

## INDEPENDENT AUDITORS' REPORT

To The Members of

PN Renewable Energy Limited

### Report on the Standalone Ind AS Financial Statements

We have audited the accompanying standalone Ind AS financial statements of PN Renewable Energy Limited ("*the Company*"), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss (including the other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and a summary of the significant accounting policies and other explanatory information.

### Management's Responsibility for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("*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 and cash flows and changes in equity of the Company in accordance with the Indian Accounting Standards (IND AS) prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended, and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditors' Responsibility

Our responsibility is to express an opinion on these Standalone Ind AS financial statements based on our audit.

In conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the

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provisions of the Act and the Rules made thereunder and the Order issued under Section 143(11) of the Act.

We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone Ind AS financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, and its loss, total comprehensive income, the changes in equity and its cash flows for the year ended on that date.

### **Report on Other Legal and Regulatory Requirements**

1. As required by Section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss including other comprehensive income, Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

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- d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act,
- e) On the basis of the written representations received from the directors of the Company as on March 31, 2021, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the company's internal financial controls over financial reporting.
- g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations, if any, on its financial position in its standalone Ind AS financial statements.
11. The Company has made provision, as required under the applicable law or accounting standards, for materials foreseeable losses, if any, on long-term contracts including derivative contracts.
111. There were no amounts, which were required to be transferred to the Investor Education and Protection Fund by the Company.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143 (11) of the Act, we give in the "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the order to the extent applicable.

For J. SINGH & ASSOCIATES  
Chartered Accountants  
Firm Regn.No.110266W

**Jaleshwar Singh** Digitally signed by  
Jaleshwar Singh  
Date: 2021.05.01  
16:56:14 +05'30'

J SINGH  
PARTNER  
Membership No.042023  
Place: Mumbai  
Date : 01-05-2021  
UDIN : 21042023AAAACW2578

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**Annexure "A" to the Independent Auditors' Report**

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the members of PN Renewable Energy Limited for the year ended March 31<sup>st</sup>, 2021)

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

We have audited the internal financial controls over financial reporting of PN Renewable Energy Limited ("the Company") as of March 31, 2021 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

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

**Auditors' Responsibility**

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

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

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

#### **Meaning of Internal Financial Controls over Financial Reporting**

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

#### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

#### **Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute Of Chartered Accountants Of India .

For J.SINGH & ASSOCIATES  
Chartered Accountants  
Firm Regn.No.110266W

**Jaleshwar  
Singh**

J SINGH  
PARTNER  
Membership No.042023  
Place: Mumbai  
Date : 01-05-2021  
UDIN : 21042023AAAACW2578

Digitally signed by Jaleshwar  
Singh  
Date: 2021.05.01 16:57:15  
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**Annexure "B" to the Independent Auditors' Report**

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the members of PN Renewable Energy Limited of even date)

- i. In respect of the fixed assets of the Company:
  - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - (b) Fixed assets have been physically verified by the management at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
  - (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- ii. The Company does not hold any physical inventories during the reporting period. Accordingly reporting under clause 3(ii) of the order is not applicable to the Company.
- iii. The Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the Register maintained under Section 189 of the Act by the respective entities. Accordingly reporting under clause 3(iii) of the order is not applicable to the Company.
- iv. According to the information and explanations given to us, the Company has neither granted any loans nor made investments or has given guarantees or security to the persons specified under Section 185 and 186 of the Act. Accordingly reporting under clause 3(iv) of the order is not applicable to the Company.
- v. The Company has not accepted any deposits. Accordingly reporting under clause 3(v) of the order is not applicable to the Company.
- vi. The maintenance of cost records has not been prescribed by the Central Government under Section 148(1) of the Companies Act, 2013. Accordingly reporting under clause 3(vi) of the order is not applicable to the Company.
- vii. According to the information & explanation given to us, in respect of statutory dues:
  - (a) The Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Goods and Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and any other statutory dues to the appropriate authorities.
  - (b) There were no undisputed outstanding tax dues as at the last day of the financial year concerned for a period of more than six months from the date, they became payable.
  - (c) According to the information and explanations given to us, there are no dues which have not been deposited as at the last day of the financial year on account of any dispute of income tax or sales tax or service tax or duty of customs or duty of excise or value added tax.
- viii. In our opinion and on verification of records, the Company has not defaulted in repayment of dues to its bankers or financial institutions during the year.

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- ix. In our opinion and according to the information and explanations given to us, the term loan has been applied for the purpose for which it was obtained. The Company has not raised any funds by way of initial public offer.
- x. To the best of our knowledge and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the management.
- xi. The provisions of Section 197 read with Schedule V to the Companies Act, 2013 with respect to managerial remuneration would not apply as it is a private Company.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, clause 3(xii) of the order is not applicable.
- xiii. The provisions of Section 177 would not apply as it is a private company and there were no transactions with related parties of the nature specified under Section 188 of Companies Act, 2013.
- xiv. The Company has not made any preferential allotment of shares during the year and the requirements of Section 42 of the Companies Act, 2013. Accordingly, clause 3(xiv) of the order is not applicable.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non cash transactions with directors or persons connected with him. Accordingly, clause 3(xv) of the order is not applicable.
- xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For J.SINGH & ASSOCIATES  
Chartered Accountants  
Firm Regn.No.110266W

**Jaleshwar Singh** Digitally signed by  
Jaleshwar Singh  
Date: 2021.05.01  
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J SINGH  
PARTNER  
Membership No.042023  
Place: Mumbai  
Date : 01-05-2021  
UDIN : 21042023AAAACW2578

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Particulars	Notes	As at 31st March, 2021 (₹ in Lakhs)	As at 31st March, 2020 (₹ in Lakhs)
<b>ASSETS</b>			
<b>Non - Current Assets</b>			
(a) Property, Plant and Equipment	4.1	4,424	4,364
(b) Intangible Assets	4.2	0	-
(c) Capital Work-In-Progress	4.3	2	-
(d) Income Tax Assets (Net)		6	5
(e) Deferred Tax Assets (Net)	5	394	201
<b>Total Non - Current Assets</b>		<b>4,826</b>	<b>4,570</b>
<b>Current Assets</b>			
(a) Inventories	6	20	-
(b) Financial Assets			
(i) Investments	7	514	-
(ii) Trade Receivables	8	217	185
(iii) Cash and Cash Equivalents	9	170	449
(iv) Bank balances other than (ii) above	10	504	446
(v) Other Financial Assets	11	119	108
(c) Other Current Assets	12	38	9
<b>Total Current Assets</b>		<b>1,582</b>	<b>1,197</b>
<b>Total Assets</b>		<b>6,408</b>	<b>5,767</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
(a) Equity Share Capital	13	3,316	3,316
(b) Other Equity	14	(1,127)	(1,868)
<b>Total Equity</b>		<b>2,189</b>	<b>1,448</b>
<b>LIABILITIES</b>			
<b>Non - Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	15	3,640	3,452
<b>Total Non - Current Liabilities</b>		<b>3,640</b>	<b>3,452</b>
<b>Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	16	-	469
(ii) Trade Payables	17		
i. Total outstanding dues of micro enterprises and small enterprises		9	-
ii. Total outstanding dues of creditors other than micro enterprises and small enterprises		245	13
(iii) Other Financial Liabilities	18	323	338
(b) Other Current Liabilities	19	1	47
<b>Total Current Liabilities</b>		<b>578</b>	<b>867</b>
<b>Total Liabilities</b>		<b>4,218</b>	<b>4,319</b>
<b>Total Equity and Liabilities</b>		<b>6,408</b>	<b>5,767</b>

The notes referred above are an integral part of these financial statements.

In terms of our report attached

For For J.Singh & Associates

Chartered Accountants

Firm Registration Number : 110266W

JALESHWAR

SADABRIKSH SINGH

Digitally signed by JALESHWAR  
SADABRIKSH SINGH  
Date: 2021.05.01 22:07:29 +05'30'

J. Singh

Partner

Membership No. 042023

Place : Mumbai

Date : 1st May, 2021

For and on behalf of the board of directors of  
PN Renewable Energy Limited

VIKAS  
GULATI

Digitally signed  
by VIKAS GULATI  
Date: 2021.05.01  
21:50:23 +05'30'

Mr. Vikas Gulati

Director

DIN:- 08859774

RAJEEV  
LOCHAN

Digitally signed  
by RAJEEV  
LOCHAN  
Date: 2021.05.01  
21:51:39 +05'30'

Mr. Rajeev Lochan

Additional Director

DIN:- 08859782

Place : Ahmedabad

Date : 1st May, 2021



Particulars	Notes	For the year ended 31st March, 2021 (₹ in Lakhs)	For the year ended 31st March, 2020 (₹ in Lakhs)
<b>Income</b>			
Revenue from Operations	20	1,239	1,207
Other Income	21	31	30
<b>Total Income</b>		<b>1,270</b>	<b>1,237</b>
<b>Expenses</b>			
Finance costs	22	538	530
Depreciation and Amortisation Expenses (refer note 33)	4.1 and 4.2	110	406
Other Expenses	23	74	47
<b>Total Expenses</b>		<b>722</b>	<b>983</b>
<b>Profit before tax</b>		<b>548</b>	<b>254</b>
<b>Tax Expense:</b>	24		
Current Tax		-	-
Deferred Tax		(193)	-
		<b>(193)</b>	<b>-</b>
<b>Profit for the year</b>	<b>Total A</b>	<b>741</b>	<b>254</b>
<b>Other Comprehensive Income</b>			
<b>Other Comprehensive Income (After Tax)</b>	<b>Total B</b>	<b>-</b>	<b>-</b>
<b>Total Comprehensive Income for the year</b>	<b>Total (A+B)</b>	<b>741</b>	<b>254</b>
<b>Earnings Per Equity Share (EPS)</b> <b>(Face Value ₹ 10 Per Share)</b>			
<b>Basic and Diluted EPS (₹)</b>	29	<b>2</b>	<b>1</b>

The notes referred above are an integral part of these financial statements.

In terms of our report attached

For For J.Singh & Associates

Chartered Accountants

Firm Registration Number : 110266W

**JALESHWAR**

Digitally signed by JALESHWAR

**SADABRIKSH SINGH**

SADABRIKSH SINGH

Date: 2021.05.01 22:07:48 +05'30'

**J. Singh**

Partner

Membership No. 042023

**Place : Mumbai**

**Date : 1st May, 2021**

For and on behalf of the board of directors of  
PN Renewable Energy Limited

**VIKAS GULATI**

Digitally signed  
by VIKAS GULATI  
Date: 2021.05.01  
21:50:36 +05'30'

**RAJEEV LOCHAN**

Digitally signed  
by RAJEEV  
LOCHAN  
Date: 2021.05.01  
21:51:48 +05'30'

**Mr. Vikas Gulati**

Director

DIN:- 08859774

**Mr. Rajeev Lochan**

Additional Director

DIN:- 08859782

**Place : Ahmedabad**

**Date : 1st May, 2021**

**A. Equity Share Capital**

Particulars	No. of Shares	(₹ in Lakhs)
<b>Balance as at 1st April, 2019</b>	<b>3,31,60,000</b>	<b>3,316</b>
Shares issued during the year	-	-
<b>Balance as at 31st March, 2020</b>	<b>3,31,60,000</b>	<b>3,316</b>
Shares issued during the year	-	-
<b>Balance as at 31st March, 2021</b>	<b>3,31,60,000</b>	<b>3,316</b>

**B. Other Equity**

Particulars	Reserves and Surplus	Total
	Retained Earnings	
<b>Balance as at 1st April, 2019</b>	<b>(2,122)</b>	<b>(2,122)</b>
Profit for the year	254	254
Other comprehensive income	-	-
<b>Total Comprehensive Income for the year</b>	<b>254</b>	<b>254</b>
<b>Balance as at 31st March, 2020</b>	<b>(1,868)</b>	<b>(1,868)</b>
<b>Balance as at 1st April, 2020</b>	<b>(1,868)</b>	<b>(1,868)</b>
Profit for the year	741	741
Other comprehensive income	-	-
<b>Total Comprehensive Income for the year</b>	<b>741</b>	<b>741</b>
<b>Balance as at 31st March, 2021</b>	<b>(1,127)</b>	<b>(1,127)</b>

The notes referred above are an integral part of these financial statements.

In terms of our report attached

For For J.Singh & Associates

Chartered Accountants

Firm Registration Number : 110266W

**JALESHWAR**

**SADABRIKSH SINGH**

**J. Singh**

Partner

Membership No. 042023

Place : Mumbai

Date : 1st May, 2021

For and on behalf of the board of directors of  
PN Renewable Energy Limited

**VIKAS**  
**GULATI**

Digitally signed  
by VIKAS GULATI  
Date: 2021.05.01  
21:50:47 +05'30'

**Mr. Vikas Gulati**

Director

DIN:- 08859774

**RAJEEV**  
**LOCHAN**

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by RAJEEV  
LOCHAN  
Date: 2021.05.01  
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**Mr. Rajeev Lochan**

Additional Director

DIN:- 08859782

Place : Ahmedabad

Date : 1st May, 2021

**PN Renewable Energy Limited**  
**Statement of Cash Flow for the year ended 31st March, 2021**



Particulars	For the year ended 31st March, 2021 (₹ in Lakhs)	For the year ended 31st March, 2020 (₹ in Lakhs)
<b>(A) Cash flow from operating activities</b>		
Profit before tax	548	254
Adjustment for :		
Depreciation and amortisation Expense	110	406
Finance Cost	538	503
Net gain on sale/fair valuation of investments through profit and loss	(1)	-
Interest income	(30)	(30)
	<b>1,165</b>	<b>1,133</b>
Working Capital Changes:		
<b>(Increase) / Decrease in Operating Assets</b>		
Inventories	(20)	-
Trade Receivables	(32)	(167)
Other Current Assets	(30)	(4)
Other Current Financial Asset	2	-
<b>Increase / (Decrease) in Operating Liabilities</b>		
Trade Payables	241	112
Other Current Liabilities	(46)	(0)
<b>Net Working Capital Changes</b>	<b>115</b>	<b>(59)</b>
Cash generated from operations	<b>1,280</b>	<b>1,074</b>
Less : Income Tax Paid (Net of Refunds)	(0)	1
<b>Net cash generated from operating activities (A)</b>	<b>1,280</b>	<b>1,075</b>
<b>(B) Cash flow from investing activities</b>		
Expenditure on construction and acquisition of Property, Plant and Equipment and Intangible assets (including capital advances and capital work-in-progress)	(172)	-
Investment in units of mutual funds (net)	(513)	-
Bank / Margin money deposits Placed (net)	(58)	(26)
Interest received	17	30
<b>Net cash (used in) / generated from investing activities (B)</b>	<b>(726)</b>	<b>4</b>
<b>(C) Cash flow from financing activities</b>		
Proceeds from Non Current Borrowing	439	-
Repayment of Non Current Borrowing	(224)	(291)
Repayment of Current Borrowings (net)	(469)	(13)
Finance Costs Paid	(579)	(502)
<b>Net cash (used in) financing activities (C)</b>	<b>(833)</b>	<b>(806)</b>
<b>Net (decrease) / Increase in cash and cash equivalents (A)+(B)+(C)</b>	<b>(279)</b>	<b>273</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>449</b>	<b>176</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>170</b>	<b>449</b>
<b>Notes to Statement of Cash Flows :</b>		
<b>1 Reconciliation of Cash and cash equivalents with the Balance Sheet:</b>		
Cash and cash equivalents as per Balance Sheet (refer note 9)	170	449
	<b>170</b>	<b>449</b>

- 2 Disclosure of changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes are included below.

Particulars	As at 1st April, 2020	Cash Flows	Changes in fair values due to adoption of Ind AS 116	Changes in fair values	As at 31st March, 2021
Non - Current Borrowings (refer note 15 and 18)	3,750	215	-	(1)	3,964
Current borrowings (refer note 16)	469	(469)	-	-	-
Interest accrued but not due (refer note 18)	40	(40)	-	-	0

  

Particulars	As at 1st April, 2019	Cash Flows	Changes in fair values due to adoption of Ind AS 116	Changes in fair values	As at 31st March, 2020
Non - Current Borrowings (refer note 15 and 18)	3992	(291)	-	49	3,750
Current borrowings (refer note 16)	482	(13)	-	-	469
Interest accrued but not due (refer note 18)	-	40	-	-	40

- 3 The Statement of Cash Flow has been prepared under the 'Indirect Method' set out in Ind AS 7 Statement of Cash Flows'.

The notes referred above are an integral part of these financial statements.  
In terms of our report attached

**For J. Singh & Associates**  
**Chartered Accountants**

Firm Registration Number : 110266W

**JALESHWAR**  
**SADABRIKSH SINGH**  
**J. Singh**  
Partner  
Membership No. 042023

Digitally signed by JALESHWAR  
SADABRIKSH SINGH  
Date: 2021.05.01 22:08:33 +05'30'

**Place : Mumbai**  
**Date : 1st May, 2021**

**For and on behalf of the board of directors of**  
**PN Renewable Energy Limited**

**VIKAS**  
**GULATI**

Digitally signed  
by VIKAS GULATI  
Date: 2021.05.01  
21:50:57 +05'30'

**Mr. Vikas Gulati**  
Director  
DIN:- 08859774

**RAJEEV**  
**LOCHAN**

Digitally signed by  
RAJEEV LOCHAN  
Date: 2021.05.01  
21:52:07 +05'30'

**Mr. Rajeev Lochan**  
Additional Director  
DIN:- 08859782

**Place : Ahmedabad**  
**Date : 1st May, 2021**

**1 Corporate information**

PN Renewable Energy Limited (the "Company"), was incorporated in India on 3rd May 2013. The company is the wholly owned subsidiary of Adani Renewable Energy Holding Ten Limited (formerly known as Adani Green Energy Ten Limited). Adani group having its presence in thermal power generation, ports, mining and agri business, has also forayed into development of solar parks, solar power generation and wind power generation projects. The Company has been acquired with a view to expand renewable power generation project. The Company gets synergetic benefit of the integrated value chain of Adani group.

**2 Basis of preparation**

**2.1 Statement of Compliance**

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 with the Companies (Indian Accounting Standards) Rules, 2015 amended from time to time and other accounting principles generally accepted in India.

**2.2 Basis of Preparation and presentation**

The Financial Statements have been prepared on a going concern basis under the historical cost convention except for Investments in mutual funds and certain financial assets and liabilities that are measured at fair values whereas net defined benefit liability are valued at fair value of plan assets less defined benefit obligation at the end of each reporting period, as explained in the accounting policies below.

**3 Significant accounting policies**

**a Property, plant and equipment**

**i. Recognition and measurement**

Property, plant and equipment are stated at acquisition cost less accumulated depreciation and accumulated impairment losses, if any. All costs, including borrowing costs incurred up to the date the asset is ready for its intended use, are capitalised along with the respective asset.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use. The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

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

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

**ii. Subsequent measurement**

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

**iii. Depreciation**

Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using Straight Line method. The useful life of property, plant and equipment is considered based on life prescribed in part C of Schedule II to the Companies Act, 2013, except in case of the Plant and equipment, in whose case the life of the assets has been estimated at 30 years in case of solar power generation based on technical assessment taking into account the nature of assets, the estimated usage of the assets, the operating condition of the assets, anticipated technical changes, manufacturer warranties and maintenance support. In case of major components identified, depreciation is provided based on the useful life of each such component based on technical assessment, if materially different from that of the main asset.

**iv. Derecognition**

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.

**b Capital Work in Progress**

Expenditure related to and incurred during implementation (net of incidental income) of capital projects to get the assets ready for intended use is included under "Capital Work in Progress". The same is allocated to the respective items of property plant and equipment on completion of construction/ erection of the capital project/ property plant and equipment.

**c Financial Instruments**

**Recognition and measurement**

Trade receivables and debt securities issued are initially recognised when they originate. All other financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

A financial asset and financial liability is initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit and loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit and loss are recognised immediately in the Statement of Profit and Loss.

Financial assets and financial liabilities are offset when the Company has a legally enforceable right (not contingent on future events) to off-set the recognised amounts either to settle on a net basis, or to realise the assets and settle the liabilities simultaneously

**d Financial assets**

**Initial recognition and measurement**

On initial recognition, a financial asset is measured at fair value and subsequently measure at amortised cost, FVTOCI or FVTPL as per terms of instrument.

**Subsequent measurement**

For purposes of subsequent measurement, financial assets are classified based on assessment of business model in which they are held. This assessment is done for portfolio of the financial assets. The relevant categories are as below:

**i) At amortised cost**

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

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

**ii) At fair value through Other comprehensive income (FVOCI)**

A financial asset is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

**iii) At fair value through profit and loss (FVTPL)**

Financial assets which are not measured at amortised cost and are held for trading are measured at FVTPL.

Fair value changes related to such financial assets including derivative contracts are recognised in the Statement of Profit and Loss .

**Business Model Assessment**

The Company makes an assessment of the objectives of the business model in which a financial asset is held because it best reflects the way business is managed and information is provided to management.

The assessment of business model comprises the stated policies and objectives of the financial assets, management strategy for holding the financial assets, the risk that affects the performance etc. Further management also evaluates whether the contractual cash flows are solely payment of principal and interest considering the contractual terms of the instrument.

**Derecognition of financial assets**

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

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 and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in the Statement of Profit and Loss if such gain or loss would have otherwise been recognised in the Statement of Profit and Loss on disposal of that financial asset.

**Impairment of Financial assets**

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, trade receivables and other contractual rights to receive cash or other financial asset.

Expected credit losses rate the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate. The Company estimates cash flows by considering all contractual terms of the financial instrument through the expected life of that financial instrument.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Company uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

The Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure;

- a) Financial assets that are debt instruments, and are measured at amortised cost e.g. loans, debt securities, deposits, trade receivables and bank balances.
- b) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115.

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.



**e Financial liabilities and equity instruments**

**Classification as debt or equity**

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

**Equity instruments**

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

**Financial liabilities**

All financial liabilities are measured at amortised cost using the effective interest method or at FVTPL.

**Financial liabilities at amortised cost**

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item in the Statement of Profit and Loss.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Trade and other payables are recognised at the transaction cost, which is its fair value, and subsequently measured at amortised cost.

**Financial liabilities at FVTPL**

A financial liability may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;
- the financial liability whose performance is evaluated on a fair value basis, in accordance with the Company's documented risk management;

Fair value changes related to such financial liabilities including derivative contracts like forward currency contracts and options to hedge the Company's foreign currency risks are recognised in the Statement of Profit and Loss.

**Derecognition of financial liabilities**

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. 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.

**f Inventories**

Inventories are carried at the lower of the cost and net realisable value after providing for obsolescence and other losses where considered necessary. Cost of Inventories comprises all cost of purchase and other cost incurred in bringing inventories to their present location and condition. In determining the cost, weighted average cost method is used.

Net Realisable Value in respect of stores and spares is the estimated current procurement price in the ordinary course of the business.

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

All other assets are classified as non-current.

A liability is current when:

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

The Company classifies all other liabilities as non-current.

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

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

**h Functional currency and presentation currency**

These financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts have been rounded-off to the nearest Lakhs, unless otherwise indicated. Amounts less than ₹ 50,000 have been presented as "0".

**Foreign currencies**

Transactions in foreign currencies are initially recorded by the Company at its 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.

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.

Exchange differences are recognized in the Statement of Profit and Loss except exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings.

**i Government grants**

Government grants are not recognised until there is reasonable assurance that the Company will comply with the conditions attached to them and that the grants will be received.

Government grants are recognised in profit and loss on a systematic basis over the periods in which the Company recognises as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Company should purchase, construct or otherwise acquire non-current assets are recognised as deferred revenue in the balance sheet and transferred to profit and loss on a systematic and rational basis over the useful lives of the related assets.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Company with no future related costs are recognised in profit and loss in the period in which they become receivable.

The benefit of a government loan at a below-market rate of interest is treated as a government grant, measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates.

**j Revenue recognition**

Revenue from contracts with customers is recognised when control of the goods or services are rendered to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

Revenue is measured based on the transaction price, which is the consideration, adjusted for discounts and other incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes or other amounts collected from customers in its capacity as an agent. If the consideration in a contract includes a variable amount, the Company estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

The accounting policies for the specific revenue streams of the Company are summarized below:

- i) Revenue from Power Supply is recognised in terms of the Power Purchase Agreements (PPA) entered with Central and State Distribution Companies and is measured at the value of the consideration received or receivable, net of discounts if any.
- ii) The Company's contracts with customers for the sale of goods generally include one performance obligation. Revenue from the sale of goods is recognised at the point in time when control of the asset is transferred to the customers, generally on delivery of the goods.
- iii) Interest income is recognised on Effective Interest Rate (EIR) basis taking into account the amount outstanding and the applicable interest rate. Dividend income is accounted for when the right to receive income is established
- iv) Delayed payment charges and interest on delayed payment for power supply are recognized based on conclusive evidence regarding ultimate collection.

**Contract Balances**

**Contract assets**

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

**Trade receivables**

A receivable represents the Company's right to an amount of consideration that is unconditional i.e. only the passage of time is required before payment of consideration is due.

**Contract liabilities**

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. Contract liabilities are recognised as revenue when the Company performs obligations under the contract.

**k Borrowing costs**

Borrowing costs are interest and other costs incurred in connection with the borrowing of funds. Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in the Statement of Profit and Loss in the period in which they are incurred.

**l Taxation**

Tax on Income comprises current and deferred tax. It is recognised in the Statement of Profit and Loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

**Current tax**

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the reporting period and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

**Deferred tax**

Deferred tax is recognized for the future tax consequences of deductible temporary differences between the carrying values of assets and liabilities and their respective tax bases at the reporting date, using the tax rates and laws that are enacted or substantively enacted as on reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities. Deferred tax is also recognised in respect of carried forward tax losses and tax credits subject to the assessment of reasonable certainty of recovery.

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

Deferred tax relating to items recognized outside the Statement of Profit and Loss is recognized outside with the underlying items i.e. either in the statement of other comprehensive income or directly in equity as relevant.

**m Earnings per share**

Basic earnings per share is computed by dividing the profit / (loss) after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for the effects of dividend, interest and other charges relating to the dilutive potential equity shares by weighted average number of shares plus dilutive potential equity shares.

**n Provisions, Contingent Liabilities and Contingent Assets**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Statement of Profit and Loss net of any reimbursement. The unwinding of the discount is recognised as finance cost. Expected future operating losses are not provided for.

Contingent liabilities are not recognised but are disclosed in the notes. Contingent assets are not recognised but are disclosed in the notes where an inflow of economic benefits is probable.

**o Impairment of non-financial assets**

At the end of each reporting period, the Company reviews the carrying amounts of non-financial assets, other than inventories and deferred tax assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised immediately in the Statement of Profit and Loss. Impairment loss recognised in respect of a CGU is allocated to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a pro rata basis.

**p Cash and Cash Equivalents**

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

Cash and cash equivalents for the purpose of Statement of Cash Flow comprise cash and cheques in hand, bank balances, demand deposits with banks where the original maturity is three months or less.

### 3.1 Use of estimates and judgements

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 including 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.

#### Key Sources of Estimation uncertainty:

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. Existing circumstances and assumptions about future developments 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.

#### i) Useful lives and residual value of property, plant and equipment

In case of the power plant assets, in whose case the life of the assets has been estimated at 30 years for solar power generation projects based on technical assessment, taking into account the nature of the assets, the estimated usage of the asset, the operating condition of the asset, anticipated technological changes, manufacturer warranties and maintenance support, except for major some components identified during the year, depreciation on the same is provided based on the useful life of each such component based on technical assessment, if materially different from that of the main asset.

#### ii) Method of depreciation on property, plant and equipment and Intangible assets

The Company has revised the method of charging depreciation and amortisation on Property, Plant and Equipment and Intangible assets from written down value method to straight line method, with effect from 1st April, 2020 based on technical assessment, taking into account the nature of the assets, the estimated usage of the asset, the operating condition of the asset, anticipated technological changes, manufacturer warranties and maintenance support.

#### iii) Fair value measurement of financial instruments

In estimating the fair value of financial assets and financial liabilities, the Company uses market observable data to the extent available. Where such Level 1 inputs are not available, the Company establishes appropriate valuation techniques and inputs to the model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments 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.

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

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

#### iv) Taxes

Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies and future recoverability of deferred tax assets.

#### v) Impairment of Non Financial Assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a discounted future cashflows model. The recoverable amount is sensitive to the discount rate used for the discounted future cashflows model as well as the expected future cash-inflows and the growth rate used.

#### vi) Impairment of Financial Assets

The impairment provisions for trade receivables are made considering simplified approach based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation based on the company's past history and other factors at the end of each reporting period. In case of other financial assets, the Company applies general approach for recognition of impairment losses wherein the Company uses judgement in considering the probability of default upon initial recognition and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period.

#### vii) Government Grant

Significant management judgment is required to determine the timing and extent of recognition of any grants received from Government. They can only be recognized upon reasonable assurance that the entity will comply with the conditions attached to the grant.

#### viii) Recognition and measurement of provision and contingencies

The Company recognises a provision if it is probable that an outflow of cash or other economic resources will be required to settle the provision. If an outflow is not probable, the item is treated as a contingent liability. Risks and uncertainties are taken into account in measuring a provision

## (₹ in Lakhs)

(₹ in Lakhs)

For charges created, refer note 15.

4.2 Intangible Assets

(₹ in Lakhs)		
Particulars	As at 31st March, 2021	As at 31st March, 2020
Net Carrying Amount of: Intangible assets		
Computer software	0	-
<b>Total</b>	<b>0</b>	<b>-</b>

(₹ in Lakhs)		
Description of Assets	Computer software	Total
<b>I. Cost</b>		
Balance as at 1st April, 2019	-	-
Additions for the year	-	-
Disposals for the year	-	-
Balance as at 31st March, 2020	-	-
Additions for the year	0	0
Disposals for the year	-	-
Balance as at 31st March, 2021	<b>0</b>	<b>0</b>
<b>II. Accumulated depreciation</b>		
Balance as at 1st April, 2019	-	-
Depreciation expense for the year	-	-
Disposals for the year	-	-
Balance as at 31st March, 2020	-	-
Depreciation expense for the year	0	0
Disposals for the year	-	-
Balance as at 31st March, 2021	<b>0</b>	<b>0</b>

**Note:**

For charges created, refer note 15.

4.3 Capital Work-In-Progress

Capital Work-In-Progress (Pertaining to Property, Plant and Equipment)

**Note:**

For charges created, refer note 15.

As at 31st March, 2021 (₹ in Lakhs)	As at 31st March, 2020 (₹ in Lakhs)
2	-
<b>2</b>	<b>-</b>



**5 Deferred Tax Assets (Net)**

		As at 31st March, 2021 (₹ in Lakhs)	As at 31st March, 2020 (₹ in Lakhs)
<b>Deferred Tax Liabilities on</b>			
Difference between book base and tax base of property, plant and equipment		-	-
<b>Gross deferred tax liabilities</b>	<b>(a)</b>	<b>-</b>	<b>-</b>
<b>Deferred Tax Assets on</b>			
Carried forward business loss and unabsorbed depreciation		103	156
Difference between book base and tax base of property, plant and equipment		291	45
Employee Benefits		-	0
Mark to Market on Mutual Fund		(0)	-
<b>Gross Deferred Tax Assets</b>	<b>(b)</b>	<b>394</b>	<b>201</b>
<b>Net Deferred Tax Assets</b>	<b>Total (b-a)</b>	<b>394</b>	<b>201</b>

**(a) Movement in deferred tax assets (net) for the Financial Year 2020-21**

Particulars	Opening Balance as at 1st April, 2020	Recognised in profit and Loss	Recognised in OCI	Closing Balance as at 31st March, 2021
<b>Tax effect of items constituting deferred tax liabilities:</b>				
Difference between book base and tax base of Property, Plant and Equipment	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Tax effect of items constituting deferred tax assets :</b>				
Unabsorbed depreciation	156	(53)	-	103
Difference between book base and tax base of Property, Plant and Equipment	45	246	-	291
Employee Benefits	0	(0)	-	-
Mark to Market on Mutual Fund	-	(0)	-	(0)
<b>Total</b>	<b>201</b>	<b>193</b>	<b>-</b>	<b>394</b>
<b>Net Deferred Tax Assets</b>	<b>201</b>	<b>(193)</b>	<b>-</b>	<b>394</b>

**(b) Movement in deferred tax assets (net) for the Financial Year 2019-20**

Particulars	Opening Balance as at 1st April, 2019	Recognised in profit and Loss	Recognised in OCI	Closing Balance as at 31st March, 2020
<b>Tax effect of items constituting deferred tax liabilities:</b>				
Difference between book base and tax base of Property, Plant and Equipment	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Tax effect of items constituting deferred tax assets :</b>				
Unabsorbed depreciation	156	-	-	156
Difference between book base and tax base of Property, Plant and Equipment	45	-	-	45
Employee Benefits	0	-	-	0
<b>Total</b>	<b>201</b>	<b>-</b>	<b>-</b>	<b>201</b>
<b>Net Deferred Tax Assets</b>	<b>201</b>	<b>-</b>	<b>-</b>	<b>201</b>

The Company has entered into long term power purchase agreement with group company / related party for period of 25 years, pursuant to this management is reasonably certain that the unabsorbed depreciation will be utilized. Unabsorbed depreciation can be utilised at any time without any restriction or time-frame.

**6 Inventories  
(At lower of cost or Net Realisable Value)**

		As at 31st March, 2021 (₹ in Lakhs)	As at 31st March, 2020 (₹ in Lakhs)
Stores and spares		20	-
<b>Total</b>		<b>20</b>	<b>-</b>

**Note:**

For charges created, refer note 15.

**7 Current Investments**

		As at 31st March, 2021 (₹ in Lakhs)	As at 31st March, 2020 (₹ in Lakhs)
<b>Investment measured at FVTPL</b>			
<b>Investment in Mutual Funds (Unquoted and fully paid)</b>			
47,261 units (As at 31st March, 2020 Nil unit) of Axis Overnight Fund Direct Growth (face value ₹ 1,000)		514	-
<b>Total</b>		<b>514</b>	<b>-</b>
Aggregate value of unquoted investments		514	-
Fair value of unquoted investments		514	-

<b>8 Trade Receivables</b>		As at 31st March, 2021 (₹ in Lakhs)	As at 31st March, 2020 (₹ in Lakhs)
Unsecured, considered good (refer note 31)		217	185
<b>Total</b>		<b>217</b>	<b>185</b>
<b>Note:</b>			
(i) For charges created, refer note 15.			
(ii) For balances with related parties, refer note 30.			
<b>9 Cash and Cash equivalents</b>		As at 31st March, 2021 (₹ in Lakhs)	As at 31st March, 2020 (₹ in Lakhs)
Balances with banks			
In current accounts		125	449
Fixed Deposits (with maturity of less than three months)		45	-
<b>Total</b>		<b>170</b>	<b>449</b>
<b>Note:</b>			
For charges created, refer note 15.			
<b>10 Bank balance (other than Cash and Cash equivalents)</b>		As at 31st March, 2021 (₹ in Lakhs)	As at 31st March, 2020 (₹ in Lakhs)
Balances held as Margin Money (refer note (i) below)		459	-
Fixed Deposits (with maturity for more than three months)		45	446
<b>Total</b>		<b>504</b>	<b>446</b>
<b>Notes:</b>			
(i) Margin Money is pledged / lien against Rupee term loan and Bonds.			
(ii) For charges created, refer note 15.			
<b>11 Other Current Financial Assets</b>		As at 31st March, 2021 (₹ in Lakhs)	As at 31st March, 2020 (₹ in Lakhs)
Contract assets - Unbilled Revenue (refer note 31)		106	108
Interest accrued but not due		13	-
<b>Total</b>		<b>119</b>	<b>108</b>
<b>Notes:</b>			
(i) For charges created, refer note 15.			
(ii) For balances with related parties, refer note 30.			
<b>12 Other Current Assets</b>		As at 31st March, 2021 (₹ in Lakhs)	As at 31st March, 2020 (₹ in Lakhs)
Advance for supply of goods and services *		29	1
Prepaid Expenses		9	8
<b>Total</b>		<b>38</b>	<b>9</b>
* For balances with related parties, refer note 30.			
<b>13 Equity Share Capital</b>		As at 31st March, 2021 (₹ in Lakhs)	As at 31st March, 2020 (₹ in Lakhs)
Authorised Share Capital			
3,32,00,000 (As at 31st March, 2020 - 3,32,00,000) Equity Shares of ₹ 10/- each		3,320	3,320
<b>Total</b>		<b>3,320</b>	<b>3,320</b>
Issued, Subscribed and fully paid-up Equity Shares			
3,31,60,000 (As at 31st March, 2020 - 3,31,60,000) Equity Shares of ₹ 10/- each		3,316	3,316
<b>Total</b>		<b>3,316</b>	<b>3,316</b>

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

	As at 31st March, 2021		As at 31st March, 2020	
	No. of Shares	(₹ in Lakhs)	No. of Shares	(₹ in Lakhs)
At the beginning of the year	3,31,60,000	3,316	3,31,60,000	3,316
Issued during the year	-	-	-	-
Outstanding at the end of the year	<b>3,31,60,000</b>	<b>3,316</b>	<b>3,31,60,000</b>	<b>3,316</b>

**b. Terms/rights attached to equity shares**

The Company has only one class of equity shares having par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company the holders of the equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the share holders. The dividend proposed by the Board of Directors if any, is subject to the approval of shareholders in the ensuing Annual General Meeting, except in case of interim dividend.

**c. Shares held by holding entity**

Out of Equity Shares issued by the Company, shares held by its holding entity is as under:

	As at 31st March, 2021 (₹ in Lakhs)	As at 31st March, 2020 (₹ in Lakhs)
Adani Renewable energy Holding Ten Limited (formerly known as Adani Green Energy Ten Limited)	3,316	-
3,31,60,000 (as at 31st March, 2020 - Nil) Fully paid up Equity shares of ₹ 10/- each (together with its nominees)		
Essel Green Energy Private Limited	-	3,316
Nil (as at 31st March, 2020 - 3,31,60,000) Fully paid up Equity shares of ₹ 10/- each (together with its nominees)		
	<b>3,316</b>	<b>3,316</b>

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

	As at 31st March, 2021		As at 31st March, 2020	
	No. of Shares	% holding in the class	No. of Shares	% holding in the class
<b>Equity shares of ₹ 10 each fully paid</b>				
Adani Renewable energy Holding Ten Limited (formerly known as Adani Green Energy Ten Limited) (together with its nominees)	3,31,60,000	100%	-	-
Essel Green Energy Private Limited (together with its nominees)	-	-	3,31,60,000	100%
	<b>3,31,60,000</b>	<b>100%</b>	<b>3,31,60,000</b>	<b>100%</b>

**14 Other Equity**

	As at 31st March, 2021 (₹ in Lakhs)	As at 31st March, 2020 (₹ in Lakhs)
<b>Retained earnings (refer note below)</b>		
Opening Balance	(1,868)	(2,122)
Add: Profit for the year	741	254
Closing Balance	<b>(1,127)</b>	<b>(1,868)</b>
<b>Total (A)</b>		

**Note:**

Retained earnings represents the amount that can be distributed by the Company as dividends considering the requirements of the Companies' Act, 2013.

**15 Non Current Borrowings  
(At amortised cost)**

	As at 31st March, 2021 (₹ in Lakhs)	As at 31st March, 2020 (₹ in Lakhs)
<b>Secured borrowings</b>		
Term Loans		
From Banks (refer note (i) below)	3,132	3,452
<b>Unsecured Borrowings</b>		
From Related Parties (refer note (ii) below and note 30)	508	-
<b>Total</b>	<b>3,640</b>	<b>3,452</b>

**Note:**

**(a) Security details and Repayment schedule for the balances as at 31st March 2021**

(i) Rupee term loan from a IDBI aggregating to ₹ 3,521 Lakhs (As at 31st March 2020 ₹ 3,992 Lakhs) is secured/ to be secured by first charge on Loans and advances, Investments and Current Assets of the Company. First pari-passu charge on all immovable properties & movable properties, current & non-current asset & Goodwill of borrower. Further pledge 51% of the paid up equity capital of the Borrower. The Rupee term loan from Bank carries an interest rate in range of 10.50% p.a. to 10.90% p.a. and is payable in each 34 structured quarterly installments starting from Financial year 2020-21.

(ii) Unsecured term loans from related party of ₹ 508 (As at 31st March, 2020 Nil) are repayable on mutually agreed dates after a period of 1 years from balance sheet date and carry an interest rate of 15.25% p.a.

**16 Current Borrowings**

	As at 31st March, 2021 (₹ in Lakhs)	As at 31st March, 2020 (₹ in Lakhs)
<b>Unsecured Borrowings</b>		
From Related Parties (refer note below and 30)	-	469
<b>Total</b>	<b>-</b>	<b>469</b>

**Note:**

During the year current borrowings from related parties have been converted into Non current.

**17 Trade Payables**

	As at 31st March, 2021 (₹ in Lakhs)	As at 31st March, 2020 (₹ in Lakhs)
<b>Trade Payables</b>		
i. Total outstanding dues of micro enterprises and small enterprises (refer note 32)	9	-
ii. Total outstanding dues of creditors other than micro enterprises and small enterprises	245	13
<b>Total</b>	<b>254</b>	<b>13</b>

**Note:**

\*For balances with related parties, refer note 30.

**18 Other Current Financial Liabilities**

	As at 31st March, 2021 (₹ in Lakhs)	As at 31st March, 2020 (₹ in Lakhs)
Current Maturities of Non Current Borrowing (refer note 15)	323	298
Interest accrued but not due on borrowings (refer note below)	0	40
<b>Total</b>	<b>323</b>	<b>338</b>

**Note:**  
For balances with related parties, refer note 30.

**19 Other Current Liabilities**

	As at 31st March, 2021 (₹ in Lakhs)	As at 31st March, 2020 (₹ in Lakhs)
Statutory liabilities	1	1
Other Payables	-	46
<b>Total</b>	<b>1</b>	<b>47</b>

**20 Revenue from Operations**

	For the year ended 31st March, 2021 (₹ in Lakhs)	For the year ended 31st March, 2020 (₹ in Lakhs)
<b>Revenue from Contract with Customers</b>		
Revenue from Power Supply	1,239	1,207
<b>Total</b>	<b>1,239</b>	<b>1,207</b>

**21 Other Income**

	For the year ended 31st March, 2021 (₹ in Lakhs)	For the year ended 31st March, 2020 (₹ in Lakhs)
Interest Income (refer note (i) below)	30	30
Net gain on sale/fair valuation of investments through profit and loss (refer note (ii) below)	1	-
Other Income	0	-
<b>Total</b>	<b>31</b>	<b>30</b>

**Note:**  
(i) Interest income consist of ₹ 19 Lakhs (for the year ended 31st March, 2020 : ₹ 30 Lakhs) from Bank deposits.  
(ii) Includes fair value gain ₹ 1 Lakhs (for the year ended 31st March, 2020 Nil).

**22 Finance costs**

	For the year ended 31st March, 2021 (₹ in Lakhs)	For the year ended 31st March, 2020 (₹ in Lakhs)
<b>(a) Interest Expenses on financial liabilities measured at amortised cost:</b>		
Interest on Loans and debentures	525	503
Interest Expenses - Trade Credit and Others	0	-
<b>(a)</b>	<b>525</b>	<b>503</b>
<b>(b) Other borrowing costs :</b>		
Bank Charges and Other Borrowing Costs	13	27
<b>(b)</b>	<b>13</b>	<b>27</b>
<b>Total (a+b)</b>	<b>538</b>	<b>530</b>

**23 Other Expenses**

	For the year ended 31st March, 2021 (₹ in Lakhs)	For the year ended 31st March, 2020 (₹ in Lakhs)
Repairs and Maintenance		
Plant and Equipment (refer note 30)	32	37
Others	10	-
Legal and Professional Expenses (refer note 30)	11	3
Rates and Taxes	0	-
Payment to Auditors		
Statutory Audit Fees	3	2
Travelling and conveyance expenses	3	-
Stores and Spares Consumed	2	-
Insurance Expenses	9	5
Miscellaneous Expenses	4	-
<b>Total</b>	<b>74</b>	<b>47</b>

## 24 Income Tax

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

Income Tax Expense :	For the year ended 31st March, 2021 (₹ in Lakhs)	For the year ended 31st March, 2020 (₹ in Lakhs)
<b>Current Tax:</b>		
Current Income Tax Charge	-	-
Adjustment of tax relating to earlier periods	-	-
<b>Total (a)</b>	-	-
<b>Deferred Tax</b>		
In respect of current year origination and reversal of temporary differences	(193)	-
<b>Total (b)</b>	(193)	-
<b>Total (a+b)</b>	(193)	-

The income tax expense for the year can be reconciled to the accounting profit as follows:

	For the year ended 31st March, 2021 (₹ in Lakhs)	For the year ended 31st March, 2020 (₹ in Lakhs)
<b>Profit before tax as per Statement of Profit and Loss</b>	<b>548</b>	<b>254</b>
<b>Income tax using the Company's domestic tax rate 25.17% (as at 31st March, 2020 @ 26%)</b>	<b>138</b>	<b>66</b>
<b>Tax Effect of :</b>		
Unrecognised tax assets (Change in estimate)	(339)	-
Current year losses on which no DTA has been no recognised	-	(66)
Change in Tax Rate	6	-
Disallowable Tax expenditure	2	-
<b>Income tax recognised in Statement of Profit and Loss at effective rate</b>	<b>(193)</b>	<b>(0)</b>

**25 (i) Contingent Liabilities :**

Based on the information available with the Company, there is no contingent liability as at the year ended 31st March, 2021 and 31st March, 2020.

**(ii) Commitment :**

	As at 31st March, 2021 (₹ in Lakhs)	As at 31st March, 2020 (₹ in Lakhs)
Capital Commitment	4	-

**26 Financial Instruments, Financial Risk Review and Capital Management :**

The Company's risk management activities are subject to the management direction and control under the framework of Risk Management Policy as approved by the Board of Directors of the Company. The Management ensures appropriate risk governance framework for the Company through appropriate policies and procedures and those risks are identified, measured and managed in accordance with the Company's policies and risk.

The Company's financial liabilities comprise mainly of borrowings, trade and other payables. The Company's financial assets comprise mainly of investments, cash and cash equivalents, other balances with banks, loans, trade receivables and other receivables.

The Company has exposure to the following risks arising from financial instruments:

- Market risk
- Credit risk ;
- Liquidity risk

**Market risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and price risk.

**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 Company's exposure to the risk of changes in market interest rates relates primarily to the Company's non current debt obligations with floating interest rates.

The Company manages its interest rate risk by having a mixed portfolio of fixed and variable rate loans and borrowings. The Company's borrowings from banks are at floating rate of interest and borrowings from related parties are at fixed rate of interest.

The sensitivity analysis has been carried out based on the exposure to interest rates for instruments not hedged against interest rate fluctuations at the end of the reporting year. The said analysis has been carried on the amount of floating rate non - current liabilities outstanding at the end of the reporting year. A 50 basis point increase or decrease represents the management's assessment of the reasonably possible change in interest rates.

In case of fluctuation in interest rates by 50 basis points and all other variable were held constant, the Company's profit for the year would increase or decrease as follows:

	For the year ended 31st March, 2021 (₹ in Lakhs)	For the year ended 31st March, 2020 (₹ in Lakhs)
Total Exposure of the Company to variable rate of borrowing	3,521	3,819
Impact on Profit before tax for the year	18	19

The year end balances are not necessarily representative of the average debt outstanding during the year.

**ii) Foreign Currency risk**

Foreign Currency risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

There is no foreign currency exposure as at 31st March, 2021 and as at 31st March, 2020. Hence, there is no impact on Company's profit for the year.

**iii) Price risk**

The Company's exposure to price risk in the investment in mutual funds and classified in the balance sheet as fair value through profit or loss. The Company's non-listed equity securities are susceptible to market price risk arising from uncertainties about future values of the investment securities. Management monitors the investments closely to mitigate its impact on profit and cash flows.

**Credit risk**

Credit risk is the risk of financial loss to the company if a customer or counter-party fails to meet its contractual obligations.

**Trade Receivable:**

Major receivables of the Company are from State distribution Companies (DISCOM) which are Government entities. The Company is regularly receiving its dues from DISCOM. Delayed payments carries interest as per the terms of agreements. Trade receivables are generally due for lesser than one year, accordingly in relation to these dues, the Company does not foresee any significant Credit Risk.

**Other Financial Assets:**

This comprises mainly of deposits with banks, investments in mutual funds, derivative assets and other intercompany receivables. Credit risk arising from these financial assets is limited and there is no collateral held against these because the counterparties are group companies, banks and recognised financial institutions. Banks and recognised financial institutions have high credit ratings assigned by the international credit rating agencies.

**Liquidity risk**

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company monitors its risk of shortage of funds using cash flow forecasting models. These models consider the maturity of its financial investments, committed funding and projected cash flows from operations. The Company's objective is to provide financial resources to meet its business objectives in a timely, cost effective and reliable manner and to manage its capital structure. A balance between continuity of funding and flexibility is maintained through continued support from lenders, trade creditors as well as through issue of equity shares.

The Company is into recent stage of operations with most of the projects capitalised in the recent financial years. The Company expects to generate positive cash flows from operations in order to meet its external financial liabilities as they fall due. The Company has understanding from other group entities to extend repayment terms of borrowings as required.



**Maturity profile of financial liabilities :**

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments.

(₹ in Lakhs)					
As at 31st March, 2021	Note	Less than 1 year	1 to 5 years	More than 5 years	Total
Borrowings (including current maturities)	15, 16 and 18	323	2,075	1,631	4,029
Trade Payables	17	254	-	-	254
Other Financial Liabilities	18	0	-	-	0

  

As at 31st March, 2020	Note	Less than 1 year	1 to 5 years	More than 5 years	Total
Borrowings (including current maturities)	15, 16 and 18	767	1,442	2,010	4,219
Trade Payables	17	13	-	-	13
Other Financial Liabilities	18	40	-	-	40

**Capital Management**

The Company's objectives for managing capital is to safeguard continuity and healthy capital ratios in order to support its business and provide adequate return to shareholders through continuing growth. The Company's overall strategy remains unchanged from previous year.

The Company sets the amount of capital required on the basis of annual business and long-term operating plans which include capital and other strategic investments.

The funding requirements are met through a mixture of equity, internal fund generation, and other non current / current borrowings. The Company's policy is to use current and non current borrowings to meet anticipated funding requirements. The Company monitors capital on the basis of the net debt to equity ratio.

The Company believes that it will able to meet all its current liabilities and interest obligation on timely manner, Since most of the current liabilities is from related parties.

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately calls loan and borrowings. There have been no breaches in the financial covenants of any interest bearing loans and borrowings in the current year. No changes were made in the objectives, policies or processes for managing capital during the year ended 31st March, 2021 and 31st March, 2020.

(₹ in Lakhs)			
Particulars	Note	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Net debt (total debt less cash and cash equivalents) (A)	9, 15, 16 and 19	3,793	3,770
Total capital (including perpetual debt) (B)	13 and 14	2,189	1,448
Total capital and net debt C=(A+B)		5,982	5,218
Gearing ratio (A/C)		63%	72%

**27 Fair Value Measurement :**

a) The carrying value of financial instruments by categories as of 31st March, 2021 is as follows :

(₹ in Lakhs)			
Particulars	Fair Value through profit or loss	Amortised cost	Total
<b>Financial Assets</b>			
Cash and cash equivalents	-	170	170
Investments	514	-	514
Trade Receivables	-	217	217
Bank balances other than cash and cash equivalents	-	504	504
Other Financial assets	-	119	119
<b>Total</b>	<b>514</b>	<b>1,010</b>	<b>1,524</b>
<b>Financial Liabilities</b>			
Borrowings (including current maturities)	-	3,964	3,964
Trade Payables	-	254	254
Other Financial Liabilities	-	0	0
<b>Total</b>	<b>-</b>	<b>4,218</b>	<b>4,218</b>

b) The carrying value of financial instruments by categories as of 31st March, 2020 is as follows :

(₹ in Lakhs)			
Particulars	Fair Value through profit or loss	Amortised cost	Total
<b>Financial Assets</b>			
Cash and cash equivalents	-	449	449
Bank balance other than cash and cash equivalents	-	446	446
Trade Receivables	-	185	185
Other Financial assets	-	108	108
<b>Total</b>	<b>-</b>	<b>1,188</b>	<b>1,188</b>
<b>Financial Liabilities</b>			
Borrowings (including current maturities)	-	4,219	4,219
Trade Payables	-	13	13
Other Financial Liabilities	-	40	40
<b>Total</b>	<b>-</b>	<b>4,272</b>	<b>4,272</b>

**Note:**

(i) Fair value of financial assets and liabilities measured at amortised cost is not materially different from the fair value. Further, impact of time value of money is not significant for the financial instruments classified as current. Accordingly, the fair value has not been disclosed separately.

(ii) Trade Receivables, cash and cash equivalents. Other bank balances, loans, other financial assets, current borrowings, trade payables and other current financial liabilities: Fair values approximate their carrying amounts largely due to short-term maturities of these instruments.

**28 Fair Value hierarchy :**

		(₹ in Lakhs)	
		As at 31st March, 2021	
Particulars		Level 2	Total
<b>Assets</b>			
Investment		514	514
<b>Total</b>		<b>514</b>	<b>514</b>
<b>Liabilities</b>			
		-	-
<b>Total</b>		<b>-</b>	<b>-</b>
		(₹ in Lakhs)	
		As at 31st March, 2020	
Particulars		Level 2	Total
<b>Assets</b>			
Investment		-	-
<b>Total</b>		<b>-</b>	<b>-</b>
<b>Liabilities</b>			
		-	-
<b>Total</b>		<b>-</b>	<b>-</b>

**Notes:**

(i) The fair values of investments in mutual fund units is based on the net asset value ('NAV') as stated by the issuers of these mutual fund units in the published statements as at Balance Sheet date. NAV represents the price at which the issuer will issue further units of mutual fund and the price at which issuers will redeem such units from the investors.

(ii) The fair values of the derivative financial instruments has been determined using valuation techniques with market observable inputs as at reporting date. The models incorporate various inputs including the credit quality of counter-parties and foreign exchange rates.

29 Pursuant to the Indian Accounting Standard 33 – Earning per Share, the disclosure is as under:

	UOM	For the year ended 31st March, 2021	For the year ended 31st March, 2020
<b>Basic and Diluted EPS</b>			
Profit attributable to equity shareholders	(₹ in Lakhs)	741	254
Weighted average number of equity shares outstanding during the year	No	3,31,60,000	3,31,60,000
Nominal Value of equity share	₹	10	10
Basic and Diluted EPS	₹	2	1

30 Related party transactions

a. List of related parties and relationship

The Management has identified the following entities and individuals as related parties of the Company for the year ended 31st March, 2021 for the purpose of reporting as per Ind AS 24 Related Party Disclosure which are as under:-

Entities with joint control of, or significant influence over, the Parent Company ;	:	S. B. Adani Family Trust (SBFT) Adani Trading Services LLP Adani Properties Private Limited Adani Green Energy Limited Total Solar Singapore Pte Ltd Adani Green Energy Twenty Three Limited
Ultimate Holding Company	:	Adani Green Energy Limited
Immediate Holding Company	:	Adani Renewable Energy Holding Ten Limited (Formerly known as Adani Green Energy Ten Limited)
Entities under common control / Associate entities (with whom transactions are done )	:	Adani Infrastructure Management Service Limited Prayatna Developers Private Limited Essel Urja Private Limited PN Clean Energy Limited KN Bijapura Solar Energy Private Limited Essel Green Energy Private Limited
Key Management Personnel	:	Vikas Gulati, Director (w.e.f. 7th September, 2020) Rajeev Lochan, Director (w.e.f. 7th September, 2020) Omprakash Shankar Kadam, Director (w.e.f. 7th September, 2020) Deepak Tayal, Director (Resigned w.e.f 7th September, 2020) Arunkumar HH, Director (Resigned w.e.f 7th September, 2020) Nishikant Upadhyay, CFO (Resigned w.e.f 7th September, 2020) Khushboo Jalan, CS (Resigned w.e.f 7th September, 2020) Nikhil Umesh Mahadik, Director (Resigned w.e.f 7th September, 2020) Prathmesh Murlidhar Mairal, Manager (Resigned w.e.f 7th September, 2020)

**Terms and conditions of transactions with related parties**

Outstanding balances of related parties at the year-end are unsecured. There have been no guarantees received for any related party receivables or payables. Transaction entered into with related party are made on terms equivalent to those that prevail in arm's length transactions.

**Notes:**

The names of the related parties and nature of the relationships where control exists are disclosed irrespective of whether or not there have been transactions between the related parties. For others, the names and the nature of relationships is disclosed only when the transactions are entered into by the Company with the related parties during the existence of the related party relationship. Transactions in excess of 10% of the total related party transactions for each type has been disclosed in note below.

**31 Contract balances:**

(a) The following table provides information about receivables, contract assets and contract liabilities from the contracts with customers.

Particulars	As at	(₹ in Lakhs) As at
	31st March, 2021	31st March, 2020
Trade receivables (refer note 8)	217	185
Contract assets - Unbilled Revenue (refer note 11)	106	108
The contract assets primarily relate to the Company's right to consideration for work completed but not billed at the reporting date. The contract assets are transferred to receivables when the rights become unconditional. This usually occurs when the company issues an invoice to the Customer. The contract liabilities primarily relate to the advance consideration received from the customers.		

(b) Significant changes in contract assets and liabilities during the year:

Particulars	For the year ended 31st March, 2021	(₹ in Lakhs) For the year ended 31st March, 2020
Contract assets reclassified to receivables	108	127

Reconciliation the amount of revenue recognised in the statement of profit and loss with the contracted price:

Particulars	For the year ended 31st March, 2021	(₹ in Lakhs) For the year ended 31st March, 2020
Revenue as per contracted price	1,249	1,207
<b>Adjustments</b>		
Discounts	10	-
<b>Revenue from contract with customers</b>	<b>1,239</b>	<b>1,207</b>

**32 Due to micro, small and medium enterprises**

On the basis of the information and records available with management, outstanding dues to the Micro and Small enterprise as defined in the MSMED Act, 2006 are disclosed as below.

Particulars	As at 31st March, 2021 (₹ in Lakhs)	As at 31st March, 2020 (₹ in Lakhs)
Principal amount remaining unpaid to any supplier as at the year end.	9	-
Interest due thereon	-	-
Amount of interest paid by the company in terms of section 16 of the MSMED, along with the amount of the payment made to the supplier beyond the appointed day during the accounting year.	-	-
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 period) but without adding the interest specified under the MSMED.	-	-
Amount of interest accrued and remaining unpaid at the end of the accounting year.	-	-
Amount of further interest remaining due and payable even in succeeding years.	-	-
The disclosure in respect of the amount payable to enterprises which have provided goods and services to the company and which qualify under the definition of micro and small enterprises, as defined under Micro, Small and Medium Enterprises Development Act, 2006 has been made in the Financial statement as at 31st March, 2021 based on the information received and available with the entities of company. On the basis of such information, no interest is payable to any micro, small and medium enterprises.		

**33** The Company has revised the method of charging depreciation and amortisation on Property, Plant and Equipment and Intangible assets from written down value method to straight line method, with effect from 1st April, 2020. Accordingly, depreciation and amortisation expenses are not comparable with previous year.

**34** In accordance with Ind AS 108 - Operating Segment used to present the segment information are identified on the basis of informal report used by the Company to allocate resource to the segment and assess their performance. The Board of Directors of the Company is collectively Chief Operating Decision Maker (CODM). The Company is primarily engaged in the business of power distribution which is considered as one business segment. The segment reporting based on geographical risk factor which may be present in different countries is not applicable as the Company operates only on domestic market. Hence, there is no separate reportable segment as required by the Ind AS 108.

**35** Due to outbreak of COVID-19 globally and in India, the Company's management has continued its assessment of impact on business and financial risks on account of COVID-19. The Company is in the business of Renewable Energy which is considered to be an Essential Service as emphasized by the Ministry of Home Affairs and Ministry of Power, Government of India. The availability of power plant to generate electricity as per demand of the customers is important. Hence, the Company has ensured not only the availability of its power plant to generate power but has also ensured supply of power during the period of lockdown and thereafter, considering essential service as declared by the Government of India. Further Ministry of New and Renewable Energy (MNRE) directed that the payment to Renewable Energy power generator shall be done on regular basis as being done prior to lockdown and the Company has generally received regular collection from customers. The Company has serviced all the debts obligations during the quarter and nine months without opting for moratorium as directed by Reserve Bank of India for interest and principal installments falling due to banks. Management believes that the impact of this outbreak on the business and financial position of the Company is not significant and the management will continue to closely monitor the performance of the Company.

### 36 Recent Pronouncements

On March 24, 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from April 1, 2021. Key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

#### Balance Sheet:

- Lease liabilities should be separately disclosed under the head 'financial liabilities', duly distinguished as current or non-current.
- Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.
- Specified format for disclosure of shareholding of promoters.
- Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.
- If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
- Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.

#### Statement of Profit & Loss:

- Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head 'additional information' in the notes forming part of standalone financial statements.

The amendments are extensive and the Company will evaluate the same to give effect to them as required by law.

### 37 Personnel Cost

The Company does not have any employee. The operational management and administrative functions of the company are being managed by Holding Company.

### 38 Previous year's figures have been recast, regrouped and rearranged, wherever necessary to confirm to this year's classification.

### 39 Events occurring after the Balance sheet Date

The Company evaluates events and transactions that occur subsequent to the balance sheet date but prior to approval of the financial statements to determine the necessity for recognition and/or reporting of any of these events and transactions in the financial statements. As of 1st May, 2021, there are no subsequent events to be recognized or reported that are not already disclosed.

### 40 Approval of financial statements

The financial statements were approved for issue by the board of directors on 1st May, 2021.

The notes referred above are an integral part of these financial statements.

In terms of our report attached

For For J.Singh & Associates

Chartered Accountants

Firm Registration Number : 110266W

**JALESHWAR**

**SADABRIKSH SINGH**

Digitally signed by JALESHWAR  
SADABRIKSH SINGH  
Date: 2021.05.01 22:09:32 +05'30'

**J. Singh**

Partner

Membership No. 042023

Place : Mumbai

Date : 1st May, 2021

For and on behalf of the board of directors of  
PN Renewable Energy Limited

**VIKAS**  
**GULATI**

Digitally signed by  
VIKAS GULATI  
Date: 2021.05.01  
21:51:07 +05'30'

**RAJEEV**  
**LOCHAN**

Digitally signed by  
RAJEEV LOCHAN  
Date: 2021.05.01  
21:51:16 +05'30'

**Mr. Vikas Gulati**

Director

DIN:- 08859774

**Mr. Rajeev Lochan**

Additional Director

DIN:- 08859782

Place : Ahmedabad

Date : 1st May, 2021

**b. Transactions with Related Parties**

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2021			For the year ended 31st March, 2020		
	Holding Company	Fellow Subsidiary	Entities under common control	Holding Company	Fellow Subsidiary	Entities under common control
<b>Equity Share Capital</b>	<b>3,316</b>	-	-	-	-	-
Adani Renewable Energy Holding Ten Limited (Formerly known as Adani Green Energy Ten Limited)	3,316	-	-	-	-	-
<b>Loan Taken</b>	<b>514</b>	-	-	<b>13</b>	-	-
Adani Renewable Energy Holding Ten Limited (Formerly known as Adani Green Energy Ten Limited)	508	-	-	-	-	-
Essei Green Energy Private Limited	-	-	-	13	-	-
<b>Loan Repaid back</b>	<b>475</b>	-	-	-	-	-
Essei Green Energy Private Limited	475	-	-	-	-	-
<b>Interest Expense on Loan</b>	<b>36</b>	-	-	-	-	-
Adani Renewable Energy Holding Ten Limited (Formerly known as Adani Green Energy Ten Limited)	36	-	-	-	-	-
<b>Receiving of Services</b>	-	-	<b>25</b>	<b>35</b>	-	-
Adani Infrastructure Management Service Limited	-	-	25	-	-	-
Essei Green Energy Private Limited	-	-	-	35	-	-
<b>Purchase of Goods</b>	-	-	<b>42</b>	-	-	-
Prayatna Developers Private Limited	-	-	42	-	-	-
<b>Purchase of Asset</b>	-	<b>108</b>	-	-	-	-
Essei Urja Private Limited	-	108	-	-	-	-
<b>Other Balances Transfer To</b>	-	<b>1</b>	-	-	-	-
PN Clean Energy Limited	-	1	-	-	-	-

**c. Balances With Related Parties**

(₹ in Lakhs)

Particulars	As at 31st March, 2021			As at 31st March, 2020		
	Holding Company	Fellow Subsidiary	Entities under common control	Holding Company	Fellow Subsidiary	Entities under common control
<b>Borrowings (Loan)</b>	<b>508</b>	-	-	<b>469</b>	-	-
Adani Renewable Energy Holding Ten Limited (Formerly known as Adani Green Energy Ten Limited)	508	-	-	-	-	-
Essei Green Energy Private Limited	-	-	-	469	-	-
<b>Interest Accrued But not due on Loan (Exp)</b>	-	-	-	-	-	-
<b>Account Payable</b>	-	<b>120</b>	<b>73</b>	<b>13</b>	<b>6</b>	-
Adani Infrastructure Management Service Limited	-	-	29	-	-	-
Essei Urja Private Limited	-	113	-	-	-	-
Prayatna Developers Private Limited	-	-	45	-	-	-
PN Clean Energy Limited	-	-	-	-	6	-
Essei Green Energy Private Limited	-	-	-	13	-	-
<b>Account Receivable</b>	-	<b>1</b>	-	-	<b>1</b>	-
KN Bijapura Solar Energy Private Limited	-	1	-	-	1	-