

**Regen Powertech Private Limited**  
**Balance Sheet as at March 31, 2018**

(All amounts are in Rupees Lakhs unless otherwise stated)

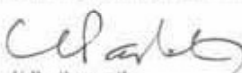
	Notes	As at March 31, 2018	As at March 31, 2017
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3	21,397.61	21,570.18
Capital work-in-progress		4,675.69	4,433.79
Investment Property	4	927.30	942.62
Intangible assets	3	3,844.03	4,405.94
Financial assets			
(i) Investments - other investments	5	39,002.34	38,899.84
(ii) Others	5	1,918.85	2,272.08
Other non-current assets	6	1,265.77	1,035.96
<b>Total non-current assets</b>		<b>73,031.59</b>	<b>73,560.41</b>
<b>Current assets</b>			
Inventories	7	38,788.83	34,870.46
Financial assets			
(i) Other investments	8	58.85	55.52
(ii) Trade receivables	9	28,477.71	84,385.84
(iii) Cash and cash equivalents	10a	99.67	978.93
(iv) Other Bank balances	10b	1,484.76	3,421.00
(v) Loans	11	601.79	699.06
Other financial assets	12	24,002.60	6,886.63
Other current assets	13	14,411.35	23,741.19
<b>Total current assets</b>		<b>1,07,925.56</b>	<b>1,55,038.63</b>
<b>Total assets</b>		<b>1,80,957.15</b>	<b>2,28,599.04</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity Share capital	14	24,875.94	24,875.94
Other Equity	15	9,642.25	37,213.72
<b>Total Equity</b>		<b>34,518.19</b>	<b>62,089.66</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Financial liabilities			
Borrowings	16a	15.41	43.80
Others	16b	5,261.93	4,334.38
Provisions	17	8,524.13	8,722.92
Other non-current liabilities	19	-	8,009.33
<b>Total non-current liabilities</b>		<b>13,801.47</b>	<b>21,110.43</b>
<b>Current liabilities</b>			
Financial liabilities			
Borrowings	20	82,434.22	75,105.33
Trade Payables	21	43,088.84	61,929.35
Provisions	22	161.16	463.86
Other current liabilities	23	6,953.27	7,900.39
<b>Total current liabilities</b>		<b>1,32,637.49</b>	<b>1,45,398.95</b>
<b>Total liabilities</b>		<b>1,46,438.96</b>	<b>1,66,509.38</b>
<b>Total equity and liabilities</b>		<b>1,80,957.15</b>	<b>2,28,599.04</b>

Summary of significant accounting policies: 2

The accompanying notes are an integral part of the financial statements

As per our report of even date

For CNGSN & ASSOCIATES LLP  
Chartered Accountants  
Firm Registration No. 4915S/S200036



K. Parthasarathy  
Partner  
M.No: 018394



Place: Chennai  
Date: 28-02-2022

For and on behalf of the Board of Directors

  
Mr. Ebenezer Inbaraj  
Monitoring Professional  
Reg. No.: IBBI/PA-001-IP-P00754/2017-18/11286



Place: Chennai  
Date: 28-02-2022

**Regen Powertech Private Limited**  
**Statement of Profit & Loss Account for the year ended March 31, 2018**  
*(All amounts are in Rupees Lakhs unless otherwise stated)*

	Notes	April 1, 2017 to March 31, 2018	April 1, 2016 to March 31, 2017
Revenue from operations	24	1,05,417.03	2,11,795.44
Other income	25	594.30	2,217.91
<b>Total Income</b>		<b>1,06,011.33</b>	<b>2,14,013.35</b>
<b>Expenses</b>			
Cost of materials consumed	26	1,07,107.13	1,50,552.04
Changes in inventories of finished goods, work-in-progress and traded goods	27	(6,986.04)	5,200.60
Employee benefits expense	28	6,058.15	7,394.21
Finance costs	29	11,953.11	14,762.57
Depreciation and amortization expense	3&4	3,055.65	3,379.58
Other expenses	30	12,674.12	27,879.78
<b>Total Expenses</b>		<b>1,33,862.12</b>	<b>2,09,168.78</b>
<b>Profit before Exceptional items and tax</b>		<b>(27,850.79)</b>	<b>4,844.57</b>
Exceptional Item - Expenses	31.b	-	-
<b>Profit before tax</b>		<b>(27,850.79)</b>	<b>4,844.57</b>
<b>Tax expense :</b>			
(1) Current tax		-	1,563.68
(2) MAT credit		(236.74)	-
(3) Deferred tax		-	-
<b>Total tax expense / (benefit)</b>		<b>(236.74)</b>	<b>1,563.68</b>
<b>Profit after tax</b>		<b>(27,614.05)</b>	<b>3,280.89</b>
<b>Other Comprehensive Income</b>			
A (i) Items that will not be reclassified to profit or loss			
(a) Remeasurements of the defined benefit plans		42.61	4.91
(b) Equity instruments through other comprehensive in		-	233.93
		<b>42.61</b>	<b>238.84</b>
A (ii) Income tax relating to items that will not be reclassified to		-	82.66
<b>Total other comprehensive income (A(i-ii))</b>		<b>42.61</b>	<b>156.18</b>
<b>Total comprehensive income</b>		<b>(27,571.44)</b>	<b>3,437.07</b>
Profit for the year attributable to:			
-Owners of the company		(27,571.44)	3,437.07
		<b>(27,571.44)</b>	<b>3,437.07</b>
<b>Earnings per equity share (Face value of Rs.10/ per share)</b>	40		
(1) Basic (in Rs.)		(11.10)	1.33
(2) Diluted (in Rs.)		(11.10)	1.33

Summary of significant accounting policies 2

The accompanying notes are an integral part of the financial statements

As per our report of even date

For CNGSN & ASSOCIATES LLP  
Chartered Accountants  
Firm Registration No. 4915S/S200036

*K. Parthasarathy*

K. Parthasarathy  
Partner  
M.No: 018394



Place : Chennai  
Date : 28/02/2022

For and on behalf of the Board of Directors

*D. Ebenezer Inbaraj*

Mr. Ebenezer Inbaraj  
Monitoring Professional  
Reg. No.: IBBI/IPA-001-IP-P00754/2017-18/11286



Place : Chennai  
Date : 28/02/2022

**Regen Powertech Private Limited**  
**Statement of Cashflows for the year ended March 31, 2018**  
*(All amounts are in Rupees Lakhs unless otherwise stated)*

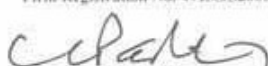
	April 1, 2017 to March 31, 2018	April 1, 2016 to March 31, 2017
<b>A Cash Flow from Operating Activities</b>		
Net profit after tax as per Statement of Profit and Loss	(27,614.05)	3,280.80
<b>Adjustments for :</b>		
Depreciation and amortization expense	3,055.05	3,379.58
Unrealised exchange (gain) / loss, net	65.01	(505.57)
Provision / (benefit) for current and deferred taxes	(236.74)	1,563.68
Provision for doubtful debts	-	2,000.00
Provision for Contract compensation no longer required written back	-	(1,223.00)
(Profit)/Loss on sale of assets - net	3.85	(6.29)
Income from current investments	(5.33)	(4.32)
Finance costs	11,953.11	14,762.57
Interest income	(456.54)	(724.91)
<b>Operating profit before working capital changes</b>	<b>(13,233.05)</b>	<b>22,528.63</b>
<b>Movement in working capital:</b>		
<b>Adjustments for</b>		
(Increase) / Decrease in Trade receivables	55,908.13	(20,129.10)
(Increase) / Decrease in Inventories	(3,918.37)	2,110.48
(Increase) / Decrease in Other Assets - current	9,008.06	(10,822.49)
(Increase) / Decrease in Other Financial Assets - current	(17,115.97)	15,044.51
(Increase) / Decrease in Other Financial Assets - non-current	353.23	(89.59)
Increase / (Decrease) in Trade and other payables	(18,483.54)	4,796.38
Increase / (Decrease) in Provisions - current	(302.71)	(2,981.12)
Increase / (Decrease) in Provisions - non-current	238.39	3,328.02
Increase / (Decrease) in Other Liabilities - current	(489.09)	5,194.57
Increase / (Decrease) in Other Liabilities - non-current	(8,009.33)	(2,536.15)
Cash generated by operating activities	3,955.73	16,444.14
Direct taxes paid (net of refunds)	250.00	254.92
<b>Net cash generated by operating activities</b>	<b>4,205.72</b>	<b>16,699.06</b>
<b>B Cash Flow from Investing Activities</b>		
Investments in equity of a subsidiary	(102.50)	(6.10)
Proceeds from sale of mutual funds	0.00	(6.48)
Proceeds from sale of Fixed Assets	28.92	2.10
Capital expenditure including capital advances and capital work in progress - Tangible	(2,048.87)	(6,927.06)
Capital expenditure including capital advances and capital work in progress - Intangible	(525.63)	(318.41)
Other bank balances	1,936.24	(53.45)
Interest received	766.29	557.57
<b>Net cash used in investing activities</b>	<b>54.45</b>	<b>(6,745.83)</b>
<b>C Cash Flow from Financing Activities</b>		
Repayment of long term borrowings	(515.21)	(2,803.51)
Proceeds of short term borrowings, net	7,328.87	6,004.93
Share issue expenses	-	(168.00)
Interest paid	(11,953.11)	(14,759.10)
<b>Net cash used in financing activities</b>	<b>(5,139.44)</b>	<b>(11,725.68)</b>
<b>Net (decrease) / increase in cash and cash equivalents (A+B+C)</b>	<b>(879.27)</b>	<b>(1,772.45)</b>
Cash and cash equivalents at the beginning of the year / period	978.93	2,751.38
<b>Cash and cash equivalents at the end of the year / period (refer note 10.a)</b>	<b>99.67</b>	<b>978.93</b>

**Non Cash Transactions**

1. Bonus shares issued during the previous year - Refer Note 14.c

As per our report of even date.

For CNGSN & ASSOCIATES LLP  
Chartered Accountants  
Firm Registration No. 4915S/N200036

  
K. Parthasarathy  
Partner  
M.No: 018394



For and on behalf of the Board of Directors

  
Mr. Ebenezer Inharaj  
Monitoring Professional  
Reg. No.: IBBI/PA-001-IP-P00754/2017-18/11286



Place : Chennai  
Date : 28/02/2022

Place : Chennai  
Date : 28/02/2022

Regen Powertech Private Limited  
 Statement of changes in Equity for the year ended March 31, 2018  
 (All amounts are in Rupees Lakhs unless otherwise stated)

a. Equity Share Capital:

Equity shares of Rs.10/- each issued, subscribed and fully paid

Balance at 1st April 2017

Changes in equity share capital during the year

Balance at 31st March 2018

No. of shares	Amount-Rs. Lakhs
24,87,59,460	24,875.94
-	-
24,87,59,460	24,875.94

b. (i) Other Equity

For the year ended 31 March, 2018

As at 1st April 2017

Loss for the year

As at 31st March, 2018

Reserves and Surplus	
Securities Premium	Retained earnings
7,008.38	30,057.90
-	(27,614.05)
7,008.38	2,443.85

b. (ii) Other Equity - Other Comprehensive Income (OCI)

For the year ended 31 March, 2018

As at 1st April 2017

Other comprehensive income

At 31st March, 2018

Items of OCI		
Reimbursements of the defined benefit plans	Equity instruments through other comprehensive income	Total
7.87	139.57	147.44
42.61	-	42.61
50.48	139.57	190.05

For CNGSN & ASSOCIATES LLP  
 Chartered Accountants  
 Firm Registration No. 4915S/S200036

K.Parthasarathy  
 Partner  
 M.No: 018394



Place : Chennai  
 Date : 28/02/2022

For and on behalf of the Board of Directors

Mr. Ebenezar Inbaraj  
 Monitoring Professional  
 Reg. No.: 1BBI/1PA-001-1P-P00754/2017-18/11286



Place : Chennai  
 Date : 28/02/2022

Reigen Powertech Private Limited  
 Notes to financial statements for the year ended March 31, 2018  
*(All amounts are in Rupees Lacs unless otherwise stated)*

3. Tangible assets

Description	Gross block			Depreciation		Net block	
	As at Apr 1, 2017	Additions	Deletions	As at Mar 31, 2018	For the year	As at Mar 31, 2018	As at Apr 1, 2017
Land	4,159.99	-	-	4,159.99	-	4,159.99	4,159.99
Buildings	11,669.15	24.85	-	11,694.00	363.81	10,524.98	10,863.94
Plant and Machinery	8,131.56	1,588.84	5.70	9,714.70	1,228.64	6,175.50	5,817.12
Office equipment	145.56	0.52	-	146.08	33.54	9.79	42.81
Computers	1,130.38	198.02	-	1,328.40	210.87	448.28	461.13
Furniture and fittings	177.63	0.74	-	178.37	22.76	3.01	25.03
Leasehold improvements	238.96	-	-	238.96	66.12	38.12	104.24
Vehicles							
Finance lease	149.25	-	54.78	94.47	9.14	10.90	40.43
Others	99.09	-	24.56	74.53	17.89	27.04	55.49
<b>TOTAL</b>	<b>25,901.57</b>	<b>1,812.97</b>	<b>85.04</b>	<b>27,629.50</b>	<b>1,952.77</b>	<b>21,397.61</b>	<b>21,570.18</b>

3. Intangible assets

Description	Gross block			Depreciation		Net block	
	As at Apr 1, 2017	Additions	Deletions	As at Mar 31, 2018	For the year	As at Mar 31, 2018	As at Apr 1, 2017
License Fees	5,351.71	508.41	-	5,860.12	1,070.62	3,819.54	4,381.75
Computer Software	117.93	17.22	-	135.15	16.93	24.48	24.19
	5,469.64	525.63	-	5,995.27	1,087.55	3,844.02	4,405.94



**4. Investment Property**

Opening balance  
 Additions  
**Closing balance**

**Depreciation and impairment**

Opening balance  
 Depreciation  
**Closing balance**

**Net block**

**Information regarding income and expenditure of Investment property**

Rental income derived from investment properties  
 Direct operating expenses (including repairs and maintenance) generating rental income  
 Direct operating expenses (including repairs and maintenance) that did not generate rental income  
 Profit arising from investment properties before depreciation and indirect expenses  
 Less - Depreciation  
 Loss arising from investment properties before indirect expenses

	As at March 31, 2018	As at March 31, 2017
Opening balance	957.94	-
Additions	(0.00)	957.94
<b>Closing balance</b>	<b>957.94</b>	<b>957.94</b>
Opening balance	15.32	-
Depreciation	15.32	15.32
<b>Closing balance</b>	<b>30.64</b>	<b>15.32</b>
<b>Net block</b>	<b>927.30</b>	<b>942.62</b>

Particulars
<b>Cost or Deemed Cost as at 1 April 2016</b>
Additions
Disposals
<b>Cost or Deemed Cost as at 31 March 2017</b>
Additions
Disposals
<b>Cost or Deemed Cost as at 31 March 2018</b>
<b>Accumulated Depreciation and impairment</b>
Charge for the period
Ind AS Adjustments
<b>Balance as at 31 March 2017</b>
Charge for the period
<b>Balance as at 31 March 2018</b>
<b>Net Block as at 31 March 2018</b>
<b>Net Block as at 31 March 2017</b>

	Land	Building	Total
Rental income derived from investment properties	14.00	0.46	-
Direct operating expenses (including repairs and maintenance) generating rental income	-	-	-
Direct operating expenses (including repairs and maintenance) that did not generate rental income	-	-	-
Profit arising from investment properties before depreciation and indirect expenses	14.00	0.46	-
Less - Depreciation	(15.32)	(15.32)	-
Loss arising from investment properties before indirect expenses	<b>(1.32)</b>	<b>(14.86)</b>	-
	-	-	-
	569.75	388.19	957.94
	-	-	-
	<b>569.75</b>	<b>388.19</b>	<b>957.94</b>
	-	-	-
	569.75	388.19	957.94
	-	15.32	15.32
	-	-	-
	-	<b>15.32</b>	<b>15.32</b>
	-	15.32	15.32
	-	-	-
	-	<b>30.64</b>	<b>30.64</b>
	<b>569.75</b>	<b>357.55</b>	<b>927.30</b>
	<b>569.75</b>	<b>372.87</b>	<b>942.62</b>

**Note on Fair value of Investment Property:**

Fair value of Investment properties is at deemed cost as on 1st April 2016.

The fair value of the investment properties is Rs.958.50 lakhs.

The fair value of the investment properties is determined based on the capitalisation of net income method, where the market rentals of all the lettable units was considered. The main inputs used are discount rates based on government bond rate. The resulting fair value estimates are classified under Level 3 of the Fair value hierarchy.

The Company has no restrictions on the disposal of its investment property and no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancement.

The likely sale value of Investment Property will be more than the deemed cost.



5. Financial assets

(i) Investments - other investments

Investments at fair value

Unquoted equity shares

Investment in subsidiaries

Regen Infrastructure and Services Private Limited ("RISPL")

7,32,91,496 (Previous year - 7,32,91,496) equity shares of Rs. 10 each fully paid up\*

35,155.00

35,155.00

Regen Renewable Energy Generation Global Limited ("RREGGL")

1,377,750 (Previous year - 1,377,750) equity shares of Euro 1 each fully paid up

3,739.79

3,739.79

Regen O&M Services Limited ("ROMSL")

49,500 (Previous year - 49,500) equity shares of Rs. 10 each fully paid up

4.95

4.95

Regen Windfarm Vagarai Private Limited ("RWVPL")

1,000 (Previous year - 1,000) equity shares of Rs. 10 each fully paid up \*\*

0.10

0.10

Regen Blade Manufacturing Private Limited ("RBMPL")

1,000 (Previous year - NIL) equity shares of Rs. 10 each fully paid up \*\*\*

0.10

-

Vaikonda Perumal Renewable Energy Private Limited ("VPREPL")

1,000 (Previous year - NIL) equity shares of Rs. 10 each fully paid up \*\*\*

0.10

-

Purushothama Perumal Renewable Energy Private Limited ("PPREPL")

1,021,000 (Previous year - NIL) equity shares of Rs. 10 each fully paid up \*\*\*

102.10

-

Soundararaja Perumal Renewable Energy Private Limited ("SPREPL")

1,000 (Previous year - NIL) equity shares of Rs. 10 each fully paid up \*\*\*

0.10

-

Srimoorthi Perumal Renewable Private Limited ("SRPREPL")

1,000 (Previous year - NIL) equity shares of Rs. 10 each fully paid up \*\*\*

0.10

-

**Total Investments at fair value**

**39,002.34**

**38,899.84**

\* includes 10 shares held by the nominee.

During the period ended on 30th September'14, the Company had entered into an agreement to sell its O&M Business to its wholly owned subsidiary Regen Infrastructure and Services Private Limited ("RISPL") on a slump sale basis with effect from March 31, 2014 for a consideration of Rs.31,000 lakhs, which was ratified and approved by the Board of Directors on January 12, 2015. During the previous period ended 31st March'16, 413,33,333 equity share of Rs.10/- each was allotted towards consideration receivable on the aforesaid sale. These shares were pledged with IDBI Trusteeship Services Limited towards issue of Debentures by RISPL.

RREGGL is a wholly owned subsidiary of the Company and is engaged in the business of development and sub-licensing of intellectual property. Investment in RREGGL is accounted for at cost as per IndAS 27. The accumulated losses of RREGGL along with that of its step down subsidiary have substantially eroded the net-worth as at March 31, 2018. Management believes that such losses are due to the entity being in its start up stage and based on business plans, believes that the investment can be carried at cost.

\*\* During the previous year as approved in the Board meeting held on 23rd March 2016, the company had acquired 1,000 shares of Rs.10/- each in Regen Windfarm Vagarai Private Limited.

\*\*\* During the current year as approved in the Board meeting held on 15th May 2017, the company had acquired 1,000 shares of Rs.10/- each in Regen Blade Manufacturing Private Limited.

\*\*\* During the current year as approved in the Board meeting held on 26th September 2017, the company had acquired 1,000 shares of Rs.10/- each in Vaikundanadha Perumal Renewable Energy Private Limited.

\*\*\* During the current year as approved in the Board meeting held on 20th November 2017, the company had acquired 1,000 shares of Rs.10/- each in Srimoorthi Perumal Renewable Energy Private Limited.

\*\*\* During the current year as approved in the Board meeting held on 20th November 2017, the company had acquired 1,000 shares of Rs.10/- each in Soundararaja Perumal Renewable Energy Private Limited.

\*\*\* During the current year as approved in the Board meeting held on 20th November 2017, the company had acquired 1,000 shares of Rs.10/- each in Purushothama Perumal Renewable Energy Private Limited. Subsequently as approved in the Board meeting held on 7th February 2018, rights issue of 1,020 shares were issued for every 1 share held taking the total shares to 10,21,000 shares.



	As at March 31, 2018	As at March 31, 2017
(ii) Others		
Security Deposits	630.26	983.69
Incentive receivable from government (refer note below)	1,288.60	1,288.39
	<b>1,918.85</b>	<b>2,272.08</b>

**Note on Incentive receivable from government**

The Company was eligible for Andhra Pradesh – Incentive scheme issued by Principal Secretary to Government & Commissioner for Industrial Promotion. The scheme was applicable for a period of five years. As per the scheme, the Company was eligible for getting VAT reimbursement of 75% of the value added tax on both input and output paid from 2009-10. Accordingly the Company had recognised the same as part of other income in the respective years. Government incentives accrued as income during 2010-11 was - Rs.709.35 lakhs, 2011-12 - Rs.1,643.96 lakhs, 2012-13 - Rs.3,634.92 lakhs and 2013-14 - Rs.1,085.53 lakhs respectively. Similar scheme is available in the state of Rajasthan also and the Company had recognised Rs.2.23 lakhs during 2012-13, Rs.9.79 lakhs during 2013-14, Rs.17.40 lakhs during 2014-15, Rs. 23.64 lakhs during 2015-16, Rs.16.09 lakhs during 2016-17 and Rs.0.21 lakhs during 2017-18 as receivables.

**6. Other non-current assets**

MAT Credit **	1,265.77	1,029.03
Capital advances	-	6.93
	<b>1,265.77</b>	<b>1,035.96</b>

\*\* (1) Rs.236.74 lakhs being the difference between MAT credit as per ITR and books recognised during the year.

(2) Rs.89.59 lakhs being the difference between normal tax and minimum alternate tax is utilised during the previous year from the opening MAT credit available.

**7. Inventories (Valued at lower of cost or net realisable value)**

	As at March 31, 2018	As at March 31, 2017
Raw materials and components (includes stock with subcontractors - Rs.1,131.21 lakhs (previous year-Rs.1,338.83 lakhs))	27,735.98	30,732.81
Work-in-progress	254.95	160.92
Finished Wind Energy Converter parts	10,767.95	3,875.94
Loose tools	29.95	100.79
	<b>38,788.83</b>	<b>34,870.46</b>
<b>Details of Inventory of raw materials:-</b>		
a) Steel	491.16	578.11
b) Blades	9,177.83	9,249.47
c) Electrical items	3,725.78	6,049.66
d) Mechanical items	5,637.97	5,353.30
e) Others	8,703.24	9,502.27
	<b>27,735.98</b>	<b>30,732.81</b>

No provision is made for inventories during the current year (previous year - NIL).

All the above inventories are expected to be used within 1 year from the balance sheet date in the normal course of business activities.

**8. Other investments (FVTPL) Quoted**

	As at March 31, 2018	As at March 31, 2017
Investment in Mutual Fund - SIP at FVTPL	58.85	55.52
[Canara Robeco Capital protection oriented fund - Face value - Rs.10.00 per unit (previous year - Face value - Rs.10.00 per unit)]		
382,629,335 units (Previous year 382,629,335 units)		
	<b>58.85</b>	<b>55.52</b>



## 9. Trade receivables

	As at March 31, 2018	As at March 31, 2017
Trade receivables outstanding for a period exceeding 180 days		
Unsecured, considered good	2,853.69	2,956.51
Unsecured, considered doubtful	2,828.62	5,377.05
	5,682.31	8,333.56
Allowance for doubtful debts (includes Expected credit loss allowance)		
Unsecured, considered doubtful	(2,828.62)	(5,377.05)
	2,853.69	2,956.51
Other Trade receivables		
Unsecured, considered good	25,624.02	81,429.33
<b>Total Trade receivables</b>	<b>28,477.71</b>	<b>84,385.84</b>

### Movement in the allowance for doubtful receivables

Particulars	2017-18	2016-17
Balance at the beginning of the year	5,377.05	3,377.05
Allowance recognized during the year	-	2,000.00
Less: Allowance utilised for written-off	2,548.43	-
<b>Balance at the end of the year</b>	<b>2,828.62</b>	<b>5,377.05</b>

The average credit period of debtors is 180 days.

### Ageing of receivables :

Particulars	31-Mar-2018	31-Mar-2017
Within due date	21,597.80	76,067.33
0-30 days overdue	2,842.96	2,751.37
31-60 days overdue	1,070.74	993.00
61-90 days overdue	10.05	182.25
91-180 days overdue	102.47	1,435.38
Over 180 days overdue	5,682.31	8,333.56
<b>Total</b>	<b>31,306.34</b>	<b>89,762.89</b>

Based on past experience, during the previous year expected credit loss allowance is made for receivables in the over 180 days overdue bucket.

	31-Mar-2018	31-Mar-2017
Expected credit loss allowance % - 91-180 days overdue bucket	Nil	21.00%
Expected credit loss allowance % - Over 180 days overdue bucket	Nil	20.50%

### The following customers outstanding is more than 10% of the receivables :

	31-Mar-2018	31-Mar-2017
Wind Constructions Private Limited	7,630.17	-
PTC Energy Limited	-	8,612.56
Green Infra Wind Energy Limited - Rojwas	4,252.12	-

In determining the recoverability of a trade receivables, the Company considers any change in the credit quality of the trade receivable from the date credit was initially granted up to the reporting date. The concentration of credit risk is limited due to the customer base being large and unrelated. Accordingly, the Company believes that there is no further credit allowance required in excess of the allowance for doubtful debts.



	As at March 31, 2018	As at March 31, 2017
<b>10a. Cash and cash equivalents</b>		
Cash on hand	46.77	25.41
Balances with banks:		
On current accounts	52.90	953.52
	99.67	978.93
<b>10b. Other Bank balances</b>		
Other balances		
Margin money deposits (towards bank guarantees and remaining maturity of less than 12 months)	1,484.76	3,421.00
<b>Total Cash and Bank Balances</b>	<b>1,584.43</b>	<b>4,399.93</b>
<b>11. Loans</b>	As at	As at
Advances recoverable in cash or in kind	March 31, 2018	March 31, 2017
Unsecured considered good	601.79	699.06
	601.79	699.06
<b>12. Other financial assets</b>		
Interest accrued on fixed deposits	166.67	476.43
Export Incentive receivable	13.14	11.91
Other receivables - due from its wholly own subsidiaries	23,822.79	6,398.29
	<b>24,002.60</b>	<b>6,886.63</b>
<b>13. Other current assets</b>		
Unamortized expenditure		
Advances to Suppliers	11,279.59	21,726.50
Balances with statutory/government authorities		
GST various states	1,085.09	-
Prepaid expenses	2,046.67	2,001.62
Sundry receivables	-	13.07
	<b>14,411.35</b>	<b>23,741.19</b>



	As at March 31, 2018	As at March 31, 2017
<b>14. Equity Share capital</b>		
<b>Authorised</b>		
2,50,300,000 (Previous year 2,50,300,000) equity shares of Rs.10 each	25,030.00	25,030.00
5,000,000 (Previous year 5,000,000) 0% compulsorily convertible preference shares of Rs.10 each	500.00	500.00
<b>Issued, Subscribed and Paid-up</b>		
248,759,460 (Previous year 248,759,460) equity shares of Rs.10/- each fully paid up (Refer Note d)	24,875.94	24,875.94
	<b>24,875.94</b>	<b>24,875.94</b>

a. As approved by the members of the Company in the extra ordinary general meeting held on 9th March 17, the authorised share capital of the company was increased to Rs.25.530 lakhs from Rs.3,130 lakhs during the previous year, comprising of 25,03,00,000 Equity shares of Rs.10/- each [previous year 25,03,00,000 Equity shares of Rs.10/- each] and 50,00,000 0% compulsorily convertible preference shares of Rs.10/- each [previous year 50,00,000 0% compulsorily convertible preference shares of Rs.10/- each].

b. During the previous year 16,11,453 0% compulsorily convertible preference shares of Rs.10/- each aggregating to Rs.161.15 lakhs was converted into 16,11,453 equity shares of Rs.10/- each aggregating to Rs.161.15 lakhs upon exercise of option of conversion by preference shareholders.

c. During the previous year pursuant to the approval of the Board of Directors in their meeting held on March 9, 2017 and the members in the Extra-Ordinary General Meeting held on the same date, 22,38,83,514 fully paid equity shares of Rs.10/- each were issued as bonus shares to the existing shareholders at a ratio of 9:1 (9 equity shares of Rs. 10 each for every equity share held) by capitalisation of Securities Premium Account amounting to Rs.22,388.35 lakhs.

**d. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period**

Equity shares	For the year ended March 31, 2018		For the year ended March 31, 2017	
	No. of shares	Amount	No. of shares	Amount
At the beginning of the year	24,87,59,460	24,875.94	2,32,64,493	2,326.44
Conversion of Preference shares into Equity shares issued (refer note 14b)	-	-	16,11,453	161.15
Bonus shares issued (refer note 14c)	-	-	22,38,83,514	22,388.35
<b>Outstanding at the end of the year</b>	<b>24,87,59,460</b>	<b>24,875.94</b>	<b>24,87,59,460</b>	<b>24,875.94</b>

**0% Compulsorily convertible preference shares**

	For the year ended March 31, 2018		For the year ended March 31, 2017	
	No. of shares	Amount	No. of shares	Amount
At the beginning of the year	-	-	16,11,453	161.15
Add: Issued during the year	-	-	-	-
Less: Converted into Equity shares (refer note 14b)	-	-	(16,11,453)	(161.15)
<b>Outstanding at the end of the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

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

The Company has only one class of equity shares having par value of Rs.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 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 shareholders.

**f. Terms of conversion of 0% Compulsorily Convertible Preference Shares ('CCPS')**

0% CCPS shall be converted into fully paid equity shares on the conversion date in the ratio of 1 equity share per CCPS. The conversion date shall be 24 months from date of issue of CCPS (issued during the financial years 2011-12 and 2012-13) or any other date as may be mutually agreed between the shareholders and the company. During the previous year the entire preference shares were converted into equity shares. (refer note 14b)

The CCPS shareholders have the same right to dividend as extended to the equity shareholders of the Company.

**g. Details of shareholders in the Company**

Particulars	As at March 31, 2018		As at March 31, 2017	
	No. of shares	% holding in the class	No. of shares	% holding in the class
<b>Equity shares of Rs.10 each fully paid</b>				
<b>Promoters</b>				
Mr.Madhusudan Khemka	3,03,01,472	12.18	-	-
Mr.R.Sundaresh	1,51,50,851	6.09	1,51,50,851	6.09
Mr.Anirudh Khemka	-	-	1,51,50,736	6.09
Mr.Archit Khemka	-	-	1,51,50,736	6.09
<b>Investors</b>				
Mandava Holdings Private Limited	8,63,05,139	34.70	8,63,05,139	34.70
Mr.Prabakar Rao	1,58,92,678	6.39	1,58,92,678	6.39
Indivision India Partners, Mauritius(IIP)	8,02,10,480	32.24	8,02,10,480	32.24



IDFC Investment Advisors Ltd	85,04,970	3.42	85,04,970	3.42
Meap India Private Limited	56,69,980	2.28	56,69,980	2.28
TVS Shiram Growth Fund	47,84,310	1.92	47,84,310	1.92
Summit FVCI	19,39,580	0.78	19,39,580	0.78
<b>Grand Total</b>	<b>24,87,59,460</b>	<b>100.00</b>	<b>24,87,59,460</b>	<b>100.00</b>



#### h. Shares reserved for issue under options

For details of shares reserved for issue under the employee stock option (ESOP) plan of the company, please refer note 32. During the previous year the entire amount in Employee stock option (ESOP) is forfeited as the scheme has already lapsed.

#### 15. Other Equity

##### Securities premium account

As at March 31, 2018 As at March 31, 2017

Opening balance	7,008.38	29,564.73
Less: Amounts utilised towards issue of bonus shares (refer note 14c)	-	(22,388.35)
Less: Amounts utilised towards expenses on issue of bonus shares	-	(168.00)
<b>Closing balance</b>	<b>7,008.38</b>	<b>7,008.38</b>

##### Employee stock options outstanding

Gross employee stock compensation for options granted in earlier years	-	233.93
Less: Stock options expired/forfeited	-	(233.93)
<b>Closing balance</b>	<b>-</b>	<b>-</b>

##### Surplus in the statement of profit and loss

Opening balance	30,057.90	26,777.01
(Loss)/Profit for the year	(27,614.05)	3,280.89
<b>Net surplus in the statement of profit and loss</b>	<b>2,443.84</b>	<b>30,057.90</b>

##### Other Comprehensive income

Opening balance	147.44	(8.74)
Additions / (Deletions)	42.61	156.18
<b>Closing balance</b>	<b>190.05</b>	<b>147.44</b>

##### Total reserves and surplus

9,642.25 37,213.72

#### 16a. Borrowings

As at March 31, 2018 As at March 31, 2017

	Effective interest Rate		
<b>Term loans</b>			
<i>Secured</i>			
Secured	14.03%	151.76	621.46
Foreign currency loan from bank	12.71%	-	8.00
		151.76	629.46
Finance lease obligation (refer note 37.b)		25.01	62.52
Less: Current maturities of long term borrowings			
Indian rupee loan from bank		(151.76)	(621.46)
Foreign currency loan from bank		-	(8.00)
Finance lease obligation (refer note 37.b)		(9.60)	(18.72)
		(161.36)	(648.18)
		<b>15.41</b>	<b>43.80</b>

##### A. Term loans

(i) Term loan from Axis Bank is repayable in 16 equal quarterly instalments commencing at the end of 15 months from the date of first drawdown, viz, March 28, 2013. The loan is secured against moveable fixed assets located at Udaipur unit at Rajasthan and mortgaged by deposit of title deeds over immovable fixed assets at Udaipur unit ('the project') at Rajasthan on pari passu basis with other lenders to the project. The last instalment of the term loan is repaid in April 2018.

(ii) Foreign currency loan is repayable in 16 equal quarterly instalments commencing at the end of 15 months from the date of first drawdown, viz, March 29, 2012. The loan is secured against moveable fixed assets located at Udaipur unit at Rajasthan and mortgaged by deposit of title deeds over immovable fixed assets at Udaipur unit at Rajasthan on pari passu basis. The Company has also taken a principal only swap to cover its exposure on the long term foreign currency loan taken of USD 100 lakhs at a fixed rate of Rs. 50.95 per USD. The Company incurs a cost of 8% per annum on such swap. The loan amount outstanding as on 31st March 2016 is fully repaid during the previous year. Interest accrued on the loan alone is settled during the current year in April 2017.

(iii) Finance lease obligation is secured by way of exclusive hypothecation on the respective vehicles.

The above term loans and finance lease obligation carry varying rates of interest with the maximum rate of interest ranging from 12% upto 15% p.a. as at March 31, 2018 (previous year - from 12% upto 15% p.a.)



	As at March 31, 2018	As at March 31, 2017
<b>16b. Others</b>		
Payable to Regen Renewable Energy Generation Global Limited ("RREGGL")	1,450.89	1,685.60
Payable to Vensys Energy AG	3,811.05	2,648.78
	<b>5,261.93</b>	<b>4,334.38</b>

<b>17. Provisions</b>		
Provision for performance guarantee (refer note 33A)	836.67	836.67
Provision for employee benefits:		
- Leave salary	167.02	212.80
- Gratuity (refer note 39)	211.82	143.33
Provision for operation, maintenance and warranty (refer note 33A)	1,220.85	935.39
Excess Provision for taxes	6,087.77	6,594.73
	<b>8,524.13</b>	<b>8,722.92</b>

	As at March 31, 2018	As at March 31, 2017
<b>18. Deferred tax assets / (liabilities)</b>		
<i>Tax effect of items constituting deferred tax liabilities</i>		
On difference between book balance and tax balance of fixed assets	(1,740.83)	(1,740.83)
Others - Licence fee payment	-	-
<b>Gross deferred tax liabilities</b>	<b>(1,740.83)</b>	<b>(1,740.83)</b>
<i>Tax effect of items constituting deferred tax assets</i>		
Unabsorbed Depreciation	-	-
Effect of billing in excess of revenue	-	-
On disallowances under Income Tax Act, 1961	1,740.83	1,740.83
<b>Gross deferred tax assets</b>	<b>1,740.83</b>	<b>1,740.83</b>
<b>Net of deferred tax assets / (liabilities)</b>	<b>0.00</b>	<b>0.00</b>

In accordance with the accounting policy adopted by the company, the Deferred tax asset mainly arising on unabsorbed business losses/ depreciation has not been recognised in these financial statements in the absence of reasonable certainty supported by appropriate evidence regarding availability of future taxable income against which such deferred tax assets can be realised.

During the previous year the carry forward unabsorbed depreciation loss and other adjustments has given rise to net deferred tax asset. In the absence of evidence to prove virtual certainty as required in IndAS 12, deferred tax asset as on 31 March 2017 and 31 March 2016 has been restricted to the extent of net deferred tax liability arising out of other timing differences and the balance Deferred tax asset of Rs.1,217.44 lakhs and Rs.739.28 lakhs respectively has not been recognized in these financial statements as per accounting policy followed by the Company.

#### 19. Other non-current liabilities

Advance from Customers	-	8,009.33
	-	<b>8,009.33</b>

#### 20. Borrowings

	As at March 31, 2018	As at March 31, 2017
<i>Secured</i>		
Cash credit from banks	30,000.00	26,198.12
<i>Unsecured</i>		
Cash credit from banks **	26,865.46	-
Acceptances	25,568.76	48,907.23
	<b>82,434.22</b>	<b>75,105.35</b>

a) Cash credit from banks are secured against first charge on fixed deposits, inventories and book debts present and future on paripassu basis and by a second charge on fixed assets both present and future on pari passu basis. The cash credit is repayable on demand and carry varying rates of interest, depending on the nature of the loans, with the rate of interest ranging from 12% p.a and a maximum of upto 16% p.a.

b) Acceptances represent short term credit from suppliers repayable within 180 days and carry varying rates of interest ranging from 10% p.a and a maximum of upto 12% p.a.

\*\* During the current year Cash credit from banks has become "Non performing" as the limits were overdrawn above the sanctioned limits and hence shown as "Unsecured" to the tune of overdrawal above the sanctioned limits.

#### 21. Trade Payables

Dues to Micro and Small Enterprises (refer note 42)	1,265.46	4,551.76
Bills acceptances (Non Interest bearing)	3,044.02	3,413.02



Dues to others	38,779.36	53,964.57
	<b>43,088.84</b>	<b>61,929.35</b>

The average credit period on purchases of goods is 3 to 6 months.

**22. Provisions**

As at March 31, 2018 As at March 31, 2017

**Other Provisions**

Provision for operation and maintenance & warranty (Refer note 33A)	-	285.46
Provision for employee benefits	44.57	59.18
- Leave salary	116.59	119.22
- Gratuity (Refer note 39)	<b>161.16</b>	<b>463.86</b>

**23. Other current liabilities**

Current maturities of long term borrowings (includes)	161.36	648.17
current maturities of finance lease obligations)	3.47	3.47
Interest accrued and not due - others	863.36	1,138.89
Billing in excess of revenue	5,799.67	5,361.25
Advance from customers	125.40	748.61
Others - Statutory liabilities (including TDS, sales tax and service tax)	<b>6,953.27</b>	<b>7,900.39</b>



**Regen Powertech Private Limited**  
**Notes to financial statements as at March 31, 2018**  
*(All amounts are in Rupees Lakhs unless otherwise stated )*

	<b>April 1, 2017 to March 31, 2018</b>	<b>April 1, 2016 to March 31, 2017</b>
<b>24. Revenue from operations</b>		
<b>Sale of products</b>		
Sale of WEC and finished WEC components	1,03,970.08	2,10,715.38
<b>Other operating revenue</b>		
Scrap sales	1,417.49	678.25
Sale of power	29.45	401.81
<b>Revenue from operations (net)</b>	<b>1,05,417.03</b>	<b>2,11,795.44</b>
<b>25. Other Income</b>		
Foreign exchange gain, net	-	90.07
Export incentive	1.23	28.20
Profit on sale of fixed assets, net	-	0.29
Insurance claims	133.20	147.12
Provision no longer required, written back		
- Provision for contract compensation (refer note 31)	-	1,223.00
Current Investments - FVTPL	3.33	4.32
<b>Interest Income</b>		
Interest on Bank deposits	456.54	723.07
Interest on others	-	1.84
	<b>594.30</b>	<b>2,217.91</b>



	April 1, 2017 to March 31, 2018	April 1, 2016 to March 31, 2017
<b>26. Cost of materials consumed</b>		
Inventory at the beginning of the year	30,732.81	27,601.02
Add: Purchases, including stock-in-transit	1,04,037.71	1,53,531.10
	1,34,770.52	1,81,132.12
Less: Inventory at the end of the year	27,735.98	30,732.81
Cost of raw material and components consumed	1,07,034.54	1,50,399.31
Tools consumed	72.59	152.73
	<b>1,07,107.13</b>	<b>1,50,552.04</b>

Purchases is net of the sale of raw materials on high sea sale basis aggregating to Rs.Nil (Previous period Rs.2,013.20 lakhs).

**Details of raw materials and components consumed**

WEC parts	21,054.60	51,550.98
Blades	5,946.99	13,362.02
Steel and related materials for towers	5,835.70	11,074.16
Others	74,269.84	74,564.88
	<b>1,07,107.13</b>	<b>1,50,552.04</b>

**27. Changes in inventories of finished goods, work-in-progress and traded goods**

Inventories at the end of the year		
- Work in progress	254.95	160.92
- Finished WEC parts	10,767.95	3,875.94
Inventories at the beginning of the year		
- Work in progress	160.92	111.99
- Finished WEC parts	3,875.94	9,125.47
	<b>(6,986.04)</b>	<b>5,200.60</b>

**28. Employee benefits expense**

Salaries, wages and bonus	5,483.82	6,525.17
Contribution to provident fund (refer note 39)	209.53	287.63
Gratuity expenses (refer note 39)	108.47	105.58
Workmen and staff welfare expenses	256.33	475.83
	<b>6,058.15</b>	<b>7,394.21</b>



	April 1, 2017 to March 31, 2018	April 1, 2016 to March 31, 2017
<b>29. Finance costs</b>		
Interest		
- on long term loans / debentures	52.22	470.88
- on short term loans / acceptances	8,618.36	8,455.91
- others (includes Rs.155.36 lakhs towards interest on delayed payment of taxes (previous year - Rs.70.46 lakhs))	624.29	2,489.19
Other borrowing costs	2,658.23	3,346.59
	<b>11,953.11</b>	<b>14,762.57</b>
<b>30. Other expenses</b>		
Crane hire and equipment hire charges	2,661.11	2,462.34
Evacuation charges and Infrastructure Development charges	128.87	1,464.25
Freight, Clearing and forwarding expenses	2,303.71	5,108.13
Royalty	335.46	2,373.84
Operation, maintenance and warranty	270.56	6,140.91
Testing & Calibration Charges	178.31	569.67
Civil foundation, erection and commissioning charges	447.28	1,759.41
Power and fuel	250.93	346.91
Rent	237.53	313.75
Rates and taxes	62.57	336.58
Repairs and maintenance		
- Plant and Machinery	62.10	137.87
- Building	15.54	44.23
- Others	149.82	179.39
Legal and professional fees (refer note - a below)	810.74	934.48
Advertisement, sales promotion and marketing expenses	39.32	61.28
Travel and conveyance	440.63	844.84
Insurance	635.20	1,174.21
Loss on sale of asset(net)	3.85	-
Director's sitting fees	0.30	2.24
Provision for doubtful debts (ECL)	-	2,000.00
Foreign exchange loss, net	635.06	-
Bank charges	204.17	134.86
Contract compensation	-	300.00
CSR Expenses (refer Note 44)	14.53	19.96
Miscellaneous expenses	2,786.54	1,170.63
	<b>12,674.12</b>	<b>27,879.78</b>
<b>Note a - Payment to auditors (included in Legal and professional fees)</b>		
For Statutory Audit	20.00	90.00
Out of pocket expenses	1.00	1.00
	<b>21.00</b>	<b>91.00</b>



## 1. CORPORATE INFORMATION

Regen Powertech Private Limited ('Regen' or 'the Company'), is an associate of Mandava Holdings Private Limited, was incorporated on December 27, 2006 in the State of Andhra Pradesh, India. The Company is engaged in the manufacture, supply of Wind Energy Converters ('WECs') and related accessories and equipment. The Company's manufacturing facilities are located in Tada, Andhra Pradesh and Udaipur, Rajasthan.

Refer to the detailed note of Monitoring Professional for FY 17-18 annexed to Significant Accounting Policies.

## 2. SUMMARY OF STATEMENT OF COMPLIANCE, BASIS OF PREPARATION AND PRESENTATION, AND SIGNIFICANT ACCOUNTING POLICIES

### 2.1. Statement of compliance

The financial statements comply in all material aspects with Indian Accounting Standards ('Ind AS') notified under Section 133 of the Companies Act, 2013 ('the 2013 Act') read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act.

### 2.2. Recent Accounting Pronouncements - Recent Standards Issued but not effective

#### Ind AS 115 Revenue from Contract with Customers:

In March 2018, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) Amendment Rules, 2018, notifying Ind AS 115 'Revenue from Contracts with Customers' (New Revenue Standard), which replaces Ind AS 11 'Construction Contracts' and Ind AS 18 'Revenue'. The core principle of the New Revenue Standard is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Some of the key changes introduced by the New Revenue Standard include additional guidance for multiple-element arrangements, measurement approaches for variable consideration, specific guidance for licensing of intellectual property. Significant additional disclosures in relation to revenue are also prescribed. The New Revenue Standard also provides two broad alternative transition options - Retrospective Method and Cumulative Effect Method - with certain practical expedients available under the Retrospective Method. The Company is in the process of evaluating the impact of the New Revenue Standard on the present and future arrangements and shall determine the appropriate transition option once the said evaluation has been completed.

#### Amendment to Ind AS 21:

Appendix B to Ind AS 21, foreign currency transactions and advance consideration was notified along with the same notification which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency. The Company has evaluated the effect of these on the financial statements and the impact is not expected to be material.

Both the above have come into effect from April 1, 2018



## 1. CORPORATE INFORMATION

Regen Powertech Private Limited ('Regen' or 'the Company'), is an associate of Mandava Holdings Private Limited, was incorporated on December 27, 2006 in the State of Andhra Pradesh, India. The Company is engaged in the manufacture, supply of Wind Energy Converters ('WECs') and related accessories and equipment. The Company's manufacturing facilities are located in Tada, Andhra Pradesh and Udaipur, Rajasthan.

### Notes of Resolution Professional in Respect of the Financial Statements (Accounts) of M/s. ReGen Powertech Private Limited for the year ended 31<sup>st</sup> March, 2021 referred

The accounts annexed for 31<sup>st</sup> March, 2021 in respect of M/s. ReGen Powertech Private Limited have been prepared as per normally Accepted Accounting Practices and have been subjected to Audit as per Accounting Standards applicable to the company.  
I state that the company is under Corporate Insolvency Resolution Process w.e.f. 09.12.2019 and during the financial year ending 31<sup>st</sup> March, 2021 and I am the Resolution Professional.  
As the Board of Directors are suspended and I am in charge of the company I am certifying the financial statements (accounts) which are prepared based on the books of accounts subject however to the following:

1. As the CIRP commenced on 09.12.2019 during the financial year in question I have no personal knowledge of the transactions upto that date and all transactions upto that date are reflected in the books of accounts based on the records available with the company. If any dispute arises on the correctness or completeness of the records of the transactions upto 09.12.2019 and the same is sustained and found correct the accounts would undergo change to such extent.
2. The accounts in respect of all balance sheet items are based on the opening balances as on 09.12.2019 being correct. As such if there is any mistake, inadvertent or intentional, in setting out the assets and liabilities of the company as on that date and the same is sustainably evidenced to the company the accounts for the year would undergo consequent change as well.
3. The verification and confirmation of all balances as at 09.12.2019, the CIRP commencement date is not complete. Further there is nothing known on any obligations or incomes or assets or liabilities, confirmed or contingent, that has not been reflected in the accounts at all.
4. There are claims against the company such as taxes which are chosen to be disputed by the company and the position of all such known claims not accounted as liabilities, are set out in the Accounts. Any such claims not brought to notice till date would also be covered by the terms of the Note in Paras 2 and 3 above.
5. I have sought under the provisions of the insolvency and Bankruptcy Code to set aside including under Sections 43, 45, 49 and 66 thereof or even under other Statutes various transactions and the fact that pending the judicial decision on the same the said transactions being continued to be reflected in the accounts in a particular manner is not in any manner or any waiver of my right in this regard nor does the fact of being so set out in the accounts any acceptance that the transactions are lawful and are bound to be continued as is.
6. This disclaimer is specifically in view of the fact that the principal obligation vested on me is under the Code and Regulations thereunder and my certifying the accounts is only for the specific reason that the powers of the Board are vested on me. However I cannot take responsibility for the correctness of the matters not in my knowledge nor can there be any claim of estoppel by these accounts preventing me from discharging my duty under the Code for mere reason as though of having certified these accounts.
7. No assessment of the realisability of the amounts set out as receivable by the company has been made in view of the ongoing CIRP and as such no provisions/write off of amounts that might be held non realisable are made in these accounts.
8. Any user of these financial statements may note the specific circumstances in which these have been prepared when using these statements.
9. Since the company is under moratorium due to Corporate Insolvency Resolution Process (CIRP), the payment of interest on Working Capital Loan (WCL) is DEFERRED. Even if the bank has not debited interest due to its nature being NPA/CIRP/IBC, as by no means the assessee is absolved of its liability. However, during the year 2020-21, no such provision of expenses towards interest cost has been provided/recorded in the financial statements/Books.

## 2. SUMMARY OF STATEMENT OF COMPLIANCE, BASIS OF PREPARATION AND PRESENTATION, AND SIGNIFICANT ACCOUNTING POLICIES

### 2.1. Statement of compliance

The financial statements comply in all material aspects with Indian Accounting Standards ('Ind AS') notified under Section 133 of the Companies Act, 2013 ('the 2013 Act') read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act.

### 2.2. Recent Accounting Pronouncements - Recent Standards issued but not effective

#### Ind AS 115 Revenue from Contract with Customers:

In March 2018, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) Amendment Rules, 2018, notifying Ind AS 115 'Revenue from Contracts with Customers' (New Revenue Standard), which replaces Ind AS 11 'Construction Contracts' and Ind AS 18 'Revenue'. The core principle of the New Revenue Standard is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Some of the key changes introduced by the New Revenue Standard include additional guidance for multiple-element arrangements, measurement approaches for variable consideration, specific guidance for licensing of intellectual property. Significant additional disclosures in relation to revenue are also prescribed. The New Revenue Standard also provides two broad alternative transition options - Retrospective Method and Cumulative Effect Method - with certain practical expedients available under the Retrospective Method. The Company is in the process of evaluating the impact of the New Revenue Standard on the present and future arrangements and shall determine the appropriate transition option once the said evaluation has been completed.

#### Amendment to Ind AS 21:

Appendix B to Ind AS 21, foreign currency transactions and advance consideration was notified along with the same notification which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency. The Company has evaluated the effect of these on the financial statements and the impact is not expected to be material.

Both the above have come into effect from April 1, 2018



### 2.3. Basis of preparation and presentation

The financial statements have been prepared under the historical cost convention using the accrual method of accounting basis, except for certain financial instruments that are measured at fair values at the end of each reporting period as explained in the significant accounting policies below.

#### 2.3. (i) Current versus non-current classification

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

An asset is treated as current when it is:

- (i) Expected to be realised or intended to be sold or consumed in normal operating cycle
- (ii) Held primarily for the purpose of trading
- (iii) Expected to be realised within twelve months after the reporting period, or
- (iv) 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:

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

All other liabilities are classified as non-current.

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

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.



## SIGNIFICANT ACCOUNTING POLICIES

### 2.4. Use of Estimates

The preparation of the financial statements in conformity with Ind AS requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent assets and contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

### 2.5. Foreign currency transactions and translations

The Company's financial statements are presented in INR, which is also the Company's functional currency.

#### Transactions and balances

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

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

Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss.

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

#### Forward Exchange Contracts not intended for trading or speculation purposes

The Company uses foreign currency forward contracts to hedge its risks associated with foreign currency fluctuations relating to certain firm commitments and highly probable forecast transactions. The Company does not hold derivative financial instruments for speculative purposes. Forward contracts are initially recognised at transaction value on the date the contract is entered into and are subsequently re-measured to Mark to Market (MTM) at each reporting date. The resulting gain or loss is recognised in the statement of profit and loss.

### 2.6. Cashflow statement

Cash flows are reported using the indirect method, whereby profit/(loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

### 2.7. Property, plant and equipment

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

Land and buildings are measured at fair value less accumulated depreciation on buildings and impairment losses recognised at the date of revaluation. Valuations are performed with sufficient frequency to ensure that the carrying amount of a revalued asset does not differ materially from its fair value.

Additionally, accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. Upon disposal, any revaluation reserve relating to the particular asset being sold is transferred directly to retained earnings.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

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

Depreciation on tangible fixed assets has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of the following categories of assets, in which case the life of the assets have been assessed as under based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturer's warranties and maintenance support, etc.

Asset	Years
Plant and Machinery	10 - 20
Computers	3
Furniture and fixtures	6
Office equipment	6
Vehicles	5
Vehicles – employee car scheme	4

Leasehold improvements are amortized over the estimated useful lives of 3 years or the remaining primary lease period, whichever is less. Assets individually costing Rs. 5,000 /- or less are fully depreciated in the year of purchase.



## 2.8. Intangible assets and amortization

### 2.8.1 Intangible assets acquired separately

Intangible assets acquired separately are measured on initial recognition at cost. Intangible assets are amortized using straight line basis over the estimated useful economic life of the asset. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

A summary of amortization policies applied to the Company's intangible assets is as below:

Intangible Asset	Estimated useful life
Computer Software	3 Years
License Fee	5 Years

### 2.8.2 Internally-generated intangible assets - research and development expenditure

Research costs are expensed as incurred. Development expenditures on an individual project are recognised as an intangible asset when the company can demonstrate:

- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale
- Its intention to complete and its ability and intention to use or sell the asset
- How the asset will generate future economic benefits
- The availability of resources to complete the asset
- The ability to measure reliably the expenditure during development.

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation. During the period of development, the asset is tested for impairment annually.

## 2.9. Fair value measurement

The company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

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

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

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Company has designated the respective team leads to determine the policies and procedures for both recurring and non-recurring fair value measurement. External valuers are involved, wherever necessary with the approval of Company's audit Committee. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained.

For the purpose of fair value disclosure, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risk of the asset or liability and the level of the fair value hierarchy as explained above. The component wise fair value measurement is disclosed in the relevant notes.

## 2.10. Investment properties

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

The cost includes the cost of replacing parts and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of the investment property are required to be replaced at intervals, the company depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognized in profit or loss as incurred.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised.



## 2.11. Leases

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

### Company as a lessee:

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the company is classified as a finance lease.

Finance leases are capitalised at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the statement of profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Company's general policy on the borrowing costs (See note 2.i). Contingent rentals are recognised as expenses in the periods in which they are incurred.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term.

### Company as a lessor:

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

Contingent rents are recognised as revenue in the period in which they are earned.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

## 2.12. Borrowing Costs

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange difference arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing cost directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

## 2.13. Impairment

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's fair value less costs of disposal and its value in use. When the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

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. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit and loss, except for properties previously revalued with the revaluation surplus taken to OCI. For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation surplus.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the company estimates the asset's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

## 2.14. Investments

Investments in Subsidiaries are accounted at cost in accordance with Ind AS 27.

## 2.15. Inventories

### Raw materials

Inventories of raw materials are valued at lower of the cost and estimated net realizable value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on a weighted average basis.



#### Work-in-progress and finished goods

Work in progress and finished goods are valued at lower of cost and net realizable value. Cost includes direct materials and includes, where appropriate, labour and a proportion of manufacturing overheads. Cost is determined on a weighted average basis.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

#### Loose tools and Frames

Tools are valued at cost and amortized over the estimated useful life of 2 years.

#### **2.15. Provisions**

A provision is recognized when the company has a present obligation (legal or constructive) as a result of past event, it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of time value of money is material) and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

#### **2.17. Revenue Recognition**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenues are stated net of sales tax, VAT, service tax and sales returns.

#### Construction contracts:

When the outcome of a construction contract can be estimated reliably, revenue and costs are recognized by reference to the stage of completion of the contract activity at the end of the reporting period, measured based on the proportion of contract costs incurred for work performed to date relative to the estimated total contract costs, except where this would not be representative of the stage of completion. Variations in contract work, claims and incentive payments are included to the extent that the amount can be measured reliably and its receipt is considered probable.

The outcome of a construction contract is considered as estimated reliably when (a) all critical approvals necessary for commencement of the project have been obtained; (b) the stage of completion of the project reaches a reasonable level of development i.e. the expenditure incurred on construction and development costs is at least 25% of the construction development costs; (c) at least 25% of saleable project area is secured by contracts or arrangements with buyers; and (d) at least 10% of the contract consideration as per the agreements of sale are realised at the reporting date and it reasonable expected that the counterparty will comply with the payment terms in the agreement.

When the outcome of a construction contract cannot be estimated reliably contract revenue is recognised to the extent of contract costs incurred that it is probable will be recoverable. Contract costs are recognised as an expense immediately.

When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

When contract costs incurred to date plus recognised profits less recognised losses exceed progress billings, the surplus is shown as amounts due from customers for contract work. For contracts where progress billings exceed contract costs incurred to date plus recognised profits less recognised losses, the surplus is shown as the amounts due to customers for contract work. Amounts received before the related work is performed is included in the balance sheet, as a liability, as advances received. Amounts billed for work performed but not yet paid by the customer are included in the balance sheet under trade receivables.

#### Income from services

During the previous period revenues from operation and maintenance contracts were recognized pro-rata over the period of the contract as and when services were rendered. The Company collects service tax on behalf of the government and, therefore, it is not an economic benefit flowing to the Company. Hence, it is excluded from revenue.

#### Interest

For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in finance income in the statement of profit and loss.

#### Rental Income

The company's policy for recognition of revenue from operating leases is described in note 2.10.

#### **2.18. Grants and incentives**

Government grants and incentives / subsidies are recognized when there is reasonable assurance that

- i) the Company will comply with the conditions attached to them and
- ii) the grant / incentive will be received.

When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

When the Company receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset i.e. by equal annual instalments. When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as a government grant. The loan or assistance is initially recognised and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.



## 2.19. Retirement and other employee benefits

### 2.19.1. Retirement benefit costs and termination benefits:

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately on the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined liability or asset. Defined benefit costs are categorised as follows:

- Service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- remeasurement

The company presents the first two components of defined benefit costs in profit or loss in the line item "Employee benefits expense". Curtailment gains and losses are accounted for as past service costs

The retirement benefit obligation recognised in the balance sheet represents the actual deficit or surplus in the defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contribution to the plans.

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

### 2.19.2. Short-term and other long term employee benefits:

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

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

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

### 2.19.3. Contributions from employees or third parties to defined benefit plans

Discretionary contributions made by employees or third parties reduce service cost upon payment of these contribution to the plan.

When the formal terms of the plans specify that there will be contributions from employees or third parties, the accounting depends on whether the contributions are linked to service, as follows:

- If the contributions are not linked to the services, they are reflected in the remeasurement of the net defined benefit liability(asset)
- If the contributions are linked to services, they reduce service costs. For the amount of contributions that is dependent on the number of years of service, the company reduces cost by attributing the contributions to periods of service using the attribution method required by Ind AS 19.70 for the gross benefits. For the amount of contribution that is independent of years of service, the company reduces service cost in the period in which the related service is rendered/ reduces service cost by attributing contributions to employees periods of service in accordance with Ind AS 19.70

### 2.19.4. Share based payments

Share-based payment arrangements Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. Details regarding the determination of the fair value of equity settled share based transactions are set out in Note: 37. The fair value determined at the grant date of the equity-settled based payments is expensed on a straight-line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflect the revised estimate, with a corresponding adjustment to the Share options outstanding account.

## 2.20. Taxes

### Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Company operates and generates taxable income. Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

### Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.



Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized

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

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

#### 2.21. Earnings per share

The earnings considered in ascertaining the Company's earnings per share comprise the net profit after tax. The number of shares used in computing basic earnings per share is the weighted average number of shares outstanding during the year. The number of shares used in computing diluted earnings per share comprises the weighted average number of shares considered for deriving basic earnings per share and also the weighted average number of shares, if any, which would have been issued on the conversion of all dilutive potential equity shares.

#### 2.22. Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements unless the possibility of an outflow is remote.

#### 2.23. Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at bank and in 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.

#### 2.24. Measurement of EBITDA

As permitted by the guidance note on the Revised Schedule II to the Companies Act, 2013, the Company has elected to present earnings before interest, tax, depreciation and amortization (EBITDA) as a separate line item on the face of the statement of profit and loss. The Company measures EBITDA on the basis of profit / (loss) from continuing operations. In its measurement, the Company does not include depreciation and amortization expense, interest income, finance cost and tax expense.

#### 2.25. Cenvat or Service tax

CENVAT/VAT credit on materials purchased/services availed for production/input services are taken into account at the time of purchase. Service tax input credit is accounted for in the books in the period in which the underlying service received is accounted and when there is no uncertainty in availing/ utilising the credits. CENVAT/VAT credit on purchase of capital items wherever applicable are taken into account as and when the assets are acquired. The CENVAT credits so taken are utilised for payment of excise duty on goods manufactured or for payment of service tax on services rendered. The unutilised CENVAT/VAT credit is carried forward in the books.

#### 2.26. Financial instruments

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

##### Financial assets

##### Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

##### Subsequent measurement

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

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)



#### Debt instruments at amortised cost

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

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

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

#### Debt instrument at FVTOCI

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

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

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

#### Debt instrument at FVTPL

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

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has not designated any debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

#### Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

#### Derecognition

A financial asset is primarily derecognised when:

- (i) The rights to receive cash flows from the asset have expired, or
- (ii) The company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement, and either (a) the company has transferred substantially all the risks and rewards of the asset, or (b) the company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the company continues to recognise the transferred asset to the extent of the company's continuing involvement. In that case, the company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the company has retained.

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

#### Impairment of financial assets

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

- a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance.
- b) Financial assets that are debt instruments and are measured as at FVTOCI
- c) Lease receivables under Ind AS 17
- d) 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 11 and Ind AS 18.
- e) Loan commitments which are not measured as at FVTPL
- f) Financial guarantee contracts which are not measured as at FVTPL

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables or contract revenue receivables; and
- All lease receivables resulting from transactions within the scope of Ind AS 17.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12 months ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.



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

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, the Company considers all contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument and Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECL allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss. This amount is reflected under the head 'other expenses' in the profit and loss. The balance sheet presentation for various financial instruments is described below.

- **Financial assets measured as at amortised cost, contractual revenue receivables and lease receivables:** ECL is presented as an allowance, which reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.
- **Loan commitments and financial guarantee contracts:** ECL is presented as a provision in the balance sheet, i.e. as a liability.
- **Debt instruments measured at FVTOG:** Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as 'accumulated impairment amount' in the OCI.

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

**Financial liabilities:**

#### **Initial recognition and measurement**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

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

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

#### **Subsequent measurement**

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

##### **Financial liabilities at fair value through profit or loss:**

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

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

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

#### **Loans and borrowings**

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

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

This category generally applies to borrowings. For more information refer Note 16.

#### **Derecognition**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.



#### Reclassification of financial assets:

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

The following table shows various reclassification and how they are accounted for:

Original classification	Revised classification	Accounting treatment
Amortised cost	FVTPL	Fair value is measured at reclassification date. Difference between previous amortized cost and fair value is recognised in P&L.
FVTPL	Amortised Cost	Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on the new gross carrying amount.
Amortised cost	FVTOCI	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in OCI. No change in EIR due to reclassification.
FVTOCI	Amortised cost	Fair value at reclassification date becomes its new amortised cost carrying amount. However, cumulative gain or loss in OCI is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortised cost.
FVTPL	FVTOCI	Fair value at reclassification date becomes its new carrying amount. No other adjustment is required.
FVTOCI	FVTPL	Assets continue to be measured at fair value. Cumulative gain or loss previously recognized in OCI is reclassified to P&L at the reclassification date.

#### Offsetting of financial instruments:

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

#### 2.27. Derivative financial instruments

##### Initial recognition and subsequent measurement

The Company uses derivative financial instruments, such as forward currency contracts to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss.



### 31. Projects on hold

a. During the previous period, WEC components earlier supplied to few customers were returned as the project was put on hold due to site conditions. The value of such sales return during the previous period is Rs.19,090 lakhs. The cost of the components returned, included in Finished Wind Energy Converter parts was Rs.8,170 lakhs and in raw materials and components is Rs.4,837 lakhs. Of the evacuation costs of Rs.1,883 lakhs incurred for this project, the cost relating to materials of Rs.1,318 lakhs is included in raw materials and the balance amount of Rs.365 lakhs was charged to statement of profit and loss. During the previous year most of the components in stock were used in the supplies made to other customers.

#### b. Exceptional Item – Expenses

During the previous period, the Company has made provision for contract compensation of Rs.4,337 lakhs for the projects as explained above, which have been considered as an exceptional item. During the previous year out of the provision amount of Rs.2,723 lakhs, Rs.1,500 lakhs was settled and the balance amount of Rs.1,223 lakhs was written back as provision no longer required and shown as part of miscellaneous income.

### 32. Employee stock option plans

The Company has provided share-based payment schemes to its employees. During the previous year ended March 31, 2017, the entire amount outstanding on account of ESOP scheme got forfeited as ReGen ESOP 2010 scheme had already lapsed. The relevant details of the scheme and the grant are as below.

Date of grant	25-Oct-10
Date of Board Approval	15-Jun-10
Number of options granted	1,13,350
Method of settlement (Cash/Equity)	Equity
Exercise price	Rs. 100 /-
Vesting period	Graded vesting over a 3 year period in the following manner: - 40 % two years from the date of grant - 30 % three years from the date of grant - 30 % four years from the date of grant
Vesting Conditions	Employment
Exercise period	Ninety days from date of vesting or IPO date with ever is later

The details of activity under the scheme have been summarized below:

Particulars	As at March 31, 2018		As at March 31, 2017	
	No of Shares	Exc.Price (Rs.)	No of Shares	Exc.Price (Rs.)
Outstanding at the beginning of the year	-	100	46,600	100
Granted during the year	-	-	-	-
Forfeited during the year	-	-	(46,600)	-
Exercised during the year	-	-	-	-
Expired during the year	-	-	-	-
Outstanding at the end of the year	-	100	-	100
Exercisable at the end of the year	-	-	-	-
Weighted average fair value of options granted on the date of grant	-	-	458	-
Fair value of options granted	-	-	502	-
Average Risk free Int Rate	-	-	8.15%	-

The weighted average fair value of stock options granted above was Rs.458. The simple average of fair values under Discounted Cash Flow method and Peer Multiple method has been used for computing the weighted average fair value of option considering the following inputs:

Exercise Price	Rs. 100
Average risk-free interest rate	8.15%

### 33. Provisions and commitments

#### A) Provisions

Provisions for performance guarantee represent the expected outflow of resources against claims for performance shortfall expected in future over the life of the guarantee assured. The key assumptions in arriving at the provision are wind velocity, plant load factor, grid availability, historical data, machine availability etc.

Provisions for warranty represents expected liability on account of field failure of parts of WEC and expected expenditure of servicing the WECs over the period of warranty, which varies according to each sales order. Provision for the estimated liability in respect of operation, maintenance and warranty costs is made in the period in which the contract is substantially completed, based on technical evaluation.

The Company has taken an insurance policy with Oriental Insurance for one year against the warranty obligation for 1 year for all WEC. Provision is created for WEC's under warranty.



The details of the provisions made for generation guarantee, operation, maintenance and warranty are as below:

Particulars	Performance guarantee		Operation, maintenance and warranty	
	For the year ended March 31, 2018	For the year ended March 31, 2017	For the year ended March 31, 2018	For the year ended March 31, 2017
At the beginning of the year	836.67	836.67	1,220.85	935.39
Created during the year	-	-	-	591.67
Utilised during the year	-	-	-	-
Amounts reversed	-	-	-	(306.21)
At the end of the year	836.67	836.67	1,220.85	1,220.85
Of the above				
- Current portion	-	-	-	285.46
- Non-current portion	836.67	836.67	1,220.85	935.39

In respect of the customer contracts performed during the year and earlier years, the Company does not anticipate any claims from the customers for liquidated damages or such other penalty for the performance of the contract, other than those disclosed in the financial statements.

#### B) Commitments

##### Capital Commitments

Particulars	As at March 31, 2018	As at March 31, 2017
Commitments		
Capital contracts yet to be executed	519.33	2,074.34
Capital commitments pertaining to intangibles	1,657.42	1,423.99
Corporate guarantee to subsidiary *	20,000.00	20,000.00

\*RPPL has issued a Corporate Guarantee on behalf of RISPL in favour of IDBI Trusteeship Services Limited for securing all the amounts payable under the Debenture Trust deed.

#### 34. Contingent Liabilities

##### i) VAT related demands

raised by Sales tax Department, Tamil Nadu for the financial years 2007-08 to 2013-14 – Rs.274.56 lakhs (including interest & penalty of Rs.15.70 lakhs) [Previous year – Rs.274.56 lakhs (including interest & penalty of Rs.15.70 lakhs)]. Predeposit made against the above demands - Rs.266.70 lakhs. [Previous year - Rs.266.70 lakhs]

raised by Sales tax Department, Maharashtra for the financial years 2008-09, 2009-10 and 2011-12 – Rs.1,039.55 lakhs (including interest & penalty of Rs.683.03 lakhs) [Previous year – Rs.209.01 lakhs (including interest & penalty of Rs.120.77 lakhs)] Predeposit made against the above demands - Rs.52.51 lakhs. [Previous year - Rs.30.15 lakhs]

raised by Sales tax Department, Karnataka for the financial year 2009-10 – NIL [Previous year – Rs.68.59 lakhs (including interest & penalty of Rs.35.59 lakhs)].

##### ii) Other CST related demands

raised by Sales tax Department, Tamil Nadu for the financial year 2012-13 – Rs.75.46 lakhs (including interest & penalty of Rs.1.05 lakhs) [Previous year – Rs.75.46 lakhs (including interest & penalty of Rs.1.05 lakhs)]. The entire demand amount is paid as predeposit.

raised by Sales tax Department, Maharashtra for the financial year 2010-11 – Rs.97.32 lakhs [Previous year – Rs.97.32 lakhs]. Predeposit against the above demand is Rs.27 lakhs [Previous year - Rs.27 lakhs]

raised by Sales tax Department, Maharashtra for the financial year 2011-12 – Rs.17.82 lakhs [Previous year – NIL]. Predeposit against the above demand is Rs.1.82 lakhs [Previous year - NIL]

raised by Sales tax Department, Karnataka for the financial year 2012-13 – NIL [Previous year – Rs.222.12 lakhs (including interest & penalty of Rs.83.61 lakhs)].

##### iii) Income tax related demands

• For financial year 2011-12 (AY 2012-13), Jurisdictional assessing officer (AO) has passed draft assessment order proposing disallowances on various issues to tune of Rs.107.72 Crores. Aggrieved by the draft proposals, the Company had filed an application before the "Dispute Resolution Panel (DRP)" for necessary directions to the Assessing Officer.

Honorable DRP passed the order on 27th December 2016. Based on the DRP directions, AO passed the assessment order on 28th February 2017 with a disallowance of Rs.85.78 Crores. The total demand on account of this disallowance amounted to Rs.48.74 Crores.

The Company has filed an appeal before Honorable ITAT Chennai on 20th March 2017 against the demand raised by AO.

ITAT Chennai granted stay for 6 months upon payment of Rs.500 lakhs. ITAT hearing happened on 16th May 2017 and final orders are awaited. The Company believes that it has a very good case before ITAT and hence no provision has been made in the financial statements for such demands.

For financial year 2012-13, the Assessing officer has passed a draft Assessment order on December 30, 2016 with a disallowance of Rs.62.03Cr. Disallowance is due to Government subsidy claimed as capital receipt, CSR expenditure, Sec 14A expenditure, License fee expenditure, 80IA expenditure, 35(2AB) disallowance. An application was filed before the Dispute Resolution Panel on January 31, 2017 for necessary directions to the Assessing officer. A writ was filed before Madras HC for staying AO from passing order based on the DRP directions. Madras HC has directed AO not to pass any order based on DRP directions during stay period. Hence No demand notice is raised by DCIT.

For financial year 2013-14, DCIT passed order with a disallowance of Rs.20.23Cr. Disallowance is due to Government subsidy claimed as capital receipt, CSR expenditure, License fee expenditure, Depreciation claim over 15%. An application for stay of demand was filed before CIT(A) on February 9, 2018. The Madras High Court vide its order dated 28th March 2018 has condoned the delay of 37 days in filing the return of income and allowed the carried forward loss. Based on the HC order, DCIT has to pass the giving effect order. Against the demand raised by DCIT we have filed appeal before CIT(A). The case is yet to be heard by CIT(A).

For financial year 2014-15, DCIT passed order with a disallowance of Rs.4.81Cr. Disallowance is due to Additional depreciation claim, License fees, Section 35(1)(iv) Inhouse scientific research deduction, CSR expenditure, R&D expenditure claim under Section 35(2AB), and Section 14A disallowance. Against the demand raised by DCIT we have filed appeal before CIT(A). The case is yet to be heard by CIT(A).

iii) Claims against company not acknowledged as debts – Rs.77 lakhs [As at March 31, 2017 – Rs.77 lakhs].



35. Disclosure pursuant to Indian Accounting Standard-11 (Ind AS-11) 'Construction Contracts'

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Contract revenue recognized as revenue for the year ended	37,372.99	1,52,752.73
Aggregate amount of contract costs incurred and recognized profits (less recognized losses) upto year end for all the contracts in progress	8,057.51	16,819.86
Amount of customer advances outstanding for contract in progress as at the year end	1,690.34	12,907.23
Amount of retentions due from customers for contract in progress as at the year end	1,690.34	10,202.34
Gross amount due from customers for contract work (asset)	28,477.71	84,385.84

36. Effective tax rate computation

Income tax recognised in profit or loss

Particulars	2017-18 Rs.Lakhs	2016-17 Rs.Lakhs
Current tax in respect of current year	-	1,563.68
Deferred tax in respect of current year	-	-
MAT credit availed	(236.74)	-
Total income tax expense / (gain) recognised in the current year relating to continuing operations	(236.74)	1,563.68

Particulars	2017-18 Rs.Lakhs	2016-17 Rs.Lakhs
(Loss)/Profit before tax	(27,850.12)	4,844.57
Income tax calculated at 34.608%	-	1,676.61
Effect of expenses that are not deductible in determining taxable profits	-	4,557.82
Effect of income that are deductible in determining taxable profits	-	(5,293.10)
Effect of unused tax losses and tax offsets not recognised as deferred tax assets	-	(928.19)
Effect of deduction under section 80IA	-	(13.14)
Effect of short term capital gain on deemed sale of assets	-	1,563.68
Effect of MAT credit availed	(236.74)	-
Income tax expense recognised in the statement of profit and loss	(236.74)	1,563.68

The tax rate used for the financial year 2017-18 and 2016-17 reconciliations above, is the corporate tax rate of 34.608% payable by entities in India on taxable profits under the Indian tax laws.



### 37. Leases

#### a) Operating lease

The Company has entered into operating lease related to office premises, certain office premises are under non-cancellable operating lease agreement for a period of three years (previous period three years). During the first end of current year, the company has terminated the lease agreement after vacating the premises occupied. The revised lease agreement for the office premises is entered by Regen Infrastructure and Services Private Limited, the wholly owned subsidiary and the Landlord.

The lease rental charged during the year is Rs. 74.42 lakhs (previous year Rs.81.00 lakhs) and maximum obligations on long-term non-cancellable operating lease payable as per rentals stated in respective agreements are as follows :-

Particulars	As at March 31, 2018	As at March 31, 2017
Not later than one year	-	66.88
Later than one year and non later than 5 years	-	226.83

#### b) Finance leases

The Company has taken cars on finance lease. These leases involve an upfront lease payment and have a purchase option in the hands of the respective employee at the end of the lease term. There are no escalation clauses. Future minimum lease payments (MLP) under finance leases together with the present value of the net MLP are as follows:

Particulars	As at March 31 2018		As at March 31 2017	
	Minimum Payments	Present value of MLP	Minimum Payments	Present value of MLP
Within One Year	11.59	9.60	24.01	18.72
After One Year but not more than 5 years	16.09	15.41	48.11	43.80
More than 5 years	-	-	-	-
Total Minimum lease payments	27.68	25.01	72.12	62.52
Less: Amount representing finance charges	2.67	-	9.60	-
Present value of minimum lease payments	25.01	25.01	62.52	62.52

### 38. Derivative Instruments and un-hedged exposure in foreign currency

The Company uses forward contracts to hedge its foreign currency exposures related to import of materials. The Company had no contracts outstanding as at March 31, 2018 (previous year USD 31.33 lakhs and EURO 1.85 lakhs) to hedge the settlement of creditors.

The Company has also taken a principal only swap to cover its exposure on the long term foreign currency loan taken for USD 100 lacs at a fixed rate of Rs.50.95 per USD. This loan is fully repaid during the previous year.

The details of foreign currency balances which are not hedged as at the balance sheet date are as follows:

Particulars	Foreign currency	As at March 31, 2018		As at March 31, 2017	
		Amount in FC in lakhs	Amount in INR in lakhs	Amount in FC in lakhs	Amount in INR in lakhs
Payables, net of advances	USD	59.02	3,856.54	16.68	1,089.46
	EURO	61.88	5,043.96	57.87	4,052.96
	GBP	0.00	0.01	1.06	86.72
Receivables, net of customer advances	USD	1.77	115.90	2.20	143.45
	EURO	0.03	2.57	-	-



**39. Employee Benefit Plans**  
**a. Defined contribution plans**

The Company makes Provident Fund, Superannuation Fund and Employee State Insurance Scheme contributions which are defined contribution plans, for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised Rs.209.53 lakhs ( previous year Rs.287.63 lakhs ) for Provident Fund contributions and Rs.50.16 lakhs ( previous year Rs.49.09 lakhs) for Employee State Insurance Scheme contributions in the Statement of Profit and Loss. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

**b. Defined benefit plans – Gratuity**

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The scheme has been funded with an insurance company in the form of a qualifying insurance policy.

These plans typically expose the Company to actuarial risks such as : investment risk, interest risk, longevity risk and salary risk.

Investment risk	The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to the market yields on government bonds denominated in Indian Rupees. If the actual return on plan asset is below this rate, it will create a plan deficit.
Interest risk	A decrease in the bond interest rate will increase the plan liability. However, this will be partially offset by an increase in the return on the plan's debt investments.
Longevity risk	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
Salary risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

The following tables summarize the components of net benefit expense recognized in the profit and loss account and amounts recognized in the balance sheet for gratuity.

The principal assumptions used for the purposes of the actuarial valuations are shown below:

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Discount rate	7.54%	6.72%
Expected rate of salary increase	11.00%	11.00%
Employee turnover	14.00%	14.00%

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Expenses recognized in the statement of Profit and Loss account:

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Current Service cost	88.68	95.35
Net interest expense	19.80	10.22
<b>Components of defined benefit costs recognised in profit or loss</b>	<b>108.47</b>	<b>105.57</b>
<b>Remeasurement on the net defined benefit liability comprising:</b>		
Actuarial (gains)/losses arising from changes in demographic assumptions	-	-
Actuarial (gains)/losses arising from changes in financial assumptions	(27.36)	25.85
Actuarial (gains)/losses arising from experience adjustments	(14.41)	(18.03)
Return on plan assets (excluding amounts included in net interest expense)	(0.83)	(4.11)
<b>Components of defined benefit costs recognised in other comprehensive income</b>	<b>(42.61)</b>	<b>4.91</b>
<b>Total</b>	<b>65.86</b>	<b>110.48</b>

Details of Provision for gratuity:

Particulars	As at March 31, 2018	As at March 31, 2017
Defined benefit obligation	484.47	529.10
Fair value of plan assets	156.06	266.55
<b>Plan (liability)</b>	<b>(328.42)</b>	<b>(262.55)</b>



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

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Opening defined benefit obligation	529.10	449.53
Current service cost	88.68	95.35
Interest cost	35.12	28.39
Actuarial (gains) / losses on obligation	(41.78)	9.02
Acquisitions/Divestures/Transfer	-	-
Benefits Paid	(128.65)	(52.18)
<b>Closing defined benefit obligation</b>	<b>484.47</b>	<b>529.10</b>
Experience adjustments on plan liabilities	(14.41)	(16.63)

Changes in the present value of the plan assets are as follows:\*

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Opening fair value of plan assets	266.55	296.46
Contributions	-	-
Benefits paid	(128.65)	(52.18)
Expected return on plan assets	15.32	18.16
Actuarial gains / (losses)	0.83	4.11
<b>Closing fair value of plan assets</b>	<b>156.06</b>	<b>266.55</b>

The Company's gratuity funds are managed by an Insurance Company and therefore the composition of the fund assets is not available with the Company.

The actual return on plan assets was Rs.16.16 Lakhs (2016-17 : Rs.22.28 Lakhs).

Estimated amount of contribution in the immediate next year is Rs.328.42 Lakhs (Rs.262.55 Lakhs).

Significant actuarial assumptions for the determination of the defined obligation are discount rate and expected salary increase. The sensitivity analyses below have been determined based on reasonably possible changes of the respective assumption occurring at the end of the reporting period, while holding all other assumptions constant.

The following table shows the sensitivity analysis :

Particulars		Rs. Lakhs	
		31st March 2018	31st March 2017
Discount	+100	(29.74)	(31.62)
Discount	-100	33.77	35.61
Salary Growth	+100	28.17	28.73
Salary Growth	-100	(25.71)	(26.57)
Attrition	+100	(6.96)	(5.06)
Attrition	-100	7.80	5.38
Mortality	10% UP	(0.02)	0.05

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from previous year.

The average duration of the benefit obligation as at March 31, 2018 is 32.74 years (as at March 31, 2017 - 32.00 years).



40. EPS (Earnings Per Share)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
<b>Total Operation for the period</b>		
Number of equity shares outstanding at the beginning of the period	24,87,59,460	2,32,64,493
Number of equity shares issued	-	16,11,453
Issue of bonus shares	-	22,38,83,514
Number of equity shares outstanding at the end of the period	24,87,59,460	24,87,59,460
<b>Weighted average number of shares</b>		
a) Basic	24,87,59,460	24,72,80,455
b) Diluted	24,87,59,460	24,72,80,455
(Loss)/Profit after tax for Basic EPS	-27,614.05	3,280.89
(Loss)/Profit after tax for Dilutive EPS	-27,614.05	3,280.89
(Loss)/Profit after tax for continuing operations	-27,614.05	3,280.89
<b>EPS on Continuing Operations</b>		
Basic EPS	-11.10	1.33
Dilutive EPS	-11.10	1.33

41. Segment Reporting

i) Primary segment information (By Business Segment)

Information reported to the chief operating decision maker (CODM) for the purposes of resource allocation and assessment of segment performance focuses on the types of goods or services delivered or provided, and in respect of the following segments tabulated below. The directors of the Company have chosen to organise the Company around differences in products and services. No operating segments have been aggregated in arriving at the reportable segments of the Company. Specifically the Company's reportable segments under Ind AS 108 are as follows.

Operating Segment :

Supply of Wind Energy components  
Project development  
Trading

Geographical information:

The Company operates in the following principal geographical areas -  
India (Country of domicile)  
Outside India

Revenue and expenses directly attributable to segments are reported under each reportable segment. Other expenses and income which are not attributable or allocable to segments have been disclosed as net unallocable expenses/income.

Assets and liabilities that are directly attributable or allocable to segments are disclosed under each reportable segment. All other assets and liabilities are disclosed as unallocable. Property, plant and equipment that are used interchangeably among segments are not allocated to reportable segments.

Year ended 31 March 2018:

Particulars	For the year ended 31 March, 2018				
	Business segments			Eliminations	Total
	Supply	Project Development	Trading		
Revenue	35,542.18	3,277.75	66,597.10	-	1,05,417.03
Inter-segment revenue	-	-	-	-	-
<b>Total</b>	<b>35,542.18</b>	<b>3,277.75</b>	<b>66,597.10</b>	<b>-</b>	<b>1,05,417.03</b>
Segment result	(26,514.51)	(2,185.15)	297.18	-	(28,402.48)
Unallocable expenses (net)					-
Operating income					(28,402.48)
Other income (net)					594.30
Profit before taxes					(27,308.18)
Tax benefit / (expense)					236.74
<b>Net profit for the year</b>					<b>(27,571.44)</b>



Particulars	As at 31 March, 2018				Total
	Business segments				
	Supply	Project Development	Trading *		
Segment assets	1,40,139.03	-	491.18	-	1,40,630.18
Unallocable assets					40,326.86
<b>Total assets</b>					<b>1,80,957.15</b>
Segment liabilities	1,20,248.15	-	24,954.53	-	1,45,202.68
Unallocable liabilities					35,754.46
<b>Total liabilities</b>					<b>1,80,957.15</b>
<u>Other information</u>					
Capital expenditure	2,574.50	-	-	-	2,574.50
Depreciation and amortisation	3,055.65	-	-	-	3,055.65

\* representing inventory

Year ended 31 March 2017:

Particulars	For the year ended 31 March, 2017				
	Business segments			Eliminations	Total
	Supply	Project Development	Trading		
Revenue	1,45,772.10	5,065.81	60,957.53	-	2,11,795.44
Inter-segment revenue	-	-	-	-	-
<b>Total</b>	<b>1,45,772.10</b>	<b>5,065.81</b>	<b>60,957.53</b>	<b>-</b>	<b>2,11,795.44</b>
Segment result	3,043.26	(447.08)	30.48	-	2,626.67
Unallocable expenses (net)					-
Operating income					2,626.67
Other income (net)					2,217.91
Profit before exceptional items and taxes					4,844.58
Exceptional items					-
<b>Profit before taxes</b>					<b>4,844.58</b>
Tax benefit / (expense)					(1,563.68)
<b>Net profit for the year</b>					<b>3,280.89</b>

Particulars	As at 31 March, 2017				Total
	Business segments				
	Supply	Project Development	Trading *		
Segment assets	1,58,344.32	30,379.63	578.11	-	1,89,302.06
Unallocable assets					39,983.19
<b>Total assets</b>					<b>2,29,285.25</b>
Segment liabilities	1,25,747.16	8,611.78	-	-	1,34,358.94
Unallocable liabilities					94,926.31
<b>Total liabilities</b>					<b>2,29,285.25</b>
<u>Other information</u>					
Capital expenditure	7,245.46	-	-	-	7,245.46
Depreciation and amortisation	3,379.58	-	-	-	3,379.58

\* representing inventory



ii) Secondary segment information (By Geographical Segment)

The following table shows the distribution of the Company's sales by geographical market.

Particulars	For the year ended March 31, 2018		
	India	Outside India	Total
Revenue from operations	1,05,355.73	61.30	1,05,417.03
Capital expenditure	2,574.50	-	2,574.50
Segment assets	30,844.63	-	30,844.63

Particulars	For the period ended March 31, 2017		
	India	Outside India	Total
Revenue from operations	2,09,651.16	2,144.28	2,11,795.44
Additions to fixed assets, including intangibles	11,537.71	-	11,537.71
Segment assets	31,352.53	-	31,352.53

42. Details of dues to Micro, Small and Medium Enterprises as per MSMED Act, 2006

(Rs. in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of each accounting year		
- Principal	1,265.46	4,159.93
- Interest	571.68	391.83
The amount of interest paid by the buyer in terms of section 16, of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	NIL	NIL
The amount of interest accrued and remaining unpaid at the end of each accounting year	571.68	391.83
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro Small and Medium Enterprise Development Act, 2006	NIL	NIL

The dues to Micro Enterprises and Small Enterprises as on 31 March 2018 are as identified by the management and relied upon by the auditors.

43. Research and development activities

The Company has capitalised assets and incurred expenses towards research and development activities as follows:

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Software	-	8.56
Computer	-	0.40
Others	-	5.56
<b>Total</b>	-	<b>14.52</b>
<b>Expenses</b>		
Salaries, wages and bonus	230.73	302.49
Contribution to provident and other funds	12.34	16.47
Materials, spares & consumables	1.79	10.58
Travel	10.15	15.08
Consultancy charges	2.40	66.70
Miscellaneous expenses (training, testing & calibration charges)	1.07	8.91
<b>Total</b>	<b>258.47</b>	<b>420.23</b>



#### 44. CSR Expenditure

The company has spent Rs.14.53 lakhs towards CSR expenditure during the current year (previous year spent - Rs.19.96 lakhs). As per the requirements of the Companies Act 2013, the Company has to spend 2% of the average net profits of the last 3 periods which is Rs.149.99 lakhs (previous year - Rs.133.87 lakhs).

#### 45. Related Party Transactions

i) The list of related parties as identified by the management and relied upon by the auditors is as under :

Nature of relationship	Related Party
Individual exercising control / significant influence ('Promoters')	1. M Prabhakar Rao
Associate Company	1. Mandava Holdings Private Limited
Enterprise of which the Company is an associate	1. Indivision India Partners, Mauritius (IIP)
Subsidiaries	1. Regen Infrastructure and Services Private Limited (RISPL) 2. Regen Renewable Energy Generation Global Limited, Cyprus (RREGGL) 3. Wind-Direct GmbH, Germany (Subsidiary of RREGGL) 4. Regen O&M Services Limited 5. Regen Windfarm Vagarai Private Limited 6. Regen Blade Manufacturing Private Limited (refer note-a below) 7. Vaikundanatha Perumal Renewable Energy Private Limited (refer note-a below) 8. Srimoorthi Perumal Renewable Energy Private Limited (refer note-a below) 9. Soundararaja Perumal Renewable Energy Private Limited (refer note-a below) 10. Purushothama Perumal Renewable Energy Private Limited (refer note-a below) <b>Subsidiaries of RISPL :</b> 11. Renewable Harness Energy Private Limited 12. Puto Energy Infrastructure Private Limited 13. Saastha Energy Infrastructure Private Limited 14. Renewable Energy (Vagarai) Private Limited 15. Renewable Energy (Phoolwadi) Private Limited 16. Mandasaur Wind Energy Private Limited 17. Marthanda Wind Power AP Private Limited 18. Varshini Wind Power Private Limited
Fellow subsidiaries	1. NSL Renewable Power Private Limited [formerly Nuziveedu Seeds Private Limited] (NRPPL) 2. NSL Power Private Limited (NSL Power) 3. NSL Wind Power Company (Phoolwadi) Private Limited (NSL Wind) 4. NSL Wind Power Company (Satara) Pvt. Ltd. 5. Kalsubai Power Private Limited. 6. NSL Wind Power (Sayamalai) Private Limited. 7. NSL Wind Power (Kayathar) Private Limited.
Key management personnel	1. Mr. Madhusudan Khemka 2. Mr. R. Sundaresh 3. Mr. K. Varahala Rao

Note-a - 5 companies mentioned above became a subsidiary during the current year.

Particulars	Subsidiaries		Fellow Subsidiaries	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
<b>Advances / (Repayments) made</b>				
RISPL	2,474.70	(9,062.47)	-	-
NSL Power	-	-	(13.38)	1.03
Kalsubai Power	5.00	(6.15)	-	-
RREGGL	234.72	1,865.71	-	-
PEIPL	0.10	1.64	-	-
RHEPL	0.03	0.30	-	-
SEIPL	0.10	1.54	-	-
REVPL	2.50	1.85	-	-
Mandasaur Wind Energy Private Limited	0.03	(6.41)	-	-
NSL Wind Power Company(Kayathar) Pvt Ltd	-	-	-	(56.31)
NSL Wind Power Company (Satara) Pvt. Ltd	-	-	-	4.29
NSL Wind Power Company (Sayamalai) Pvt. Ltd	-	-	0.10	-
Wind Direct	-	592.07	-	-
<b>Contract revenues</b>				
NSL Wind Power(Sayamalai) Pvt Ltd	-	-	-	(4.50)
NSL Wind Power Company(Kayathar) Pvt Ltd	-	-	-	73.77
Mandasaur Wind Energy Private Limited	-	(6,489.19)	-	-
<b>Sale of trading material</b>				
RISPL	636.79	67.28	-	-
<b>Asset Sale</b>				
RISPL	-	13,049.70	-	-
<b>Purchase of raw material</b>				
RISPL	-	2,013.20	-	-
Wind Direct	-	0.46	-	-





46. Supplementary statutory information

i) Imported and indigenous consumption of Raw material and tools

	%		Value (in Rs.)	
	For the year ended March 31, 2018	For the year ended March 31, 2017	For the year ended March 31, 2018	For the year ended March 31, 2017
Imported	4%	10%	4,123.53	14,535.98
Indigenously obtained	96%	90%	1,02,983.59	1,36,016.06
	100%	100%	1,07,107.13	1,50,552.04

ii) CIF Value of imports

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Raw materials and components	2,879.01	15,243.58
Fixed assets	332.79	472.25
	3,211.79	15,715.83

iii) Earnings in foreign exchange

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Sale of Wind energy converters	61.30	2,144.28
	61.30	2,144.28

iv) Expenditure in foreign currency

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Travel	21.72	35.55
Legal and professional fees	120.86	103.03
Royalty	1,107.20	1,452.42
Interest and finance charges	2.06	45.99
Freight	2.08	70.59
License Fee Payment	542.50	1,482.73
Others	0.11	4.09
	1,796.55	3,194.40

47. Fair values

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

	Carrying Value		Fair Value		Fair value hierarchy
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017	
<b>Financial Assets</b>					
Investments in subsidiaries	39,002.34	38,899.84	39,002.34	38,899.84	Level 3
Long term Loans & Advances	1,918.85	2,272.08	1,918.85	2,272.08	Level 3
Other financial assets - Non current	1,265.77	1,035.96	1,265.77	1,035.96	Level 3
Investments in mutual funds	58.85	55.52	58.85	55.52	Level 3
Trade receivables	28,477.71	84,385.84	28,477.71	84,385.84	Level 3
Cash and cash equivalents	99.67	978.93	99.67	978.93	Level 3
Bank balances other than Cash and cash equivalents	1,484.76	3,421.00	1,484.76	3,421.00	Level 3
Short term Loans & Advances	601.79	699.06	601.79	699.06	Level 3
Other financial assets - current	38,413.95	31,314.03	38,413.95	31,314.03	Level 3
<b>Total</b>	<b>1,11,323.70</b>	<b>1,63,062.26</b>	<b>1,11,323.70</b>	<b>1,63,062.26</b>	
<b>Financial Liabilities</b>					
Long term Borrowings	15.41	43.80	15.41	43.80	Level 3
Short term Borrowings	82,434.22	75,105.35	82,434.22	75,105.35	Level 3
Trade Payables	43,088.83	61,929.35	43,088.83	61,929.35	Level 3
<b>Total</b>	<b>1,25,538.46</b>	<b>1,37,078.50</b>	<b>1,25,538.46</b>	<b>1,37,078.50</b>	



The management assessed that cash and cash equivalents, trade receivables, trade payables, bank overdrafts and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

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

- Long-term fixed-rate and variable-rate receivables/borrowings are evaluated by the company based on parameters such as interest rates, specific country risk factors, individual creditworthiness of the customer and the risk characteristics of the financed project. Based on this evaluation, allowances are taken into account for the expected credit losses of these receivables.
- The fair values of the quoted notes and bonds are based on price quotations at the reporting date. The fair value of unquoted instruments, loans from banks and other financial liabilities, obligations under finance leases, as well as other non-current financial liabilities is estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities. In addition to being sensitive to a reasonably possible change in the forecast cash flows or the discount rate, the fair value of the equity instruments is also sensitive to a reasonably possible change in the growth rates. The valuation requires management to use unobservable inputs in the model, of which the significant unobservable inputs are disclosed in the tables below. Management regularly assesses a range of reasonably possible alternatives for those significant unobservable inputs and determines their impact on the total fair value.
- The fair values of the unquoted equity shares have been estimated using a DCF model. The valuation requires management to make certain assumptions about the model inputs, including forecast cash flows, discount rate, credit risk and volatility. The probabilities of the various estimates within the range can be reasonably assessed and are used in management's estimate of fair value for these unquoted equity investments.
- The fair values of the remaining FVTOCI financial assets are derived from quoted market prices in active markets
- The Group enters into derivative financial instruments with various counterparties, principally financial institutions with investment grade credit ratings. Interest rate swaps, foreign exchange forward contracts and commodity forward contracts are valued using valuation techniques, which employs the use of market observable inputs. The most frequently applied valuation techniques include forward pricing and swap models, using present value calculations. The models incorporate various inputs including the credit quality of counterparties, foreign exchange spot and forward rates, yield curves of the respective currencies, currency basis spreads between the respective currencies, interest rate curves and forward rate curves of the underlying commodity. All derivative contracts are fully cash collateralised, thereby eliminating both counterparty and the Group's own non-performance risk.
- The fair values of the Group's interest-bearing borrowings and loans are determined by using DCF method using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period.

#### 48. Financial risk management objectives and policies

The company's principal financial liabilities, comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the company's operations. The company's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations.

The company is exposed to market risk, credit risk and liquidity risk. The company's senior management oversees the management of these risks. The company's senior management is supported by a financial risk committee that advises on financial risks and the appropriate financial risk governance framework for the company. The financial risk committee provides assurance to the company's senior management that the company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the company's policies and risk objectives. All derivative activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. It is the company's policy that no trading in derivatives for speculative purposes may be undertaken. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

#### 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 other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits, FVTOCI investments and derivative financial instruments.

#### 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.

#### Foreign currency sensitivity analysis

The Company is mainly exposed to fluctuations in Euro and US Dollar. The following table details the Company's sensitivity to a 1% increase and decrease against Euro and US Dollar. 1% is the sensitivity used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only net outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 1% change in foreign currency rates. A positive number below indicates an increase in profit or equity where the Rupee strengthens by 1% against Euro and the US Dollar. For a 1% weakening against Euro and the US Dollar, there would be a comparable impact on the profit or equity.

Year / Period ended on	Currency	Increase / decrease in basis points	Effect on profit before tax - Rs. Lakhs
31st March 2018	USD	+100	(38.57)
	USD	-100	38.57
	Euro	+100	(50.44)
31st March 2017	Euro	-100	50.44
	USD	+100	(32.02)
	USD	-100	32.02
	Euro	+100	(41.86)
	Euro	-100	41.86

#### Credit risk management

Credit risk is minimised through conservative credit policy by the Company. The Company sells wind energy components to various customers giving them an average credit period of 180 days. The Company mitigates credit risk by strict receivable management procedures and policies. The Company has a dedicated independent team to review credit and monitor collection of receivables.



Customerwise sales representing > 10% of the total sales value

Name of the Customer	Rs. Lakhs	
	April 1 2017 to March 31 2018	April 1 2016 to March 31 2017
PTC Energy Limited	-	28,220.66
Green Infra Wind Solutions Limited	-	27,040.40
Regen Infrastructure and Services Pvt Ltd	-	13,049.70
Vagaram Windfarm Limited	12,516.13	-
Wind Construction Private Limited	28,295.79	-
Greenleaf Commerce Private Limited	21,252.11	-
HR Trade Link Private Limited	23,890.14	-

**Capital risk management**


The Company manages its capital to ensure that the Company will be able to continue as a going concern while maximizing the return to shareholder through the optimisation of the debt and equity balance.

The Company over the years, has maintained parity between Net Debt to Equity. The capital structure of the Company consists of debt, represents the borrowings net of cash and bank balances as disclosed in the respective notes above and the total equity of the Company comprising issued share capital and other equity attributable to the shareholders, as disclosed in the statement of changes in equity. The gearing ratio at the end of the respective financial period is as below :

Particulars	31st March 2018	31st March 2017
Debt (refer notes 16.a and 16.b)	5,277.35	4,378.18
Cash and cash equivalents (refer note 10.a)	99.67	978.93
<b>Net Debt (A)</b>	<b>5,177.68</b>	<b>3,399.25</b>
Total Equity (B) (refer notes 14 and 15)	34,518.20	62,080.66
<b>Net debt Equity ratio (A/B)</b>	<b>0.15</b>	<b>0.05</b>

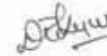
49. The company has international and domestic transactions with related parties. For the current year, the management confirms that it maintains documents as prescribed by the Income tax Act, 1961 to prove that these transactions are at arms length and the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expense and the provision for taxation.

For CNGSN & ASSOCIATES LLP  
Chartered Accountants  
Firm Registration No. 4915S/S200036

  
K. Parthasarathy  
Partner  
M.No: 018394



For and behalf of Board of Directors



Mr. Ebenezar Inbaraj  
Monitoring Professional

Reg. No.: IBB/TPA-001-IP-P00754/2017-18/1128  
Place - Chennai  
Date: 28/02/2022



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