

S N K & Co.

CHARTERED ACCOUNTANTS

Address: E-2 B, 4th Floor, The Fifth Avenue,

Dhole Patil road, Pune – 411 001

Email: viles@snkca.com

Independent Auditor's Report

To,
The Members of,
Vayudoot Solarfarms Limited
Report on the Ind AS Financial Statements

Opinion

1. We have audited the accompanying financial statements of **Vayudoot Solarfarms Limited** ("**the Company**") which comprise the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss (including Other Comprehensive Income), the statement of changes in equity and the statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, the loss and total comprehensive loss, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

2. We conducted our audit of the financial statement 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 ("ICAI") together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act, and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Information other than Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the Director's Report, but does not include the financial Statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibility of Management for the Financial Statements

3. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind As and other accounting principles generally accepted in India. The 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.

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.

The Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibility for the Audit of the Financial Statements

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

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also :

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of

not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of section 143(11) of the Companies Act, 2013, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. 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 Cash Flows and Statement of changes in equity dealt with by this Report are in agreement with the books of account.
- d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act read with rule 7 of the Companies (Accounts) Rules, 2014.
- 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 over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended,

In our opinion and the best of our information and according to the explanations given to us, the Company has not paid/ provided for managerial remuneration to its directors during the year and hence provisions of Section 197 of the Act are not applicable to the Company.

- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, 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.

**For SNK & Co.
Chartered Accountants
ICAI Firm Registration No.:109176W**

Vilesh
Vijaykumar
Dalya

Digitally signed by
Vilesh Vijaykumar
Dalya
Date: 2020.08.26
18:37:50 +05'30'

**per Vilesh Dalya
Partner
Membership No.:133752
ICAI UDIN : 20133752AAAACB1116**

**Date: August 26, 2020
Place: Pune**

Vayudoot Solarfarms Limited

Annexure A – Annexure referred to in paragraph 5 of our report of even date under heading “Report on Other Legal and Regulatory Requirements”

Re : Vayudoot Solarfarms Limited

- (i) (a) According to information and explanation given by the management, the Company is in process of maintenance of records showing full particulars, including quantitative details and situation of fixed assets.

(b) All property, plant and equipment/ fixed asset have not been physically verified by the management during the year but there is regular programme of verification of which, in our opinion, is reasonable having regard to the size of the Company and nature of its assets.

(c) Based on audit procedure performed for the purpose of reporting the true and fair view of the financial statements and according to information of verification and explanations given by the management the title deeds of immovable property including property, plant and equipment / fixed assets are held in the name of the Company.
- (ii) The Company does not have inventory. Accordingly the provision 3(ii) of the Order is not applicable to the Company.
- (iii) According to the information and explanations given to us and the records examined by us the Company has not granted any loans, secured or unsecured to companies, Firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly the provisions 3(iii) (a) to (c) of the Order is not applicable to the Company and hence not commented upon.
- (iv) The Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013, in respect of loans, investments, guarantees and securities.
- (v) The Company has not accepted any deposits as per the directive issued by the Reserve Bank of India and as per the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under. Accordingly the provisions 3 (v) of the Companies (Auditor's Report) Order, 2016 is not applicable to the Company.
- (vi) Maintenance of cost records as specified by the Central Government under sub section (1) of section 148 of the Companies act is not applicable to the Company. Accordingly the provisions 3(vi) of the Order, 2016 is not applicable to the Company.
- (vii) (a) Undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty, goods and services tax, cess and other material statutory dues, wherever applicable, have generally been regularly deposited with the appropriate authorities.

According to the information and explanations given by the management, no undisputed amounts payable in respect of provident fund, income tax, duty of customs, goods and services tax, cess and other material statutory dues, wherever applicable, were in arrears as at March 31, 2020, for a period of more than 6 months from the date they became payable.

(b) According to the information and explanations given by the management, there are no dues in respect of income tax, customs duty, excise duty, goods and services tax and cess, wherever applicable, that have not been deposited on account of any dispute.
- (viii) In our opinion and according to information and explanations given by the management, the Company has not defaulted in repayment of loans or borrowing to bank, financial institution except some delay/default in the payment as below;

Period of Delay in case of Indian Renewable Energy Development Authority (IREDA) Loan	Term Loan Amount (Rs.)	Interest Amount (Rs.)
Upto 30 Days	1,97,83,000	9,17,72,397
From 31 - 60 Days	2,08,47,000	1,17,88,667
From 61- 91 Days	96,36,000	-

Continuing Default as on 31.03.2020 for Term loan is Rs.1,67,96,713/- and for Interest is Rs. 2,01,84, 408/-

- (ix) The Company has not raised money by way of initial public offer or further public offer (including debt instruments). Term loans were applied for the purposes for which those are raised.
- (x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given to us by the management, we report that no fraud by the Company and no fraud on the Company by its officers or employees has been noticed or reported during the year.
- (xi) Based on the information and explanations given by the management, no managerial remuneration is paid or provided by the Company. Accordingly, reporting under paragraph 3(xi) of the Order, 2016 is not applicable.
- (xii) In our opinion and according to the information and explanations given by the management, the Company is not a Nidhi company. Accordingly, reporting under paragraph 3(xii) of the Order, 2016 is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us by the management and based on our examination of records of the Company, the Company has not made any preferential allotment of shares or private placement of shares or fully or partly convertible debentures during the year. Accordingly, reporting under paragraph 3(xiv) of the Order, 2016 is not applicable.
- (xv) According to the information and explanations given to us by the management and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him and hence provisions of Section 192 of the Act are not applicable. Accordingly, reporting under paragraph 3(xv) of the Order, 2016 is not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For SNK & Co.
Chartered Accountants
ICAI Firm Registration No.:109176W

Vilesh
Vijaykumar
Dalya

Digitally signed by
Vilesh Vijaykumar
Dalya
Date: 2020.08.26
18:38:30 +05'30'

per Vilesh Dalya
Partner
Membership No.:133752
ICAI UDIN : 20133752AAAACB1116
Date: August 26,2020
Place: Pune

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

We have audited the internal financial controls over financial reporting of **Vayudoot Solarfarms Limited** ("the Company") as of March 31, 2020, in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('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 Companies Act, 2013.

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 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.

For SNK & Co.
Chartered Accountants
ICAI Firm Registration No.:109176W

Vilesh
Vijaykumar
Dalya

Digitally signed by
Vilesh Vijaykumar
Dalya
Date: 2020.08.26
18:39:29 +05'30'

per Vilesh Dalya
Partner
Membership No.:133752
ICAI UDIN : 20133752AAAACB1116

Date: August 26, 2020
Place: Pune



Vayudoot Solarfarms Limited
Balance sheet as at March 31, 2020

(All amounts in INR)

Particulars	Notes	As at March 31, 2020	As at March 31, 2019
Assets			
Non-current assets			
Property, plant and equipment	3	92,83,40,793	98,30,74,339
Other non-current assets	4	47,48,286	46,77,622
Deferred tax Assets (Net)	12	1,06,39,514	31,34,909
		94,37,28,593	99,08,86,871
Current assets			
Financial assets			
Trade Receivables	5	14,95,60,305	13,69,97,906
Cash and Cash Equivalents	6	10,27,910	48,64,389
Other Current assets	7	1,49,154	1,99,22,551
Current Tax assets (net)	8	48,678	54,500
		15,07,86,047	16,18,39,346
Total assets		1,09,45,14,640	1,15,27,26,217
Equity and liabilities			
Equity			
Equity share capital	9	99,53,910	99,53,910
Other equity	10	23,57,17,459	25,83,24,131
		24,56,71,369	26,82,78,041
Non-current liabilities			
Financial liabilities			
Borrowings	11	70,07,76,000	74,35,40,000
		70,07,76,000	74,35,40,000
Current liabilities			
Financial Liabilities			
Current borrowings	11	6,00,60,713	5,19,25,057
Trade Payables	13		
(i) Total outstanding dues of micro enterprises and small enterprises		4,65,70,684	4,85,03,589
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises			
Other current financial liabilities	14	2,01,84,355	2,08,80,960
Other Current Liabilities	15	2,12,51,519	1,65,71,165
Current Tax Liabilities (Net)			30,27,404
		14,80,67,271	14,09,08,176
Total equity and liabilities		1,09,45,14,640	1,15,27,26,217

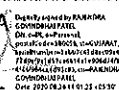
The accompanying notes are an integral part of the financial statements.

As per our report of even date

For SNK & Co.
Chartered Accountants
ICAI Firm Registration number: 109176W
Vilesh 
Vijaykumar Darya
r Darya 
per Vilesh Darya
Partner
Membership No. : 133752
ICAI UDIN - 20133752AAAACB1116

Place: Pune
Date : August 26, 2020

For and on behalf of the board of directors of
Vayudoot Solarfarms Limited

RAJENDRA 
GOVINDB 
HAI PATEL
Rajendra Patel
Director
DIN : 05357191

Place: Ahmedabad
Date : August 26, 2020

BHARGA 
VP
DEVANI 
Bhargav Devani
Director
DIN : 05246890

Place: Ahmedabad
Date : August 26, 2020

Vayudoor Solarfarms Limited
Statement of profit and loss during the year ended March 31, 2020

(All amounts in INR)

Particulars	Notes	For year ended March 31, 2020	For year ended March 31, 2019
Income			
Revenue from operations	16	11,68,97,932	17,02,47,272
Other Income	17	28,98,805	63,630
		11,97,96,737	17,03,10,902
Expenses			
Finance costs	18	8,27,09,614	8,71,96,576
Depreciation	19	5,47,33,544	5,46,89,576
Other expenses	20	1,24,64,856	1,14,28,708
		14,99,08,014	15,33,14,860
Profit/ (Loss) before tax		(3,01,11,277)	1,69,96,042
Tax expense			
Current tax		-	37,40,767
Deferred tax	12	(75,04,605)	(9,68,12,303)
MAT Tax Credit		-	(35,00,355)
Adjustment of tax related to earlier years		-	-
(Loss) after tax		(2,26,06,672)	11,35,67,933
Other Comprehensive Income for the year, net of tax		-	-
Total comprehensive income for the year		(2,26,06,672)	11,35,67,933
Earnings/ (loss) per equity share:	21		
- Basic [Nominal value of share Rs 10 (Rs 10)]		(22.71)	114.09
- Diluted [Nominal value of share Rs 10 (Rs 10)]		(22.71)	114.09
As per our report of even date			

For SNK & Co.
Chartered Accountants
ICAI Firm Registration number: 109176W
Vilesh Digitally signed by Vilesh Vijaykumar
Vijaykumar Date: 2020.08.26
Dalya 18:33:28 +05'30'
per Vilesh Dalya
Partner
Membership No. : 133752
ICAI UDIN - 20133752AAAACB1116

Place: Pune
Date : August 26, 2020

For and on behalf of the board of directors of
Vayudoor Solarfarms Limited
RAJENDRA Digitally signed by RAJENDRA
GOVINDBH GOVINDBH PATEL
AI PATEL
Rajendra Patel
Director
DIN : 05357191

Place: Ahmedabad
Date : August 26, 2020

BHARGA Digitally signed by BHARGAV P
V P QEVANI
DEVANI Date: 2020.08.26
18:20:15 +05'30'
Bhargav Devani
Director
DIN : 05246890

Place: Ahmedabad
Date : August 26, 2020

Statement of Change in Equity

A. <u>Equity Share Capital</u>		(All amounts in INR)
Equity shares of INR 10/- each issued, subscribed and fully paid	Number of shares	Amount
At March 31, 2018	9,95,391	99,53,910
Addition during the year	-	-
At April 01, 2019	9,95,391	99,53,910
Addition during the year	-	-
At March 31, 2020	9,95,391	99,53,910

B. Other Equity

For the year ended 30th April, 2019

Particulars	Reserves and Surplus				(All amounts in INR)
	Share application money pending allotment	Equity component of compound financial instruments	Share Premium	Retained earnings	Total
Balance as at 31st March, 2018	-	-	26,78,33,891	(12,30,77,693)	14,47,56,198
Profit/ (Loss) for the year	-	-	-	11,35,67,933	11,35,67,933
Balance as at 31st March, 2019	-	-	26,78,33,891	(95,09,760)	25,83,24,131
Profit/ (Loss) for the year	-	-	-	(2,26,06,672)	(2,26,06,672)
Proceeds received from issue of share capital	-	-	-	-	-
Balance at the end of the reporting year	-	-	26,78,33,891	(3,21,16,432)	23,57,17,459

As per our report of even date

For SNK & Co.
Chartered Accountants
ICAI Firm Registration number: 109176W

Vilesh
Vijaykumar
Dalya

per Vilesh Dalya
Partner
Membership No. : 133752
ICAI UDIN - 20133752AAAAACB1116
Place: Pune
Date : August 26, 2020

For and on behalf of the board of directors of
Vayudoot Solarfarms Limited

RAJENDRA
GOVIND
HAI PATEL

Rajendra Patel
Director
DIN : 05357191

Place: Ahmedabad
Date: August 26, 2020

BHARGA
V P
DEVANI

Bhargav Devani
Director
DIN : 05246890

Place: Ahmedabad
Date: August 26, 2020

Vayudoot Solarfarms Limited
Statement of Cash Flows for the year ended March 31, 2020

	Amount (in Rs.) March 31, 2020	Amount (in Rs.) March 31, 2019
A Cash flows from operating activities		
Net Profit Before Tax	(3,01,11,277)	1,69,96,042
Non cash adjustment to reconcile profit before tax to net cash flows		
Depreciation	5,47,33,544	5,46,89,576
Finance cost	8,27,09,614	8,69,87,186
	10,73,31,881	15,86,72,804
Adjustments for (increase)/ decrease in Current Asset		
- Trade Receivables	(1,25,62,399)	(8,08,74,646)
- Other current assets	1,97,73,397	7,277
- Other non current assets	(70,663)	(35,57,622)
- Other current Financial assets	5,822	67,64,142
Adjustments for increase / (decrease) in operating liabilities:		
- Trade payables	(19,32,905)	(5,20,09,004)
- Other current financial liabilities	(6,96,605)	1,99,83,828
- Other current liabilities	46,80,354	(4,87,263)
- Current Tax liabilities (Net)	(30,27,404)	37,34,404
Cash generated from operations	11,35,01,477	5,22,33,920
Income tax paid	-	2,40,412
Net cash from operating activities	11,35,01,477	5,19,93,508
B Cash flows from investing activities		
- Purchase of property, plant and equipment (including capital work in progress and capital advance)	-	(1,38,060)
FD investment	-	(11,20,000)
Net cash used in investing activities	-	(12,58,060)
C Cash flows from financing activities		
Proceeds from raising term loan & Other Borrowings	-	5,18,60,635
Repayment of term loan	(3,46,28,342)	(2,88,66,000)
Finance cost	(8,27,09,614)	(8,69,87,186)
Net cash used in financing activities	(11,73,37,956)	(6,39,92,551)
Net increase in cash and cash equivalents	(38,36,479)	(1,32,57,103)
Cash & cash equivalents at start of the year	48,64,389	1,81,21,492
Cash & cash equivalents at end of the year	10,27,910	48,64,389

Notes:

- The Statement of Cash Flows has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS 7) on "Statement of Cash Flows" referred to Section 133 of Companies Act 2013.
- The accompanying notes are an integral part of the financial statements.

As per our report of even date

For SNK & Co.
Chartered Accountants
ICAI Firm Registration number: 109176W

Vilesh
Digitally signed by Vilesh
Vijaykumar Dalya
ar Dalya
Date: 2020.08.26
18:35:08 +05'30'

per Vilesh Dalya
Partner
Membership No. : 133752
ICAI UDIN - 20133752AAAACB1116
Place: Pune
Date : August 26, 2020

For and on behalf of the board of directors of
Vayudoot Solarfarms Limited

RAJENDRA
GOVINDB
HAI PATEL
Digitally signed by RAJENDRA
GOVINDBHAI PATEL
DN: cn=RAJENDRA GOVINDBHAI PATEL,
o=VAYUDOOT SOLARFARMS LIMITED,
ou=RAJENDRA GOVINDBHAI PATEL,
email=RAJENDRA.GOVINDHAI.PATEL@VAYUDOOT.COM,
c=IN

Rajendra Patel
Director
DIN : 05357191

Place: Ahmedabad
Date : August 26, 2020

BHARGAV
P DEVANI
Digitally signed by BHARGAV P
DEVANI
Date: 2020.08.26
18:21:22 +05'30'

Bhargav Devani
Director
DIN : 05246890

Place: Ahmedabad
Date : August 26, 2020

1. Corporate information

Vayudoot Solarfarms Limited is a limited Company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. The Company's primary business includes generation of electricity from its solar power project.

2. Significant accounting policies

2.1 Basis of preparation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013, read together with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 issued by the Ministry of Corporate Affairs.

The financial statements have been prepared on the accrual and going concern basis and the historical cost convention, except for the following assets and liabilities which have been measured at fair value or revalued amount;

- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments)

2.2 Summary of significant accounting policies

a) Use of Estimates

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

b) Current versus non-current classification

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

An asset is treated as current when it is:

- Expected to be realised or intended to sold or consumed in normal operating cycle
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is treated as current when it is:

- Expected to be settled in normal operating cycle
- Due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

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

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

c) Property, Plant and equipment

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

Derecognition

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised. The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

d) Depreciation

As per the opinion of the Management of the Company, the Company is regulated under the Electricity Act, 2003, and as per the provision of section 129 of Companies Act 2013, depreciation can be charged as per the rates notified by the CERC Regulation.

Depreciation on Plant and Machinery is provided using straight-line method at the rate of 5.28% per annum till the period of 12 years from the date of commencement of commercial operations as per the applicable CERC regulation.

After a period of twelve years from the date of commencement of commercial operations, the remaining written down value at the end of the 12th year from the date of commercial operations shall be depreciated over the balance useful life of the asset in the manner prescribed under applicable CERC Regulations.

Depreciation on other fixed assets of Company is provided as per Part C of Schedule II of the Companies Act, 2013 except in following cases where expected useful life of the assets are different from the corresponding life prescribed as under and the Company based upon the nature of asset, the operating condition of the asset, the estimated usage of the asset, past history of replacement and anticipated technological changes, believes that this is the best estimate on the basis of actual realization.

Category	Life as per Schedule II	Life considered
Building	30 years	25 years

The identified components are depreciated over their useful lives; the remaining asset is depreciated over the life of the principal asset.

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

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

e) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur. Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

f) Financial Instruments

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

Financial Assets

Initial Recognition and Measurement

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

Subsequent Measurement

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

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through Profit & Loss (FVTPL)

Debt instruments at amortised cost

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

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

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method, less impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss. The category applies to the Company's trade receivables, unbilled revenue, other bank balances, security deposits etc.

Debt instrument at fair value through other comprehensive income (FVTOCI)

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

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

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals in the statement of Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to Statement of Profit and Loss.

Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt instrument at fair value through profit and loss (FVTPL)

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

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Debt instrument included within FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset) is primarily derecognised

(i.e. removed from the Company's balance sheet) when:

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

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

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

Impairment of financial assets

Vayudoot Solarfarms Limited
Notes to financial statements for the year ended March 31, 2020
(Amount in INR, unless otherwise stated)

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

- Financial assets that are debt instruments, and are measured at amortised cost e.g. deposits, trade receivables and bank balances
- Financial asset that are debt instruments and are measured as at FVTOCI
- Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18.

For recognition of impairment loss on the financial assets that are debt instruments and are initially measured at fair value with subsequent measurement at amortised cost e.g. Trade receivables, unbilled revenue etc.

The Company follows 'simplified approach' for recognition of impairment loss allowance for trade receivables.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

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

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

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed. On that basis, the Company estimates the following provision matrix at the reporting date, except to the individual cases where recoverability is certain

	Less than or equal to 365 days	More than 365 days
Default rate	0%	100%

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

For financial assets measured at amortised cost: ECL is presented as an allowance i.e. as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

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

Financial Liabilities

Initial Recognition and Measurement

Financial liabilities are classified, at initial recognition as financial liabilities at fair value through profit or loss, loans and borrowings, payables.

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

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdraft.

Subsequent measurement

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

Loans and borrowings

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

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

Derecognition

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

Reclassification of Financial Assets

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

Offsetting of Financial Instruments

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

g) Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Sale of Power

Revenue from sale of power is recognized when persuasive evidence of an arrangement exists. Revenue is measured on the solar energy kilowatts actually supplied to customers at the rate per unit agreed to in the respective PPAs.

Interest Income

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

h) Foreign currencies

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

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

Conversion

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

Exchange differences

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

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

i) Income taxes

Tax expense represents the sum of current tax and deferred tax.

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

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

- deferred income tax is not recognised on the initial recognition (including MAT) of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- deferred tax assets are recognised only to the extent that it is more likely than not that they will be recovered.

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

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

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

j) Earnings per share

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

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

k) Provisions

General

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the Statement of profit or loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources would be required to settle the obligation, the provision is reversed.

l) Impairment of non-financial assets

The company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets.

Impairment loss is recognized when the carrying amount of an asset exceeds recoverable amount and the asset is written down to its recoverable amount.

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

Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used.

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

m) Contingent Assets/liabilities

Contingent assets are not recognised. However, when realisation of income is virtually certain, then the related asset is no longer a contingent asset, and is recognised as an asset.

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

n) Fair Value Measurement

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

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

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

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

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

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

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

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

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

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

o) Cash and cash equivalents

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

p) Events occurring after the Balance Sheet date

Impact of events occurring after the balance sheet date that provide additional information materially affecting the determination of the amounts relating to conditions existing at the balance sheet date are adjusted to respective assets and liabilities.

2.3 Impact of COVID-19

World Health Organization (WHO) declared outbreak of Coronavirus Disease (COVID-19) a global pandemic on March 11, 2020. Consequent to this, Government of India declared lockdown on March 24, 2020. However, Power generation, transmission and distribution units, being essential services, were allowed to continue operations during such period of lockdown.

In assessing the recoverability of receivables including unbilled receivables, contract assets and contract costs, and certain investments, the Company has considered internal and external information up to the date of approval of these financial results, including economic forecasts. The Company has performed sensitivity analysis on the assumptions used and based on current indicators of future economic conditions, the Company expects to recover the carrying amount of these assets. The impact of the global health pandemic may be different from that estimated as at the date of approval of these financial results and the Company will continue to closely monitor any material changes to future economic condition.

3 Property, Plant and Equipment

Note - 3

(All amounts in INR)

Particulars	Land	Power Plant	IT Equipment	TOTAL
Gross carrying amount				
At April 01, 2017	5,25,00,000	1,03,55,50,247	-	1,08,80,50,247
Additions	-	-	1,38,060	1,38,060
Disposals	-	-	-	-
At March 31, 2018	5,25,00,000	1,03,55,50,247	1,38,060	1,08,81,88,307
Additions	-	-	-	-
Disposals / adjustments (net)	-	-	-	-
At March 31, 2019	5,25,00,000	1,03,55,50,247	1,38,060	1,08,81,88,307
Additions	-	-	-	-
Disposals / adjustments (net)	-	-	-	-
At March 31, 2020	5,25,00,000	1,03,55,50,247	1,38,060	1,08,81,88,307
Depreciation				
At April 01, 2017	-	-	-	-
Additions	-	5,04,24,393	-	5,04,24,393
Disposals	-	-	-	-
At March 31, 2018	-	5,04,24,393	-	5,04,24,393
Depreciation for the year	-	5,46,77,053	12,523	5,46,89,576
Disposals / adjustments (net)	-	-	-	-
At March 31, 2019	-	10,51,01,446	12,523	10,51,13,969
Depreciation for the year	-	5,16,77,054	56,491	5,47,33,545
Disposals / adjustments (net)	-	-	-	-
At March 31, 2020	-	15,97,78,500	69,014	15,98,47,514
Net block value				
At March 31, 2020	5,25,00,000	87,57,71,747	69,046	92,83,40,793
At March 31, 2019	5,25,00,000	93,04,48,802	1,25,537	98,30,74,338
At March 31, 2018	5,25,00,000	98,51,25,855	-	1,03,76,25,855

Vayudoot Solarfarms Limited

Notes to financial statements for the year ended March 31, 2020

4 Other Non Current Assets
(All amounts in INR)
(Unsecured and considered good)

Particulars	As at March 31, 2020	As at March 31, 2019
Term deposits [refer note (i)]	12,47,931	11,77,267
MAT Credit Entitlement	35,00,355	35,00,355.40
Total	47,48,286	46,77,622

(i) This balance is liened under loan agreements with lender.

5 Trade Receivables

Particulars	As at March 31, 2020	As at March 31, 2019
Trade Receivables	14,95,60,305	13,69,97,906
Total	14,95,60,305	13,69,97,906

Break-up for trade receivables:
From others

Unsecured, considered good	14,95,60,305	13,69,97,906
Unsecured, considered doubtful	-	-
	14,95,60,305	13,69,97,906

Provision for doubtful receivables

	-	-
Total trade receivables	14,95,60,305	13,69,97,906

6 Cash and Cash Equivalent

Particulars	As at March 31, 2020	As at March 31, 2019
Balances with banks:		
- On current accounts	10,27,910	48,64,389
- Term deposits with original maturity of less than 3 months		
Total	10,27,910	48,64,389

7 Other Current Assets

Particulars	As at March 31, 2020	As at March 31, 2019
Prepaid Expenses	1,49,154	1,80,583
VAT/GST Tax Receivable	-	1,97,41,968
Total	1,49,154	1,99,22,551

8 Current Tax assets (net)

Particulars	As at March 31, 2020	As at March 31, 2019
Advance Income Tax (Net of Provision)	48,678	54,500
Total	48,678	54,500

Vayudoot Solarfarms Limited

Notes to financial statements for the year ended March 31, 2020

9 Equity share capital

Particulars	As at March 31, 2020	As at March 31, 2019
Authorised share capital		
(March 31, 2017 : 10,00,000) equity shares of INR 10 each	1,00,00,000	1,00,00,000
Issued, subscribed and fully paid equity share capital		
9,95,391 (March 31, 2017 : 9,33,968 equity shares of INR 10 each	99,53,910	99,53,910
Total	99,53,910	99,53,910

A. Reconciliation of No. of Equity Shares

	Number of shares	Rs.
At March 31, 2019	9,95,391	99,53,910
Addition during the year	-	-
At March 31, 2020	9,95,391	99,53,910

B. Terms/Rights attached to shares

Terms/Rights attached to equity shares

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

C. Shares held by holding/ultimate holding company and/or their subsidiaries/associates

Out of equity shares issued by the Company, shares held by its holding company, ultimate holding company and their subsidiaries/associates are as below:

	March 31, 2020 Rs.	March 31, 2019 Rs.
Suzlon Energy Limited, the holding company		
5,08,103 (March 31, 2017: 4,76,365) equity shares of Rs.10/- each	50,81,030	50,81,030

D. Details of shareholders holdings more than 5% shares

Name of the shareholder	Number of shares held March 31, 2020	Percentage of Holding March 31, 2020	Number of shares held March 31, 2019	Percentage of Holding March 31, 2019
Equity shares of Rs 10 each fully paid				
Suzlon Energy Limited	5,08,103	51.00%	5,08,103	51.00%
Unisun Energy Limited	4,87,288	49.00%	4,87,288	49.00%

As per the records of the Company, including its register of shareholder/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

10 Other Equity**For the year ended 31st March 2020***(All amounts in INR)*

Particulars	Reserves and Surplus				Total Equity
	Share application money pending allotment	Equity component of compound financial instruments	Share Premium	Retained earnings	
Balance as at 31st March, 2018	-	-	26,78,33,891	(12,30,77,693)	14,47,56,198
Profit/ (Loss) for the year	-	-	-	11,35,67,933	11,35,67,933
Proceeds received from issue of share capital	-	-	-	-	-
Balance as at 31st March, 2019	-	-	26,78,33,891	-95,09,760	25,83,24,131
Profit/ (Loss) for the year	-	-	-	(2,26,06,672)	(2,26,06,672)
Proceeds received from issue of share capital	-	-	-	-	-
Balance at the end of the reporting year	-	-	26,78,33,891	(3,21,16,432)	23,57,17,459

Vayudoot Solarfarms Limited

Notes to financial statements for the year ended March 31, 2020

11 Non-current financial liabilities

Particulars	As at March 31, 2020	As at March 31, 2019
Non-current Borrowings		
At amortised cost		
Term loan from financial institution (Secured)*	70,07,76,000	74,35,40,000
Total	70,07,76,000	74,35,40,000
Current Borrowings		
Loan From related parties	5,00,000	16,59,057
Term loan from financial institution (Secured)*	5,95,60,713	5,02,66,000
Total	6,00,60,713	5,19,25,057

* Term loan from IREDA of INR 83,31,63,000 is taken by the Company for the financing of 15 MW PV Solar project and carries a fixed rate of interest @ 10.55% p.a. In accordance with the terms of the loan agreement, loan is repayable in 60 quarterly installments commencing from March 31, 2018 and ending on February 31, 2032. The loan is secured by exclusive charge on the immovable properties and hypothecation on all the movable fixed assets both present and future.

Also, pledge of equity shareholding of 51% of paid up capital in Vayudoot Solarfarm Limited being held up by SuzlonEnergy Limited or its nominees.

Details of Repayment of Long Term Borrowings

Secured Loan

Particulars	March 31,2020	March 31,2019
Upto 1 Year	5,95,60,713	5,02,66,000
2 to 5 Years	19,03,20,000	19,03,20,000
Above 5 Years	51,04,56,000	55,32,20,000
	76,03,36,713	79,38,06,000

The Company has made certain defaults/delay in repayment of financial liabilities and payment of Interest. Details of the same are as below

Repayment of Term Loan	March 31,2020	March 31,2019
Upto 30 Days	1,97,83,000	-
From 31 - 60 Days	2,08,47,000	-
From 61- 91 Days	96,36,000	-

Continuing Default as on 31.03.2020 Rs.1,67,96,713/-

The Reserve Bank of India (RBI) has issued COVID-19 – Regulatory Package notification, dated March 27, 2020 wherein the RBI has permitted lending institutions to grant a moratorium of three months on payment of all instalments falling due between March 1, 2020 and May 31, 2020 which is further extended to August 31, 2020. The management of the company has decided to opt for such moratorium benefit for all loan instalments falling due from March 1, 2020. Loan installment falling under moratorium is Rs.1,01,61,000 /- (Due on March 31, 2020)

Repayment of Interest	March 31,2020	March 31,2019
Upto 30 Days	9,17,72,397	-
From 31 - 60 Days	1,17,88,667	-
Continuing Default as on 31.03.2020 Rs.2,01,84, 406/-		
Interest payable falling under moratorium is Rs.2,01,84, 406/- (Due on March 31, 2020)		

12 Deferred tax liabilities/(Assets) (Net)

(All amounts in INR)

As at
March 31, 2020

As at
March 31, 2019

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

Profit and loss

Current income tax :

Current income tax charge

MAT Tax Credit

Earlier year tax adjustment

Deferred tax :

Deferred tax liability

Accelerated depreciation under Income-tax Act, 1961

Deferred tax asset

Carry forward losses and unabsorbed depreciation

Income tax expense charged to statement of profit and loss

Reconciliation of income tax expense and accounting profit multiplied by India's domestic tax rate for March 31, 2020 and March 31, 2019

Accounting profit/ (loss) before tax

Tax on accounting profit/ (loss) at India's domestic tax rate- 25.168% (March 31, 2019 : 19.24%)

Tax impact of

Accelerated depreciation under Income- tax Act, 1961

Losses to be carry forward

Other expenses (allowed)/ disallowed under Income- tax Act, 1961

Losses to be carry forward

MAT expense

Earlier year tax expense

Deferred tax expense/ (credited) during the year

Net tax expense recognised in statement of profit and loss

Deferred tax asset/ liabilities

Deferred tax liabilities

Accelerated depreciation under Income- tax Act, 1961

Others

Total deferred tax liabilities (A)

Deferred tax assets

Carry forward losses and unabsorbed depreciation

Total deferred tax assets (B)

Deferred tax liabilities Net (A-B)

Movement in deferred tax

Accelerated depreciation under Income- tax Act, 1961

Carry forward losses and unabsorbed depreciation

Deferred tax expense/ (credit) to statement of profit and loss

Balance sheet

18,28,62,649

17,55,70,175

18,28,62,649

17,55,70,175

19,35,02,169

17,87,05,084

19,35,02,169

17,87,05,084

(1,06,39,520)

(31,34,909)

55,84,645

8,18,92,781

(1,30,89,250)

(17,87,05,084)

(75,04,605)

(9,68,12,303)

Vayudoot Solarfarms Limited

Notes to financial statements for the year ended March 31, 2020

13	Trade payables		<i>(All amounts in INR)</i>	
	Particulars	As at March 31, 2020	As at March 31, 2019	
	Total outstanding dues of creditors other than micro enterprises and small enterprises	4,65,70,684	4,85,03,589	
	Total outstanding dues of micro enterprises and small enterprises	-	-	
	Total	4,65,70,684	4,85,03,589	
14	Other current financial liabilities		<i>(All amounts in INR)</i>	
	Particulars	As at March 31, 2020	As at March 31, 2019	
	Interest due and payable	2,01,84,355	2,08,80,960	
	Total	2,01,84,355	2,08,80,960	
15	Other current liabilities		<i>(All amounts in INR)</i>	
	Particulars	As at March 31, 2020	As at March 31, 2019	
	Statutory dues payable	43,896	23,500	
	Other Payables	2,12,07,623	1,65,47,665	
	Total	2,12,51,519	1,65,71,165	

16 Revenue from operations		<i>(All amounts in INR)</i>	
	Particulars	As at March 31, 2020	As at March 31, 2019
	Sale of Power	11,68,97,932	17,02,47,272.00
	Total	11,68,97,932	17,02,47,272
17 Other Income		<i>(All amounts in INR)</i>	
	Particulars	As at March 31, 2020	As at March 31, 2019
	Interest Income		
	On Term Deposit	60,920	-
	Others	78,515	63,630
	Other Income	27,59,370	-
	Total	28,98,805	63,630
18 Finance costs		<i>(All amounts in INR)</i>	
	Particulars	As at March 31, 2020	As at March 31, 2019
	Interest		
	Fixed loans	8,26,80,114	8,69,87,186
	Interest Others	-	9,390
	Bank charges	29,500	2,00,000
	Total	8,27,09,614	8,71,96,576
19 Depreciation Expense		<i>(All amounts in INR)</i>	
	Particulars	As at March 31, 2020	As at March 31, 2019
	Depreciation on Tangible Assets	5,47,33,544	5,46,89,576.00
	Total	5,47,33,544	5,46,89,576
20 Other expenses		<i>(All amounts in INR)</i>	
	Particulars	As at March 31, 2020	As at March 31, 2019
	Operation and maintenance charges	1,00,43,052	88,50,000
	Legal & professional expenses	-	23,872
	Rent,Rates and taxes	47,250	63,000
	Consultancy Charges	8,33,965	10,75,990
	Electricity Charges	1,62,747	1,89,097
	Auditors' remuneration and expenses	2,36,000	2,36,000
	Insurance	4,31,640	4,07,277
	Internet Exp	4,88,520	5,43,442
	Miscellaneous charges	2,21,682	40,030
	Total	1,24,64,856	1,14,28,708
	Payment to auditor:		
	As auditor		
	Audit fee	2,36,000	2,36,000
	In other capacity		
	Reimbursement of expenses	-	-
	Total	2,36,000	2,36,000

Vayudoot Solarfarms Limited

Notes to financial statements for the year ended March 31, 2020

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
21. Earnings per share		
Basic and Diluted EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the company by the weighted average number of Equity shares outstanding during the year.		
The following reflects the income and share data used in the basic and diluted EPS computations:		
Basic		
Loss after tax	(2,26,06,672)	11,35,67,933
Weighted average number of equity shares	9,95,391	9,95,391
Basic earnings /(loss) per share of Rs 10 each	(22.71)	114.09
Diluted		
Loss after tax	(2,26,06,672)	11,35,67,933
Weighted average number of equity shares	9,95,391	9,95,391
Add:conversion of compulsorily convertible debentures	-	-
Weighted average number of equity shares for diluted EPS	9,95,391	9,95,391
Diluted earnings /(loss) per share of Rs 10 each*	(22.71)	114.09

22. Related party disclosures:

The list of related parties as identified by the management is as under:

Related parties where control exists**Holding Company:**

Suzlon Energy Limited

Key Managerial personnel:

Mr. Rohit Chauhan

Mr. Pawan Kumar Gupta (*Resigned on 18.05.2020*)

Mr. Rajendra Patel

Mr. Bhargav Devani (*Appointed on 18.05.2020*)**Fellow subsidiary of holding Company:**

Suzlon Gujarat Wind Park Limited

Suzlon Global Services Private Limited

Following transactions were carried out with related parties in the ordinary course of business for the Year ended March 31, 2020

Nature of transaction	For the year ended	For the year ended
	March 31, 2020	March 31, 2019
Operation & Maintenance Expenses		
Suzlon Global Services Private Limited	99,72,844	88,50,000
Interest Expense		
Suzlon Energy Limited	-	9,16,520

2. Balances outstanding at the end of the year

Nature of transaction	For the year ended	For the year ended
	March 31, 2020	March 31, 2019
Creditors for capital goods		
Suzlon Energy Limited	4,10,70,684	4,30,03,589
Suzlon Gujarat Wind Park Limited	55,00,000	55,00,000
Other Current Liabilities		
Suzlon Energy Limited	-	16,59,057
Suzlon Gujarat Wind Park Limited	-	-
Suzlon Global Services Private Limited	2,02,47,011	1,32,74,167

23. Segment information

The Company is primarily in the business of generation of solar power (Refer Note 1). Considering the nature of Company's business and operations, there are no separate reportable segments (business and/ or geographical) in accordance with the requirements of Indian Accounting Standard 108, 'Operating Segments' referred in to Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 and hence, no additional disclosures are provided other than those already provided in the financial statements.

24. Details of dues to micro and small enterprises as defined under the MSMED Act, 2006

The Micro, Small and Medium Enterprises have been identified by management from the available information. On the basis of the information and records available with the management, there are no outstanding dues to the Micro, Small and Medium Enterprises development Act, 2006.

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year	Nil	Nil
Principal amount due to micro and small enterprises	Nil	Nil
Interest due on above	Nil	Nil
The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	Nil	Nil
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006.	Nil	Nil
The amount of interest accrued and remaining unpaid at the end of each accounting year	Nil	Nil
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006	Nil	Nil

Vayudoot Solarfarms Limited

Notes to financial statements for the year ended March 31st, 2020

25. Commitments and contingencies

(a) Commitments

Estimated amount of contracts remaining to be executed on capital accounts and not provided for, net of advances is Rs.Nil (Nil). The Company has entered into a Power Purchase Agreement (PPA) on 29th day of February 2016 with Southern Power Distribution company of Telangana Limited for a period of 25 years from commercial operation date @ Rs.5.5171 / kwh. to supply power.

(b) Contingent liabilities

The Company does not have any pending litigations which would impact its financial position. The plant was shut down for nearly 2.5 months due to which Discom may put some contractual liabilities on the Company which has been not ascertained as on reporting date.

26. Deferred taxes

The Company follows Indian Accounting Standard (Ind AS 12) "Income Taxes", referred to in section 133 read together with the Companies (Indian Accounting Standards) Rules, 2015 of the Companies Act, 2013.

Vayudoot Solarfarms Limited

Notes to financial statements for the year ended March 31st, 2020

27. Fair values

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

	Carrying value		Fair value	
	As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019
Financial liabilities carried at amortised cost				
Term Loans from banks and financial institutions - In Indian Currency	76,03,36,713	79,38,06,000	76,03,36,713	79,38,06,000
Loan from related parties	5,00,000	16,59,057	5,00,000	16,59,057
Total	76,08,36,713	79,54,65,057	76,08,36,713	79,54,65,057

The management assessed that cash and cash equivalents, other bank balances, trade receivables, unbilled revenue, receivable from related parties, short term borrowings, trade payables and security deposits paid approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at measurement date.

The following methods and assumptions were used to estimate the fair values:

Fair value of long-term loan having floating rate of interest approximate the carrying amounts of those loans as there has was no significant change in the company's own credit risk during the current year.

28. Fair Value Hierarchy

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities.

Quantitative disclosures fair value measurement hierarchy for liabilities as at March 31, 2020:

		Fair value measurement using		
Date of valuation	Total	Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs
		(Level 1)	(Level 2)	(Level 3)
Financial liabilities carried at amortised cost				
A. Borrowings:				
(i) Amortised Cost:				
Term Loans from banks and financial institutions - In Indian Currency	March 31, 2020	76,03,36,713	-	76,03,36,713
Loan From related parties	March 31, 2020	5,00,000	-	5,00,000

There have been no transfers between Level 1 and Level 2 during the period.

Quantitative disclosures fair value measurement hierarchy for liabilities as at March 31, 2019:

		Fair value measurement using			
	Date of valuation	Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Financial liabilities carried at amortised cost					
A. Borrowings:					
<u>(i) Amortised Cost:</u>					
Term Loans from banks and financial institutions - In Indian Currency	March 31, 2019	79,38,06,000	-	75,90,33,365	-
Loan From related parties	March 31, 2019	16,59,057	-	16,59,057	-

There have been no transfers between Level 1 and Level 2 during the period.

The management assessed that cash and cash equivalents, other bank balances, trade receivables, unbilled revenue, receivable from related parties, short term borrowings and trade payables paid approximate their carrying amounts largely due to the short-term maturities of these instruments.

29. Financial risk management objectives and policies

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

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk. Financial instruments affected by market risk include loans and borrowings, deposits.

The sensitivity analyses in the following sections relate to the position as at March 31, 2020 and March 31, 2019.

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The company's exposure to the risk of changes in market interest rates relates primarily to the company's long-term debt obligations with floating interest rates.

Interest Rate Sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

	Increase/decrease in basis points		Effect on profit before tax		Effect on profit before tax
			March 31, 2020		March 31, 2019
INR	+/(-)50	(-)/+	38,70,398	(-)/+	39,75,043

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment.

Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from their operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

Trade receivables

Customer credit risk is managed on the basis of Company's established policy, procedures and control relating to customer credit risk management. Outstanding customer receivables are regularly monitored. The Company evaluates the concentration of risk with respect to trade receivable as high. Company primarily generates revenue from sale of power to single off taker. However since the trade receivables mainly comprise of state utilities/government entities, the Company does not foresee any credit risk attached to receivables from such state utilities/government entities. The Company does not hold collateral as security.

An impairment analysis is performed at each reporting date. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed. The Company does not hold collateral as security. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers is only statutory bodies/corporation under state govt involved in electricity generation and distribution.

Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

Liquidity risk

Liquidity risk is the risk that Company will encounter in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The approach of Company to manage liquidity is to ensure, as far as possible, that these will have sufficient liquidity to meet their respective liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risk damage to their reputation. The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Company has access to a sufficient variety of sources of funding and debt maturing within 12 months.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Year ended						
As at March 31, 2020						
Borrowings*	-	2,74,87,713	3,20,73,000	19,03,20,000	51,04,56,000	76,03,36,713
Other financial liabilities	-	5,00,000	-	-	-	5,00,000
	-	2,79,87,713	3,20,73,000	19,03,20,000	51,04,56,000	76,08,36,713
Year ended						
As at March 31, 2019						
Borrowings*	-	1,97,83,000	3,04,83,000	19,03,20,000	55,32,20,000	79,38,06,000
Other financial liabilities	-	16,59,057	-	-	-	16,59,057
	-	2,14,42,057	3,04,83,000	19,03,20,000	55,32,20,000	79,54,65,057

*Including interest on long-term borrowings

30. Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company's policy is to keep the gearing ratio between 75% and 90%. The Company includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents.

Particulars	At March 31, 2020	At March 31, 2019
Borrowings	76,08,36,713	79,38,06,000
Trade payables and other payables	8,80,06,558	7,10,43,606
Less: Cash and cash equivalents	10,27,910	48,64,389
Net debts	84,78,15,361	85,99,85,217
Equity	24,56,71,369	26,82,78,040
Total Capital	24,56,71,369	26,82,78,040
Capital and net debt	1,09,34,86,731	1,12,82,63,258
Gearing ratio (%)	77.53%	76.22%

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2020 and March 31, 2019.

31. Significant accounting judgments, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

A. Judgments

In the process of applying the Company's accounting policies, management has made the following judgments, which have the most significant effect on the amounts recognized in the financial statements:

B. Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

(i) Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Assumptions include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

(ii) Depreciation on property, plant and equipment

As per the legal view obtained by the Company, it is regulated under the Electricity Act, 2003 accordingly as per the provision to section 129 of Companies Act, 2013, depreciation has to be charged as per the rates notified by the CERC Regulation.

Depreciation on other fixed assets of the Company is calculated on a straight-line basis using the rates arrived at based on the useful lives estimated by the management. The management has re-estimated useful lives and residual values of all its property, plant and equipment. The management based upon the nature of asset, the operating condition of the asset, the estimated usage of the asset, past history of replacement and anticipated technological changes, believes that depreciation rates currently used fairly reflect its estimate of the useful lives and residual values of property, plant and equipment, though these rates in certain cases are different from lives prescribed under Schedule II of the Companies Act, 2013.

As per our report of even date

For SNK & Co.

Chartered Accountants

ICAI Firm Registration number: 109176W

Vilesh
Digitally signed
by Vilesh
Vijaykumar
ar Dalya
Date: 2020.08.26
18:36:16 +05'30'

per Vilesh Dalya

Partner

Membership No. : 133752

ICAI UDIN - 20133752AAAACB1116

Place: Pune

Date : August 26, 2020

For and on behalf of the board of directors of
Vayudoot Solarfarms Limited

RAJENDRA
GOVINDBHAI PATEL

Rajendra Patel

Director

DIN : 05357191

Place: Ahmedabad

Date : August 26, 2020

BHARGAV
V P
DEVANI
Digitally signed
by BHARGAV P
DEVANI
Date: 2020.08.26
18:22:37 +05'30'

Bhargav Devani

Director

DIN : 05246890

Place: Ahmedabad

Date : August 26, 2020