

LATUR RENEWABLE PRIVATE LIMITED

Price Waterhouse Chartered Accountants LLP

Independent auditor's report

To the Members of Latur Renewable Private Limited

Report on the audit of the financial statements

Opinion

1. We have audited the accompanying financial statements of Latur Renewable Private Limited ("the Company"), which comprise the balance sheet as at March 31, 2020, and the statement of Profit and Loss (including Other Comprehensive Income), statement of changes in equity, statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and total comprehensive income (comprising of profit and other comprehensive income), changes in equity and its cash flows for the year then ended.

Basis for opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

4. We draw your attention to Note [36] to the financial statements which states that, in the Management's assessment, there is no implication on its current business due to Coronavirus (Covid-19).

Our opinion is not modified in respect of this matter.

Other Information

5. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the board report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

Price Waterhouse Chartered Accountants LLP, 1701, 17th Floor, Shapath V, Opp. Karnavati Club, S G Highway
Ahmedabad - 380 051, Gujarat, India
T: +91 (79) 3091 7000, F: +91 (79) 3091 7082

Registered office and Head office: Sucheta Bhawan, 11A Vishnu Digambar Marg, New Delhi 110 002

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Price Waterhouse Chartered Accountants LLP

INDEPENDENT AUDITOR'S REPORT

To the Members of Latur Renewable Private Limited
Report on audit of the Financial Statements

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the financial statements

6. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
7. In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

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



Price Waterhouse Chartered Accountants LLP

INDEPENDENT AUDITOR'S REPORT

To the Members of Latur Renewable Private Limited
Report on audit of the Financial Statements

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



Price Waterhouse Chartered Accountants LLP

INDEPENDENT AUDITOR'S REPORT

To the Members of Latur Renewable Private Limited
Report on audit of the Financial Statements

Report on other legal and regulatory requirements

11. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
12. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2020.
 - iv. The reporting on disclosures relating to Specified Bank Notes is not applicable to the Company for the year ended March 31, 2020.



Price Waterhouse Chartered Accountants LLP

INDEPENDENT AUDITOR'S REPORT

To the Members of Latur Renewable Private Limited
Report on audit of the Financial Statements

13. The Company has not paid/ provided for managerial remuneration during the year ended March 31, 2020. Accordingly, reporting under Section 197(16) of the Act is not applicable to the Company.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Viren Shah
Partner
Membership Number: 046521
UDIN: 20046521AAAACB6395

Place: Ahmedabad
Date: May 14, 2020

Price Waterhouse Chartered Accountants LLP

Annexure A to Independent Auditors' Report

Referred to in paragraph 12(f) of the Independent Auditors' Report of even date to the members of Latur Renewable Private Limited on the financial statements for the year ended March 31, 2020

Report on the Internal Financial Controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls with reference to financial statements of Latur Renewable Private Limited ("the Company") as of March 31, 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to financial statements.



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Price Waterhouse Chartered Accountants LLP

Annexure A to Independent Auditors' Report

Referred to in paragraph 12(f) of the Independent Auditors' Report of even date to the members of Latur Renewable Private Limited on the financial statements for the year ended March 31, 2020

Meaning of Internal Financial Controls with reference to financial statements

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

Inherent Limitations of Internal Financial Controls with reference to financial statements

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

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. Also refer paragraph 4 of the main audit report.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Viren Shah
Partner
Membership Number: 046521
UDIN: 20046521AAAACB6395

Place: Ahmedabad
Date: May 14, 2020

Price Waterhouse Chartered Accountants LLP

Annexure B to Independent Auditors' Report

Referred to in paragraph 11 of the Independent Auditors' Report of even date to the members of **Latur Renewable Private Limited** on the financial statements as of and for the year ended March 31, 2020

- i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.
- (b) The fixed assets of the Company have been physically verified by the Management during the year and no material discrepancies have been noticed on such verification. In our opinion, the frequency of verification is reasonable.
- (c) The title deeds of immovable properties, as disclosed in Note 5 on fixed assets to the financial statements, which are not held in the name of the Company are as mentioned under:

Sr. No.	Nature of Assets	Gross Block (Amount in Rs. Lakhs)	Net Block (Amount in Rs. Lakhs)	Remarks
1	Freehold Land	29.31	29.31	The land is in the process of transfer in the name of the Company

- ii. The Company does not hold any inventory. Therefore, the provisions of Clause 3(ii) of the said Order are not applicable to the Company.
- iii. The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3(iii), (iii)(a), (iii)(b) and (iii)(c) of the said Order are not applicable to the Company.
- iv. The Company has not granted any loans or made any investments, or provided any guarantees or security to the parties covered under Section 185 and 186. Therefore, the provisions of Clause 3(iv) of the said Order are not applicable to the Company.
- v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.
- vi. The Central Government of India has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the products of the Company.
- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues, including income tax, goods and service tax and other material statutory dues, as applicable, with the appropriate authorities.

Further, for the period March 1, 2020 to March 31, 2020, the Company has paid Goods and Service Tax and filed GSTR 1 and GSTR3B (after the due date but) within the timelines allowed by Central Board of Indirect Taxes and Customs under the Notification Number 32/2020, 33/2020 and 34/2020 - Central Tax dated April 3, 2020 on fulfilment of conditions specified therein.

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Price Waterhouse Chartered Accountants LLP

Annexure B to Independent Auditors' Report

Referred to in paragraph 11 of the Independent Auditors' Report of even date to the members of Latur Renewable Private Limited on the Ind AS financial statements for the year ended March 31, 2020

- (b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of income-tax or goods and service tax which have not been deposited on account of any dispute.
- viii. According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or borrowings to any financial institution or bank or Government or dues to debenture holders as at the balance sheet date.
- Further, in view of the extension of time granted vide RBI/2019-20/186 dated March 27, 2020 for the payment of term loan installment within June 30, 2020, the Company has deposited the aforesaid dues within the extended due date as granted by State Bank of India in terms of the aforesaid notification of the Reserve Bank of India.
- ix. In our opinion, and according to the information and explanations given to us, the moneys raised by way of term loans have been applied for the purposes for which they were obtained. The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments).
- x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.
- xi. The Company has not paid/ provided for managerial remuneration during the year ended March 31, 2020. Accordingly, reporting under Section 197(16) of the Act is not applicable to the Company. Also refer paragraph 13 of our main audit report.
- xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.
- xiii. The Company has entered into transactions with related parties in compliance with the provisions of Section 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified under Section 133 of the Act. Further, the Company is not required to constitute an Audit Committee under Section 177 of the Act, and accordingly, to this extent, the provisions of Clause 3(xiii) of the Order are not applicable to the Company.
- xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.
- xv. The Company has not entered into any non cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.



Price Waterhouse Chartered Accountants LLP

Annexure B to Independent Auditors' Report

Referred to in paragraph 11 of the Independent Auditors' Report of even date to the members of Latur Renewable Private Limited on the Ind AS financial statements for the year ended March 31, 2020

- xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Viren Shah
Partner
Membership Number: 046521
UDIN: 20046521AAAACB6395

Place: Ahmedabad
Date: May 14, 2020

LATUR RENEWABLE PRIVATE LIMITED
Balance sheet

(₹ in Lakhs)

as at 31st March, 2020

	Note	As at 31st March, 2020	As at 31st March, 2019
Assets			
Non-current assets			
Property, plant and equipment	5	38,807.43	41,140.64
Financial assets			
Loans	6	1.55	1.50
Deferred tax assets (net)	27	-	166.49
Non-current tax assets (net)	7	255.07	64.00
		<u>39,064.05</u>	<u>41,372.63</u>
Current assets			
Financial assets			
Investments	8	-	503.98
Trade receivables	9	4,112.80	2,429.51
Cash and cash equivalents	10	355.76	28.19
Bank balances other than cash and cash equivalents	11	2,197.30	-
Other financial assets	12	90.04	-
Other current assets	13	65.55	34.27
		<u>6,821.45</u>	<u>2,995.95</u>
		<u>45,885.50</u>	<u>44,368.58</u>
Equity and liabilities			
Equity			
Equity share capital	14	11,000.00	11,000.00
Other equity	15	585.46	(530.49)
		<u>11,585.46</u>	<u>10,469.51</u>
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	16	29,969.91	30,394.55
Deferred tax liabilities (net)	27	207.06	-
		<u>30,176.97</u>	<u>30,394.55</u>
Current liabilities			
Financial liabilities			
Borrowings	17	327.76	-
Trade payables	18		
Total outstanding dues of micro and small enterprises		0.01	-
Total outstanding dues other than micro and small enterprises		313.62	207.48
Other financial liabilities	19	3,464.58	3,194.95
Other current liabilities	20	17.10	102.09
		<u>4,123.07</u>	<u>3,504.52</u>
		<u>45,885.50</u>	<u>44,368.58</u>

See accompanying notes forming part of the financial statements

In terms of our report attached

For and on behalf of the Board of Directors

For Price Waterhouse Chartered Accountants LLP

Chartered Accountants

Firm Registration Number : 012754N/N500016

Jayesh Desai

Chairman

DIN: 02295309

Pranav Rao

Chief Executive Officer

Viren Shah

Partner

Membership No.: 046521

Shreya Tank

Chief Financial Officer

Rahul Shah

Company Secretary

Place: Ahmedabad

Date: May 14, 2020

Place: Ahmedabad

Date: May 14, 2020

LATUR RENEWABLE PRIVATE LIMITED
Statement of Profit and Loss

(₹ in Lakhs)

For the year ended 31st March, 2020

	Note	Year ended 31st March, 2020	Year ended 31st March, 2019
Income			
Revenue from operations	21	6,927.19	6,037.43
Other income	22	131.90	10.47
Total income		7,059.09	6,047.90
Expenses			
Employee benefits expense	23	19.64	5.22
Finance costs	24	3,091.67	3,489.75
Depreciation	25	2,333.21	2,333.21
Other expenses	26	125.07	300.49
Total expenses		5,569.59	6,128.67
Profit / (Loss) before tax		1,489.50	(80.77)
Tax expense			
Current tax		-	-
Deferred tax	27	388.45	(15.74)
		388.45	(15.74)
Profit / (Loss) for the year		1,101.05	(65.03)
Other comprehensive income		-	-
Total comprehensive income for the year		1,101.05	(65.03)
Basic and diluted earnings per share of face value of ₹10 each (in ₹)	31	1.00	(0.55)

See accompanying notes forming part of the financial statements

In terms of our report attached

For and on behalf of the Board of Directors

For Price Waterhouse Chartered Accountants LLP
Chartered Accountants
Firm Registration Number : 012754N/N500016

Jayesh Desai
Chairman
DIN: 02295309

Pranav Rao
Chief Executive Officer

Viren Shah
Partner
Membership No.: 046521

Shreya Tank
Chief Financial Officer

Rahul Shah
Company Secretary

Place: Ahmedabad
Date: May 14, 2020

Place: Ahmedabad
Date: May 14, 2020

Statement of cash flow

(₹ in Lakhs)

For the year ended 31st March, 2020

	Note	Year ended 31st March, 2020	Year ended 31st March, 2019
Cash flow from operating activities			
Net Profit / (Loss) before tax		1,489.50	(80.77)
Adjustments for :			
Depreciation	25	2,333.21	2,333.21
Gain on sale of current investments in mutual funds	22	(34.07)	(8.24)
Net (gain) / loss arising on current investments in mutual funds measured at fair value through profit or loss	22	2.22	(2.22)
Finance costs	24	3,091.67	3,489.75
Interest income		(100.05)	-
Operating Profit / (Loss) before working capital changes		6,782.48	5,731.73
Movement in working capital:			
Adjustments for decrease / (increase) in operating assets:			
Trade receivables		(1,683.30)	(2,429.51)
Long-term loans		(0.05)	(1.50)
Other current financial asset		-	0.20
Other current assets		(31.27)	(3.05)
Other non-current assets		-	5.90
Adjustments for increase / (decrease) in operating liabilities:			
Trade payables		106.15	190.36
Other current financial liabilities		(0.03)	(0.09)
Other current liabilities		(84.99)	(873.65)
Cash generated from / (used in) operations		5,088.99	2,620.39
Taxes paid		(191.07)	(64.00)
Net cash flow generated from / (used in) operating activities		4,897.92	2,556.39
Cash flow from investing activities			
Payments for property, plant and equipment		(399.51)	(13,763.27)
(Purchase of) / proceeds from current investments (net)		535.83	(493.51)
(Investments) / redemption in bank deposits (net) (maturity more than three months)		(2,197.30)	-
Interest received		10.00	-
Net cash generated from / (used in) investing activities		(2,050.98)	(14,256.78)
Cash flow from financing activities			
Proceeds from issue of Share Capital (net)		-	10,901.36
Proceeds from long-term borrowings from Bank		399.51	26,845.50
Proceeds from long-term borrowings from related party (Torrent Power Limited)		2,064.99	5,556.81
Repayment of long-term borrowings from related party (Torrent Power Limited)		(1,541.25)	-
Proceeds from short-term borrowings from related party (Torrent Power Limited)		-	17,050.68
Repayment of short-term borrowings from related party (Torrent Power Limited)		-	(44,914.50)
Proceeds from short-term borrowings		327.76	-
Repayment of long term borrowings		(1,350.00)	-
Finance costs paid		(2,420.38)	(3,725.38)
Net cash generated from / (used in) financing activities		(2,519.37)	11,714.47
Net increase in cash and cash equivalents		327.57	14.08
Cash and cash equivalents as at beginning of the year		28.19	14.12
Cash and cash equivalents as at end of the year		355.76	28.19

See accompanying notes forming part of the financial statements

	Note	As at 31st March, 2020	As at 31st March, 2019
Notes:			
1. Cash and cash equivalents as at end of the year:	10		
Balances with banks		355.69	27.96
Cash on hand		0.07	0.24
		355.76	28.19

2. The Cash Flow Statement has been prepared under the 'Indirect Method' set out in Indian Accounting Standards (Ind AS), Ind AS 7 - Statement of Cash Flows.

3. For Net debt reconciliation Refer note - 16 .

In terms of our report attached

For and on behalf of the Board of Directors

For Price Waterhouse Chartered Accountants LLP
Chartered Accountants
Firm Registration Number : 012754N/N500016

Jayesh Desai
Chairman
DIN: 02295309

Pranav Rao
Chief Executive Officer

Viren Shah
Partner
Membership No.: 046521

Shreya Tank
Chief Financial Officer

Rahul Shah
Company Secretary

Place: Ahmedabad
Date: May 14, 2020

Place: Ahmedabad
Date: May 14, 2020

LATUR RENEWABLE PRIVATE LIMITED**Statement of changes in equity for the year ended 31st March, 2020**

(₹ in Lakhs)

A. Equity share capital (Refer Note 14)

Balance as at 31st March, 2018	0.10
Changes in equity share capital during the year	10,999.90
Balance as at 31st March, 2019	11,000.00
Changes in equity share capital during the year	-
Balance as at 31st March, 2020	11,000.00

B. Other equity (Refer Note 15)

	Reserves and surplus
	Retained earnings
Balance as at 31st March, 2018	(366.93)
Loss for the year	(65.03)
Share issue expenses adjusted against other equity, net of income tax	(98.53)
Other comprehensive income for the period, net of income tax	-
Total comprehensive income for the period	(163.56)
Balance as at 31st March, 2019	(530.49)
Profit for the year	1,101.05
Share issue expenses adjusted against other equity, net of income tax	14.90
Other comprehensive income for the year, net of income tax	-
Total comprehensive income for the year	1,115.95
Balance as at 31st March, 2020	585.46

In terms of our report attached

For and on behalf of the Board of Directors

For Price Waterhouse Chartered Accountants LLP
Chartered Accountants
Firm Registration Number : 012754N/N500016

Jayesh Desai
Chairman
DIN: 02295309

Pranav Rao
Chief Executive Officer

Viren Shah
Partner
Membership No.: 046521

Shreya Tank
Chief Financial Officer

Rahul Shah
Company Secretary

Place: Ahmedabad
Date: May 14, 2020

Place: Ahmedabad
Date: May 14, 2020

Latur Renewable Private Limited
Notes to the financial statements for the year ended 31st March, 2020

Note 1. General Information

The Company is a wholly owned subsidiary of Torrent Power Limited. The Company is a private company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. The registered office of the Company is located at "Samanvay", 600, Tapovan Ambawadi Ahmedabad, Gujarat, India – 380015.

The Company is engaged in the business of generation of wind power.

Note 2. New standards and interpretations adopted by Company

The Company has applied the following amendment for the first time for its annual reporting period commencing 1st April, 2019:

Ind AS - 116 "Leases"

The Ministry of Corporate Affairs (MCA) has notified the Companies (Indian Accounting Standards), 2019 on 30th March, 2019 which includes Ind AS - 116 "Leases". The Company has applied Ind AS 116, Leases for the first time for their annual reporting period commencing 1st April, 2019.

The Company had to change its accounting policies as a result of adopting Ind AS 116. This is disclosed in note 3.12.

Other amendments:

On 30th March, 2019, the Ministry of Corporate Affairs (MCA) notified certain other amendments to Indian Accounting Standards (Ind AS), as part of the Companies (Indian Accounting Standards) Second Amendment Rules, 2019.

The other amendments did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

Note 3. Significant accounting policies

3.1 Basis of preparation:

a) Compliance with Ind AS

The financial statements are in compliance, in all material aspects, with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) read with the [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act and rules made thereunder.

As prescribed by the Ind AS, if the particular Ind AS is not in conformity with the applicable laws, the provisions of the said law shall prevail and financial statements shall be prepared in conformity with such laws. Consequently, the Company has applied this norm while preparing the financial statements.

b) Historical cost convention

The financial statements have been prepared on an accrual basis under the historical cost convention except for following which have been measured at fair value;

- Certain financial assets and liabilities (including derivative instruments) which have been measured at fair value.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III (Division II) to the Companies Act, 2013.

3.2 Property, plant and equipment:

Tangible fixed assets:-

Freehold land is carried at historical cost. All other items of property, plant and equipment held for use in the production or supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses.

Capital work in progress in the course of construction for production, supply or administrative purposes is carried at cost, less any recognised impairment loss. Cost includes purchase price, taxes and duties, and other directly attributable costs incurred upto the date the asset is ready for its intended use. Such property, plant and equipment are classified to the appropriate categories when completed and ready for intended use.

Subsequent cost are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. Subsequent costs relating to day to day servicing of the item are not recognised in the carrying amount of an item of property, plant and equipment; rather, these costs are recognised in profit or loss as incurred.

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

Depreciation methods, estimated useful lives and residual value

Depreciation commences when the assets are ready for their intended use. Depreciation for the year is provided on additions / deductions of the assets during the period from / up to the month in which the asset is added / deducted. Depreciation on tangible assets which are governed as per the provisions of Part B of Schedule II of the Companies Act, 2013 is provided on straight line using the depreciation rates, the methodology and residual value as notified by the respective regulatory bodies in accordance with the Electricity Act, 2003.

The estimated useful life, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

The depreciation rates of property, plant and equipment are as follows:

Class of assets	Rate of depreciation
Plant and machinery	5.38%

3.3 Impairment of tangible assets:

Tangible assets are reviewed for impairment losses whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the carrying amount of the assets exceeds its recoverable amount, which is the higher of an asset's net selling price and value in use. Value in use is the present value of the future cash flows expected to be derived from an asset or cash-generating unit. An impairment loss is recognised immediately in profit or loss.

Latur Renewable Private Limited
Notes to the financial statements for the year ended 31st March, 2020

3.4 Borrowing Costs:

Borrowing costs that are directly attributable to the acquisition and construction of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use, such as new projects and / or specific assets created in the existing business, are capitalized up to the date of completion and ready for their intended use.

Income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

Other borrowing costs are charged to the statement of profit and loss in the period of their accrual.

3.5 Cash and cash equivalents:

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, balances with banks and other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

3.6 Revenue recognition:

Revenue is recognized, when control in relation to goods or services are transferred to consumers and for which the Company expects to receive consideration for exchange of those goods or services. Revenue is reduced for discount and other similar allowances.

- (i) Revenue from power supply are accounted for on the basis of billings to consumer in accordance with the Power Purchase Agreement.

3.7 Taxation:

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current Tax:

The tax currently payable is based on taxable income for the year in accordance with the provisions of the Income Tax Act, 1961. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expenses that are taxable or deductible in other years and items that are never taxable or deductible. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and revises the provisions, where consider necessary.

Advance taxes and provisions for current income taxes are offset when there is a legally enforceable right to offset and balance arises with same tax authority.

Deferred Tax:

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences.

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

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

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

3.8 Earnings per share:

Basic earnings per share (EPS) is computed by dividing the profit / (loss) by the weighted average number of equity shares outstanding during the year.

Diluted EPS is computed by adjusting the figures used in the determination of basic EPS to take into account:

- After tax effect of interest and other financing costs associated with dilutive potential equity shares.
- The weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

3.9 Provisions, contingent liabilities and contingent assets:

Provisions:

A provision is recognized when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. 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 the time value of money is material).

Contingent liability:

A possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the enterprise are disclosed as Contingent liability and not provided for. Such liability is not disclosed if the possibility of outflow of resources is remote.

Contingent assets:

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.

Contingent assets are not recognised but disclosed only when an inflow of economic benefits is probable.

3.10 Financial instruments:

Financial assets

i) Classification of financial assets (including debt instruments)

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

ii) Initial measurement

Financial assets are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets (other than financial assets at fair value through profit or loss) are added to or deducted from the fair value of the financial assets, as appropriate, on initial recognition. Transaction costs that are directly attributable to the acquisition or issue of financial assets at fair value through profit or loss are recognised immediately in profit or loss.

iii) Subsequent measurement

Debt instruments

There are three measurement categories into which the debt instruments can be classified:

• Amortised cost:

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

• Fair value through other comprehensive income (FVOCI):

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains and losses and impairment expenses in other expenses.

Latur Renewable Private Limited
Notes to the financial statements for the year ended 31st March, 2020

• **Fair value through profit or loss:**

Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the statement of profit and loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

iv) Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its financial assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115 only, the Company follows 'simplified approach' for recognition of impairment loss and always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on historical credit loss experience.

v) Derecognition of financial assets

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

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset

When the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of financial asset, the financial asset is derecognised if the Company has not retained control over the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

vi) Income recognition

• **Interest income**

Interest income from financial assets is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably.

• **Dividend**

Dividend is accounted when the right to receive payment is established.

Financials liabilities:

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

Latur Renewable Private Limited
Notes to the financial statements for the year ended 31st March, 2020

i) Classification

The Company's financial liabilities, except for financial liabilities at fair value through profit or loss, are measured at amortized cost.

ii) Initial measurement

Financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial liabilities (other than financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial liabilities, as appropriate, on initial recognition. Transaction costs that are directly attributable to the acquisition or issue of financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

iii) Subsequent measurement

Financial liabilities subsequently measured at amortised cost using the Effective Interest Rate method.

The Effective Interest Rate Method (EIR) is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

iv) Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or waived off or have expired. An exchange between the Company and the lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

3.11 Contributed equity:

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Transaction costs of an equity transaction shall be accounted for in other equity.

3.12 Leases:

The Company has applied Ind AS 116 for the first time for the annual reporting period commencing 1st April, 2019.

The Company as a lessee:

From 1st April, 2019, leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Company. Contracts may contain both lease and non-lease components.

Lease liabilities:

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the lease payments.

The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise

price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs. Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the lessee's incremental borrowing rate. Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right to use of assets:

Right-of-use assets are measured at cost comprising the amount of the initial measurement of lease liability and lease payments made before the commencement date.

Right-of-use assets are depreciated over the lease term on a straight-line basis. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, and lease payments made at or before the commencement date less any lease incentives received

Right to use assets are depreciated over the asset's lease term on a straight line basis. The leasing arrangements range between 11 months and 99 years generally.

Short term leases and leases of low value assets:

Payments associated with short-term leases of equipment and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise small items of office equipment including IT equipment and small value of building.

3.13 Rounding of amounts:

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs with two decimals as per the requirement of Schedule III of the Companies Act, 2013, unless otherwise stated.

Note 4 : Critical accounting judgements and key sources of estimation uncertainty

In the course of applying the policies outlined in all notes under note 3 above, the management of the Company is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

Such estimates and associated assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future period, if the revision affects current and future periods.

Key source of estimation of uncertainty at the date of financial statements, which may cause material adjustment to the carrying amount of assets and liabilities within the next financial year, is in respect of recognition of deferred tax assets and liabilities (refer note 27).

Note- 5 : Property, plant and equipment

As at 31st March, 2020

(₹ in Lakhs)

PARTICULARS	Gross carrying amount				Accumulated depreciation				Net carrying amount
	As At 1st April, 2019	Additions during the year	Deduction during the year	As At 31st March, 2020	As At 1st April, 2019	For the year	Deduction during the year	As At 31st March, 2020	As At 31st March, 2020
Freehold land	300.00	-	-	300.00	-	-	-	-	300.00
Plant and machinery	43,368.29	-	-	43,368.29	2,527.65	2,333.21	-	4,860.86	38,507.43
Total	43,668.29	-	-	43,668.29	2,527.65	2,333.21	-	4,860.86	38,807.43

As at 31st March, 2019

(₹ in Lakhs)

PARTICULARS	Gross carrying amount				Accumulated depreciation				Net carrying amount
	As At 1st April, 2018	Additions during the year	Deduction during the year	As At 31st March, 2019	As At 1st April, 2018	For the year	Deduction during the year	As At 31st March, 2019	As At 31st March, 2019
Freehold land	300.00	-	-	300.00	-	-	-	-	300.00
Plant and machinery	43,368.29	-	-	43,368.29	194.43	2,333.21	-	2,527.65	40,840.64
Total	43,668.29	-	-	43,668.29	194.43	2,333.21	-	2,527.65	41,140.64

Footnotes:

1. Assets pledged as security:

Entire movable and immovable properties with the net carrying amount of ₹ 38,807.43 Lakhs (31st March, 2019 - ₹ 41,140.64 Lakhs) is in the process of being mortgaged and hypothecated to secure borrowings of the Company (Refer Note 16).

LATUR RENEWABLE PRIVATE LIMITED**Notes to the financial statements for the year ended 31st March, 2020****Note - 6 : Non-current loans**

Unsecured (considered good unless stated otherwise)

	As at 31st March, 2020	(₹ in Lakhs) As at 31st March, 2019
Security Deposits	1.55	1.50
	<u>1.55</u>	<u>1.50</u>

Note - 7 : Non-current tax assets (net)

	As at 31st March, 2020	(₹ in Lakhs) As at 31st March, 2019
Advance income tax (net)	255.07	64.00
	<u>255.07</u>	<u>64.00</u>

LATUR RENEWABLE PRIVATE LIMITED
Notes to the financial statements for the year ended 31st March, 2020

Note - 8 : Current investments

(Investments carried at fair value through profit or loss)

	As at 31st March, 2020	(₹ in Lakhs) As at 31st March, 2019
Investment in mutual funds (Unquoted)*		
ICICI Liquid Plan - Regular - Growth	-	503.98
(No. of units- 31st March, 2020: Nil, 31st March, 2019: 182986.764)		
	<u>-</u>	<u>503.98</u>
Aggregate amount of unquoted investments	-	503.98

* As Mutual fund investments are not listed on stock exchange, it is considered as unquoted investments.

Note - 9 : Trade receivables

	As at 31st March, 2020	(₹ in Lakhs) As at 31st March, 2019
Trade receivables		
Unsecured - Considered good	4,112.80	2,429.51
	<u>4,112.80</u>	<u>2,429.51</u>

Note:

1. Refer Note 34 for credit risk related disclosures

LATUR RENEWABLE PRIVATE LIMITED
Notes to the financial statements for the year ended 31st March, 2020

Note - 10 : Cash and cash equivalents

	As at 31st March, 2020	(₹ in Lakhs) As at 31st March, 2019
Balances with banks		
Balance in current accounts	355.69	27.96
	<u>355.69</u>	<u>27.96</u>
Cash on hand	0.07	0.24
	<u>355.76</u>	<u>28.19</u>

Note - 11 : Bank balances other than cash and cash equivalents

	As at 31st March, 2020	(₹ in Lakhs) As at 31st March, 2019
Balance in fixed deposit accounts # (original maturity of more than three months but less than twelve months)	2,197.30	-
	<u>2,197.30</u>	<u>-</u>

Lien Marked in favour of lenders.

Note - 12 : Other financial assets

Unsecured (considered good unless stated otherwise)

	As at 31st March, 2020	(₹ in Lakhs) As at 31st March, 2019
Interest accrued on deposits #	90.04	-
	<u>90.04</u>	<u>-</u>

Lien Marked in favour of lenders.

Note - 13 : Other current assets

Unsecured (considered good unless stated otherwise)

	As at 31st March, 2020	(₹ in Lakhs) As at 31st March, 2019
Advances for goods and services	0.09	-
Prepaid expenses	65.46	34.27
	<u>65.55</u>	<u>34.27</u>

LATUR RENEWABLE PRIVATE LIMITED
Notes to the financial statements for the year ended 31st March, 2020

Note - 14 : Equity share capital

	As at 31st March, 2020	(₹ in Lakhs) As at 31st March, 2019
Authorised		
11,50,00,000 (11,50,00,000 as at 31st March, 2019) equity shares of ₹10 each	<u>11,500.00</u>	11,500.00
	<u>11,500.00</u>	<u>11,500.00</u>
Issued, subscribed and paid up		
11,00,00,000 (11,00,00,000 as at 31st March, 2019) equity shares of ₹10 each	<u>11,000.00</u>	11,000.00
	<u>11,000.00</u>	<u>11,000.00</u>

1. Reconciliation of the shares outstanding at the beginning and at the end of the reporting year :

	No. of shares As at 31st March, 2020	No. of shares As at 31st March, 2019
At the beginning of the reporting year	110,000,000	1,000
Add: Subscribers to the Memorandum	-	109,999,000
Outstanding at the end of the reporting year	<u>110,000,000</u>	<u>110,000,000</u>

2. Shares held by holding company :

11,00,00,000 (11,00,00,000 as at 31st March 2019) equity shares of ₹10 each fully paid up are held by holding company - Torrent Power Limited jointly with nominees.

3. Terms / Rights attached to equity shares :

The Company has only one class of equity shares having par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend, if any, proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

4. Details of shareholders holding more than 5% shares in the Company :

Name of the Shareholder	As at 31st March, 2020 No. of shares % holding	As at 31st March, 2019 No. of shares % holding
Torrent Power Limited (Jointly with nominees)	110,000,000 100.00%	110,000,000 100.00%

Note - 15 : Other equity

	As at 31st March, 2020	(₹ in Lakhs) As at 31st March, 2019
Reserves and surplus		
Retained earnings	<u>585.46</u>	(530.49)
	<u>585.46</u>	<u>(530.49)</u>

Notes:

1. Retained earnings:

The same reflects the profit of the Company incurred till date net of appropriations.

LATUR RENEWABLE PRIVATE LIMITED
Notes to the financial statements for the year ended 31st March, 2020

Note - 16 : Non-current borrowings

	As at 31st March, 2020	(₹ in Lakhs) As at 31st March, 2019
Non-current borrowings @		
Secured loans - at amortised cost		
Term loans		
From banks	23,458.07	24,837.74
	<u>23,458.07</u>	<u>24,837.74</u>
Unsecured loans - at amortised cost		
Loans from Torrent Power Limited - Parent Company (including interest accrued)	6,511.84	5,556.81
	<u>6,511.84</u>	<u>5,556.81</u>
	<u>29,969.91</u>	<u>30,394.55</u>

@ After considering unamortised expense of ₹ 186.94 Lakh as at 31st March, 2020 and ₹ 207.76 Lakh as at 31st March, 2019.

Current maturities \$

Secured loans - at amortised cost

Term loans		
From banks	2,222.24	1,772.13
	<u>2,222.24</u>	<u>1,772.13</u>
Amount disclosed under the head 'Other current financial liabilities' [Refer Note 19]	<u>(2,222.24)</u>	<u>(1,772.13)</u>
	-	-

\$ After considering unamortised expense of ₹ 27.76 Lakh as at 31st March, 2020 and ₹ 27.87 Lakh as at 31st March, 2019.

Footnotes:

- The aforesaid term loan is secured by way of first pari passu charge over entire immovable assets (in the process of creation) and movable assets including current assets, both present and future, of the project, all Bank Accounts including Trust and Retention Accounts of the project and by way of pledge of 5,61,00,000 equity shares of ₹ 10 each fully paid up (equivalent to 51% of equity share capital) held by Torrent Power Limited (Parent Company) in the equity share capital of the Company, in favour of lenders for term loans of ₹ 27,245.01 Lakhs.
- The loan shall be repayable in equal quarterly installment of ₹ 450 Lakh for 16 years.
- Undrawn borrowings from banks, based on approved facilities, were ₹ 1,554.99 Lakh.
- The aforesaid loan from Torrent Power Limited (Parent Company) includes Equity-Promoter Loan of ₹ 4,400 Lakh.
- In view of the extension of time granted vide RBI/2019-20/186 dated March 27, 2020 for the payment of interest/principal payments for term loans within June 30, 2020, the Company has availed the moratorium. The same has been subsequently paid by the Company on April 3, 2020
- The Promoter loan shall rank sub-ordinated to the Bank term loan and repayment shall not be done until the final settlement of Bank loan.

Net debt reconciliation :

	As at 31st March, 2020	(₹ in Lakhs) As at 31st March, 2019
Cash and cash equivalents	355.76	28.19
Current investments	-	503.98
Current borrowings	(327.76)	-
Non-current borrowings (including current maturities and interest accrued)	(32,411.22)	(32,166.68)
	<u>(32,383.22)</u>	<u>(31,634.51)</u>

	Other assets		Liabilities from financing activities		Total
	Cash and cash equivalent	Current investment	Current borrowing	Non-current borrowing	
Net balance as at 31st March, 2019	28.19	503.98	-	(32,166.68)	(31,634.51)
Cash flows	327.57	(501.76)	(327.76)	426.75	(75.20)
Interest expense	-	-	-	(3,091.67)	(3,091.67)
Interest paid	-	-	-	2,420.38	2,420.38
Fair value adjustment	-	(2.22)	-	-	(2.22)
Net balance as at 31st March, 2020	<u>355.76</u>	<u>(0.00)</u>	<u>(327.76)</u>	<u>(32,411.22)</u>	<u>(32,383.22)</u>

	Other assets		Liabilities from financing activities		Total
	Cash and cash equivalent	Current investment	Current borrowing	Non-current borrowing	
Net balance as at 31st March, 2018	14.12	-	27,863.82	-	27,877.94
Cash flows	14.08	501.76	(27,863.82)	(32,402.31)	(59,750.30)
Interest expense	-	-	-	(3,489.75)	(3,489.75)
Interest paid	-	-	-	3,725.38	3,725.38
Fair value adjustment	-	2.22	-	-	2.22
Net balance as at 31st March, 2019	<u>28.19</u>	<u>503.98</u>	<u>(0.00)</u>	<u>(32,166.68)</u>	<u>(31,634.51)</u>

LATUR RENEWABLE PRIVATE LIMITED
Notes to the financial statements for the year ended 31st March, 2020

Note - 17 : Current borrowings

	As at 31st March, 2020	(₹ in Lakhs) As at 31st March, 2019
Secured loans		
Cash credit from banks	327.76	-
	<u>327.76</u>	<u>-</u>

Footnotes:

1. The aforesaid cash credit facility is secured by way of first pari passu charge over entire immovable assets (in the process of creation) and movable assets including current assets, both present and future, of the project, all Bank Accounts including Trust and Retention Accounts of the project and by way of pledge of 5,61,00,000 equity shares of ₹ 10 each fully paid up (equivalent to 51% of equity share capital) held by Torrent Power Limited (Parent Company) in the equity share capital of the Company.
2. Undrawn cash credit from banks, based on approved facilities, were Rs. 1672 lakhs.

Note - 18 : Current trade payables

	As at 31st March, 2020	(₹ in Lakhs) As at 31st March, 2019
Trade payables for goods and services		
Total outstanding dues of micro and small enterprises [Refer Note 28]	0.01	-
Total outstanding dues other than micro and small enterprises	313.62	207.48
	<u>313.63</u>	<u>207.48</u>

Note - 19 : Other current financial liabilities

	As at 31st March, 2020	(₹ in Lakhs) As at 31st March, 2019
Current maturities of long-term debt [Refer Note 16]	2,222.24	1,772.13
Interest accrued but not due on loans and security deposits	219.07	-
Payables on purchase of property, plant and equipment	1,023.27	1,422.79
Sundry payables	-	0.03
	<u>3,464.58</u>	<u>3,194.95</u>

Note - 20 : Other current liabilities

	As at 31st March, 2020	(₹ in Lakhs) As at 31st March, 2019
Statutory dues	17.10	102.09
	<u>17.10</u>	<u>102.09</u>

LATUR RENEWABLE PRIVATE LIMITED**Notes to the financial statements for the year ended 31st March, 2020****Note - 21 : Revenue from operations**

	Year ended 31st March, 2020	(₹ in Lakhs) Year ended 31st March, 2019
Revenue from Contracts with Customers		
Revenue from power supply	6,927.19	6,037.43
	6,927.19	6,037.43

Note - 22 : Other income

	Year ended 31st March, 2020	(₹ in Lakhs) Year ended 31st March, 2019
Interest income from financial assets at amortised cost		
Deposits	100.05	-
Gain on sale of current investments in mutual funds	34.07	8.24
Net gain / (loss) arising on current investments in mutual funds measured at fair value through profit or loss	(2.22)	2.23
	131.90	10.47

LATUR RENEWABLE PRIVATE LIMITED**Notes to the financial statements for the year ended 31st March, 2020****Note - 23 : Employee benefits expenses***

	Year ended 31st March, 2020	(₹ in Lakhs) Year ended 31st March, 2019
Salaries, wages and bonus	17.95	4.77
Contribution to provident and other funds	1.66	0.44
Employees welfare expenses	0.03	0.01
	<u>19.64</u>	<u>5.22</u>

* Represents shared expenditure with Torrent Power Limited [Refer Note 33]

Note - 24 : Finance costs

	Year ended 31st March, 2020	(₹ in Lakhs) Year ended 31st March, 2019
Interest expense for financial liabilities not classified as fair value through profit or loss		
Term loans	2,539.90	20.63
Working capital loans	44.14	-
Others	479.21	3,468.97
Other borrowing costs	0.03	-
Amortisation of borrowing costs	28.39	0.15
	<u>3,091.67</u>	<u>3,489.75</u>

Note - 25 : Depreciation

	Year ended 31st March, 2020	(₹ in Lakhs) Year ended 31st March, 2019
Depreciation expense on property, plant and equipment	2,333.21	2,333.21
	<u>2,333.21</u>	<u>2,333.21</u>

Note - 26 : Other expenses

	Year ended 31st March, 2020	(₹ in Lakhs) Year ended 31st March, 2019
Rent and hire charges	0.83	0.24
Repairs to		
Plant and machinery	36.82	217.23
	<u>36.82</u>	<u>217.23</u>
Insurance	34.82	31.51
Vehicle running expenses	8.06	8.69
Auditors remuneration [Refer Note 30]	2.01	1.18
Legal, professional and consultancy fees	36.11	35.67
Power Transmission & Forecasting Charge	1.81	-
Miscellaneous expenses	4.61	5.97
	<u>125.07</u>	<u>300.49</u>

LATUR RENEWABLE PRIVATE LIMITED**Notes forming part of the financial statements for the year ended 31st March, 2020****Note - 27: Income tax expenses**

Management has made an assessment of the amount of taxable income that would be available in future to offset the tax credits available to the Company.

The assessment of taxable income involved several key assumptions, which the management considered reasonable based on past trends, applicable tariff regulations / agreements and current and likely future state of the industry.

(a) Income tax expense recognised in statement of profit and loss

	Year ended 31st March, 2020	(₹ in Lakhs) Year ended 31st March, 2019
Current tax		
Current tax on profits for the year	-	-
	-	-
Deferred tax (other than disclosed under OCI)		
Decrease / (increase) in deferred tax assets	201.57	(351.45)
(Decrease) / increase in deferred tax liabilities	186.88	335.71
	388.45	(15.74)
Income tax expense	388.45	(15.74)

(b) Reconciliation of income tax expense

	Year ended 31st March, 2020	(₹ in Lakhs) Year ended 31st March, 2019
Profit / (Loss) before tax from continuing operations	1,489.50	(80.77)
Expected income tax expense calculated using tax rate at 25.168% (Previous year - 27.82%)	374.88	(22.47)
Adjustment to reconcile expected income tax expense to reported income tax expense:		
Effect of		
a Expenditure not deductible under Income Tax Act	2.38	-
b Expenditure deductible under Income Tax Act (recognised in Other Equity)	(4.96)	-
c Impact of enacted income tax rate on deferred tax balance	16.15	6.73
Total	13.57	6.73
Total expense as per statement of profit and loss	388.45	(15.74)

The tax rate used for the reconciliations given above is the actual / enacted corporate tax rate payable by corporate entities in India on taxable profits under the Indian tax law.

LATUR RENEWABLE PRIVATE LIMITED

Notes forming part of the financial statements for the year ended 31st March, 2020

Note - 27: Income tax expenses (Contd.)**(c) Deferred tax balances****(1) The following is the analysis of deferred tax assets / (liabilities) presented in the balance sheet**

	As at 31st March, 2020	(₹ in Lakhs) As at 31st March, 2019
Deferred tax assets	662.59	849.26
Deferred tax liabilities	(869.65)	(682.77)
	<u>(207.06)</u>	<u>166.49</u>

(2) Movement of deferred tax assets / (liabilities)

Deferred tax assets / (liabilities) in relation to the year ended 31st March, 2020

	Opening balance	Recognised in profit or loss	Recognised in Equity	Closing balance
Property, plant and equipment	(616.60)	(199.02)	-	(815.62)
Tax effect on fair value change in financial instruments and unamortised cost	(66.17)	12.14	-	(54.03)
Unabsorbed depreciation or business loss / Minimum Alternate Tax (MAT) credit entitlement and other items	849.26	(201.57)	14.90	662.59
	<u>166.49</u>	<u>(388.45)</u>	<u>14.90</u>	<u>(207.06)</u>

Deferred tax assets / (liabilities) in relation to the year ended 31st March, 2019

	Opening balance	Recognised in profit or loss	Recognised in Equity	Closing balance
Property, plant and equipment	(345.34)	(271.26)	-	(616.60)
Tax effect on fair value change in financial instruments and unamortised cost	(1.72)	(64.45)	-	(66.17)
Unabsorbed depreciation or business loss / Minimum Alternate Tax (MAT) credit entitlement	497.81	351.45	-	849.26
	<u>150.75</u>	<u>15.74</u>	<u>-</u>	<u>166.49</u>

LATUR RENEWABLE PRIVATE LIMITED**Notes forming part of the financial statements for the year ended 31st March, 2020****Note - 28: Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006)**

There are no Micro and Small Enterprises, to whom the Company owes dues, which are outstanding as at the Balance Sheet date. The above information has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors. The details of interest amount which is paid/payable during the year is as follows.

	As at 31st March, 2020	(₹ in Lakhs) As at 31st March, 2019
	Micro and small enterprises	Micro and small enterprises
(a) Principal amount remaining unpaid	-	-
(b) Interest due thereon	0.01	-
(c) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
(d) The amount of interest due and payable for the year (where the principal has been paid but interest under the MSMED Act, 2006 not paid)	-	-
(e) The amount of interest accrued and remaining unpaid	0.01	-
(f) The amount of further interest due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	-	-

Note - 29: Operating lease

The Company's significant leasing arrangement is in respect of office premises taken on lease. The arrangement is for 9 years and is usually renewable by mutual consent on mutually agreeable terms. Under these arrangement, generally refundable interest free deposits have been given. The Company has not entered into any material financial lease. The Company does not have any non-cancellable lease.

There are no leasing arrangements entered into by the company falling under the ambit of Ind-AS 116. Hence disclosures under Ind-AS 116 are not applicable to the company.

LATUR RENEWABLE PRIVATE LIMITED**Notes forming part of the financial statements for the year ended 31st March, 2020****Note - 30: Auditors remuneration (including taxes)**

	Year ended 31st March, 2020	(₹ in Lakhs) Year ended 31st March, 2019
As auditor		
Audit fees	1.48	1.18
Other services- certificates etc.	0.53	-
	2.01	1.18

Note - 31: Earnings / (Loss) per share

	Year ended 31st March, 2020	Year ended 31st March, 2019
Basic earnings / (Loss) per share (₹)	1.00	(0.55)
Diluted earnings / (Loss) per share (₹)	1.00	(0.55)

Basic and diluted earnings per share

The earnings and weighted average number of equity shares used in the calculation of basic earnings per share are as follows:

	Year ended 31st March, 2020	Year ended 31st March, 2019
Profit / (Loss) for the year / period attributable to the Company used in calculation of basic earning per share (₹ in Lakhs)	1,101.05	(65.03)
Weighted average number of equity shares	110,000,000	11,754,318

The Company does not have any dilutive potential ordinary shares and therefore diluted earnings per share is the same as basic earnings per share.

Note - 32: Operating segment

The Company's primary business segment is Generation of Electricity. The Company does not have any reportable segments as per Indian Accounting Standard 108 "Operating Segments".

LATUR RENEWABLE PRIVATE LIMITED

Notes forming part of the financial statements for the year ended 31st March, 2020

Note - 33: Related party disclosures**(a) Names of related parties and description of relationship:**

1	Parent company	Torrent Power Limited
2	Ultimate parent company	Torrent Private Limited
3	Key management personnel	Jayesh Desai Chairman and Director

(b) Related party transactions

(₹ in Lakhs)

	Parent Company	
	Year ended 31st March, 2020	Year ended 31st March, 2019
Nature of transactions		
Torrent Power Limited		
Loan received	2,065.00	19,480.19
Equity Share Capital infused	-	10,999.90
Loan repaid	1,540.00	42,745.50
Interest Expense on Loan	479.21	3,468.96
Shared expenditure	19.69	5.23
Rent of Registered office	0.83	-
Rent Deposit Given	0.05	-
Bank Guarantee	70.00	-

(c) Related party balances

(₹ in Lakhs)

	Parent Company	
	Year ended 31st March, 2020	Year ended 31st March, 2019
Balances at the end of the year		
Torrent Power Limited		
Rent deposit Given	0.05	-
Bank guarantee	95.92	-
Trade Payable	4.94	-
Loan outstanding	6,511.84	5,556.81

(d) Terms and conditions of outstanding balances

Loan from Torrent Power Limited includes Equity - Promoter Loan of ₹ 4,400 Lakh. The loan carries an interest rate of 9.20% p.a.

LATUR RENEWABLE PRIVATE LIMITED
Notes forming part of the financial statements for the year ended 31st March, 2020
Note - 34: Financial instruments and risk review
(a) Capital management

The Company manages its capital structure in a manner to ensure that it will be able to continue as a going concern while optimising the return to stakeholders through the appropriate debt and equity balance.

The Company's capital structure is represented by equity (comprising issued capital and retained earnings as detailed in Notes 14 ,15) and debt (borrowings as detailed in Note 16).

The Company's management reviews the capital structure of the Company on an annual basis. As part of this review, the management considers the cost of capital and the risks associated with each class of capital.

Gearing ratio

The gearing ratio at end of the reporting period is as follows.

	As at 31st March, 2020	(₹ in Lakhs) As at 31st March, 2019
Debt	32,192.15	32,166.68
Total equity	11,792.52	10,303.02
Debt to equity ratio	2.73	3.12

Footnotes :

1. Debt is defined as all long term debt outstanding (including unamortised expense) + short term debt outstanding in lieu of long term debt
2. Total equity is defined as Equity share capital + all reserve (excluding revaluation reserve) + deferred tax liabilities – deferred tax assets

Loan Covenants

The company has complied with financial covenants specified as per the terms of borrowing facilities. (Refer Note 16)

(b) Categories of financial instruments

(₹ in Lakhs)

	As at 31st March, 2020		As at 31st March, 2019	
	Carrying value	Fair value	Carrying value	Fair value
Financial assets				
Measured at amortised Cost				
Cash and cash equivalents	355.76	355.76	28.19	28.19
Bank balance other than cash and cash equivalents	2,197.30	2,197.30	-	-
Trade receivables	4,112.80	4,112.80	2,429.51	2,429.51
Other financial assets	90.04	90.04	-	-
	6,755.90	6,755.90	2,457.70	2,457.70
Measured at fair value through profit and loss (FVTPL)				
Investment in mutual funds	-	-	503.98	503.98
	-	-	503.98	503.98
Financial liabilities				
Measured at amortised Cost				
Borrowing	30,297.67	30,297.67	30,394.55	30,394.55
Trade payable	313.63	313.63	207.48	207.48
Other financial liabilities	3,464.58	3,464.58	3,194.95	3,194.95
	34,075.88	34,075.88	33,796.98	33,796.98

(c) Fair value measurement

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

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

LATUR RENEWABLE PRIVATE LIMITED
Notes forming part of the financial statements for the year ended 31st March, 2020
Note - 34: Financial instruments and risk review

The following table summarises financial assets and liabilities measured at fair value on a recurring basis and financial assets and liabilities that are not measured at fair value on a recurring basis (but fair value disclosures are required) :

(i) Financial assets at fair value through profit and loss (FVTPL)

	(₹ in Lakhs)		Fair value hierarchy	Valuation technique(s) and key input(s)
	Fair value As at 31st March, 2020	As at 31st March, 2019		
Investment in mutual fund units	-	503.98	Level 1	Quoted bid prices in an active market
	<u>-</u>	<u>503.98</u>		

(d) Financial risk management objectives

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

The Company's activities expose it to a variety of financial risks viz interest rate risk, credit risk, liquidity risk etc. The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The Company's senior management oversees the management of these risks. It advises on financial risks and the appropriate financial risk governance framework for the Company.

Interest rate risk

Most of the Company's borrowings are on a floating rate of interest. The Company has exposure to interest rate risk, arising principally on changes in Marginal Cost of Funds based Lending Rate (MCLR).

The following table provides a break-up of the Company's fixed and floating rate borrowings:

	(₹ in Lakhs)	
	As at 31st March, 2020	As at 31st March, 2019
Fixed rate borrowings	-	-
Floating rate borrowings ^	<u>30,297.67</u>	<u>30,394.55</u>
	<u>30,297.67</u>	<u>30,394.55</u>

^ Gross amount including unamortised expense

Interest rate risk sensitivity:

The below mentioned sensitivity analysis is based on the exposure to interest rates for floating rate borrowings. For this it is assumed that the amount of the floating rate liability outstanding at the end of the reporting year / period was outstanding for the whole year / period. If interest rates had been 50 basis points higher or lower, other variables being held constant, following is the impact on profit before tax .

	(₹ in Lakhs)	
	Year ended 31st March, 2020	Year ended 31st March, 2019
Impact on profit before tax - increase in 50 basis points	(151.49)	(151.97)
Impact on profit before tax - decrease in 50 basis points	151.49	151.97

Credit risk
Trade receivables
1. Exposures to credit risk:

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company is exposed to the credit risk arising from the possibility that counterparties (primarily trade receivable, suppliers etc.) might fail to comply with contractual obligations. This exposure may arise with regard to unsettled amounts and the cost of substituting products that are not supplied.

2. Credit risk management:

Credit risk is managed and limited in accordance with the type of transaction and the creditworthiness of the counterparty. The credit risk is limited as the revenue and collection are from Gulbarga Electricity Supply Company Limited which is a Government of Karnataka undertaking.

3. Other credit enhancements:

The Company does not hold any collateral or other credit enhancements to cover its credit risks associated with its financial assets.

LATUR RENEWABLE PRIVATE LIMITED**Notes forming part of the financial statements for the year ended 31st March, 2020****Note - 34: Financial instruments and risk review****4. Age of receivables and expected credit loss**

Based on an analysis of past trends of recovery, the management is of the view that the entire receivables are fully recoverable. Accordingly, the Company does not recognise any impairment loss on its receivables.

The age of receivables and provision matrix at the end of the reporting period is as follows.

As at 31st March, 2020

	Gross trade receivables	Expected credit loss (%)	(₹ in Lakhs) Allowance for doubtful Debt
Less than or equal to 6 months	4,112.80	0.00%	-
More than 6 months but less than or equal to 1 year	-	0.00%	-
More than one year	-	0.00%	-
	4,112.80		-

As at 31st March, 2019

	Gross trade receivables	Expected credit loss (%)	(₹ in Lakhs) Allowance for doubtful Debt
Less than or equal to 6 months	2,429.51	0.00%	-
More than 6 months but less than or equal to 1 year	-	0.00%	-
More than one year	-	0.00%	-
	2,429.51		-

Other financial assets

The Company is having balances in cash and cash equivalents and investment in mutual funds. With respect to investments, the Company limits its exposure to credit risk by investing in liquid securities with counterparties depending on their Composite Performance Rankings (CPR) published by CRISIL. The Company's investment policy lays down guidelines with respect to exposure per counterparty, rating, processes in terms of control and continuous monitoring. The Company therefore considers credit risks on such investments to be negligible.

LATUR RENEWABLE PRIVATE LIMITED**Notes forming part of the financial statements for the year ended 31st March, 2020****Note - 34: Financial instruments and risk review (Contd.)****Liquidity risk**

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are required to be settled by delivering the cash or another financial asset. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and unused borrowing facilities, by continuously monitoring projected / actual cash flows.

Maturities of financial liabilities

The Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods is given below. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest (accrued upto 31st March, 2020) and principal cash flows. The contractual maturity is based on the earliest date on which the Company may be required to pay.

As at 31st March, 2020

	Less than 1 year	Between 1 and 5 year	5 years and above	(₹ in Lakhs) Total
Financial liabilities				
Non current financial liabilities				
Borrowings [^]	-	7,200.00	22,956.85	30,156.85
	-	7,200.00	22,956.85	30,156.85
Current financial liabilities				
Borrowings	327.76	-	-	327.76
Trade payables	313.63	-	-	313.63
Other financial liabilities [^]	3,492.34	-	-	3,492.34
	4,133.73	-	-	4,133.73
Total financial liabilities	4,133.73	7,200.00	22,956.85	34,290.58

[^] Gross amount including unamortised expense.

As at 31st March, 2019

	Less than 1 year	Between 1 and 5 year	5 years and above	(₹ in Lakhs) Total
Financial liabilities				
Non current financial liabilities				
Borrowings [^]	-	7,200.00	23,402.31	30,602.31
	-	7,200.00	23,402.31	30,602.31
Current financial liabilities				
Trade payables	207.48	-	-	207.48
Other financial liabilities	3,222.82	-	-	3,222.82
	3,430.30	-	-	3,430.30
Total financial liabilities	3,430.30	7,200.00	23,402.31	34,032.61

[^] Gross amount including unamortised expense.

Note - 35: Previous Year Figures

The figures for the previous period have been regrouped / recast, wherever necessary, to make them comparable with the figures for the current year.

Note - 36: Impact of COVID-19

The spread of COVID-19 disease has severely impacted economies, businesses and social set ups across the globe. India is no exception; the spread of COVID-19 and the consequent lock-downs, disruptions in transportation and supply chains, travel bans, quarantines, social distancing and other such emergency measures have caused widespread disruptions in the economy and businesses. The resultant situation is both complex and continuously evolving, with no clear visibility of the near to medium term future outlook. In the above backdrop, the Company has considered various internal and external information available up to the date of approval of financial statements in assessing the impact of COVID-19 pandemic in the financial statements for the year ended March 31, 2020.

The Company is mainly engaged in the business of generation of wind power. Since electricity has been categorised as an essential service and due to set up of wind generation plant, the company is in a position to generate and supply power to its customer.

The disruption has not caused any reduction in immediate electricity demand since the company has entered into Power Purchase Agreement with Gulbarga Electricity Supply Company Limited which is a government of Karnataka undertaking for 25 years at a fixed tariff rate.

The Company has made a detailed assessment of the liquidity position for the next one year and of the recoverability and carrying value of its assets comprising of Property Plant and equipment, trade receivables and investments as at Balance sheet date and has concluded that there are no material adjustments required in the financial statements.

Management believes that it has taken into account all the known impacts arising from COVID 19 pandemic in the preparation of the financial results. However, the impact assessment of COVID 19 is a continuing process given the uncertainties associated with its nature and duration. The Company will continue to monitor any material changes to future economic conditions.

Note - 37: Approval of financial statements

The financial statements were approved for issue by the board of directors on May 14, 2020.

Signature to Note 1 to 37

In terms of our report attached

For and on behalf of the Board of Directors

For Price Waterhouse Chartered Accountants LLP

Chartered Accountants

Firm Registration Number : 012754N/N500016

Jayesh Desai

Chairman

DIN: 02295309

Pranav Rao

Chief Executive

Officer

Viren Shah

Partner

Membership No.: 046521

Shreya Tank
Chief Financial Officer

Rahul Shah
Company Secretary

Place: Ahmedabad

Date: May 14, 2020

Place: Ahmedabad

Date: May 14, 2020