

Regen Powertech Private Limited
Balance Sheet as at March 31, 2020
(All amounts are in Rupees Lakhs unless otherwise stated)

	Notes	As at Mar 31, 2020	As at Mar 31, 2019
ASSETS			
Non-current assets			
Property, plant and equipment	3	17,968.55	19,710.16
Capital work-in-progress	A.1	4,470.30	4,470.28
Investment Property	4	896.66	911.98
Intangible assets	3	1,915.60	2,919.01
Intangible assets under development		-	-
Financial assets			
(i) Investments - other investments	5	38,900.24	38,900.24
(ii) Others	5	1,842.08	1,983.46
Other non-current assets	6	1,265.77	1,265.77
Total non-current assets		67,259.20	70,160.90
Current assets			
Inventories	7	9,605.32	12,577.20
Financial assets			
(i) Other investments	8	30.85	30.85
(ii) Trade receivables	9	8,139.64	7,960.32
(iii) Cash and cash equivalents	10a	773.45	925.31
(iv) Other Bank balances	10b	(2.58)	490.73
(v) Loans	11	(1,895.45)	433.54
Other financial assets	12	16,196.23	22,306.69
Other current assets	13	9,444.55	11,517.83
Total current assets		42,292.01	56,242.48
Total assets		109,551.21	126,403.38
EQUITY AND LIABILITIES			
Equity			
Equity Share capital	14	24,875.94	24,875.94
Convertible non - participating preference Share capital	14	-	-
Equity portion of convertible debentures	15	-	-
Other Equity	15	(79,977.37)	(42,009.35)
Total Equity		(55,101.43)	(17,133.41)
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	16a	(1.86)	-
Others	16b	5,557.64	5,557.64
Provisions	17	8,234.62	8,408.50
Other non-current liabilities	19	-	-
Total non-current liabilities		13,790.40	13,966.14
Current liabilities			
Financial liabilities			
Borrowings	20	127,321.11	96,377.57
Trade Payables	21	20,672.78	26,895.15
Provisions	22	217.67	217.67
Other current liabilities	23	2,650.68	6,080.26
Total current liabilities		150,862.25	129,570.66
Total liabilities		164,652.65	143,536.80
Total equity and liabilities		109,551.21	126,403.38

Summary of significant accounting policies

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As per our report of even date

For M/S CNGSN & ASSOCIATES LLP
Chartered Accountants
Firm Registration No.: 049155/S200036



K Parthasarathy
Partner
Membership No.: 018394
Place - Chennai
Date: 28/02/2022



For and on behalf of the Board of Directors



Mr. Ebenezar Inburaj
Monitoring Professional
Reg. No.: IBBE/IPA-001-IP-P00754/2017-18/11286
Place - Chennai
Date: 28/02/2022



Regen Powertech Private Limited
Statement of Profit & Loss Account for the period ended March 31, 2020
(All amounts are in Rupees Lakhs unless otherwise stated)

	Notes	April 1, 2019 to Mar 31, 2020	April 1, 2018 to Mar 31, 2019
Revenue from operations	24	5,960.36	18,301.72
Other income	25	(213.99)	131.18
Total Income		5,746.37	18,432.90
Expenses			
Cost of materials consumed	26	8,611.07	4,133.81
Changes in inventories of finished goods, work-in-progress and traded goods	27	(438.46)	9,014.69
Employee benefits expense	28	2,129.18	4,487.11
Finance costs	29	27,273.38	417.17
Depreciation and amortization expense	30A	2,760.34	2,789.14
Other expenses	30	1,775.09	49,278.14
Total Expenses		44,119.59	70,120.08
Profit before Exceptional items and tax		(38,364.22)	(51,687.17)
Exceptional Item - Inventory write off		-	-
Exceptional Item - Receivables write off	31 b	-	-
Profit before tax		(38,364.22)	(51,687.17)
Tax expense :			
(1) Current tax		-	-
(2) MAT credit		-	-
(3) Deferred tax		-	-
Total tax expense / (benefit)		-	-
Profit after tax		(38,364.22)	(51,687.17)
Other Comprehensive Income			
A (i) Items that will not be reclassified to profit or loss			
(a) Changes in revaluation surplus			
(a) Remeasurements of the defined benefit plans		196.20	35.56
(b) Equity instruments through other comprehensive income			
(d) Fair value changes relating to own credit risk of financial liabilities designated at fair value through profit or loss			
(e) others			
		196.20	35.56
A (ii) Income tax relating to items that will not be reclassified to profit or loss			
B (i) Items that may be reclassified to profit or loss			
(a) Exchange differences in translating the financial statements of foreign operations			
(b) Debt instruments through other comprehensive income			
(c) Effective portion of gains and losses on designated portion of hedging instruments in a cash flow hedge			
(i) Fair value gain/ (loss) on time value of option and forward elements of forward contracts in hedging relationship			
(e) Others			
B (ii) Income tax relating to items that may be reclassified to profit or loss			
Total other comprehensive income (A(i-ii))		196.20	35.56
Total comprehensive income		(37,968.02)	(51,651.61)
Profit for the year attributable to			
-Owners of the company		(37,968.02)	(51,651.61)
Total		(37,968.02)	(51,651.61)
Earnings per equity share (Face value of Rs.10/- per share)	38		
(1) Basic (in Rs.)		(15.26)	(20.76)
(2) Diluted (in Rs.)		(15.26)	(20.76)
Earnings per equity share (for total operations)			
(1) Basic (in Rs.)		(15.26)	(20.76)
(2) Diluted (in Rs.)		(15.26)	(20.76)
Summary of significant accounting policies	2		

As per our report of even date

For M/S CNGSN & ASSOCIATES LLP
Chartered Accountants
Firm Registration No. 049158/S200076

Celala

K. Parthasarathy
Partner
Membership No. 018194
Place: Chennai
Date: 28/02/2022



For and on behalf of the Board of Directors

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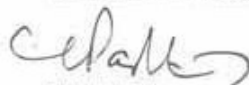
Mr. Ebenezer Inbaraj
Monitoring Professional
Reg. No. IIBB/PA-001-IP-000754/2017-18/11286
Place: Chennai
Date: 28/02/2022



	April 1,2019 to March 31,2020	April 1, 2018 to March 31, 2019
A Cash Flow from Operating Activities		
Net profit after tax as per Statement of Profit and Loss	(38,364.22)	(51,687.17)
Add: Exceptional items		
Adjustments for:		
OCI Gratuity	396.20	35.56
Depreciation and amortization expense	2,760.34	2,765.22
Unrealized exchange (gain) / loss, net		
Provision / (benefit) for current and deferred taxes		
Provision no longer required written back (security deposit)	141.38	
Provision for Depreciation Written back		23.71
Employee stock option expense		
Provision for doubtful debts		
Provision for Storage Rent no longer required written back		
Provision for Contract compensation no longer required written back		
Provision for grid availability		
(Profit)/Loss on sale of assets - net		(2.97)
Income from current investments		(5.89)
Finance costs		417.16
Interest income		(122.33)
Operating profit before working capital changes	(35,066.31)	(48,576.72)
Movement in working capital		
Adjustments for		
(Increase) / Decrease in Trade receivables	(179.32)	20,517.39
(Increase) / Decrease in Inventories	2,971.88	26,211.63
(Increase) / Decrease in Other Assets - current	2,971.29	7,061.76
(Increase) / Decrease in Other Financial Assets - current	8,439.43	1,812.50
(Increase) / Decrease in Other Financial Assets - non-current		(64.61)
Increase / (Decrease) in Trade and other payables	(6,222.37)	(16,193.68)
Increase / (Decrease) in Provisions - current	0.00	56.51
Increase / (Decrease) in Provisions - non-current	(173.88)	13,827.72
Increase / (Decrease) in Other Liabilities - current	13,429.58	(873.00)
Increase / (Decrease) in Other Liabilities - non-current		
Cash generated by operating activities	3,479.47	48,356.22
Direct taxes paid (net of refunds)		
Net cash generated by operating activities	(31,586.84)	(226.50)
B Cash Flow from Investing Activities		
Investments in equity of a subsidiary		(02.10)
Proceeds from sale of mutual funds		33.89
Proceeds from sale of Fixed Assets		15.24
Capital expenditure including capital advances and capital work in progress - Tangible	(0.02)	(05.53)
Capital expenditure including capital advances and capital work in progress - Intangible		(73.53)
Other bank balances	493.31	994.03
Interest received		5.73
Net cash used in investing activities	493.29	1,182.99
C Cash Flow from Financing Activities		
Repayment of long term borrowings		(15.41)
Borrowings Received	30,943.54	
Proceeds of short term borrowings, net		295.72
Share issue expenses		-
Interest paid		(417.16)
Amounts utilised towards issue of debentures		
Finance Lease obligation	(1.86)	
Net cash used in financing activities	30,941.68	(136.85)
Net (decrease) / increase in cash and cash equivalents (A+B+C)	(151.86)	825.64
Cash and cash equivalents at the beginning of the year / period	925.31	99.67
Cash and cash equivalents at the end of the year / period (refer note 19.a)	773.45	925.31

As per our report of even date

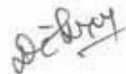
For M/S CNGSN & ASSOCIATES LLP
Chartered Accountants
Firm Registration No.: 019155/200036



K Parthasarathy
Partner
Membership No. 018394
Place Chennai
Date 28/02/2022



For and on behalf of the Board of Directors



Mr. Ebenezer Inbaraj
Monitoring Professional
Reg. No. 1000/1PA-001-IP-P00754/2017-18/11286
Place Chennai
Date 28/02/2022



Regen Powertech Private Limited

Notes to financial statements as at March 31, 2020

(All amounts are in Rupees Lakhs unless otherwise stated.)

4. Investment Property

Opening balance
Additions
Closing balance

As at Mar 31, 2020	As at Mar 31, 2019
957.94	957.94
957.94	957.94

Depreciation and impairment

Opening balance
Depreciation
Closing balance

61.28	45.96
61.28	45.96

Net block

896.66	911.98
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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
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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
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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
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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
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Regen Blade Manufacturing Private Limited ("RBMPL")

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

0.10	0.10
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Vaikunda Perumal Renewable Energy Private Limited ("VPREPL")

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

0.10	0.10
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Purushothama Perumal Renewable Energy Private Limited ("PPREPL")

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

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Soundararaja Perumal Renewable Energy Private Limited ("SPREPL")

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

0.10	0.10
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Srimoola Perumal Renewable Private Limited ("SRPREPL")

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

0.10	0.10
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Total Investments at fair value

38,900.24	38,900.24
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(ii) Others

Security Deposits	553.47	694.85
Incentive receivable from government (refer note below)	1,288.61	1,288.61
	1,842.08	1,983.46

6. Other non-current assets

Ancillary borrowing costs		
MAT Credit **	1,265.77	1,265.77
Capital advances	-	-
Less: Current portion of ancillary borrowing costs		
	1,265.77	1,265.77

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

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

	As at Mar 31, 2020	As at Mar 31, 2019
Raw materials and components	7,152.68	10,568.35
Work-in-progress	-	-
Finished Wind Energy Converter parts	2,446.67	2,008.21
Loose tools	5.97	0.64
	9,605.32	12,577.20

8. Other investments (FVTPL) Quoted

	As at Mar 31, 2020	As at Mar 31, 2019
Investment in Mutual Fund - SIP at FVTPL	30.85	30.85
[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 (Prior periods 360,832.154 / 108,169.923 units)		
	30.85	30.85

9. Trade receivables

	As at Mar 31, 2020	As at Mar 31, 2019
Trade receivables outstanding for a period exceeding 180 days		
Unsecured, considered good	2,493.18	2,493.18
Unsecured, considered doubtful	1,005.72	1,005.72
	3,498.90	3,498.90
Allowance for doubtful debts (includes Expected credit loss allowance)		
Unsecured, considered doubtful	(1,005.72)	(1,005.72)
	2,493.18	2,493.18
Other Trade receivables		
Unsecured, considered good	5,646.46	5,467.14
	8,139.64	7,960.32



	As at Mar 31, 2020	As at Mar 31, 2019
10a. Cash and cash equivalents		
Cash on hand	4.02	18.98
Balances with banks:		
On current accounts	769.43	906.33
On fixed deposits		
	773.45	925.31
10b. Other Bank balances		
Other balances		
Margin money deposits (towards bank guarantees and remaining maturity of less than 12 months)	(2.58)	-490.73
Total Cash and Bank Balances	770.87	1,416.04
11. Loans		
Advances recoverable in cash or in kind		
Unsecured considered good	(1,895.45)	433.54
Other loans and advances		
Security deposits		
Advance Tax		
	(1,895.45)	433.54
12. Other financial assets		
Interest accrued on fixed deposits	283.27	283.27
Security deposits	-	-
Export Incentive receivable	13.14	13.14
Unbilled revenue		
Forward contract receivable, net		
Prepaid evacuation costs *		
Other receivables - due from its wholly own subsidiaries	15,899.83	22,010.29
Current portion of ancillary borrowing costs		
	16,196.23	22,306.69
13. Other current assets		
Unamortized expenditure		
Unamortized premium on forward contract		
Advances to Suppliers	8,504.18	8,504.18
Balances with statutory/government authorities		
VAT & Service tax		-
GST balances	940.37	1,082.12
Prepaid expenses	-	1,931.54
Other Receivables		-
Sundry receivables		-
	9,444.55	11,517.83
14. Equity Share capital		
Authorised		
2,50,300,000 (Previous periods 26,300,000 / 25,000,000) equity shares of Rs.10 each	25,030.00	25,030.00
5,000,000 (Previous periods 5,000,000 / 5,000,000) 0% compulsorily convertible preference shares of Rs.10 each	500.00	500.00
Issued, Subscribed and Paid-up		
248,759,460 (Previous periods 23,264,493 / 22,667,479) equity shares of Rs.10/- each fully paid up (Refer Note d)	24,875.94	24,875.94
Nil (Previous periods 1,611,453 / 1,611,453) 0% compulsorily convertible preference shares (CCPS) of Rs.10 each fully paid up		
	24,875.94	24,875.94



15. Other Equity

Securities premium account	As at March 31, 2020	As at March 31, 2019
Opening balance	7,008.38	7,008.38
Add: Premium on conversion of Compulsorily convertible debentures (refer note 16A)	-	-
Less: Amounts transferred to Share Capital on issue of equity shares	-	-
Less: Amounts utilised towards issue of bonus shares (refer note 14e)	-	-
Less: Amounts utilised towards expenses on issue of bonus shares	-	-
Closing balance	7,008.38	7,008.38
Employee stock options outstanding		
Gross employee stock compensation for options granted in earlier years	-	-
Add: Gross compensation for options granted during the year	-	-
Less: Stock options expired/forfeited	-	-
Less: Deferred employee stock compensation	-	-
Closing balance	-	-
Surplus in the statement of profit and loss		
Opening balance	(49,243.33)	2,443.84
(Loss)/Profit for the year / period	(38,364.22)	(51,687.17)
Transition Reserve (refer note a below)	-	-
Impact of NSLPET merger with RPPL (refer note b below and note 35)	-	-
Net surplus in the statement of profit and loss	(87,607.55)	(49,243.33)
Other Comprehensive income		
Opening balance	225.61	190.05
Additions / (Deletions)	396.20	35.56
Closing balance	621.80	225.61
Total reserves and surplus	(79,977.37)	(42,009.35)

16a. Borrowings

Term loans	As at March 31, 2020	As at March 31, 2019
<i>Secured</i>		
Secured	-	-
Loan from other parties	-	-
Foreign currency loan from bank	-	-
Less: Currency swap gain (mark to market)	-	-
Finance lease obligation (refer note 37.b)	2.12	3.98
<i>Less: Current maturities of long term borrowings</i>		
Compulsory convertible debentures	-	-
Indian rupee loan from bank	-	-
Loan from other parties	-	-
Foreign currency loan from bank	-	-
Finance lease obligation (refer note 37.b)	(3.98)	(3.98)
	(3.98)	(3.98)
	(1.86)	-



	As at Mar 31, 2020	As at Mar 31, 2019
16b. Others		
Payable to Vensys	4,106.75	4,107
Payable to Regen Renewable Energy Generation Global Limited ("RREGGL")	1,450.89	1,450.89
	5,557.64	5,557.64
17. Provisions		
Provision for performance guarantee (refer note 33A)	801.11	801.11
Provision for employee benefits		
- Leave salary	167.02	167.02
- Gratuity (refer note 39)	18.05	298.08
Provision for operation, maintenance and warranty (refer note 33A)	1,220.85	1,220.85
Provision for taxes (net of advance taxes and tax deducted at source - current year- Rs.8,253.85 lakhs previous periods-Rs. 7,621.55 lakhs / Rs.6,895.85 lakhs)	6,027.59	5,921.44
Advance tax	(7,005.05)	(7,005.05)
TDS	(1,697.28)	(1,672.10)
Provision for tax	14,739.65	14,608.32
IT Refund	(9.74)	(9.74)
	8,234.62	8,408.50
18. Deferred tax assets / (liabilities)		
	As at March 31, 2020	As at March 31, 2019
<i>Tax effect of items constituting deferred tax liabilities</i>		
On difference between book balance and tax balance of fixed assets	(443.60)	(370.49)
Effect of expenditure debited to profit and loss account in the current year but		
Others - Licence fee payment	-	-
Gross deferred tax liabilities	(443.60)	(370.49)
<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	443.60	370.49
Gross deferred tax assets	443.60	370.49
Net of deferred tax assets / (liabilities)	-	-
19. Other non-current liabilities		
Billing in excess of revenue	-	-
Advance from Customers	-	-
	-	-



20. Borrowings

	As at March 31, 2020	As at March 31, 2019
<i>Secured</i>		
Cash credit from banks	124,951.50	96,377.57
Short term loans from banks	-	-
Short term loans from Others	-	-
<i>Unsecured</i>		
Short term loan from banks	-	-
Acceptances	1,160.69	(0.00)
Inter-Corporate deposit	1,208.92	-
	127,321.11	96,377.57

21. Trade Payables

Dues to Micro and Small Enterprises (refer note 42)	1,225.07	1,225.07
Bills acceptances (Non Interest bearing)	-	-
Dues to others	19,447.71	25,670.08
	20,672.78	26,895.15

22. Provisions

	As at March 31, 2020	As at March 31, 2019
Other Provisions		
Provision for taxes (net of advance taxes and tax deducted at source - prior periods- Rs. 7,621.55 lakhs / Rs.6,895.85 lakhs)	-	-
Provision for operation and maintenance & warranty (Refer note 33A)	-	-
Provision for performance guarantee (Refer note 33A)	35.56	35.56
Provision for employee benefits	-	-
- Leave salary	104.57	104.57
- Gratuity (Refer note 39)	77.54	77.54
Provision for Contract Compensation (refer note 31)	-	-
	217.67	217.67

23. Other current liabilities

Current maturities of long term borrowings (includes current maturities of finance lease obligations)	3.98	3.98
Interest accrued and not due on borrowings	-	-
Billing in excess of revenue	863.36	863.36
Advance from customers	1,487.40	4,916.62
Others -	-	-
Statutory liabilities (including GST, TDS, sales tax and service tax)	295.95	296.31
TDS and TCS, ESI, PF and PT	295.95	296.31
CST, VAT and service tax	-	-
R&D cess	-	-
GST various states payable	-	-
Employee expenses payable	-	-
Gratuity and leave encashment	-	-
Forward contract payable, net	-	-
Unamortised premium on forward contract	-	-
	2,650.68	6,080.26



Regen Powertech Private Limited

Notes to financial statements as at March 31, 2020

(All amounts are in Rupees Lakhs unless otherwise stated)

	April 1, 2019 to Mar 31, 2020	April 1, 2018 to Mar 31, 2019
24. Revenue from operations		
Sale of products		
Sale of WEC and finished WEC components	5,406.22	17,161.18
Trading Sales		
Rendering of operation and maintenance services (refer note 31)	29.50	
Other operating revenue		
Scrap sales	524.63	1,140.54
Sale of power	-	-
Sale of raw materials, net	-	-
Revenue from operations (net)	5,960.36	18,301.72
25. Other Income		
Foreign exchange gain, net	-	-
Government Incentive	-	-
Export incentive	-	-
Insurance claims		
Profit on sale of fixed assets, net	-	2.97
Insurance claims	125.63	-
Provision no longer required, written back	-	
- Provision for Storage Rent	-	
- Provision for contract compensation (refer note 31)	-	
Profit on Sale Of MF	-	5.89
Interest Income	-	
Interest on Bank deposits & Others	(339.61)	122.33
Liquidated damages claim	-	-
	(213.99)	131.18



	April 1, 2019 to Mar 31, 2020	April 1, 2018 to Mar 31, 2019
26. Cost of materials consumed		
Inventory at the beginning of the year	10,568.35	27,735.98
Add: Purchases, including stock-in-transit	5,194.97	12,099.45
Less : Inventory Write off	-	25,163.41
	15,763.32	14,672.02
Less: Inventory at the end of the year	7,152.68	10,568.35
Cost of raw material and components consumed	8,610.64	4,103.67
Tools consumed	0.43	30.16
	8,611.07	4,133.83
27. Changes in inventories of finished goods, work-in-progress and traded goods		
Inventories at the end of the year		
- Work in progress	-	-
- Finished WEC parts	2,446.67	2,008.21
Inventories at the beginning of the year		
- Work in progress	-	254.95
- Finished WEC parts	2,008.21	10,767.95
	(438.46)	9,014.69
28. Employee benefits expense		
Salaries, wages and bonus	1,999.58	4,037.11
Contribution to provident fund (refer note 39)	29.50	156.83
Employee stock options cost	-	-
Gratuity expenses (refer note 39)	38.63	82.77
Workmen and staff welfare expenses	61.48	210.40
	2,129.18	4,487.11



	April 1, 2019 to Mar 31, 2020	April 1, 2018 to Mar 31, 2019
29. Finance costs		
Interest		
- on long term loans / debentures	-	0.21
- on short term loans / acceptances	27,246.34	37.54
- others	26.99	278.92
Other borrowing costs	0.04	100.50
	27,273.38	417.17
30. Other expenses		
Crane hire and equipment hire charges	617.09	2,505.04
Evacuation charges and Infrastructure Development charges	(0.56)	137.02
Freight, Clearing and forwarding expenses	308.20	1,485.60
Royalty	-	195.13
Generation guarantee	-	-
Operation, maintenance and warranty	-	670.95
Testing & Calibration Charges	32.18	220.32
Civil foundation, erection and commissioning charges	93.28	963.21
Grid availability compensation	-	-
Power and fuel	100.90	208.64
Rent	7.91	95.62
Rates and taxes	1.76	47.41
Repairs and maintenance	-	-
- Plant and Machinery	5.59	30.60
- Building	29.87	2.28
- Others	84.03	201.04
Legal and professional fees (refer note - a below)	261.76	954.45
Advertisement, sales promotion and marketing expenses	12.26	17.91
Travel and conveyance	97.48	446.47
Insurance	0.67	109.68
Loss on sale of asset(net)	-	-
Director's sitting fees	-	-
Provision for doubtful debts (ECL)	-	-
Foreign exchange loss, net	0.05	5.05
Bad debts written off	-	-
Less : Written off out of provision	-	-
Bank charges	3.39	7.95
Contract compensation	-	15,258.96
CSR Expenses (refer Note 44)	-	-
Obsolete inventory write off	-	25,163.41
Miscellaneous expenses	2,119.19	551.39
Administrative Expenses	49.39	203.36
Preaid expenses	1,931.54	-
Communication Cost	26.54	63.55
Printing & Stationery	3.71	25.50
Processing fees, Approvals & Clearances	30.47	258.98



Adjustment for Provision for Gratuity

77.54

3,775.09

49,278.14

Note a - Payment to auditors (included in Legal and professional fees)

For Statutory Audit

Out of pocket expenses

In other capacity- Tax Audit Fees for CNGSN & Associates

10

10.00

-



Regen Powerco Pvt. Ltd. Limited
 Provisional Notice to Financial Statements for the period ended March 31, 2020
 All amounts are in Rupees (in Lakhs unless otherwise stated)
 3. Tangible assets

Description	Gross block			Depreciation			Net block	
	As at Apr 1, 2019	Additions	Deletions	As at Mar 31, 2020	For the year	Deletions	As at Mar 31, 2020	As at Apr 1, 2019
Land	4,239.99	-	-	4,239.99	-	-	-	4,239.99
Buildings	31,694.00	-	-	31,694.00	379.34	-	1,328.10	30,365.90
Plant and Machinery	9,714.79	-	-	9,714.79	1,000.22	-	5,711.06	4,003.73
Office equipment	146.61	-	-	146.61	0.44	-	146.64	0.44
Computers	1,427.76	-	-	1,427.76	270.72	-	1,402.72	295.76
Furniture and fittings	178.37	-	-	178.37	-	-	178.37	-
Leasehold intangible assets	238.96	-	-	238.96	-	-	238.96	-
Vehicles	94.47	-	-	94.47	2.72	-	97.19	8.17
Others	38.54	-	-	38.54	1.35	-	39.89	11.19
TOTAL	57,603.39	-	-	57,603.39	1,731.08	-	8,724.84	48,878.55

3. Intangible assets

Description	Gross block			Depreciation			Net block	
	As at Apr 1, 2019	Additions	Deletions	As at Mar 31, 2020	For the year	Deletions	As at Mar 31, 2020	As at Apr 1, 2019
Expense Fees	5,973.62	-	-	5,973.62	1,994.90	-	7,968.52	2,978.72
Computer Software	1,151.15	-	-	1,151.15	8.51	-	1,159.66	8.51
TOTAL	7,124.77	-	-	7,124.77	2,003.41	-	9,128.18	3,015.01



I. CORPORATE INFORMATION

Rajeev Powertech Private Limited (Rajeev or the Company) is an associate of Mandira Holdings Private Limited, was incorporated on December 27, 2008 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 the detailed note of Nonchartered Professional for the FY 2019-20 annexed 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 first receives or pays 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.

2.3.1. Current versus non-current classification

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

An asset is treated as current when it is

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

All other assets are classified as non-current.

A liability is current when

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

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 recorded 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	5
Office equipment	5
Vehicles	3
Vehicles - employee car scheme	4

Leased 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 amortization 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 of 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 expenditures

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 categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

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

For assets and liabilities that are 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 recognised 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 capitalized 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 recognized 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 2.6). 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 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.

Lease tools and Frames

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

2.16. 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 estimate.

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 atleast 25% of the construction development costs; (c) atleast 25% of saleable project area is secured by contracts or arrangements with buyers; and (d) atleast 10% of the contract consideration as per the agreements of sale are realized at the reporting date and it is reasonable to expect 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 recognized to the extent of contract costs incurred that it is probable will be recoverable. Contract costs are recognized as an expense immediately.

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

When contract costs incurred to date plus recognized profits less recognized 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 recognized profits less recognized 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 revenue 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 amortized 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 amortized 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.

Lease 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 recognized 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 recognized 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 recognized 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 (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 contributions 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 contributions 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 services, 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 benefit. 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 employee 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 Note 27. 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 reviews 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 or 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. Managers periodically evaluate 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 recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized 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 utilized, 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 recognized 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 utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized 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 realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognized 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. Credit or Goods & Service tax

CENVAT/INPUT TAX credit on materials/purchases/services availed for production/input services are taken into account at the time of purchase. GST 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 utilizing the credits. CENVAT/INPUT TAX credit on purchase of capital items wherever applicable are taken into account as and when the assets are acquired. The CENVAT/INPUT TAX credits so taken are utilized for payment of excise duty & GST on goods manufactured or for payment of GST on services rendered. The unutilized CENVAT/INPUT TAX 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 recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. 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 recognized 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 recognized 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 amortised cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortised 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/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, 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 amortized 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 FVTOCI:** 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 recognized 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 an effective hedging instruments.

Gains or losses on liabilities held for trading are recognized 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 recognized 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 amortized cost using the EIR method. Gains and losses are recognized 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 change in the business model for managing these 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 change 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 recognized 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 amortised 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, it 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.

2.7. 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.



21. 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.18,000 lakhs. The cost of the components returned, included in Finished Wind Ener Converter parts was Rs.8,170 lakhs and in raw materials and components is Rs.4,027 lakhs. Of the evacuation costs of Rs.1,483 lakhs incurred for this project, the cost relating to materials of Rs.1,218 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 a balance amount of Rs.1,223 lakhs was written back as provision no longer required and shown as part of miscellaneous income.

22. 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.

23. Provisions and commitments

A) Provisions

Provisions for performance guarantees 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 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 performance guarantees, operation, maintenance and warranty are as below:

Particulars	Performance guarantee			Operation, maintenance and warranty		
	For the year ended March 31, 2020	For the year ended March 31, 2019	For the year ended March 31, 2018	For the year ended March 31, 2020	For the year ended March 31, 2019	For the year ended March 31, 2018
At the beginning of the year	838.87	836.87	838.87	1,220.85	1,220.85	1,220.85
Created during the year	-	-	-	-	-	-
Utilised during the year	-	-	-	-	-	-
Amounts reversed	-	-	-	-	-	-
At the end of the year	838.87	836.87	838.87	1,220.85	1,220.85	1,220.85
Of the above						
- Current portion	-	-	-	-	-	-
- Non-current portion	838.87	836.87	838.87	1,220.85	1,220.85	1,220.85

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.

The auditors have relied on the data provided by the management in this respect.

B) Commitments

Capital Commitments

Particulars	As at March 31, 2020	As at March 31, 2019
Capital commitments		
Capital contracts yet to be executed	0.211	0.06.30
Capital commitments pertaining to intangibles	-	1,079.00
Corporate guarantee to subsidiary *	0	-



34. Contingent Liabilities

- VST related demands raised by Sales Tax Department, Tamil Nadu for the financial year 2007-08 to 2013-14 - Rs. 234.88 lakhs (including interest & penalty of Rs. 15.75 lakhs) (Previous year - Rs. 214.56 lakhs including interest & penalty of Rs. 15.75 lakhs). Proforma made against the above demands - Rs. 209.70 lakhs (Previous year - Rs. 209.70 lakhs) raised by Sales Tax Department, Maharashtra for the financial years 2008-09, 2009-10 and 2011-12 - Rs. 7,239.51 lakhs (including interest & penalty of Rs. 662.23 lakhs) (Previous year - Rs. 233.61 lakhs including interest & penalty of Rs. 127.77 lakhs) (Proforma made against the above demands - Rs. 62.51 lakhs (Previous year - Rs. 32.75 lakhs) raised by Sales Tax Department, Karnataka for the financial year 2009-10 - Rs. (Previous year - Rs. 52.50 lakhs including interest & penalty of Rs. 33.83 lakhs)
- 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 proforma raised by Sales Tax Department, Maharashtra for the financial year 2010-11 - Rs. 87.32 lakhs (Previous year - Rs. 87.32 lakhs) (Proforma against the above demands is Rs. 27 lakhs (Previous year - Rs. 21 lakhs) raised by Sales Tax Department, Maharashtra for the financial year 2011-12 - Rs. 17.62 lakhs (Previous year - Nil). Proforma against the above amount is Rs. 1.82 lakhs (Previous year - Nil) raised by Sales Tax Department, Karnataka for the financial year 2012-13 - Nil (Previous year - Rs. 222.32 lakhs including interest & penalty of Rs. 83.81 lakhs)

35. Income tax related demands

For financial year 2015-16 (AY 2012-13), intendant assessing officer (AO) has passed final assessment order processing disallowances on various issues in form of Rs. 107.72 Crores. Agreed by the staff proforma. The Company has filed an application before the Dispute Resolution Panel (DRP) for necessary directions to the Assessing Officer. Maharashtra DRP passed the order on 27th December 2015. Based on the DRP directions, AO passed the assessment order on 28th February 2017 with a disallowance of Rs. 88.79 Crores. The total demand on account of this disallowance amounted to Rs. 48.34 Crores. The Company has filed an appeal before Hon'ble ITAT, Chennai on 28th March 2017 against the demand raised by AO. ITAT Chennai granted stay for 6 months upon payment of Rs. 500 lakhs, ITAT Jaipur happened on 18th May 2017 and final order is 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 2015-16, the Assessing officer has passed a draft Assessment order on December 30, 2015 with a disallowance of Rs. 62 Crores. Disallowance is due to Government subsidy received on capital receipt, CSR expenditure, Donor 10A expenditure, Licence fee expenditure, BSA expenditure, 3529B disallowance. An application was filed before the Dispute Resolution Panel on January 27, 2017 for necessary directions to the Assessing officer. A stay 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 the demand raised is raised by DCT. For financial year 2015-16, DCT passed order with a disallowance of Rs. 20.82 Crores. Disallowance is due to Government subsidy received on capital receipt, CSR expenditure, Licence fee expenditure, Depreciation credit over 10%. An application for stay of demand was filed before ITAT on February 8, 2018. The Madras High Court vide its order dated 28th March 2018 has combined the stay of 27 days in filing the return of income and allowed the demand raised. Based on the HC order, DCT has to pass the final order. Agreed the demand raised by DCT as (see the appeal before CIT(A)). The case is yet to be heard by CIT(A). For financial year 2014-15, DCT passed order with a disallowance of Rs. 4.81 Crores. Disallowance is due to Additional depreciation claim, Capital loss, Section 29(1)(a) interest on stock, income deduction, CSR expenditure, 3529B expenditure (classmate Section 35(2A)), and Section 14A disallowance. Agreed the demand raised by DCT as (see the appeal before CIT(A)). The case is yet to be heard by CIT(A).

Name of Statute	Period to which the amount relates	Disputed Demand (in Rs./Lakhs)	Forum where dispute is pending	Remarks
Value Added Tax	2007-08 to 2013-14	274.56	Assessing Officer	These statutory dues are as at 09/12/2019. Consistent to the DRP process and the successful approval of the Revised Resolution Plan by the NCLT, Order, the above statutory dues shall be dealt in terms of resolution plan.
	2008-09, 2009-10 and 2011-12	209.01	Assessing Officer	These statutory dues are as at 09/12/2019. Consistent to the DRP process and the successful approval of the Revised Resolution Plan by the NCLT, Order, the above statutory dues shall be dealt in terms of resolution plan.
Central Sales Act	2012-13 and 2010-11	74.41	Assessing Officer	These statutory dues are as at 09/12/2019. Consistent to the DRP process and the successful approval of the Revised Resolution Plan by the NCLT, Order, the above statutory dues shall be dealt in terms of resolution plan.
	2011-12	1.82	Assessing Officer	
Income Tax	2008-09	11.20	Assessing Officer	These statutory dues are as at 09/12/2019. Consistent to the DRP process and the successful approval of the Revised Resolution Plan by the NCLT, Order, the above statutory dues shall be dealt in terms of resolution plan.
	2010-11	64.42	ITAT	
	2011-12	704.47	ITAT	
	2013-14	30.23	CIT(A)	
	2014-15	4.81	CIT(A)	
2015-16	239.6	CIT(A)		

36. Disclosure pursuant to Indian Accounting Standard 11 and AS-11's Construction Contracts

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019	For the year ended March 31, 2018
Contract income recognized in terms for the year ended	3424.71	18,292.71	27,152.86
Aggregate amount of contract costs incurred and recognized profits, after recognized losses, up to year end for all the contracts in progress	3686.20	7,284.17	8,057.91
Amount of contract liabilities outstanding for contract in progress as of the year end	0	-	1,680.34
Amount of liabilities due from customers for contract in progress as of the year end	0	-	1,680.34
Other amount due from customers for contract work in progress	2139.64	2,969.27	28,477.11



35. Effective tax rate computation

Income tax recognized in profit or loss		
Particulars	2019-20 Rs. Lakhs	2018-19 Rs. Lakhs
Current tax in respect of current year	0	-
Deferred tax in respect of current year	0	-
MAT credit applied	0	-
Total income tax expense / (gain) recognized in the current year relating to continuing operations	0	-
Particulars		2018-19 Rs. Lakhs
(Loss)/Profit before tax		(51,687.17)
Income tax calculated at 34.000%		(17,574.34)
Effect of expenses that are not deductible in determining taxable profits		-
Effect of income that are deductible in determining taxable profits		-
Effect of unrecd tax losses and tax offsets not recognized as deferred tax assets		-
Effect of deduction under section 80A		-
Effect of short term capital gain on deemed sale of assets		-
Effect of MAT credit applied		-
Income tax expense recognized in the statement of profit and loss		(17,574.34)

36. 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 fig 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 Rajesh Infrastructure and Services Private Limited, the wholly owned subsidiary and the Landlord.

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 2020		As at March 31 2019	
	Minimum Payments	Present value of MLP	Minimum Payments	Present value of MLP
Within One Year	-	-	11.50	3.90
Over One Year but not more than 5 years	-	-	4.48	-
More than 5 years	-	-	-	-
Total Minimum lease payments	-	-	15.98	3.90
Less: Amount representing finance charges	-	-	12.11	-
Present value of minimum lease payments	-	-	3.88	3.90

During 18-19, all the obligations towards Finance Lease were repaid.



17. 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 Rs92.48 Lacs for Provident Fund contributions and Rs.11.8 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 18 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 assets 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 estimates 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, 2020	For the year ended March 31, 2019	For the year ended March 31, 2018
Discount rate	6.83%	7.78%	7.24%
Expected rate of salary increase	3.00%	11.00%	11.00%
Expected Return on assets	6.83%	9.00%	0.00%
Employee turnover	6.98%	6.98%	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, 2020	For the year ended March 31, 2019
Current Service cost	12.97	97.22
Net interest expense	25.68	26.58
Components of defined benefit costs recognised in profit or loss	58.65	123.80
Remeasurement on the net defined benefit liability comprising:		
Actuarial (gains)/losses arising from changes in demographic assumptions	-	-
Actuarial (gains)/losses arising from changes in financial assumptions	(97.24)	95.30
Actuarial (gains)/losses arising from experience adjustments	(308.83)	(26.60)
Return on plan assets (including amounts included in net interest expense)	(0.00)	(93.77)
Components of defined benefit costs recognised in other comprehensive income	(396.07)	(115.07)
Total	(287.87)	47.79

Details of Provisions for gratuity:

Particulars	As at March 31, 2020	As at March 31, 2019
Defined benefit obligation	137.02	489.96
Fair value of plan assets	118.06	111.24
Plan (liability)	(18.96)	(378.63)



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

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Opening defined benefit obligation	486.98	484.47
Current service cost	12.97	57.22
Interest cost	33.26	36.54
Actuarial (gains) / losses on obligation	(396.17)	-35.07
Acquisitions/Disposals/Transfer	-	-
Benefits Paid	-	(56.20)
Closing defined benefit obligation	117.02	482.96
Experience adjustments on plan liabilities	(228.82)	(26.00)

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

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Opening fair value of plan assets	111.34	196.08
Contributions	-	-
Benefits paid	-	(56.20)
Expected return on plan assets	7.60	9.59
Actuarial (gains) / (losses)	0.02	0.49
Closing fair value of plan assets	118.96	111.24

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

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 2020(%)	31st March 2019 (%)
Discount	+100		(9.35)	(11.37)
Discount	-100		11.23	12.86
Salary Growth	+100		11.16	12.43
Salary Growth	-100		(8.37)	(10.05)
Mortality	+100		-4.34	(2.00)
Mortality	-100		(4.90)	2.36
Mortality	N/A, LIP		-0.13	(0.06)

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, 2020 is 33.36 years (as at March 31, 2019 - 33.59 years).

38. EPS (Earnings Per Share)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019	Year ended March 31, 2018
Total Operation for the period			
Number of equity shares outstanding at the beginning of the period	24,87,59,460	24,87,59,460	24,87,59,460
Number of equity shares issued	0	-	-
Issue of bonus shares	0	-	-
Number of equity shares outstanding at the end of the period	24,87,59,460	24,87,59,460	24,87,59,460
Weighted average number of shares			
a) Basic	24,87,59,460	24,87,59,460	24,87,59,460
b) Diluted	24,87,59,460	24,87,59,460	24,87,59,460
(Loss)/Profit after tax for Basic EPS	-37968	-51,851.61	-27,614.05
(Loss)/Profit after tax for Dilutive EPS	-37968	-51,851.61	-27,614.05
(Loss)/Profit after tax for continuing operations	-37968	-51,851.61	-27,614.05
EPS on Continuing Operations			
Basic EPS	-15.26	-20.76	-11.19
Dilutive EPS	-15.26	-20.76	-11.19



39. Details of dues to Micro, Small and Medium Enterprises as per MSME Act, 2006

Particulars	(Rs. in Lakhs)	
	As at March 31, 2020	As at March 31, 2019
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 - Interest	0	1,211.31 558.54
The amount of interest paid by the buyer in terms of section 18, 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	0	NIL
The amount of interest accrued and remaining unpaid at the end of each accounting year	0	558.54
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 discharge as a deductible expenditure under section 23 of the Micro Small and Medium Enterprise Development Act, 2006	0	NIL

Since the company was included into GRP, it is assessed that any dues to Micro, Small & Medium Enterprises in respect of Principal & Interest is nil. The dues to Micro Enterprises and Small Enterprises as on 31 March 2020 are as identified by the management and relied upon by the auditors.

40. 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, 2020	For the year ended March 31, 2019
Software		
Computer		
Others		
Total		-
EXPENSES		
Salaries, wages and bonus		90.75
Contribution to provident and other funds		
Materials, spares & consumables		0.43
Travel		3.13
Consultancy charges		
Miscellaneous expenses (training, testing & calibration charges)		0.18
Total	0	94.89

During 19-20, there was no functioning of R&D Department and hence such related expenses have not been incurred during the year 19-20.

41. CSR Expenditure

The company has spent Rs. Nil lakhs towards CSR expenditure during the current year. 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. Nil.



42. 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
Enterprises of which the Company is an associate	1. Indivision India Partners, Mauritius (IP)
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 Vagars Private Limited 6. Regen Blade Manufacturing Private Limited 7. Vakundaratha Perumal Renewable Energy Private Limited 8. Ernoorthe Perumal Renewable Energy Private Limited 9. Soundararaja Perumal Renewable Energy Private Limited Subsidiaries of RSPS : 11. Renewable Harness Energy Private Limited 12. Pulo Energy Infrastructure Private Limited 13. Saastha Energy Infrastructure Private Limited 14. Renewable Energy (Vagars) Private Limited 15. Renewable Energy (Foodwad) Private Limited 16. Mandaur 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) (NRPPPL) 2. NSL Power Private Limited (NSL Power) 3. NSL Wind Power Company (Foodwad) Private Limited (NSL Wind) 4. NSL Wind Power Company (Sattara) Pvt. Ltd 5. Kalkudal Power Private Limited 6. NSL Wind Power (Seyamala) Private Limited 7. NSL Wind Power (Kayathar) Private Limited

Particulars	Subsidiaries			Fellow Subsidiaries		
	March 31, 2020	March 31, 2019	March 31, 2018	March 31, 2020	March 31, 2019	March 31, 2018
Advances / (Repayments) made						
RISPL		8,336.79	2,474.70			-
NSL Power		-	-			(12.38)
Kalkudal Power		231.00	8.00			-
RREGGL		-	234.72			-
PEPL		1.78	0.10			-
RHEPL		1.26	0.03			-
SEPL		10.62	0.10			-
REVPPL		2.38	2.90			-
Mandaur Wind Energy Private Limited		3.70	0.03			-
NSL Wind Power Company (Kayathar) Pvt Ltd		-	-		330.79	-
NSL Wind Power Company (Sattara) Pvt. Ltd		-	-		-	-
NSL Wind Power Company (Seyamala) Pvt. Ltd		-	-		-	-
Wind Direct		-	-		-	0.10
RCMSL	162.4	-	-		-	-
Contract revenues		96.34	0.50			-
NSL Wind Power (Seyamala) Pvt Ltd		-	-			-
NSL Wind Power Company (Kayathar) Pvt Ltd		-	-			-
Mandaur Wind Energy Private Limited		-	-			-
Sale of trading material						
RISPL		(499.94)	636.79			-
Asset Sale		(227.15)	-			-
RISPL		-	-			-
Purchase of raw material						
RISPL		-	-			-
Wind Direct		-	-			-



Particulars	Subsidiaries		
	March 31, 2020	March 31, 2019	March 31, 2018
Operation and Maintenance charges RISPL		934.22	439.61
Crane hire charges paid RISPL		(4,791.98)	(1,681.00)
Deputation salary received RISPL			-
Substation Lease Rent RISPL			14.00
Retrofitting Charges RPPL		(2,833.88)	
Purchase of trading material RPPL		69.84	3,013.20
License fee Wind-direct Grids			936.41
Asset Purchase Wind-direct Grids		-	-
Managerial remuneration Mr. Madhusudan Khemka Mr. R Sundaresh Mr. Varathala Rao			
		RMP	
		March 31, 2019	March 31, 2018
		177.02	226.00
		100.30	100.00
		35.00	46.67

Nature of relationship	Due from / (due to)		
	March 31, 2020	March 31, 2019	March 31, 2018
Subsidiaries			
Advances to RISPL	22,010.29	22,010.29	23,822.79
Receivable towards sale of assets to RISPL	-	-	-
Liability to RREGGL	(1,451.89)	(1,451.89)	(1,450.89)
Advance to PEPL	3.62	3.62	1.99
Advance to RHEPL	2.21	2.21	0.96
Advance to DEPL	12.58	12.58	1.06
Advance to REVPL	4.70	4.70	210.04
Liability to Wind Direct	-	-	(75.86)
Advance of accounts receivable from Mandaur Wind Energy Private Limited	0.67	0.67	3.03
Advance to ROMSL	287.26	104.81	68.47
Advance to Matbanda	16.15	15.15	-
Advance to RaGen Wind Farm (Wazara) P Ltd	210.04	210.04	-
Advance to Velundankatha Perumal Renewable Energy	1.50	1.50	-
Advance to SOUNDARARAJA PERUMAL RENEWABLE	1.40	1.40	-
Advance to SRIMOORTHY PERUMAL RENEWABLE	1.40	1.40	-
Fellow Subsidiary			
Advance to HGL Power	-	-	-
Accounts receivable from NSL Wind Power Company(Kayathar) Pvt Ltd	272.21	272.21	813.00
Accounts receivable from NSL Wind Power(Sayamboli) Pvt Ltd	4.40	4.40	4.40
Accounts receivable from NSL Wind Power (Sudhakar)	0.13	0.13	0.13
Accounts receivable from Kalpalat Power Private Limited	654.13	654.13	803.82



43. Supplementary statutory information

i) Imported and indigenous consumption of raw material and tools

	%		Value (in Rs.)	
	For the year ended March 31, 2020	For the year ended March 31, 2019	For the year ended March 31, 2020	For the year ended March 31, 2019
Imported	19%	20%	1265.04	1,027.93
Indigenously obtained	81%	79%	7324.60	3,078.15
		100%	8,618.64	4,106.07

ii) CIF Value of imports

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Raw materials and components	882.85	1,144.27
Fixed assets	0	34.90
	882.85	1,179.17

iii) Earnings in foreign exchange

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Sale of Wind energy converters	0	0.00
	0	8.96

iv) Expenditure in foreign currency

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Travel	4.35	8.00
Legal and professional fees	5.89	-
Royalty	0	195.13
Interest and finance charges	3.38	3.92
Freight	0	-
License Fees Payment	0	188.96
Others	0	-
	8.82	296.01

44. 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, 2020	March 31, 2019	March 31, 2018	March 31, 2020	March 31, 2019	March 31, 2018	
Financial Assets							
Investments in subsidiaries	38900.24	38,900.24	39,002.34	38,900.24	38,800.24	39,002.34	Level 3
Long term Loans & Advances	1842.58	1,983.48	1,914.85	1,842.08	1,983.48	1,918.85	Level 3
Other financial assets - Non current	1285.77	1,285.77	1,285.77	1,285.77	1,285.77	1,285.77	Level 3
Investments in mutual funds	0.00	30.85	58.85	-	30.85	58.85	Level 3
Trade receivables	8139.64	7,860.32	28,477.71	8,139.64	7,860.32	28,477.71	Level 3
Cash and cash equivalents	773.45	925.31	99.67	773.45	925.31	99.67	Level 3
Bank balances other than Cash and cash equivalents	-2.58	490.73	1,484.70	-	490.73	1,484.70	Level 3
Short term Loans & Advances	-1895.45	433.54	421.79	(1,895.45)	433.54	421.79	Level 3
Other financial assets - current	20540.78	33,824.53	36,413.90	20,540.78	33,824.53	36,413.90	Level 2
Total	74883.83	85,814.73	1,11,222.79	74,883.83	85,814.73	1,11,222.79	
Financial Liabilities							
Long term Borrowings	-1.89	-	15.41	(1.89)	-	15.41	Level 3
Short term Borrowings	127321.11	96,277.57	82,434.22	1,27,321.11	96,277.57	82,434.22	Level 3
Trade Payables	20672.78	26,895.15	43,088.84	20,672.78	26,895.15	43,088.84	Level 3
Total	1,47,892.82	1,23,172.72	1,25,538.47	1,47,892.82	1,23,172.72	1,25,538.47	

The management assessed that cash and cash equivalents, bank 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 the 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 these 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 employ 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.



45. 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, FVOCI 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 Rupee points	Effect on profit before tax - Rs. Lakhs
Customerwise sales representing > 10% of the total sales value			
Name of the Customer		April 1 2019 to March 31 2020	April 1 2018 to March 31 2019
Tata Power Company Limited		560.05	
SAIL, India Limited		590.75	
Gujarat Enterprises		103.00	
National Aluminium Company Limited			2,664.02

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 optimization of the debt and equity balance.

The Company over the year, has maintained parity between net Debt to Equity. The capital structure of the Company consists of debt, represents the borrowing 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 2020	31st March 2019	31st March 2018
Debt (refer notes 10.a and 10.b)	5055.01	5,057.64	5,277.25
Cash and cash equivalents (refer note 10.c)	773.45	525.31	39.67
Net Debt (A)	4,281.56	4,532.33	4,177.64
Total Equity (B) (refer notes 14 and 15)	35,101.42	(17,143.41)	24,518.19
Net Debt Equity ratio (A/B)	0.89	0.27	0.15

For CNGSN & ASSOCIATES LLP
Chartered Accountants
Firm Registration No. 49155/S/2008/Ch

K. Parthasarathy
Partner
M.No: 918294



Place : Chennai
Date : 28/02/2022

For and behalf of Board of Directors

(Signature)

Mr. Ebenezer Johnson
Member - Reg. Director and
Reg. No. (BAM) 075/4911-07/1987/REGD/15-18/11289
Place - Chennai
Date: 28/02/2022

