INR 0.21 (March 31, 2022: 3.44)

Interest free loan from Avaada RJHN Private Limited amounting to INR 0.19 (March 31, 2022: 0.08)

Interest free loan from Avaada Sunce Energy Private Limited amounting to INR 0.05 (March 31, 2022: 0.05)

Interest free loan from Fermi Solarfarms Private Limited amounting to INR 10.00 (March 31, 2022: Nil)

The borrowing is in the nature of revolving credit facility as and when requested by the Company. It is interest-free and repayable on demand.

16(b). Lease liability

Particulars	As at March 31, 2023	As at March 31, 2022
Carried at amortised cost		
Lease liability	31.83	30.50
Total	31.83	30.50



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Avaada Solarise Energy Private Limited

CIN:- U40300DL2018PTC338280

Notes to Financial Statements for the year ended March 31, 2023

(All amounts in INR million unless stated otherwise)

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

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

Movement for the year ended March 31, 2023

Particulars	Opening balance as at April 1, 2022	Non-cash changes	Financing cash flows	Closing balance as at March 31, 2023
Non-convertible debentures	4,946.53	14.58	(199.60)	4,761.51
Short term loan from related party	47.14	8.91	57.74	113.79
Lease liability	328.03	31.54	(30.50)	329.07

Movement for the year ended March 31, 2022

Particulars	Opening balance as at April 1, 2021	Non-cash changes	Financing cash flows	Closing balance as at March 31, 2022
Non-convertible debentures	-	1.14	4,945.39	4,946.53
Term loan from financial institutions	5,033.89	22.21	(5,056.10)	-
Short term loan from related party	30.50	10.60	6.04	47.14
Lease liability	295.74	62.79	(30.50)	328.03

16(c). Trade payables

Particulars	As at March 31, 2023	As at March 31, 2022
Carried at amortised cost		
Total outstanding dues of micro enterprises and small enterprises (refer note 38) (MSME)	2.24	1.90
Total outstanding dues to creditors other than micro enterprises and small enterprises	22.59	40.47
Total	24.83	42.37

Trade payable ageing schedule as at March 31, 2023:

Particulars	Outstanding for following periods from due date of payment					Total
	Not due	Less than 1 year	1-2 years*	2-3 years	More than 3 years	
(i) MSME	-	1.60	0.64	-	-	2.24
(ii) Others*	19.09	3.50	0.00	-	-	22.59
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-

Trade payable ageing schedule as at March 31, 2022:

Particulars	Outstanding for following periods from due date of payment					Total
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	1.90	-	-	-	1.90
(ii) Others	37.21	3.26	-	-	-	40.47
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-

* Expressed in absolute - Others (1-2 years) INR 4,602 (March 31, 2022: INR Nil)

16(d). Other financial liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Carried at amortised cost		
Payables to related parties for purchase of capital assets (refer note 31)	19.75	19.75
Total	19.75	19.75

17. Other current liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Statutory dues	0.64	4.34
Total	0.64	4.34



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Avaada Solarise Energy Private Limited

CIN:- U40300DL2018PTC338280

Notes to Financial Statements for the year ended March 31, 2023

(All amounts in INR million unless stated otherwise)

18. Short term provisions

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for employee benefits		
Gratuity (refer note 32)*	-	-
Compensated absences**	-	-
Total	-	-

* Expressed in absolute - Gratuity INR 154 (March 31, 2022: INR 1,189)

** Expressed in absolute - Compensated absences INR 239 (March 31, 2022: INR 1,357)

19. Revenue from operations

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Sales of power*	943.36	929.74
Sale of material	4.19	-
Total	947.55	929.74

* Revenue from sale of power is net off rebate INR Nil (March 31, 2022 INR 9.13) and deviation charges/(income) (net off) INR 27.19 (March 31, 2022 INR (4.29)).

20. Other income

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Gain on sale of investments	5.50	0.36
Interest income on bank deposits	18.83	21.86
Change in fair value of mutual fund investments	4.44	-
Foreign Exchange gain	-	0.13
Carbon credit sale	-	7.73
Miscellaneous income	1.87	0.22
Total	30.64	30.30

21. Cost of sale of material

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Cost of sale of material	4.19	-
Total	4.19	-

22. Employee benefits expenses

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Salary, wages and bonus	2.43	3.83
Contribution to provident fund and other funds	0.11	0.15
Gratuity expense (Refer note 32)	0.01	0.03
Compensated absences (Refer note 32)	0.04	0.01
Staff welfare expenses	0.15	0.15
Total	2.74	4.17



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Avaada Solarise Energy Private Limited

CIN:- U40300DL2018PTC338280

Notes to Financial Statements for the year ended March 31, 2023

(All amounts in INR million unless stated otherwise)

23. Finance costs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest costs:		
Loan from financial institutions	-	437.57
Non-convertible debentures	346.36	27.90
Lease liability	31.54	31.84
Decommissioning liability	0.91	0.82
Other borrowing costs		
Bank charges on bank guarantee	0.87	2.49
Processing fees	-	22.21
Other borrowing cost	-	2.72
Loan pre-payment charges	-	115.02
Total	379.68	640.57

24. Depreciation expenses

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Depreciation on property, plant and equipment	255.95	255.93
Depreciation on right-of-use assets	12.92	15.43
Total	268.87	271.36

25. Other expenses

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Auditor remuneration*	2.06	0.65
Corporate social responsibility expenses (refer note 27)	1.15	1.50
Electricity sale expenses	1.32	1.48
Fees and subscription expenses	0.21	0.05
Insurance expenses	9.86	8.96
Legal and professional expenses	4.27	1.55
Office upkeep expenses	-	0.26
Plant maintenance expenses	79.94	76.50
Project compliance charges	0.41	0.76
Security expenses	10.52	8.53
Site and guest house expenses	0.45	0.23
Travelling and conveyance	2.24	1.57
Miscellaneous expenses	5.90	5.94
Total	118.33	107.98

***Payment to auditors**

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Statutory audit fee (including GST)	0.65	0.65
Fee for limited review	0.89	-
Others services	0.47	-
Out-of-pocket expenses	0.05	-
Total	2.06	0.65



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Avaada Solarise Energy Private Limited

CIN:- U40300DL2018PTC338280

Notes to Financial Statements for the year ended March 31, 2023

(All amounts in INR million unless stated otherwise)

26. Earnings per share (EPS)

Particulars	For the year ended	
	March 31, 2023	March 31, 2022
Basic (INR)	0.89	(0.20)
Diluted (INR)	0.89	(0.20)

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

Profit/(loss) for the year	152.51	(34.19)
Earnings used in the calculation of basic earnings per share from continuing operations	152.51	(34.19)

Weighted average number of equity shares for the purposes of basic earnings per share 17,13,40,000 17,13,40,000

Diluted earnings per share:

Profit/(loss) for the year	152.51	(34.19)
Earnings used in the calculation of diluted earnings per share from continuing operations	152.51	(34.19)

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	17,13,40,000	17,13,40,000
Weighted average number of equity shares used in the calculation of diluted earnings per share	17,13,40,000	17,13,40,000

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

27. Disclosure relating to Corporate Social Responsibility (CSR) Expenditure

As per provisions of Section 135 of the Companies Act, 2013, the Company has to spend at least 2% of the average profits of the preceding three financial years towards CSR. Accordingly, a CSR committee has been formed for carrying out the CSR activities as per Schedule VII of the Companies Act, 2013.

Particulars	For the year ended	
	March 31, 2023	March 31, 2022
(i) Amount required to be spent by the Company during the year	1.08	1.48
(ii) Amount of expenditure incurred	1.15	1.50
(iii) Shortfall at the end of the year	-	-
(iv) Total of previous years shortfall	-	-
(v) Reason for shortfall	Not applicable	Not applicable
(vi) Nature of CSR activities	Education and administrative	Preventive healthcare/Covid care support
(vii) Details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard*	1.15	1.50
(viii) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year	Not applicable	Not applicable

*Represents contribution to Avaada foundation a controlled trust to support the education, empowerment, health, environment and rural electrification, emphasizing more on women education and empowerment.



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Avaada Solarise Energy Private Limited

CIN:- U40300DL2018PTC338280

Notes to Financial Statements for the year ended March 31, 2023

(All amounts in INR million unless stated otherwise)

28. Financial Ratio

Particulars	For the year ended	For the year ended	Variance%
	March 31, 2023	March 31, 2022	
1 Current Ratio (in times) (Current Assets/Current Liabilities)	1.89	1.61	17.39%
2 Debt-Equity Ratio (in times) [Total Debt/ Equity]*	2.63	2.92	(9.93%)
3 Debt Service Coverage Ratio (in times) [(Profit after Tax excluding exceptional items + Finance Cost+ Depreciation / (Interest payment + Principal repayment + Lease payment)] **	1.46	1.81	(19.34%)
4 Return on Equity Ratio (in times) (Profit after tax /Average shareholder equity)	8.03%	(2.00%)	10.03%
5 Inventory Turnover Ratio (Net Sales/Average inventory)***	Not applicable	Not applicable	
6 Trade Receivable Turnover Ratio (in times) [(Revenue from operation) /Average Trade Receivable]	3.57	4.24	(15.80%)
7 Net capital turnover ratio (Net Sales / Working capital) Reasons for variance:- Increase in investment in mutual fund has resulted in increase in the current asset, hence variance in ratio.	2.73	4.41	(38.10%)
8 Trade payables turnover ratio=Net credit purchases / Average Payable****	Not applicable	Not applicable	
9 Net Profit ratio (%) [Profit after tax/Revenue from Operations]	16.10%	(3.68)%	19.78%
10 Return on capital employed (Profit after tax+finance cost)/(Tangible net worth + Total debt* + Deferred tax liabilities)	8.02%	8.02%	0.00%
11 Return on investment = Income generated from investments / Time weighted average investments*****	Not applicable	Not applicable	

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

**Interest payment and repayments represents the future interest payments and repayments of long term debt due within twelve months of the reporting date.

***Not Applicable, as the Company has only inventory of stores and spares parts. There is no inventory of finished goods.

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

*****Not Applicable, as the Company has made short term investments (bank deposits and mutual funds) for utilising the surplus fund.

The above financial ratios measures presented may not be comparable to similarly titled measures reported by other companies.



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29. 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.

Taxes

Deferred tax assets are recognised for unabsorbed tax losses, unabsorbed depreciation and all deductible temporary differences, to the extent that it is probable that future taxable profit will be available against which they can be utilised. Management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

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

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

Fair value of 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.

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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Avaada Solarise Energy Private Limited

CIN:- U40300DL2018PTC338280

Notes to Financial Statements for the year ended March 31, 2023

(All amounts in INR million unless stated otherwise)

30. Operating Segments

The Company's Board of Directors' is considered to be the chief operating decision maker in accordance with Ind AS 108. Based on the financial information reviewed by the chief operating decision maker in deciding how to allocate the resources and in assessing the performance of the Company, the Company has determined that it has a single operating and reporting segment, i.e., sale of power. The Company's principal operations are located in India. Accordingly, the Company earns its entire revenue from India. All of the Company's non current assets are located in India.

31. Related party transactions

(i) Names of related parties and related party relationship

(a) Related parties where control exists

Ultimate Holding Company
Holding Company
Fellow Subsidiary Company

Avaada Ventures Private Limited
Avaada Energy Private Limited
Avaada Clean Project Private Limited
Avaada RJHN Private Limited
Avaada Sunce Energy Private Limited
Avaada SataraMH Private Limited
Clean Sustainable Energy Private Limited
Fermi Solarfarms Private Limited
Avaada Foundation

Director and key managerial personnel

Rajesh Bihari Dwivedi (Director)
Gopal Goel (Director)
Aadishri Vinay Sahasrabudhe (Company Secretary)

(ii) Transaction with related parties during the year

Particulars	Holding and other related companies	
	March 31, 2023	March 31, 2022
Proceeds from current borrowings	88.20	7.57
Avaada Energy Private Limited	58.00	7.50
Fermi Solarfarms Private Limited	30.00	-
Avaada Clean Project Private Limited	0.20	0.07
Repayment of current borrowings	30.46	1.53
Avaada Energy Private Limited	0.19	1.33
Fermi Solarfarms Private Limited	20.00	-
Avaada Clean Project Private Limited	10.27	0.20
Sale of goods & services	4.94	-
Avaada Clean Project Private Limited	4.94	-
Transfer of retirement obligation liability employee transferred to	0.11	0.13
Avaada RJHN Private Limited	0.11	0.08
Avaada Sunce Energy Private Limited	-	0.05
Reimbursement of expenses by	13.74	10.47
Avaada Energy Private Limited	1.96	6.93
Avaada Clean Project Private Limited	11.78	3.54
Contribution of fund in relation to CSR expenditure	1.15	1.50
Avaada Foundation	1.15	1.50

Compensation to director and key managerial personnel

No remuneration has been paid to the directors and Company secretary for the services received during the years ended March 31, 2023 and March 31, 2022.



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Avaada Solarise Energy Private Limited

CIN:- U40300DL2018PTC338280

Notes to Financial Statements for the year ended March 31, 2023

(All amounts in INR million unless stated otherwise)

(iii) Balances outstanding at the end of the year

Particulars	Holding and other related companies	
	March 31, 2023	March 31, 2022
Other financial liabilities	19.75	19.75
Avaada Energy Private Limited	19.75	19.75
Current borrowings	113.79	47.14
Avaada Energy Private Limited	103.34	43.57
Avaada Clean Project Private Limited	0.21	3.44
Avaada RJHN Private Limited	0.19	0.08
Avaada Sunce Energy Private Limited	0.05	0.05
Fermi Solarfarms Private Limited	10.00	-

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

- (iv) The Company along with three other fellow subsidiaries has issued non-convertible debentures during the previous year aggregating to INR 14,400 million, for which the Company along with other three fellow subsidiaries have provided guarantee on jointly and severally basis to the debenture trustees. The guarantee is limited to the NCDs outstanding balance as at year end. Accordingly, as at March 31, 2023, the outstanding guarantee amount is INR 9033.60 (March 31, 2022: 9,410) given by the Company on behalf of Avaada SataraMH Private Limited, Clean Sustainable Energy Private Limited and Fermi Solarfarms Private Limited in favour of debenture holders of the Company.



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32. 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:

	As at March 31, 2023	As at March 31, 2022
Discount rate	7.53%	7.40%
Future salary increment rate	7.00%	7.00%
Retirement age	60 years	60 years
Mortality table	Indian Assured lives Mortality (2012-14)	Indian Assured lives Mortality (2012-14)

Withdrawal rates: age related and past experience

Age	% Withdrawal	
	As at March 31, 2023	As at March 31, 2022
Upto 30 year	3%	3%
Between 31 and 44 years	2%	2%
Above 44 years	1%	1%

The principal assumptions are the discount rate and salary growth rate. The discount rate is generally based upon the market yield available on the Government 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:

	As at March 31, 2023	As at March 31, 2022
Opening defined benefit obligation	0.08	0.08
Obligation transferred to fellow subsidiary Company	(0.04)	(0.06)
Current service cost	0.01	0.02
Interest cost	0.01	0.01
Re-measurements	-	-
Benefits paid	(0.04)	-
Actuarial (gain) / loss	(0.01)	0.03
Closing defined benefit obligation	0.01	0.08

Balance sheet

	As at March 31, 2023	As at March 31, 2022
Present value of defined benefit obligation	(0.01)	(0.08)
Fair value of plan assets	-	-
Plan asset / (liability)	(0.01)	(0.08)

Expenses recognised in statement of profit and loss

	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest cost	0.01	0.01
Current service cost	0.01	0.02
Net benefit expense	0.02	0.03

Expenses recognised in Statement of other comprehensive income

	For the year ended March 31, 2023	For the year ended March 31, 2022
Actuarial (gain) / loss	-	-
Due to change in demographic assumptions	-	-
Due to change in financial assumptions*	(0.00)	(0.01)
Due to change in experience adjustments	(0.01)	0.03
Total expense recognised in statement of other comprehensive income	(0.01)	0.02

*Expressed in absolute - expense recognised in other comprehensive income Rs. 233 (March 31, 2022: 8,238)

A quantitative sensitivity analysis for significant assumption as at March 31, 2023 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)



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Avaada Solarise Energy Private Limited

CIN:- U40300DL2018PTC338280

Notes to Financial Statements for the year ended March 31, 2023

(All amounts in INR million unless stated otherwise)

A quantitative sensitivity analysis for significant assumption as at March 31, 2022 is as shown below:

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

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

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

	As at March 31, 2023	As at March 31, 2022
Within one year*	0.00	0.00
1-5 years	0.01	0.02
More than 5 years	-	-

*Expressed in absolute- within one year Rs. 1,021 (March 31, 2022: 2,695)

The average duration of the defined benefit plan obligation at the end of the reporting period is 0.41 years (March 31, 2022: 3.79)

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:

- 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.
- Discount Rate : Reduction in discount rate in subsequent valuations can increase the plan's liability.
- Mortality & disability – Actual deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.
- Withdrawals – Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact plan's liability.

(b) Compensated absence : The amount of the provision INR 0.01 (March 31, 2022: INR 0.06)

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

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

Withdrawal rates: age related and past experience

Age	% Withdrawal	
	As at March 31, 2023	As at March 31, 2022
Upto 30 year	3%	3%
Between 31 and 44 years	2%	2%
Above 44 years	1%	1%

A quantitative sensitivity analysis for significant assumption as at March 31, 2023 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 compensated absences	(0.00)	0.00	0.00	(0.00)

A quantitative sensitivity analysis for significant assumption as at March 31, 2022 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 compensated absences	(0.01)	0.01	0.01	(0.01)

(c) Defined contribution plan

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

	For the year ended March 31, 2023	For the year ended March 31, 2022
Employers' Contribution to Employee's provident fund	0.11	0.15
	0.11	0.15



Avaada Solarise Energy Private Limited

CIN:- U40300DL2018PTC338280

Notes to Financial Statements for the year ended March 31, 2023

(All amounts in INR million unless stated otherwise)

33. Fair values

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

Note	Carrying Value		Fair value		
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	
Financial assets					
Measured at fair value through profit and loss					
Investments	8(a)	382.44	-	382.44	-
Financial assets					
Measured at amortised cost					
Security deposits	5(a)	0.53	0.53	0.53	0.53
Trade receivables	8(b)	269.90	260.58	269.90	260.58
Cash and cash equivalents	8(c)	0.95	62.06	0.95	62.06
Bank deposit	5(a) & 8(d)	469.36	442.78	469.36	442.78
Other financial assets	8(e)	0.05	-	0.05	-
Financial liabilities					
Measured at amortised cost					
Non-convertible debentures	13(a)	4,761.51	4,946.53	4,761.51	4,946.53
Lease liability	13(b) & 16(b)	329.07	328.03	329.07	328.03
Loans from related parties	16(a)	113.79	47.14	113.79	47.14
Trade payables	16(c)	24.83	42.37	24.83	42.37
Payables to related parties for purchase of capital assets	16(d)	19.75	19.75	19.75	19.75

34. Fair value hierarchy

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

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

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

	Total	Fair value measurement using		
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Financial assets:				
- Investments in mutual fund	382.44	382.44	-	-

The Company does not have financial assets recorded at fair value as at March 31, 2022



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Avaada Solarise Energy Private Limited

CIN:- U40300DL2018PTC338280

Notes to Financial Statements for the year ended March 31, 2023

(All amounts in INR million unless stated otherwise)

35. 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 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 basis points	Effect on loss before tax
March 31, 2023			
Non-convertible debentures	4,761.51		
Decrease in profit before tax on account of increase in interest costs		(1.00%)	(47.62)
Increase in profit before tax on account of decrease in interest costs		1.00%	47.62
March 31, 2022			
Non-convertible debentures	4,946.53		
Decrease in profit before tax on account of increase in interest costs		(1.00%)	(49.47)
Increase in profit before tax on account of decrease in interest costs		1.00%	49.47

(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, and other financial instruments. Management considers available reasonable and supportive forward-looking information including indicators like external credit rating (as far as available), and macro-economic information (such as regulatory changes, government directives, market interest rate, etc.).

(i) Trade Receivables

The Company evaluates the concentration of risk with respect to trade receivables as low, as the Company primarily generates revenue from sale of power to single-off taker i.e. BESCOM, which is the sole customer of the Company. BESCOM is high rated public sector undertaking with credit rating of A1+ as per ICRA Limited.

(ii) Financial instruments and cash deposits

Credit risk is limited as the Company holds balances and deposits with banks having good credit rating issued by the domestic and international credit rating agencies.

(c) Liquidity risk

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

Liquidity and interest risk

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



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Avaada Solarise Energy Private Limited

CIN:- U40300DL2018PTC338280

Notes to Financial Statements for the year ended March 31, 2023

(All amounts in INR million unless stated otherwise)

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

Particulars	Effective interest rate (% p.a.)	Within 1 year	Between 1 and 5 years	More than 5 years	Total	Carrying amount
Variable interest rate						
Non-convertible debentures*	7.10	517.90	4,870.18	-	5,388.08	4,761.51
Non-Interest bearing						
Lease liability		31.83	132.60	636.49	800.92	329.07
Current borrowings		113.79	-	-	113.79	113.79
Trade payables		24.83	-	-	24.83	24.83
Payables to related parties for purchase of capital assets		19.75	-	-	19.75	19.75
		708.10	5,002.78	636.49	6,347.37	5,248.95

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

Particulars	Effective interest rate (% p.a.)	Within 1 year	Between 1 and 5 years	More than 5 years	Total	Carrying amount
Variable interest rate						
Non-convertible debentures*	7.10	531.39	5,388.08	-	5,919.47	4,946.53
Non-Interest bearing						
Lease liability		30.50	129.96	671.04	831.50	328.03
Current borrowings		47.14	-	-	47.14	47.14
Trade payables		42.37	-	-	42.37	42.37
Payables to related parties for purchase of capital assets		19.75	-	-	19.75	19.75
		671.15	5,518.04	671.04	6,860.23	5,383.82

*Includes principal and interest cash flows.

36. 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.

Long term borrowings (including current maturities of long term debts)

Less: Cash and cash equivalents

Net debt (A)

Total Equity

Capital and net debt (B)

Gearing ratio [(A)/(B)]

	As at March 31, 2023	As at March 31, 2022
Long term borrowings (including current maturities of long term debts)	4,761.51	4,946.53
Less: Cash and cash equivalents	(0.95)	(62.06)
Net debt (A)	4,760.56	4,884.47
Total Equity	1,975.32	1,822.80
Capital and net debt (B)	6,735.88	6,707.27
Gearing ratio [(A)/(B)]	70.67%	72.82%



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Avaada Solarise Energy Private Limited

CIN:- U40300DL2018PTC338280

Notes to Financial Statements for the year ended March 31, 2023

(All amounts in INR million unless stated otherwise)

37. Commitments and contingencies**a) Commitments**

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

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

c) Pursuant to the Debenture Trust Deed entered by the Company with the Catalyst Trustee Limited ("Debenture Trustee"), the Company has given corporate guarantee amount INR 9,033.60 (March 31, 2022: INR 9,410.00) (amount of NCD outstanding) in favour of Debenture trustee of Avaada SataraMH Private Limited, Clean Sustainable Energy Private Limited and Fermi Solarfarms Private Limited (refer note 31).

There are no other contingent liability as on date of these financial statements, other than as disclosed above.

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

Particulars	As at	As at
	March 31, 2023	March 31, 2022
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;	2.24	1.90
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.	-	-
	2.24	1.90

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.

39. Other statutory information

a) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

b) The Company does not have any transactions with companies struck off.

c) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

d) The Company have not traded or invested in crypto currency or virtual currency during the financial year.

e) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

f) All the title deeds/ lease deed of immovable properties are held in the name of the Company as at the balance sheet date.

g) The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or;

ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

h) The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or;

ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

i) The Company does have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).



Avaada Solarise Energy Private Limited

CIN:- U40300DL2018PTC338280

Notes to Financial Statements for the year ended March 31, 2023

(All amounts in INR million unless stated otherwise)

40. Events after the reporting period

There are no other significant events after the end of the reporting period, which requires any adjustment or disclosure in the financial statements.

41. Approval of financial statements

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

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

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

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




Aadishri Vinay Sahasrabudhe
Company secretary

Date : May 25, 2023

For and on behalf of board of directors


Rajesh Bihari Dwivedi
Director
DIN: 09133422
Place: Noida
Date : May 25, 2023


Gopal Goel
Director
DIN: 09133443
Place: Noida
Date : May 25, 2023