SunEdison

**December 07, 2020**

**To,**

**BSE Limited,**
The Corporate Relationship Department,
1st Floor, New Trading Wing, Rotunda Building,
P.J.Towers, Dalal Street,
**Mumbai – 400 001**

**Dear Sir/Madam,**

**Sub: Submission of 26th Annual Report for the Financial Year 2019-20 along with the Notice Calling Annual General Meeting Pursuant to Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

Pursuant to Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find attached the 26th Annual Report for the Financial Year 2019-20 along with the Notice calling Annual General Meeting of the Company.

Kindly take it into your record and oblige us to disseminate the same on your website.

**Thanking you,**

**For SunEdison Infrastructure Limited**




**R.V.Suresh Babu**
**Company Secretary & Compliance Officer**

SunEdison Infrastructure Limited
(Formerly YKM Industries Limited)
11th Floor, Bascon Futura IT Park, #10/1 & #10/2, Venkatanarayana Road,
T. Nagar, Chennai - 600017. CIN No: L40100TN1994PLC028263

044-4340 5950
info@sunedisoninfra.com
www.sunedisoninfra.com

# 26th ANNUAL REPORT
# 2019-20

SunEdison

**SunEdison Infrastructure Limited**
(Formerly YKM Industries Limited)

**SUNEDISON INFRASTRUCTURE LIMITED** (FORMERLY KNOWN AS YKM INDUSTRIES LIMITED)
**CIN : L40100TN1994PLC028263**

# 26TH ANNUAL REPORT 2019-20

| CORPORATE INFORMATION | |
|---|---|
| **BOARD OF DIRECTORS** | **DESIGNATION** |
| Mr.Kalpesh Kumar | Managing Director |
| Mr. Anil Jain | Non- Executive Director |
| Mr.Shailesh Rajagopalan | Non- Executive Director |
| Mr. Pillappan Amalanathan | Additional & Independent Director |
| Ms.Jamuna | Non-Executive & Independent Director |
| **AUDIT COMMITTEE** | |
| Mr. Pillappan Amalanathan | Chairman |
| Mrs.Jamuna | Member |
| Mr.Shailesh Rajagopalan | Member |
| **NOMINATION AND REMUNERATION COMMITTEE** | |
| Mr. Pillappan Amalanathan | Chairman |
| Mrs.Jamuna | Member |
| Mr.Shailesh Rajagopalan | Member |
| **STAKEHOLDER RELATIONSHIP COMMITTEE** | |
| Mr. Pillappan Amalanathan | Chairman |
| Mrs.Jamuna | Member |
| Mr.Anil Jain | Member |
| | |
| Mr. Dinesh Kumar Agarwal | Chief Financial Officer |
| Mr. R.V.Suresh Babu | Company Secretary & Compliance Officer |
| Registered Office & Website | 11th Floor, Bascon Futura ,New No: 10/2 Old No: 56L, Venkatanarayana Road, T Nagar, Chennai – 600017 www.sunedisoninfra.com |
| CIN | L40100TN1994PLC028263 |
| Auditors | M/s.V K A N & Associates Chartered Accountants #16/23, APN Building, 2nd Floor, TTK Road, 1st Cross Street, Alwarpet, Chennai – 600 018 |
| Secretarial Auditor | A.Mohan Kumar & Associates Flat F-1, Sudarshan Apartment, VGP Selva Nagar, 2nd Main Road, Velachery, Chennai – 600 042 |
| Internal Auditor | R.Subramanian and Company LLP Chartered Accountants New No:06, Old No:36, Krishnaswamy Avenue, Luz, Mylapore, Chennai – 600 004. |
| Bankers | HDFC Bank Limited Axis Bank Limited |
| Registrar and Share Transfer Agent | GNSA INFOTECH LIMITED Nelson Chambers, 4th Floor, F Block, No:115, Nelson Manickam Road, Aminjikarai, Chennai – 600 029 |
| BSE Limited | Scrip Code: 531260 ISIN: INE332F01018 |

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# NOTICE

**Notice** is hereby given that the 26th Annual General Meeting of the Members of SunEdison Infrastructure Limited (Formerly YKM Industries Limited) will be held on Tuesday, December 29, 2020 at 03:30 P.M. through Video Conferencing (VC)/Other Audio Visual Means to transact the following business:

## ORDINARY BUSINESS:

### Item No. 1 – Adoption of Audited Standalone Financial Statements

To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the Financial Year ended March 31, 2020 and the Reports of the Board of Directors and the Auditors thereon.

### Item No. 2 – Adoption of Audited Consolidated Financial Statements

To receive, consider and adopt the Audited Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2020 and the Report of the Auditors thereon.

### Item No. 3 – Re-Appointment of a Director

To appoint a Director in the place of Mr. Anil Jain (DIN: 00181960), who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and, being eligible, seeks re-appointment.

## SPECIAL BUSINESS:

### Item No. 4 – Appointment of Mr. Pillappan Amalanathan (DIN: 08730795) as an Independent Director

To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to the provisions of Section 152 and all other applicable provisions of the Companies Act, 2013 ("the Act") and the Rules made thereunder (including any statutory modification(s), clarification(s), substitution(s) or re-enactment(s) thereof for the time being in force), Mr. Pillappan Amalanathan (DIN: 08730795), who was appointed by the Board of Directors as an Additional Director of the Company with effect from June 16, 2020, designated as an Independent Director, and who holds office up to the date of the next Annual General Meeting of the Company, in terms of Section 161 of the Companies Act, 2013 and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013, proposing candidature of Mr. Pillappan Amalanathan, for the office of Director, and who is eligible for appointment as a Director, be and is hereby appointed as a Non-Executive Independent Director of the Company.

**"RESOLVED FURTHER THAT** pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Act and the Companies (Appointment and Qualifications of Directors) Rules, 2014 read with Schedule IV to the Act (including any statutory modification(s), clarification(s), substitution(s) or re-enactment thereof for the time being in force), Mr. Pillappan Amalanathan (DIN: 08730795), who has submitted a declaration that he meets the criteria of independence as provided in Section 149(6) of the Act and Regulation 16 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company to hold office for a term of five years commencing from June 16, 2020 to June 15, 2025, not liable to retire by rotation."

By order of the Board of Directors

Sd/-
R V Suresh Babu
Company Secretary

Place: Chennai
Date: December 07, 2020

**NOTES:**

(a) The Explanatory Statement, pursuant to Section 102 of the Companies Act, 2013 with respect to Special Business in Item No. 4 forms part of this Notice.

(b) In view of the Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its circular dated May 5, 2020 read with circulars dated April 8, 2020 and April 13, 2020 (collectively referred to as "MCA Circulars") permitted the holding of the Annual General Meeting ("AGM") through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and MCA Circulars, the AGM of the Company is being held through VC / OAVM, without the physical presence of the members at a common venue. The Company has engaged National Securities Depository Limited (NSDL) for facilitating voting through electronic means i.e., remote e- voting and voting on the date of the AGM.

(c) A member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote at the meeting on his/her behalf. Such proxy need not be a member of the company. However, since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.

(d) Corporate members intending to represent through their authorised representatives in the AGM through VC/ OAVM and to vote through remote e-voting or voting at the AGM are requested to send to the Company a certified copy of the board resolution authorising their representative to the designated email address of the Company i.e., cscompliance@sunedisoninfra.com and to NSDL i.e.evoting@nsdl.co.in.

(e) The Member can join the AGM in the VC/OAVM mode 15 minutes before and after the Scheduled time of the commencement of the meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to all the members due to total no.of.members is less than 1000.

(f) Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

(g) The Register of Members and Share Transfer Books of the Company will be closed from Monday, December 21, 2020 to Tuesday, December 22,2020 (both days inclusive) for the purpose of Annual General Meeting.

(h) In compliance with the aforesaid MCA Circulars and SEBI Circular dated May 12, 2020, Notice of the AGM along with the Annual Report 2020 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report 2020 will also be available on the Company's website www.sunedisoninfra.com, websites of the Stock Exchanges i.e. BSE Limited at www.bseindia.com, and on the website of NSDL https://www.evoting.nsdl.com.

(i) Relevant documents referred to in the Notice and the accompanying Statement are open for inspection by Members at the Registered Office of the Company during business hours on all working days, up to the date of the Meeting.

(j) Effective April 1, 2019, SEBI has disallowed listed companies from accepting requests for transfer of securities held in physical form, by amending the SEBI LODR. Members will need to convert shares held in physical form to demat for effecting any transfer. Only requests for transmission and transposition will be accepted by the Company/RTA.

(k) Members holding shares in dematerialized form are requested to notify any change in their addresses, bank details or e-mail address with their respective DP and those holding shares in physical form are requested to notify the RTA at the following address:

**M/s. GNSA INFOTECH PRIVATE LIMITED**
Reg Add: Nelson Chambers, No-115, Nelson Manickam Road, Aminjikari, Chennai- 600029

(l) Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast 03 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at cscompliance@sunedisoninfra.com. The Shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 03 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at cscompliance@sunedisoninfra.com.

(m) Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

(n) Since the 26th AGM will be held through VC/OAVM, the route map is not annexed in this notice.

**Process and manner for voting through electronic means:**

1. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-voting system as well as voting on the date of the AGM will be provided by NSDL.

2. For the members who do not have access or casted their votes by remote e-voting, facility for voting through evoting shall be provide at the AGM and members attending the meeting who have not already casted their votes by remote e-voting shall be able to cast their votes at the AGM. The members who will be present at the AGM through VC/OAVM facility and have not cast their vote on the resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system during the AGM. However, the members who have casted their votes by remote e-voting prior to the date of the AGM may also attend the meeting but shall not be entitled to cast their vote again.

3. The shareholders can opt for only one mode of voting i.e. remote e-voting or e-voting at the AGM. In case of voting by all the modes, vote cast through remote e-voting will be considered final and vote cast through e-voting will not be considered.

4. The remote e-voting period commences on Saturday, December 26, 2020 (9.00 a.m. IST) and ends on Monday, December 28, 2020 (5.00 p.m. IST). During this period, Members of the Company holding shares either in physical form or in dematerialised form, as on the cut-off date of Friday, December 18,2020 may cast their vote by remote e-voting.

5. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change the vote subsequently.

6. You can also update your mobile number and e-mail address in the user profile details of the folio which may be used for sending future communication(s).

7. The voting rights of Members shall be in proportion to their share of the paid-up equity share capital of the Company as on the cut-off date i.e Friday, December 18, 2020 and as per the Register of Members of the Company.

8. Any person, who acquires shares of the Company and becomes a Member of the Company after dispatch of the Notice of Annual General Meeting and holding shares as of the cut-off date, i.e Friday, December 18, 2020 may obtain the login ID and password by sending a request at evoting@nsdl.co.in or sta@gnsaindia.com (RTA e-mail). However, if you are already registered with NSDL for remote e-voting then you can use your existing User ID and password for casting your vote. If you have forgotten your password, you can reset your password by using 'Forgot User Details/Password?' or 'Physical User Reset Password' option available on www.evoting.nsdl.com or contact NSDL at the following Toll Free No.: 1800-222-990 or e-mail at evoting@nsdl.co.in

9. Please note, only a person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date shall be entitled to avail the facility of voting, either through remote e-voting or voting at the Annual General Meeting through e-voting.

10. The Board of Directors have appointed Mr. A Mohan Kumar (Membership No. FCS 4347) Practising Company Secretary, as the Scrutinizer to scrutinize the remote e-voting process as well as voting at the Annual General Meeting in a fair and transparent manner.

11. The Scrutinizer shall immediately after the conclusion of voting at the Annual General Meeting, first count the votes cast at the Annual General Meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and make, not later than 48 hours of conclusion of the Meeting, a consolidated Scrutiniser's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing who shall countersign the same.

12. The Chairman or a person authorised by him in writing shall declare the result of voting forthwith.

13. The results declared along with the Scrutinizer's Report shall be placed on the website of the Company www.sunedisoninfra.com and on the website of NSDL www.evoting.nsdl.com immediately after the result is declared by the Chairman or any other person authorised by the Chairman and the same shall be communicated to BSE Limited where the shares of the Company are listed.

**The instructions for shareholders voting electronically are as under:**

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

**Step 1 :** Log-in to NSDL e-Voting system at https://www.evoting.nsdl.com/

**Step 2 :** Cast your vote electronically on NSDL e-Voting system. Details on Step 1 is mentioned below:

**How to Log-in to NSDL e-Voting website?**

Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

Your User ID details are given below:

**Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical:**

**For Members who hold shares in demat account with NSDL:**

8 Character DP ID followed by 8 Digit Client ID.
For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******

**For Members who hold shares in demat account with CDSL.**

16 Digit Beneficiary ID
For example if your Beneficiary ID is 12********** then your user ID is 12**********
For Members holding shares in Physical Form EVEN Number followed by Folio Number registered with the company
For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***.

**Your password details are given below:**

If you are already registered for e-Voting, then you can use your existing password to login and cast your vote. If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

How to retrieve your 'initial password'?

If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'. If your email ID is not registered, your 'initial password' is communicated to you on your postal address. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

Click on "Forgot User Details/Password?"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com. Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com. If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address After entering your password, tick on Agree to "Terms and Conditions" by selecting on the checkbox. Now, you will have to click on "Login" button. After you click on the "Login" button, Home page of e-Voting will open.

**Details on Step 2 is given below:**

**How to cast your vote electronically on NSDL e-Voting system?**

After successful login at Step 1, you will be able to see the Home page of e- Voting. Click on e-Voting. Then, click on Active Voting Cycles. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status. Select "EVEN" of company for which you wish to cast your vote. Now you are ready for e-Voting as the Voting page opens. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted. Upon confirmation, the message "Vote cast successfully" will be displayed. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

**General Guidelines for shareholders:**

Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e- mail to needamohan@gmail.comwith a copy marked to evoting@nsdl.co.in.

It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e- voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800- 222-990 or send a request atevoting@nsdl.co.in.

**Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:**

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to sta@gnsaindia.com.

2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to sta@gnsaindia.com.

**THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-**

The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.

**INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE EGM/AGM THROUGH VC/OAVM ARE AS UNDER:-**

1. Member will be provided with a facility to attend the EGM/AGM through VC/OAVM through the NSDL e-Voting system. Members may access the same at https://www.evoting.nsdl.com under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush. Further members can also use the OTP based login for logging into the e-Voting system of NSDL.

2. Members are encouraged to join the Meeting through Laptops for better experience.

3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at (company email id). The same will be replied by the company suitably.

**Other Instructions:**

In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and User Manual on E-Voting System for Shareholders, available at the 'downloads' section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in.

By order of the Board of Directors

Sd/-
**R V Suresh Babu**
Company Secretary

Place: Chennai
Date: December 07, 2020

**Statement pursuant to Section 102(1) of the Companies Act, 2013 as amended ('Act').**

**The following Statement sets out all material facts relating to Item No. 4 mentioned in the accompanying Notice.**

**Item No. 4:**

The Board of Directors ( 'Board' ), appointed Mr. Pillappan Amalanathan, as an Additional Director of the Company, designated as an Independent Director with effect from June 16, 2020. Pursuant to the provisions of Section 161 of the Act and Subject to the Articles of Association of the Company, Mr.Pillappan Amalanathan, will hold office up to the date of the ensuing Annual General Meeting ('AGM') and is eligible to be appointed as a Director of the Company. The Company has, in terms of Section 160 of the Act, received a notice in writing, from a member, proposing the candidature of Mr. Pillappan Amalanathan, for the office of Director as a Non-Executive Independent Director of the Company to hold office for a term of five years commencing from June 16, 2020 to June 15, 2025, not liable to retire by rotation.. The Company has received from Mr. Pillappan Amalanathan (i) Consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment and Qualification of Directors) Rules, 2014 and (ii) Intimation in Form DIR-8 in terms of the Companies (Appointment and Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under Section 164(2) of the Act. (iii). A Declaration that he meets the Criteria of Independence as provided in Section 149(6) of the Act and Regulation 16 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The profile and specific areas of expertise of Mr. Pillappan Amalanathan are provided as annexure to this Notice.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives, except Mr. Pillappan Amalanathan, to whom the resolution relates, is concerned or interested in the Resolution mentioned at Item No.4 of the Notice.

The Board recommends the resolution set forth in Item No.4 for the approval of the Members.

By order of the Board of Directors

Sd/-
**R V Suresh Babu**
Company Secretary

Place: Chennai
Date: December 07, 2020

# ANNEXURE TO THE NOTICE

**Details of the Directors seeking appointment/re-appointment in the forthcoming Annual General Meeting**

[Pursuant to Regulations 26(4) and 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings]

Mr. Pillappan Amalanathan, aged 60 years is a B.Com, B. L from the Unversity of Madras. He was standing counsel for Tamil Nadu Industrial Investment Corporation Ltd, from 1996 to 2000 and was instrumental in defending the Corporation in several cases including suits and writ petitions. He was also the Standing Counsel for Chennai Municipal Corporation from 2001 to 2006 and 1640 cases relating to Food

Adulteration and building permit violation the Corporation have been dealt with and disposed of. He have been the panel advocate and have appeared for certain Banks in several cases before the Debt Recovery Tribunal and other courts.

He have had the good fortune of working under several illustrious and well-known seniors like late Mr. R. Krishnaswamy, who specialized on the original side of the High Court of Madras, Late Mr. V. Ramachandran, the well known tax expert, and also Mr. K. Mani, another original side expert.

He appeared in many cases relating to political fronts, commercial matters for several private concerns and companies including matters relating to Company Law such as winding up, amalgamation and reconstitution and have advised on company formation, tax planning, pre-litigation settlements, international contracts formation and so on.

He has an established independent practice for the past 20 years with a well-equipped library, office and three junior associates. He have thus had wide exposure and experience in diverse fields of law and enjoy a good reputation in the Bar.

He does not hold any Shares in SunEdison Infrastructure Limited.

**No. of Companies he holds Directorship:**

| S.NO | NAME OF THE COMPANY | DESIGNATION | |
|---|---|---|---|
| 01 | Refex Industries Limited | Additional Director | |

**Chairman of Board Committees:**

| S.NO | COMPANY NAME | NATURE OF COMMITTEES IN WHICH HE IS THE CHAIRMAN |
|---|---|---|
| 1 | Refex Industries Limited | Audit Committee |
| | | Nomination and Remuneration Committee |
| | | Stakeholder Relationship Committee |
| | | Corporate Social Responsibility Committee |

**Concern or interest, financial or otherwise of Directors, Key Managerial Personnel and their relatives:**

Except, Mr. Pillappan Amalanathan, being an appointee, none of the Directors or Key Managerial Personnel (KMP) of the Company or their relatives are concerned or interested, financial or otherwise, in the Ordinary Resolution set out at Item No: 04.

# BOARD'S REPORT

## DEAR MEMBERS,

The Board of Directors hereby submits the report of the business and operations of your company along with the audited financial statements, for the financial year ended March 31, 2020.

### FINANCIAL RESULTS: STANDALONE

| Particulars | Year Ended March 31, 2020 in Rs | Year Ended March 31, 2019 In Rs |
|---|---|---|
| Revenue from Operations | 49,93,39,043 | 57,45,40,784 |
| Other Income | 78,50,806 | 1,05,37,926 |
| **Total Revenue** | **50,71,89,849** | **58,50,78,710** |
| **Less: Total Expenses** | **64,22,08,255** | **57,85,47,391** |
| **Profit/(Loss) before Tax** | **(13,50,18,406)** | **65,31,319** |
| Tax Expenses | | |
| Current Tax | - | 32,00,000 |
| Deferred Tax | - | 17,72,739 |
| **Profit/(Loss) after Tax** | **(13,50,18,406)** | **15,58,580** |
| **Earnings Per Share** | | |
| Basic Earnings Per Share | (30.07) | 0.35 |
| Diluted Earnings Per Share | (30.07) | 0.35 |

## OPERATIONS OF THE COMPANY

During the year under review the company has achieved a turnover of Rs. 49,93,39,043/- earning from other income Rs. 78,50,806/- and incurred total expenses of Rs. 64,22,08,255/- As a result, the company made a net loss of Rs. (13,50,18,406)/-.

## CHANGE IN THE NATURE OF BUSINESS, IF ANY

The Company was into renewable power Industry and there are no changes in the nature of business of the company during the financial year under review.

## SUBSIDIARY COMPANIES

### SEI TEJAS PRIVATE LIMITED – (WHOLLY OWNED SUBSIDIARY)

SEI Tejas Private Limited, a wholly owned subsidiary company is engaged in the business of rendering design, engineering, installation and maintenance of solar water pumps. It also carries out trading activities with respect to solar components.

In the financial year 2019-20, SEI Tejas has achieved Sales of Rs. 14,40,63,573/- as against previous year Sales of Rs. 41,67,39,629/-. There is decrease in sales of -65.43% compared to the previous year.

SEI Tejas, had a loss of Rs. (3,38,70,366)/- as against profit before tax of Rs.1,33,61,130/- of previous year. There is a decrease of -153.49% in profit before tax is mainly due to increase in cost of design, engineering and installation materials and manpower.

## ISHAAN SOLAR POWER PRIVATE LIMITED – (WHOLLY OWNED SUBSIDIARY)

Ishaan Solar Power Private Limited, (hereinafter "Ishaan Solar") a wholly-owned subsidiary company is engaged in the business of rendering design, engineering, installation and maintenance of solar water pumps. It also carries out trading activities with respect to solar components.

In the financial year 2019-20, Ishaan Solar had achieved Sales of Rs.25,54,53,660/- as against previous year Sales of Rs. 55,71,55,988/-. There is decrease in sale of 54.15% compared to the previous year.

Ishaan Solar, had a profit before tax of Rs.1,11,13,236/- as against profit before tax of Rs. 2,18,01,232/- of previous year. There is a decrease of 49.02% in profit before tax is mainly due to increase in cost of design, engineering and installation materials and manpower.

## SEI SOLARTECH PRIVATE LIMITED – (WHOLLY OWNED SUBSIDIARY)

SEI Solartech Private Limited, (hereinafter "SEI Solartech") a wholly-owned subsidiary company is engaged in the business of setting up of solar power plants and generating power and also holds investments in entities which are in similar businesses relating to installation and commissioning of solar power plants and solar water pumps in rural and agricultural areas respectively.

In the financial year 2019-20, SEI Solartech has achieved Total Income of Rs.9,703/- through Other Income as against previous year Total Income of Rs.3,66,03,232/- through Other Income. There is a decrease of 99.97% in other income is mainly due to decrease in Interest income on fixed deposits/loans and the company does not hold any Investments.

## SIL ROOFTOP SOLAR POWER PRIVATE LIMITED – (WHOLLY OWNED SUBSIDIARY)

SIL Rooftop Solar Power Private Limited, (hereinafter "SIL Rooftop") a wholly-owned subsidiary company was incorporated on October 30, 2019 and it is engaged in the business of rendering engineering, procurement and construction services in respect of solar power plants and generating power and also rendering other related services.

In the financial year 2019-20, SIL Rooftop has achieved Sales of Rs.70,00,000/- and incurred a loss of Rs.(78,69,156/-).

## SILRES ENERGY SOLUTIONS PRIVATE LIMITED- (WHOLLY OWNED SUBSIDIARY)

SILRES Energy Solutions Private Limited (hereinafter "SILRES") a wholly-owned subsidiary company was incorporated on October 03, 2019 and it is engaged in the business of production, collection and distribution of electricity for residential projects.

In the financial year 2019-20, SILRES had achieved Sales of Rs.7,01,400/- and incurred a loss of Rs.(46,38,254/-).

## MEGAMIC ELECTRONICS PRIVATE LIMITED – (SUBSIDIARY COMPANY)

SunEdison Infrastructure Limited, (hereinafter "SunEdison") had acquired 51% fully Paid-up Equity Shares of Megmaic Electronics Private Limited (hereinafter "Megamic") on December 27, 2019. Megamic is engaged into the business of product design, development, manufacturing and their services related to hardware and associated software of all kinds of electronic, electrical and mangetics system.

In the financial year 2019-20, Megamic had achieved Sales of Rs.1,25,49,109/- as against previous year Sales of Rs. 1,00,16,772/-. There is an increase in the sale of 25.28% compared to the previous year.

**ENRECOVER ENERGY RECOVERY SOLUTIONS PRIVATE LIMITED – (SUBSIDIARY COMPANY)**

SunEdison had acquired 51% fully Paid-up Equity Shares of Enrecover Energy Recovery Solutions Private Limited (hereinafter "Enrecover") on October 04, 2019. Enrecover is engaged in the business of producers, manufacturers, generators, suppliers, distributors, transformers, converters, transmitters, processors, developers, storers, procurers, carriers and dealers in electrical power using customizable waste energy recovery options for Industrial applications and install this technology at various industries.

In the financial year 2019-20, Enrecover had achieved Sales of Rs.26,40,500/- as against previous year Sales of Rs. 48,77,500/-. There is a decrease in the sale of 25.28% compared to the previous year.

The Information as required under the first proviso to sub-section (3) of Section 129 is given in Form AOC-1, is appended as Annexure -1 to the Board's Report.

## SHARE CAPITAL

There is no change in the Share Capital of the Company during the year under review.

## DIVIDEND & RESERVES

During the year under review the Board has not recommended any dividend due to the loss incurred by the company.

## EXTRACT OF THE ANNUAL RETURN

The extract of the Annual Return in Form No: MGT-9 is annexed herewith as Annexure-2 and available at the company's website www.sunedisoninfra.com

## DEPOSITS

The Company has not accepted any deposits either from the shareholders or Public and as such, no amount of principal or interest was outstanding on the date of Balance Sheet.

## PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Particulars of loans given, investments made, guarantees given and securities provided along with the purpose for which the loan or guarantee or security is proposed to be utilized by the recipient are provided in the Standalone Financial Statement (Please refer to Notes 6 under Note to the Standalone Financial Statement).

## PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All transactions entered into by the Company with its related parties during the year were in ordinary course of business and on arm's length basis and did not attract the provisions of Section 188 of the Companies Act, 2013. During the year, the Company had not entered into any arrangement/transaction with related parties which could be considered material in accordance with the company's policy on Related Party Transactions and accordingly, the disclosure of Related Party Transactions in Form AOC-2 is not applicable. However, names of Related Parties and details of transactions with them have been included in Note No: 32 to the Standalone Financial Statements provided in the Annual Report.

## SUNEDISON INFRASTRUCTURE LIMITED – EMPLOYEE STOCK OPTION SCHEME 2019 (SUNEDISON ESOS 2019)

The Members approved the SunEdison Infrastructure Limited – Employee Stock Option Scheme 2019 to create, offer and grant upto 4,48,990 employee stock option to the eligible employees (present and future) of the company, subsidiaries and holding company (existing and future) at the Extraordinary General Meeting held on January 13, 2020. In this regard, the Company has applied with BSE Limited where the equity shares are listed and obtained the in-principal approval on March 20, 2020. However, the Board of Directors of the Company is yet to roll out the scheme.

## OPEN OFFER UNDER SEBI (SUBSTANTIAL ACQUISTION OF SHARES AND TAKEOVERS) REGULATIONS, 2011

Avyan Pashupathy Capital Advisors Private Limited (Formerly Avyan Renewable Solar Private Limited) ("Acquirer") have made an open offer for acquiring 11,22,475 (Eleven Lakh Twenty Two Thousand Four Hundred and Seventy Five only) fully paid-up equity shares of face value of Rs. 10/- (Indian Rupees Ten only) each representing 26% (Twenty Six Per Cent) of the Voting Share Capital on 26th July 2019. Date of opening the offer was 19th September 2019 and Date of closing the offer was 3rd October 2019. The actual equity shares acquired from the public shareholders by way of open offer was 5,31,811 and 13,91,869 equity shares acquired from the promoters of SunEdison Infrastructure Limited pursuant to an addendum share purchase agreement dated: October 07, 2019

## EVENTS SUBSEQUENT TO THE DATE OF FINANCIAL STATEMENTS

Avyan Pashupathy Capital Advisors Private Limited, (Formerly Avyan Renewable Solar Private Limited) a part of the promoter group of SunEdison Infrastructure Limited had tendered 5,31,811 equity shares of face value of Rs.10/- each representing 11.84% of the equity share capital of the Company on Thursday, October 15, 2020 ("T" day) for Non-Retail Investors and on Friday, October 16, 2020 ("T+1" day) for Retail Investors in order to achieve the Minimum Public Shareholding of the Company as per the requirement of Regulation 19A of the Securities Contracts (Regulation) Rules, 1957.

## EXECUTION OF FRAMEWORK AGREEMENT

The Company entered into a framework agreement with South Lake One LLC ("South Lake"), Fenice Investment Group LLC ("Fenice"), Pashupathy Shankar Gopalan, Anil Jain, SILRES Energy Solution Private Limited, Pashupathy Capital Pte. Ltd, Sherisha Infrastructure Private Limited, Sherisha Technologies Private Limited (promoter of the Company) and Avyan Pashupathy Capital Advisors Private Limited on June 23, 2020 ("Framework Agreement"), with an objective of laying down the framework for:

1. SILRES Energy Solutions Private Limited) to receive an investment of USD 2,500,000 (United States Dollars Two Million Five Hundred Thousand) from Fenice and USD 10,000,000 (United States Dollars Ten Million) from South Lake;
2. Restructure the businesses of the Company and its subsidiaries to, inter alia, separate the under-construction solar power projects and the commissioned solar power projects ("Internal Restructuring");
3. Transfer the Identified Businesses to SunEdison Energy Solutions Private Limited (a related party of the Company under the terms of Section 2(76) of the Companies Act, 2013) ("SESPL"), as a going concern on a slump sale basis, under the terms of a business transfer agreement to be entered by the Company with SESPL.

The Framework Agreement entered into by the Company on June 23, 2020 is subject to ratification by the members in the ensuing extraordinary general meeting to be held on December 11, 2020.

## BOARD MEETINGS

The Board during the Financial Year 2019-20 met Eight (17) times i.e. April 05, 2019, May 30, 2019, July 05, 2019, August 05, 2019, August 12, 2019, August 14, 2019, September 30, 2019, October 21, 2019, October 25, 2019, November 06, 2019, November 14, 2019, November 22, 2019, December 20, 2019, January 08, 2020, January 20, 2020, January 29, 2020 and February 14, 2020.

## DIRECTORS AND KEY MANAGERIAL PERSONNEL

### RE-APPOINTMENT

Mr. Anil Jain (DIN: 00181960) retires by rotation and being eligible, offers himself for re-appointment in accordance with the provisions of Section 152 (6) and articles of association of company.A resolution seeking shareholder's approval for his re-appointment forms part of the Notice.

### RESIGNATION

Mr. Hem Senthil Raj (DIN: 06760725) Independent Director of the Company, resigned from the Company due to disqualification pursuant to the provisions of Section 164 (2) (a) of the Companies Act, 2013 and vacated the office on January 20, 2020.

### KEY MANAGERIAL PERSONNEL

Ms. Ruchi Ashish Maheshwari, was resigned as Chief Financial Officer and Key Managerial Personnel of the Company w.e.f. October 28, 2020.

Mr. Dinesh Kumar Agarwal, was appointed as Chief Financial Officer and Key Managerial Personnel of the Company w.e.f. October 29, 2020.

## AUDIT COMMITTEE

### a) Brief description of terms of reference

The audit committee assists the board in overseeing the financial and accounting process in the company. It reviews the compliance with legal and statutory requirements, the quarterly and annual financial statements and reports its findings to the board. It recommends the appointment of internal auditor, secretarial auditor and statutory auditor.

### b) Composition of the Audit Committee

The composition of the Audit Committee in accordance with the provisions of Section 177 of the Companies Act, 2013 and the rules made thereunder. The Composition of Audit Committee for the financial year ended March 31, 2020 was as follows:

| S.No | Name of the Members | Position | Category |
|---|---|---|---|
| 01 | Mr. Hem Senthil Raj* | Chairman | Non - Executive – Independent Director |
| 02 | Mrs. Jamuna | Member | Non - Executive – Independent Director |
| 03 | Mr. Shailesh Rajagopalan | Member | Non - Executive – Director |

* Mr. Hem Senthil Raj (DIN: 06760725) Independent Director of the Company, resigned from the Company due to disqualification pursuant to the provisions of Section 164 (2) (a) of the Companies Act, 2013 and vacated the office on January 20, 2020.

* Mr. Pillappan Amalanathan (DIN: 08730795) was appointed by the Board as an Additional Director on June 16, 2020 and designated as Independent Director to fill the casual vacany arised due to vacation of office by Mr. Hem Senthil Raj and reconstituted the audit committee as per Section 177 of the Companies Act, 2013.

## NOMINATION AND REMUNERATION COMMITTEE

### a) Brief description of terms of reference

The Nomination and Remuneration committee assist the Board in Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to the remuneration of the directors, key managerial personnel and other employees, formulation of criteria for evaluation of performance of independent directors and the board of directors, devising a policy on diversity of board of directors, identifying persons who are qualified to become and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors and their appointment and removal.

### b) Composition of the Nomination and Remuneration Committee

The composition of the Nomination and Remuneration Committee is in accordance with the provisions of Section 178 of the Companies Act, 2013 and the rules made thereunder. The Composition of Nomination and Remuneration Committee for the financial year ended March 31, 2020 was as follows:

| S.No | Name of the Members | Position | Category |
|---|---|---|---|
| 01 | Mr. Hem Senthil Raj* | Chairman | Non - Executive – Independent Director |
| 02 | Ms. Jamuna | Member | Non - Executive – Independent Director |
| 03 | Mr. Shailesh Rajagopalan | Member | Non - Executive – Director |

* Mr. Hem Senthil Raj (DIN: 06760725) Independent Director of the Company, resigned from the Company due to disqualification pursuant to the provisions of Section 164 (2) (a) of the Companies Act, 2013 and vacated the office on January 20, 2020.

* Mr. Pillappan Amalanathan (DIN: 08730795) was appointed by the Board as an Additional Director on June 16, 2020 and designated as Independent Director to fill the casual vacany arised due to vacation of office by Mr. Hem Senthil Raj and reconstituted the audit committee as per Section 177 of the Companies Act, 2013.

## STAKEHOLDER RELATIONSHIP COMMITTEE

a) The Stakeholder Relationship Committee shall assist the Board in resolving the grievances of security holders of the company.

### b) Composition of the Stakeholder Relationship Committee

The composition of the Stakeholder Relationship Committee is in accordance with the provisions of Section 178 of the Companies Act, 2013 and the rules made thereunder. The Board of Directors reconstituted the stakeholder relationship committee on June 16, 2020 as detailed below:

| S.No | Name of the Members | Position | Category |
|---|---|---|---|
| 01 | Mr. Pillappan Amalanathan | Chairman | Non - Executive – Independent Director |
| 02 | Mrs. Jamuna | Member | Non - Executive – Independent Director |
| 03 | Mr. Anil Jain | Member | Non - Executive – Director |

## AUDITORS

### STATUTORY AUDITORS

M/s. V K A N & Associates, Chartered Accountants, (Registration No. 014226S) had been appointed as Statutory Auditors of the Company as per Section 139 of the Companies Act, 2013 for a period of 5 years from the conclusion of the 25th Annual General Meeting till the conclusion of the 30th Annual General Meeting, by the members at the Annual General Meeting held on September 26, 2019.

The Board Comments on the Auditors Qualification on the Consolidated Financial Statements are detailed below:

| S.No | Auditor Qualification | Board Comments |
|---|---|---|
| 01 | With respect to two subsidiaries, Liabilities aggregating to Rs.1448.98/- Lakhs outstanding under borrowings, trade payables and other current liabilities do not have sufficient appropriate audit evidence to corroborate the management's assessment of such obligations. Hence, we are unable to determine whether any adjustments might be necessary to such amounts and the corresponding impact on results and net worth as disclosed in the Consolidated Financial Results. | The Management is currently carrying out necessary reconciliations of such liabilities with the corresponding underlying document/contracts and other relevant information. Suitable adjustments arising out of such reconciliation, if any, will be incorporated once such exercise is complete. |

### SECRETARIAL AUDITORS

In accordance with the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the Company has appointed Mr. A. Mohan Kumar, Practising Company Secretary, Chennai to undertake the Secretarial Audit of the Company. The Secretarial Audit report is annexed herewith as "Annexure 3".

The Board Comments on the Auditors Qualification are detailed below:

| S.No | Auditor Qualification | Board Comments |
|---|---|---|
| 01 | Mr. Hem Senthil Raj, Independent Director resigned on January 20, 2020. As a result, the number of Independent Director in the Company went below the minimum requirement on that date. The Company made the necessary efforts to find the suitable person to fill the casual vacancy caused by the resignation of Mr. Hem Senthil Raj and appointed Mr. Pillappan Amalanathan as Independent Director on June 16, 2020 which is after the stipulated time of three months, to fill the casual vacancy. | The Board was in search of qualified, experienced and competent person to be appointed as Independent Director of the Company. Hence, the appointment was made on June 16, 2020. |
| 02 | Nomination and Remuneration Committee had only two non-executive directors and the Audit committee had one Independent and one Non-Independent Director only from January 20, 2020 to June 15, 2020 due to the resignation of Mr. Hem Senthil Raj as Independent Director from the Company. The Committees were duly reconstituted comprising of the newly inducted Independent Director, Mr. Pillappan Amalanathan, on June 16, 2020. | The Board was in search of qualified, experienced and competent person to be appointed as Independent Director of the Company. Hence, the appointment was made on June 16, 2020. Accordingly, the Audit Committee and Nomination and Remuneration Committee are reconstituted. |

## SECRETARIAL COMPLIANCE REPORT

A Secretarial Compliance Report for the financial year ended 31st March, 2020 on compliance of all applicable SEBI Regulations and circulars/guidelines issued thereunder, was obtained from Mr. A. Mohan Kumar, Practising Company Secretary, Secretarial Auditors, and submitted to BSE Limited.

## INTERNAL AUDITOR

Internal Audit of the company is handled by M/s. R.Subramanian and Company LLP, an independent Chartered Accountant firm, for evaluating the adequacy of internal controls and concurrently reviews majority of the transactions in value terms.

## DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS

The auditors of the Company has stated that during the course of their audit, there were no fraud by the Company or on the Company by its officers or employees noticed or reported in Independent Audit Report which forms part of this Report. Hence, there is no requirement arises to report the same to Audit Committee or Board of Directors of the Company.

## INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company's internal control systems have been strengthened taking into account the nature of business and size of operations to provide for:

- Reliability and integrity of financial and operational information;
- Effectiveness and efficiency of operations and assets;
- Compliances with applicable statutes, policies, listing requirements and management policies and procedures.

The Company has appointed M/s. R.Subramanian and Company LLP, an independent Chartered Accountant firm,, as Internal Auditor of the Company to carry out the audit for the operations and functions of the company to bring out any deviations in the internal control procedures.

The Internal Audit report was placed before the Audit Committee for its reviews. The Audit Committee at its meetings regularly review the financial, operating, internal audit and compliance reports to improve performance.

## VIGIL MECHANISM/WHISTLE BLOWER POLICY

Pursuant to the provision of Section 177(9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 the Board of Directors had approved the Policy on Vigil Mechanism/Whistle Blower and the same was hosted on the website of the Company.

This Policy inter-alia provides a direct access to the Chairman of the Audit Committee.

Your Company hereby affirms that no Director/Employee has been denied access to the Chairman of the Audit Committee and that no complaints were received during the year.

## NOMINATION AND REMUNERATION POLICY

This policy formulates the criteria for determining qualifications, competencies, positive attributes and independence for the appointment of the Director (Executive/ non-executive) and also the criteria for determining the remunerations of the Directors, Key Managerial Personnel, Senior Management. Details of the policy are available on our website, at https://www.sunedisoninfra.com.

## DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORK PLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has been employing Women employees within the premises. The Company has in place an Anti- Harassment Policy in line with the requirements of the Sexual Harassment of Women at work place (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaint Committee has been setup to redress complaints received regularly. There was no complaint received from any Women employee during the financial year 2019-20 and hence no complaint is outstanding as on March 31, 2020 for redressal.

## PARTICULARS OF EMPLOYEES

Disclosure pertaining to the remuneration and other details as required under Section 197(12) of the Companies Act, 2013 and the Rules framed thereunder is given in Annexure-4 to the Board Report as well as under Rule5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

## SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

During the year under review, there are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

## DIRECTOR'S RESPONSIBILITY STATEMENT

The financial statements are prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and other applicable provisions of the Companies Act, 2013 and guidelines issued by the Securities and Exchange Board of India (SEBI). The Company has adopted the Ind AS standards and the adoption was carried out in accordance with applicable transition guidance. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

In accordance with the provisions of Section 134(3)(c) of the Companies Act, 2013 the Directors would like to state that:

(a) in the preparation of annual accounts for the financial year ended 31st March 2020, the applicable accounting standards have been followed;

(b) they had selected such accounting policies and applied them consistently and made judgements and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for the year under review;

(c) they had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(d) they had prepared the annual accounts for the financial year ended 31st March 2020, on a going concern basis;

(e) they had laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and were operating effectively and

(f) they had devised proper systems to ensure compliance with the provisions of all applicable laws and such systems were adequate and operating effectively.

## CORPORATE GOVERNANCE

Pursuant to Regulation 15(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Compliance with the Corporate Governance Provisions Specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V are not applicable to the Company during the year under review as the Paid-up Equity Share Capital and Net Worth of the Company as on March 31, 2020 does not exceed Rs. 10 Crore and Rs. 25 Crore respectively.

## PERFORMANCE EVALUATION OF THE BOARD, ITS COMMITTEES AND DIRECTORS

The Board has made a formal annual evaluation of its own performance, Committees of the Board, Independent Directors and Individual Directors of the Company.

The Board's performance, the Independent Directors as well as Individual Directors including the Chairman of the of the Board were evaluated based on the structured criteria such as the Board's functioning, the composition of the Board and the Committees, Board's Culture execution and performance of duties, obligations of independence, governance, ethics and values adhering to corporate governance norms, inter personal relationship, attendance and contribution at meetings etc, as laid down under the Nomination and Remuneration Policy and the Code of Conduct of the Board.

The Committees of the Board were evaluated individually based on the terms of reference specified by the Board to the said Committee. The Board of Directors were satisfied with the evaluation process which ensured that the performance of the Board, its Committees, Independent Directors and Individual Directors adhered to their applicable criteria.

## MEETING OF THE INDEPENDENT DIRECTORS

The Independent Director of your Company met once during the year without the presence of Non- Independent Director and the members of the Management. The Meeting was conducted in an informal and flexible manner to enable the Independent Directors to inter alia discuss matters pertaining to review of performance of Non- Independent Directors and the Board as a whole, review the performance of the Chairperson of the company after taking into account the view of the Executive and Non- Executive Directors assess the quality, quantity and timeliness of the flow of information between the Company Management and the Board that as necessitated the Board to effectively and reasonably perform their duties.

## FAMILIARIZATION PROGRAM FOR INDEPENDENT DIRECTOR

All New Independent Directors inducted into the Board attend an Orientation Program. The Familiarization Programme of the Company will provide information relating to the Company, renewable energy industry, business model of the Company, Operations of the Company, etc. The programme also intends to improve awareness of the Independent Directors on their roles, rights, responsibilities towards the Company. The format of the letter of appointment is available at:www.sunedisoninfra.com.

## DECLARATION FROM INDEPENDENT DIRECTORS ON ANNUAL BASIS

The Company has received necessary declaration from all the Independent Directors under Section 149(7) of the Companies Act, 2013. The Independent Directors of the Company meet the criteria of their Independence as laid down under Section 149(6) of the Companies Act, 2013.

## GREEN INITIATIVES

The 26th Annual Report of the Company and the Notice of the 26th Annual General Meeting are sent to all members whose email addresses are registered with the Company / depository participant(s).

## CONSERVATION OF ENERGY, TECHNOLOGY ABSORTION AND FOREIGN EXCHANGE OUTGO

**(A) Conservation of Energy & Technology Absorption**

During the year under review, the Company does not engage in manufacturing activity involving energy intensive processes. However, the Company has taken sufficient steps towards general energy saving techniques and conservation.

Given the Nature of Process employed the Company, there is no technology absorption involved.

**(B) Foreign Exchange Earnings and Outgo**

Foreign Exchange Earnings = NIL
Foreign Exchange Outgo = Rs.1,08,20,399/-.

## DISCLOSURE REQUIREMENTS

The Company complies with all applicable mandatory Secretarial Standards issued by the Institute of Company Secretaries of India.

## ACKNOWLEDGEMENTS

Your Directors gratefully acknowledge the excellent support and co-operation extended by all the stakeholders more particularly Bankers, Shareholders, Customers, Dealers, Regulatory and Govt. Authorities.

Your Directors also wish to place on record their appreciation of the contribution made by the members of the management team and the employees across all levels for the good work put in, during the year under review.

For and on behalf of the Board

| | |
|---|---|
| **Kalpesh Kumar** | **Anil Jain** |
| Managing Director | Director |
| DIN: 07966090 | DIN: 00181960 |

Place: Chennai
Date: December 07, 2020

## FORM AOC-1 (PART A)

| S.NO | Name of the Subsidiary | Reporting Currency and Exchange Rate as on the last date of the relevant Financial Year in the case of the foreign subsidiaries | Share Capital | Reserves & Surplus | Total Assets | Total Liabilities | Investments | Turnover | Profit/Loss before Taxation | Provision of Taxation | Profit(Loss) after Taxation | Proposed Dividend | % of Shareholding |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1 | ISHAAN SOLAR POWER PRIVATE LIMITED | | 1,850,000 | 130,014,268 | 372,937,031 | 241,072,763 | - | 264,950,714 | 11,113,236 | 2,301,594 | 8,811,642 | - | 100% |
| 2 | SEI TEJAS PRIVATE LIMITED | | 72,152,500 | -208,275,130 | 317,602,529 | 453,725,159 | - | 144,063,573 | -33,870,366 | - | -33,870,366 | - | 100% |
| 3 | SEI SOLARTECH PRIVATE LIMITED | | 200,000 | 14,103,264 | 31,902,765 | 17,599,501 | - | - | -79,721 | - | -79,721 | - | 100% |
| 4 | SILRES ENERGY SOLUTIONS PRIVATE LIMITED | | 1,000,000 | -4,638,254 | 6,529,932 | 10,168,186 | - | 701,400 | -4,638,254 | - | -4,638,254 | - | 100% |
| 5 | ENRECOVER ENERGY RECOVERY SOLUTIONS PRIVATE LIMITED | | 100,000 | -4,855,965 | 5,060,725 | 9,816,690 | - | 2,640,500 | -5,332,239 | 17,730 | -5,349,969 | - | 51% |
| 6 | MEGAMIC ELECTRONICS PRIVATE LIMITED | | 1,000,000 | -59,720 | 9,254,564 | 8,314,284 | - | 12,549,109 | -352,668 | -22,092 | -330,576 | - | 51% |
| 7 | SIL ROOFTOP SOLAR POWER PRIVATE LIMITED | | 100,000 | 1,292,726,320 | 1,779,755,353 | 486,929,033 | 1,461,668,450 | 7,000,000 | -7,869,156 | - | -7,869,156 | - | 100% |

The reporting period for the subsidiaries are the same as that of the holding company i.e. March, 2020.

### Part B: Associates and Joint Ventures

Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures are not applicable. Since, the Company do not have ant Associates/ Joint Venture- NIL

For and on behalf of the Board

Place: Chennai
Date: December 07, 2020

**Kalpesh Kumar**
Managing Director
DIN:07966090

**Anil Jain**
Director
DIN:00181960

# ANNEXURE-2
# FORM NO.MGT-9

## EXTRACT OF ANNUAL RETURN AS ON THE FINANCIALYEAR ENDED ON 31/03/2020

**[Pursuanttosection92(3)oftheCompaniesAct,2013 andrule12(1)ofthe Companies(ManagementandAdministration)Rules, 2014]**

## I. REGISTRATION AND OTHER DETAILS:

| | | |
|---|---|---|
| i. | CIN | L40100TN1994PLC028263 |
| ii. | Registration Date | 04/08/1994 |
| iii. | Name of the Company | SUNEDISON INFRASTRUCTURE LIMITED |
| iv. | Category/Sub-Category of the Company | Company limited by shares / Indian Non-Government Company |
| v. | Address of the Registered office and contact details | 11TH FLOOR, BASCON FUTURA, NEW NO: 10/2 OLD NO: 56L, VENKATANARAYANA ROAD, T NAGAR, CHENNAI- 600017 |
| vi. | Whether listed company | Yes |
| vii. | Name, Address and Contact details of Registrar and TransferAgent,ifany | GNSA INFOTECH PVT LTD NELSON CHAMBERS, F-BLOCK, 4TH FLOOR, 115, NELSON MANICKAM ROAD, AMINTHAKARAI, CHENNAI – 600029. |

## II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turn over of the company shall be stated:-

| Sr. No. | Name and Description of main products / services | NIC Code of the Product/ service | % to total turnover of the company |
|---|---|---|---|
| 1 | Electric Power Generation using Solar Energy | 35105 | 74.37% |
| 2 | General EPC | 42202 | 24.86% |

## III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

| Sr. No. | Name and Description of main products / services | CIN/GLN | Holding/ Subsidiary / Associate | %of shares held | Applicable Section |
|---|---|---|---|---|---|
| 1. | Sei Tejas Private Limited | U40101TN2013FTC094224 | Wholly Owned Subsidiary | 100% | 2 (87) |
| 2. | Ishaan Solar Power Private Limited | U40106TN2010PTC136715 | Wholly Owned Subsidiary | 100% | 2 (87) |
| 3. | Sei Solartech Private Limited | U40108TN2010PTC076481 | Wholly Owned Subsidiary | 100% | 2 (87) |
| 4. | SIL Rooftop Solar Power Private Limited | U40108TN2019PTC132319 | Wholly Owned Subsidiary | 100% | 2 (87) |
| 5. | SILRES Energy Solutions Private Limited | U40106TN2019PTC131888 | Wholly Owned Subsidiary | 100% | 2 (87) |
| 6. | Megamic Electronics Private Limited | U74900KA2015PTC083384 | Subsidiary Company | 51% | 2 (87) |
| 7. | Enrecover Energy Recovery Solutions Private Limited | U74999PN2017PTC170709 | Subsidiary Company | 51% | 2 (87) |

## IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

### *i. Category-wiseShareHolding*

| Category of Shareholders | No. of Shares held at the beginning of the year | | | | No. of Shares held at the end of the year | | | | % Change during the year |
|---|---|---|---|---|---|---|---|---|---|
| | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total | % of Total Shares | |
| **A. Promoter** | | | | | | | | | |
| ***1) Indian*** | | | | | | | | | |
| a) Individual/ HUF | 1331565 | 0 | 1331565 | 29.66 | 0 | 0 | 0 | 0 | 0 |
| b) Central Govt | | | | | | | | | |
| c) State Govt(s) | | | | | | | | | |
| d) Bodies Corp | 2035860 | 0 | 2035860 | 45.34 | 3899236 | 0 | 3899236 | 86.84 | 11.84 |
| e) Banks / FI | | | | | | | | | |
| f) Any Other | | | | | | | | | |
| **Sub-total(A)(1):-** | **3367425** | **0** | **3367425** | **75.00** | **3899236** | **0** | **3899236** | **86.84** | **11.84** |
| ***2) Foreign*** | | | | | | | | | |
| g) NRIs-Individuals | | | | | | | | | |
| h) Other-Individuals | | | | | | | | | |
| i) Bodies Corp. | | | | | | | | | |
| j) Banks / FI | | | | | | | | | |
| k) Any Other…. | | | | | | | | | |
| **Sub-total(A)(2):-** | **0** | **0** | **0** | **0.00** | **0** | **0** | **0** | **0.00** | **0.00** |
| **Total Promoter Shareholding (A)=(A)(1)+ (A)(2)** | **3367425** | **0** | **3367425** | **75.00** | **3899236** | **0** | **3899236** | **86.84** | **11.84** |
| **B. Public Shareholding** | | | | | | | | | |
| **1. Institutions** | | | | | | | | | |
| a) Mutual Funds | | | | | | | | | |
| b) Banks / FI | | | | | | | | | |
| c) Central Govt | | | | | | | | | |
| d) State Govt(s) | | | | | | | | | |
| e) Venture Capital Funds | | | | | | | | | |
| f) Insurance Companies | | | | | | | | | |
| g) FIIs | | | | | | | | | |
| h) Foreign Venture Capital Funds | | | | | | | | | |
| i) Others (specify) | | | | | | | | | |
| **Sub-total (B)(1)** | **0** | **0** | **0** | **0.00** | **0** | **0** | **0** | **0.00** | **0.00** |
| **2. Non Institutions** | | | | | | | | | |
| a) Bodies Corp. | | | | | | | | | |
| (i) Indian | 2084 | 18900 | 20984 | 0.47 | 217 | 18900 | 19117 | 0.43 | -0.04 |
| (ii)Overseas | | | | | | | | | |

| Category of Shareholders | No. of Shares held at the beginning of the year | | | | No. of Shares held at the end of the year | | | | % Change during the year |
|---|---|---|---|---|---|---|---|---|---|
| | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total | % of Total Shares | |
| b) Individuals | | | | | | | | | |
| (i) Individual shareholders holding nominal share capital up to Rs. 1 lakh | 91581 | 315210 | 406791 | 9.06 | 73200 | 20300 | 93500 | 2.08 | -6.98 |
| (ii)Individual shareholders holding nominal share capital in excess of Rs 1 lakh | 596000 | 98700 | 694700 | 15.47 | 108237 | 369810 | 478047 | 10.65 | -4.82 |
| c) Others(Specify) | | | | | | | | | |
| **Sub-total(B)(2)** | **689665** | **432810** | **1122475** | **25.00** | **181654** | **409010** | **590664** | **13.16** | **-11.84** |
| Total Public Shareholding (B)=(B)(1)+ (B)(2) | 689665 | 432810 | 1122475 | 25.00 | 181654 | 409010 | 590664 | 13.16 | -11.84 |
| C. Shares held by Custodian for GDRs & ADRs | | | | | | | | | |
| **Grand Total (A+B+C)** | **4057090** | **432810** | **4489900** | **100.00** | **4080890** | **409010** | **4489900** | **100.00** | **0.00** |

### *ii. ShareholdingofPromoters*

| Sr. No | Shareholder's Name | Shareholding at the beginning of the year | | | Shareholding at the end of the year | | | % change in shares holding during the year |
|---|---|---|---|---|---|---|---|---|
| | | No. of Shares | % of total Shares of the company | %of Shares Pledged / encumbered to total shares | No. of Shares | % of total Shares of the company | %of Shares Pledged / encumbered to total shares | |
| 1. | AVYAN RENEWABLE SOLAR PRIVATE LIMITED | 0 | 0 | 0 | 1923680 | 42.84 | 0 | 42.84 |
| 2. | SHERISHA TECHNOLOGIES PVT. LTD | 2035860 | 45.34 | 0 | 1975556 | 44 | 0 | -1.34 |
| 3. | T.ANIL JAIN | 882575 | 19.66 | 0 | 0 | 0 | 0 | -19.66 |
| 4 | DIMPLE JAIN | 224495 | 5 | 0 | 0 | 0 | 0 | -5 |
| 5 | UGAMDEVI JAIN | 224495 | 5 | 0 | 0 | 0 | 0 | -5 |
| | **Total** | **3367425** | **75** | **0** | **3899236** | **86.84** | **0** | **11.84** |

## iii. Change in Promoters'Shareholding

| Sr. No. | Changes in Promoters Holdings, date & reason of change | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|---|---|---|---|---|---|
| | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| 1 | AVYAN RENEWABLE SOLAR PRIVATE LIMITED<br>At the beginning of the year<br>Market Purchase 18/10/19<br>Market Purchase 08/11/19<br>At the End of the year | <br>0<br><br><br>0 | <br>0<br><br><br>0 | <br><br>531811<br>1391869<br>1923680 | <br><br>11.84<br>31.00<br>42.84 |
| 2 | SHERISHA TECHNOLOGIES PVT. LTD<br>At the beginning of the year<br>Market Sold 08/11/19<br>At the End of the year | <br>2035860<br>0 | <br>45.34<br>0 | <br>0<br>60304<br>1975556 | <br>0.00<br>1.34<br>44.00 |
| 3 | T.ANIL JAIN<br>At the beginning of the year<br>Market Sold 01/11/19<br>At the End of the year | <br>882575<br>0 | <br>19.66<br>0 | <br>0<br>882575<br>0 | <br>0.00<br>19.66<br>0.00 |

| Sr. No. | Changes in Promoters Holdings, date & reason of change | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|---|---|---|---|---|---|
| | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| 4 | DIMPLE JAIN<br>At the beginning of the year<br>Market Sold 01/11/19<br>At the End of the year | 224495<br>0 | 5.00<br>0 | 0<br>224495<br>0 | 0.00<br>5.00<br>0.00 |
| 5 | UGAMDEVI JAIN<br>At the beginning of the year<br>Market Sold 01/11/19<br>At the End of the year | 224495<br>0 | 5.00<br>0 | 0<br>224495<br>0 | 0.00<br>5.00<br>0.00 |

## INDEBTEDNESS

Indebtedness of the Company including interest outstanding / accrued but not due for payment

| | Secured Loans excluding deposits | Unsecured Loans | Deposits | Total Indebtedness |
|---|---|---|---|---|
| Indebtedness at the beginning of the financial year | | | | |
| i) Principal Amount | | | | |
| ii) Interest due but not paid | - | 11,27,20,772 | - | 11,27,20,772 |
| iii) Interest accrued but not | - | 5,78,581 | - | 5,78,581 |
| **Total(i+ii+iii)** | **-** | **11,32,99,353** | **-** | **11,32,99,353** |
| Change in Indebtedness during the financial year | | | | |
| Addition | 55,93,210 | 11,28,14,000 | - | 11,84,07,210 |
| Reduction | 75,572 | 1,74,10,195 | - | 1,74,85,767 |
| **Net Change** | **55,17,638** | **9,54,03,805** | **-** | **10,09,21,443** |
| Indebtedness at the end of the financial year | | | | |
| i) Principal Amount | | | | |
| ii) Interest due but notpaid iii) Interest accrued but not due | 55,17,638 | 20,81,24,577<br>1,98,84,119 | -<br>- | 21,36,42,215<br>1,98,84,119 |
| **Total (i+ii+iii)** | **55,17,638** | **22,80,08,696** | **-** | **23,35,26,334** |

## REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and / or Manager

Mr. Kalpesh Kumar – Managing Director

| Sl. No. | Particulars of Remuneration | Name of MD/WTD/ Manager | Total Amount |
|---|---|---|---|
| 1. | Grosssalary<br>(a) Salary as per provisions contained insection 17(1) of the Income-taxAct, 1961<br>(b) Value of perquisitesu/s 17(2) Income-taxAct, 1961<br>(c) Profits in lieu of salary under section 17(3) Income- tax Act,1961 | 8,69,400 | 8,69,400 |
| 2. | StockOption | | |
| 3. | SweatEquity | | |
| 4. | Commission<br>- as% of profit<br>- others, specify… | | |
| 5. | Others, pleasespecify | | |
| **6.** | **Total (A)** | **8,69,400** | **8,69,400** |
| | Ceiling as per the Act | | |

## B. Remuneration to other directors:

| Sl. No. | Particulars of Remuneration | Name of MD / WTD / Manager | | Total Amount |
|---|---|---|---|---|
| | IndependentDirectors | Hem Senthil Raj | Jamuna | |
| | • Fee for attending board committee meetings<br>• Commission<br>• Others, please specify | 40,000 | 40,000 | 80,000 |
| | **Total (1)** | **40,000** | **40,000** | **80,000** |
| | Other Non-Executive Directors<br>• Fee for attending board committee meetings<br>• Commission<br>• Others, please specify | | | |
| | **Total(2)** | **-** | **-** | **-** |
| | **Total(B)=(1+2)** | **40,000** | **40,000** | **80,000** |
| | Total Managerial Remuneration<br>Overall Ceiling as per the Act | | | |

## C. Remuneration to Key Managerial Personnel Other Than MD / Manager / WTD

| Sl. No. | Particulars of Remuneration | Key Managerial Personnel | | | Total Amount |
|---|---|---|---|---|---|
| | | CEO | Suresh Babu R V Company Secretary | Ruchi Maheshwari CFO | |
| 1. | Grosssalary<br>(a) Salary as per provisions contained in section17(1) of theIncome-tax Act,1961<br>(b) Value of perquisitesu/s 17(2)Income-tax Act,1961<br>(c) Profitsinlieuof salaryundersection 17(3)Income-tax Act,1961 | - | 6,26,897 | 36,83,256 | 43,10,153 |
| 2. | Stock Option<br>Sweat Equity<br>Commission<br>- as % of profit<br>- others, specify…<br>Others, please specify | | | | |
| | **Total** | | **6,26,897** | **36,83,256** | **43,10,153** |

## V. PENALTIES/PUNISHMENT/COMPOUNDINGOFOFFENCES: N.A

| Type | Section of the companies Act | Brief description | Details of Penalty / Punishment / Compounding fees imposed | Authority [RD / NCLT / Court] | Appeal made. If any (give details) |
|---|---|---|---|---|---|
| **A. Company**<br>Penalty<br>Punishment<br>Compounding | | | | | |
| **B. Directors**<br>Penalty<br>Punishment<br>Compounding | | | | | |
| **C. Other Officers In Default**<br>Penalty<br>Punishment<br>Compounding | | | | | |

For and on behalf of the Board

Place: Chennai
Date: December 07, 2020

**Kalpesh Kumar**
Managing Director
DIN:07966090

**Anil Jain**
Director
DIN:00181960

## FORM NO. MR-3

# SECRETARIAL AUDIT REPORT

## FOR THE FINANCIAL YEAR ENDED MARCH 31, 2020

**[PURSUANT TO SECTION 204 (1) OF THE COMPANIES ACT, 2013 AND RULE NO.9 OF THE COMPANIES (APPOINTMENT AND REMUNERATION PERSONNEL) RULES, 2014]**

To,
The Members,
M/s. SunEdison Infrastructure Limited.
(Formerly known as YKM Industries Limited)

I have conducted the Secretarial Audit of the Compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. SunEdison Infrastructure Limited (hereinafter called "the Company") bearing Corporate Identification Number L40100TN1994PLC028263. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of M/s. SunEdison Infrastructure Limited's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2020, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2020 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(iii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iv) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI ACT'):-

a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; The Company did not issue any security during the financial year under review and hence not applicable;

d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;

e) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996 and The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;

f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; During the financial year under review the Company has not issued any debt securities and hence not applicable;

g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; Not applicable during the financial year under review as the Company has not delisted its equity shares from any stock exchange;

i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 and The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; The Company has not bought back any of its securities during the financial year under review and hence not applicable; and

j) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015.

I have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

(ii) The Listing Agreements entered into by the Company with BSE Limited (BSE).

I further report that the applicable financial laws, such as Direct and Indirect Tax Laws, have not been reviewed under my audit as the same falls under the review of statutory auditor and by other designated professionals.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned as above to the extent, except:

1. Constitution of Board of Directors under Rule 4 of the Companies (Appointment and Qualification of Directors) Rules.

   Further to the resignation of Mr. Hem Senthil Raj, Independent Director on 20-01-2020, the number of Independent Director in the Company went below the minimum requirement on that date. The Company made the necessary efforts to find the suitable person to fill the casual

vacancy caused by the resignation of Mr. Hem Senthil Raj and appointed Mr. Pillappan Amalanathan as Independent Director on 16-06-2020 which is after the stipulated time of three months, to fill the casual vacancy.

2. Constitution of Nomination and Remuneration Committee as per Section 178 and Audit Committee as per Section 177 of the Companies Act, 2013.

   Nomination and Remuneration Committee had only two non-executive directors and the Audit committee had one Independent and one Non-Independent Director only from 20-01-2020 to 15-06-2020 due to the resignation of Mr. Hem Senthil Raj as Independent Director from the Company. The Committees were duly reconstituted comprising of the newly inducted Independent Director, Mr. Pillappan Amalanathan, on 16-06-2020.

I further report that:

a) The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

b) Adequate Notice is given to all Directors to Schedule the Board Meetings, agenda and detailed notes on agenda were sent in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

c) Majority decision is carried through where there were no dissenting members.

I further report that there are adequate systems and process in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable Laws, rules, regulations and guidelines.

I further report that during the audit period, the following major transactions were identified:-

1. The Avyan Renewable Solar Private Limited ("Acquirer") have made an open offer for acquiring 11,22,475 (Eleven Lakh Twenty Two Thousand Four Hundred and Seventy Five only) fully paid-up equity shares of face value of Rs. 10 (Indian Rupees Ten only) each representing 26% (Twenty Six Per Cent) of the Voting Share Capital on 26th July 2019. Date of opening the offer was 19th September 2019 and Date of closing the offer was 3rd October 2019. The actual equity shares acquired from the public shareholders by way of open offer was 5,31,811 and 13,91,869 equity shares acquired from the promoters of SunEdison Infrastructure Limited pursuant to an addendum share purchase agreement dated: October 07, 2019

2. The Material details of Offer are as under:

   a) This Offer is a mandatory open offer pursuant to the execution of Share Purchase Agreements to acquire in excess of 25% of the equity share capital of the Target Company and control over the Target Company.

   b) Selling Promoters – Mr. Anil Jain, Mrs. Dimple Jain, Mrs. Ugam Devi Jainand M/s. Sherisha Technologies Private Limited.

   c) Consideration – Rs.13 (Indian Rupees only) per Equity Share.

d) Manager to the Offer – M/s. Keynote Financial Services Limited.

3. Ms. Ruchi Ashish Maheshwari was appointed as Chief Financial Officer of the Company with effect from 05-04-2019.
4. Board of Directors of the Company gave their approval to shift the Registered office of the Company to 11th Floor, Bascon Futura,New No: 10/2, Old No: 56L, Venkatanarayana Road, T Nagar, Chennai – 600017 on 05-04-2019.
5. Mr. Sadasivam Deivanayagam resigned as Company Secretary of the Company on 30-05-2019. Mr. R.V.Suresh Babu was appointed as Company Secretary with effect from 01-06-2019.
6. The Company has obtained the approval of Board of Directors for acquisition of Megamic Electronics Private Limited and Enrecover Energy Recovery Solutions Private Limited in their meeting held on 05-07-2019.
7. The Company has obtained the approval of Board of Directors to have the corporate office of the Company at 2nd Floor, Centre point, Opposite Parel Post office, Jijibhai Lane, Lalbaug, Mumbai – 400012 on 05-07-2019.
8. Board of Directors gave their approval to appoint M/s. VKAN & Associates as Statutory Auditors of the Company on 12-08-2019 to fill the casual vacancy caused by the resignation of M/s. M. Krishnakumar & Associates with effect from 07-08-2019.
9. M/s. R. Subramanian and Company LLP was appointed as Internal Auditor of the Company for the FY 2019-2020.
10. Board of Directors gave their approval to promote M/s. SILRES Energy Solutions Private Limited on 30-09-2019.
11. Board of Directors gave their approval to promote M/s. SIL Rooftop Solar Power Private Limited on 21-10-2019.
12. The Company has obtained the approval of Board of Directors for "SunEdison Infrastructure Limited – Employees Stock Option Scheme 2019 (SunEdison ESOS 2019/Scheme) to the employees of the Company on 20-12-2019.
13. The Company has obtained the approval of Board of Directors for "SunEdison Infrastructure Limited – Employees Stock Option Scheme 2019 (SunEdison ESOS 2019/Scheme) to the employees of the Company's Subsidiary or the Holding Company on 20-12-2019.
14. The Company obtained the approval of Board of Directors to amend the Objects Clause of MOA of the Company on 20-12-2019.
15. Change in composition of Board of Directors during the Financial Year is given in "Annexure B".
16. Constitution of Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee as on the date of this report is given in "Annexure C".

For **Mohan Kumar & Associates**

Place: Chennai
Date: 27-10-2020

**A. Mohan Kumar**
Practicing Company Secretary
Membership Number: FCS 4347
Certificate of Practice Number: 19145
UDIN: F004347B001076792

# ANNEXURE A

To,
The Members,
M/s. SunEdison Infrastructure Limited.

My report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.

2. I have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. I believe that the process and practices, I have followed provide a reasonable basis for my opinion.

3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4. Wherever required, I have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.

5. The Compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedure on test basis.

6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **Mohan Kumar & Associates**

Place: Chennai
Date: 27-10-2020

**A. Mohan Kumar**
Practicing Company Secretary
Membership Number: FCS 4347
Certificate of Practice Number: 19145
UDIN: F004347B001076792

# ANNEXURE B

## Change in Composition of Board of Directors:

| S.NO | NAME | DESIGNATION | DATE OF APPOINTMENT | DATE OF APPOINTMENT AT CURRENT DESIGNATION | DATE OF CESSATION |
|---|---|---|---|---|---|
| 1. | Mr. Hem Senthil Raj | Independent Director | 26-07-2018 | 28-09-2018 | 20-01-2020 |
| 2. | Ms. Jamuna | Independent Director | 26-07-2018 | 28-09-2018 | - |
| 3. | Mr. Kalpesh Kumar | Managing Director | 26-07-2018 | 28-09-2018 | - |
| 4. | Mr. Shailesh Rajagopalan | Director | 26-07-2018 | 28-09-2018 | - |
| 5. | Mr. Anil Jain | Additional Director | 11-02-2019 | 26-09-2019 | - |
| 6. | Mr. Pillappan Amalanathan | Independent Director | 16-06-2020 | 16-06-2020 | - |

# ANNEXURE C

## 1. Reconstitution of Audit Committee:

| S.NO | NAME | DESIGNATION | POSITION HELD IN THE COMMITTEE |
|---|---|---|---|
| 1. | Mr. Pillappan Amalanathan | Independent Director | Chairman |
| 2. | Ms. Jamuna | Independent Director | Member |
| 3. | Mr. Shailesh Rajagopalan | Non-Executive Director | Member |

## 2. Reconstitution of Nomination and Remuneration Committee:

| S.NO | NAME | DESIGNATION | POSITION HELD IN THE COMMITTEE |
|---|---|---|---|
| 1. | Mr. Pillappan Amalanathan | Independent Director | Chairman |
| 2. | Ms. Jamuna | Independent Director | Member |
| 3. | Mr. Shailesh Rajagopalan | Non-Executive Director | Member |

## 3. Reconstitution of Stakeholders Relationship Committee:

| S.NO | NAME | DESIGNATION | POSITION HELD IN THE COMMITTEE |
|---|---|---|---|
| 1. | Mr. Pillappan Amalanathan | Independent Director | Chairman |
| 2. | Ms. Jamuna | Independent Director | Member |
| 3. | Mr. Anil Jain | Non-Executive Director | Member |

# ANNEXURE 4

**Details pursuant to the provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**

| | | |
|---|---|---|
| (i) | Ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year | 1.84:1 |
| (ii) | Percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive officer, Company Secretary or Manager, if any, in the financial year | No increase |
| (iii) | Percentage increase in the median remuneration of employees in the financial year | NIL due to Covid |
| (iv) | Number of permanent employees on the rolls of company | 167 |
| (v) | Average pecentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentileincrease in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration | NIL |
| (vi) | Affirmation that the remuneration is as per the remuneration policy of the company | The compnay has the performance appriosal policy and increase of remeration decided based on proparetd apprisal of the company and employees. |

**Note:**

**During the F.Y. 2019-20 None of the Employee have drawn Remuneration pursuant to Rule 5 Sub rule (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**

For and on behalf of the Board

**Kalpesh Kumar**
Managing Director
DIN:07966090

**Anil Jain**
Director
DIN:00181960

Place: Chennai
Date: December 07, 2020

# CERTIFICATE BY MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER

We Kalpesh Kumar, Managing Director and Ruchi Ashish Maheshwari, Chief Financial Officer of SunEdison Infrastructure Limited, Certify that:

1. We have reviewed the financial Statements and the cash flow statements for the year and that to the best of our knowledge and belief:

   a) These Statements do not contain any materially untrue statement or omit any material fact or contain statements that migh be misleading;

   b) These statements together present a true and fiar view of the listed entity's affairs and are incompliance with existing accounting standards, applicable laws and regulations.

2. There are, to the best of our knowledge and belief, no transactions entered into by the listed entity during the year ended March 31, 2020 which are fraudulent, illegal or violative of the listed entity's code of conduct.

3. We accept responsibility for establishing and maintaining internal controls for financial report and that we have evaluated the effectiveness of internal control systems of the listed entity pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps they have taken or propose to take to rectify these deficiencies.

4. We have indicated to the auditors and the audit committee:

   a) significant changes in internal control over financial reporting during the year ended March 31, 2020, if any:

   b) significant changes in accounting policies during the year ended March 31, 2020 and that the same have been disclosed in the notes to the financial statements, if any; and

   c) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the listed entity's internal control system over financial reporting. However, during the year there was no such instance.

For SunEdison Infrastructure Limited

**Kalpesh Kumar**
Managing Director
DIN:07966090

**Ruchi Anish Maheshwari**
Chief Financial Officer

Place: Chennai
Date: October 12, 2020

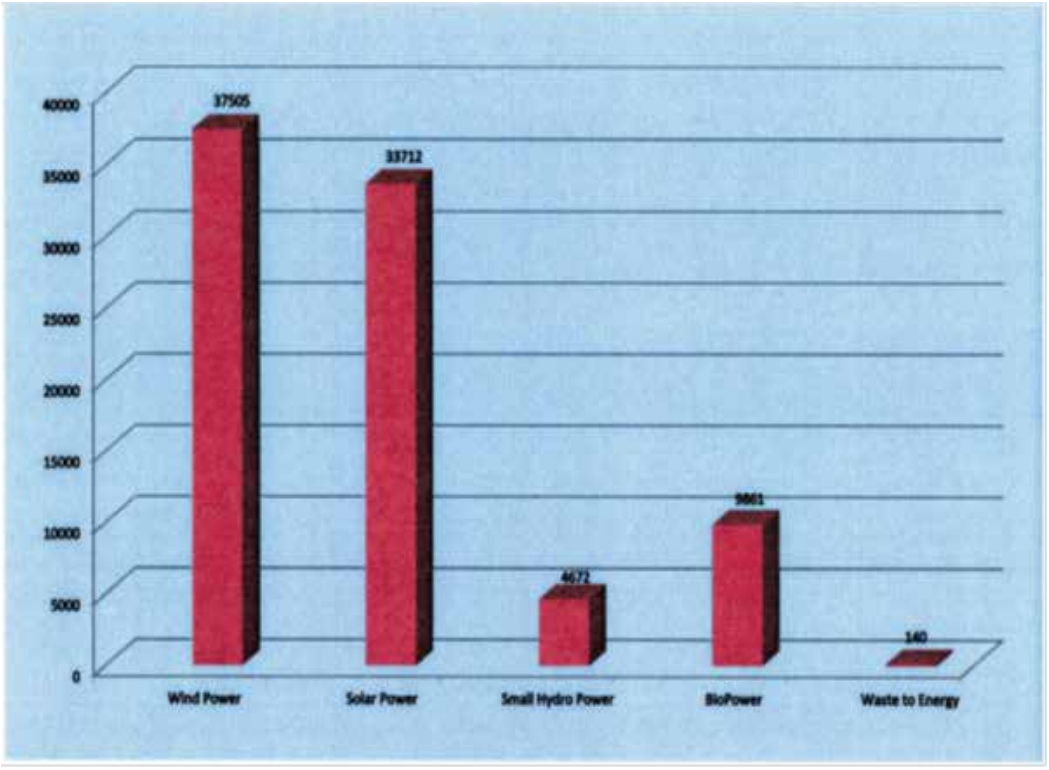
# MANAGEMENT DISCUSSION AND ANALYSIS

## INDUSTRY STRUCTURE AND DEVELOPMENTS

The role of renewable energy in the energy and electricity mix becomes primary due to devasting impact of climate change largely caused by anthropocentric developmental activities, across the globe. The developing countries and developed countries have started to rapidly increase the percentage of renewable energy in the overall energy mix of their economies. Renewable Energy has become one of the most important factors and hope for the world to preserve the pristine environment and the planet's resources for future generations. India has been leading the world on this front showing the developing nations of the world a way forward for socio-economic growth without degradation of the environment.

Indian renewable energy sector is the fourth most attractive renewable energy market in the world. India is ranked fourth in wind power, fifth in solar power and fifth in renewable power installed capacity as of 2018.Installed renewable power generation capacity has gained pace over the past few years. With the increased support of Government and improved economics, the sector has become attractive from investors perspective.

## SECTOR WISE RENEWABLE ENERGY CUMULATIVE ACHIEVEMENTS (MW AS ON 31.12.2019)



### Achievement in Grid Connected Renewable Power

| Sector | Achievement (April- Dec 2019) | Cumulative Achievements (on 31.12.2019) |
|---|---|---|
| Wind Power | 1879.21 | 1879.21 |
| Solar Power - Ground Mounted | 5013.00 | 31379.30 |
| Solar Power - Roof Top | 536.88 | 2333.23 |
| Small Hydro Power | 78.40 | 4671.55 |
| Bio Power (Biomass & Gasification and Bagasse Cogeneration) | 83.00 | 9861.31 |
| Waste to Power | 1.50 | 139.80 |
| **Total** | **7591.99** | **85908.37** |

As India looks to meet its energy demand on its own, which is expected to reach 15,820 TWh by 2040, renewable energy is set to play an important role. The government is aiming to achieve 225 GW of renewable energy capacity (including 114 GW of solar capacity addition and 67 GW of wind power capacity) by 2022, more than its 175 GW target as per the Paris Agreement. The government plans to establish renewable energy capacity of 500 GW by 2030.

## OPPORTUNITIES AND THREATS

A range of policy instruments has been adopted to implement this National Solar Mission (NSM). The revised tariff policy requires all States to reach eight percent solar RPO by the year 2022. The first phase of the mission opted for a reverse bidding mechanism; reverse bids (discounts) on benchmark tariffs set by the Central Electricity Regulatory Commission (CERC) were invited from prospective project developers. Solar water heaters and rooftop systems have been promoted in certain government, commercial and residential areas through regulatory intervention such as mandates under building by-laws and its incorporation in the National Building Code. Off-grid and rooftop solar applications have been promoted through the provision of subsidies from the central government. Research and development is also being encouraged through approvals of R&D projects and the establishment of Centres of Excellence by the Ministry. These measures led to a decline in the purchase prices of solar power in India much more than expectations.

Several policy measures were undertaken in the last five years including guidelines for procurement of solar and wind power through tariff-based competitive bidding process, repowering of wind power projects, quality standards for deployment of Solar Photovoltaic systems and devices, provision of rooftop solar and 10 percent renewable energy as mandatory under Mission Statement and Guidelines for development of smart cities, amendments in building bye-laws for mandatory provision of rooftop solar for new construction or higher Floor Area Ratio, infrastructure status for solar projects, raising taxfree solar bonds, providing long tenor loans, incorporating measures in Integrated Power Development Scheme (IPDS) for encouraging distribution companies and introducing net-metering.

The Centre is aware of the technological edge that India can provide in the key RE sector and has provided the necessary impetus for investments and incentivizing new technology. The availability of funds at the competitive price for further growth of the sector is another important challenge. This issue has been addressed by making fresh project finance available at competitive rates for all new projects, especially for SMEs.

As the country is racing towards achieving the target of 175 GW of RE installed capacity, new challenges are emerging in the form of huge capital requirements, protection of foreign capital investments in RE projects from payment delays, providing adequate ISTS transmission &

distribution infrastructure and developing suitable land resources. Ministry handled these issues with effective policy interventions and consultations with States. During the year, few of the major focus areas of action was to address barriers confronting large-scale adoption of renewable power, including available land, low-cost finance, domestic manufacturing capacity, and skilled manpower. Major areas of action remained to strengthen the planned infrastructure, protocols and power grid infrastructure.

To address the specific emergent issues, on 4 December 2019, Ministry of Power (MoP) was requested to amend the 13 February 2018 order: for ISTS waiver for sale of power from Government producers; to extend ISTS wavier for projects set up beyond RPO; waiver for hybrid power projects consisting of wind and solar with or without battery storage; wavier of ISTS charges and loses for projects set up under UMREPP under EPC mode; and waiver for solar projects set up under manufacturing linked solar PV projects.

The Ministry continued to make concerted efforts for ensuring Renewable Purchase Obligation (RPO) compliance. State Electricity Regulatory Commissions (SERCs) were requested for ensuring RPO compliance and enforcing penal provisions against defaulting Obligated Entities. Ministry has also requested for APTEL's intervention to direct defaulting SERCs to ensure RPO compliance through timely monitoring and invoking penal provisions for non-compliance; aligning RPO trajectory notified by the Ministry of Power (MoP) up to the year 2021-22, and not to permit carry forward or waiver of RPO. So far, Arunachal Pradesh, Delhi, Karnataka, and Sikkim have aligned with MoP trajectory and Chhattisgarh, Himachal Pradesh, Madhya Pradesh, Odisha, and Tamil Nadu have drafted notification as per MoP trajectory.

## SEGMENT–WISE OR PRODUCT-WISE PERFORMANCE

The consolidated revenue in Rural segment has increased by 15% in FY20 from Rs 46 Cr to Rs 53 Cr. Segment results in this segment has got increased from Rs 4 Cr in FY19 to Rs 5 Cr in FY20.

The segment C&I (commercial and industrial) is newly added and reported a revenue of Rs 8 Cr.

## OUTLOOK

India had realised the importance of the sun and other sources of renewable energy and the power they possess for the benefit of its inhabitants. This fact is not hidden from anyone that India is the world's fourth-largest carbon emitter with its population of 1.3 billion people with power sector contributing majorly to the same. But in the recent years, India has made significant strides in the renewable energy space. The Climate Change concern across the Globe has further propelled the Government and Decision Makers to develop a detailed blue print for clean and sustainable power for all.

And this seems quite an uphill task as the renewable energy development in India is still in its nascent stage. As per the Ministry of Power, Govt. of India, India's energy mix is evolving slowly with fossil fuels meeting 82% of demand; Coal remaining the dominant fuel with a 57.9% share of total production in 2018. However, there is also a silver lining behind the dark cloud, with the share of coal in the energy mix projected to fall to 50% by 2040, while the share of renewables rises significantly. Renewables will overtake gas and then oil by 2020 as the second largest source of energy production.

As per the International Energy Agency's (IEA) Renewables Report, Solar and Wind represent 90% of the country's capacity growth, which is the result of auctions for contracts to develop

power-generation capacity that have yielded some of the world's lowest prices for both technologies. The country, which presently has low conventional energy resources in comparison to the energy needs of the huge population and the swiftly growing economy, can foster the enormous potential of solar energy. Under the leadership of Prime Minister Narendra Modi India is committed towards the development of renewable energy infrastructure. The 175 GW target for 2022 and the formation of ISA led by India and France is another example of the same. Apart from solar, the country is also exploring hydro power potential in the north-eastern states which are an abode to the hydro power opportunities.

Besides the above, change in the energy mix will also ride upon innovative technologies, growing energy demand, strong wind and solar resources, policy support, and growing investments et al and will ensure smart, reliable, clean and affordable energy to over a billion people with an energy consumption growth of 4.2% p.a., faster than all major economies in the world, overtaking China as the largest growth market for renewable energy by the late 2020s.

The future looks bright as nearly 293 global and domestic companies have committed to generate 266 GW of solar, wind, mini hydel and biomass-based power in India over the next decade. The initiative would entail an investment of $310 billion-$350 billion. For instance, the International Finance Corporation, the investment arm of the World Bank Group, is planning to invest about $6 billion by 2022 in several sustainable and renewable energy programmes in India.

## INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company is committed to ensuring an effective Internal Control System and Internal Control Environment that will help in preventing and detecting errors, irregularities and frauds, thus ensuring security of Company's assets and efficiency of operations. The Company has an internal control system and mechanism which is commensurate with the size and complexity of business and aligned with evolving business needs. The Company has laid down Internal Financial Controls as detailed in the Companies Act, 2013 and has covered major processes commensurate with the size of the business operations. Controls have been established at the entity level and process levels, and are designed to ensure compliance with internal control requirements, regulatory compliance and appropriate recording and reporting of financial and operational information.

## FINANCIAL PERFORMANCE

During the year under review, in the standalone results the revenue declined from Rs 58 Cr to 51 Cr. In Consolidated results the revenue declined from Rs 74 Cr to Rs 65 Cr due to reduction in sale of product. The total expenditure increased from Rs 63 Cr to Rs 84 Cr, mainly due to increase in employee cost and other expenses in terms of the future growth of the company. The country wide lockdown of businesses during the last week of March'20 in view of Covid-19 pandemic resulted in increased fixed expenses. During the pandemic the company took all the precautionary measures for the safety of their employees and their family members.

During the year the company made substantial investments in the property plant and equipment by Rs 115 Cr for the future growth plan. Total assets of the company increased by Rs 234 Cr.

Net worth of the company has increased by Rs 100 Cr and borrowing increased by Rs 97 Cr. Based on the consolidated financial statements.

## KEY FINANCIAL RATIOS

| S.No | Particulars | Ratio in % and Times |
|---|---|---|
| 1 | Revenue from operations | 49,93,39,043 |
| | Rural | 74.37% |
| | EPC | 24.86% |
| | Trading | 0.00% |
| | Others | 0.77% |
| 2 | Cost of Goods Sold | 86.58% |
| 3 | Operating Profit Margin | 13.42% |
| 4 | Net Profit Margin | -27.04% |
| 5 | Debtors Turnover | 3.31 TIMES |
| 6 | Inventory Turnover | 19.93 TIMES |
| 7 | Interest Coverage Ratio | -5.36 TIMES |
| 8 | Current Ratio | 1.03 TIMES |
| 9 | Debt Equity Ratio | -2.42 TIMES |

## HUMAN RESOURCES

The Company believes and views its employees as its most important assets. As of March 2020, the Company has a workforce of 167. The Company practices best in class HR Policies focusing on the overall well-being of the employee. The key aspects of HR include recruitment, training and development and compensation.

The company continues to focus on key drivers of employee engagement like career growth, learning opportunities, fair performance and rewards and employee well-being by enhancing its HR processes for scale, agility and consistent employee experience. Further, it also organizes workshops enhancing the skill sets of its employees and promoting their overall involvement. Frequent and outcome oriented session has resulted led to superior employee experience. The Company also assigns individual goals to the employees, consistent with the overall objective of the business which not only acts as a strong motivator but also contributes towards improving the overall efficiencies of the business.

Lastly, the Company's transparent working environment wherein employees can raise their concerns and opinions results in high engagement levels and lower employee turnover ratio.

## MANAGEMENT'S RESPONSIBILITY STATEMENT

The management is accountable for making the Company's consolidated financial statements and related information mentioned in this annual report. It believes that these financial statements fairly reflect the form and substance of transactions, and reasonably represents the company's financial condition and results of operations in conformity with Indian Generally Accepted Accounting Principles / Indian Accounting Standard.

## SAFE HARBOUR

Some of the statements in this Annual Report that are not historical facts are forward looking statements. These forward looking statements include our financial and growth projections as well as statements concerning our plans, strategies, intentions and beliefs concerning our business and the markets in which we operate. These statements are based on information currently available to us, and we assume no obligation to update these statements as circumstances change. There are risks and uncertainties that could cause actual events to differ materially from these forward looking statements. These risks include, but are not limited to, the level of market demand for our services, the highly competitive market for the types of services that we offer, market conditions that could affect our services, our ability to create, acquire and build new businesses and to grow our existing businesses, our ability to attract and retain qualified personnel, currency fluctuations and market fluctuations in India and elsewhere around the world, and other risks not specifically mentioned herein but those that are common to any industry.

# INDEPENDENT AUDITOR'S REPORT

## TO THE MEMBERS OF SUNEDISON INFRASTRUCTURE LIMITED
## REPORT ON THE STANDALONE IND AS FINANCIAL STATEMENTS

### OPINION

We have audited the accompanying standalone Ind AS financial statements of SunEdison Infrastructure Limited ("the Company") which comprises 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 Notes to the financial statements, including 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 standalone Ind AS 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, and loss, changes in equity and its cash flows for the year ended on that date.

### BASIS FOR OPINION

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the standalone Ind AS Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone Ind AS financial statements under the provisions of the Companies Act 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone Ind AS financial statements.

### MATERIAL UNCERTAINTY RELATING TO GOING CONCERN

We draw your attention to Note 38 of the standalone financial statements annexed to this report which states that the Company has incurred losses during the year ended 31st March 2020 due to which the net worth has been fully eroded as at such date. We also draw your attention to Note 39 of the standalone financial statements annexed to this report wherein a substantial portion of the Company's business is proposed to be restructured and transferred on a slump sale basis. The notes referred to in this paragraph in conjunction, give rise to a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern. As more fully explained in such Note 38 of the standalone financial results it is considered appropriate by the management to prepare the financial statements on a going concern basis. Our opinion is not modified in respect of this matter.

## EMPHASIS OF MATTER

1) We draw your attention to Note 39 of the standalone financial statements annexed to this report which more fully describes the transaction which the Company has entered into, vide a Framework agreement dated June 23, 2020, wherein the proposed restructuring is being undertaken to primarily separate the completed projects from the under-development projects and transfer such under-development projects along with the engineering, procurement and construction ("EPC") business and the Trademark "SunEdison" by way of a slump sale on a going concern basis to an entity which is incorporated along with the participation of certain identified external investors.

2) We draw your attention to Note 40 of the standalone financial statements annexed to this report, wherein management has assessed that there is no material impact in the financial statements due to lockdown and related restrictions imposed towards COVID 19 pandemic. Management continues to monitor all material changes to the Company's internal and external environment due to the Covid-19 pandemic.

## OUR OPINION IS NOT MODIFIED IN RESPECT OF THESE MATTERS.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone Ind AS financial statements of the current period. These matters were addressed in the context of our audit of the standalone Ind AS Financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the Material Uncertainty Related to Going Concern section of our report, we have determined the matters described below to be the key audit matters to be communicated in our report.

| SR. NO. | KEY AUDIT MATTER | AUDITOR'S RESPONSE |
|---|---|---|
| 1 | Accuracy of recognition, measurement, presentation and disclosure of revenues and other related balances in view of adoption of Ind AS 115 "Revenue from Contracts with Customers" The application of the revenue accounting standard involves certain key judgements relating to identification of distinct performance obligations, determination of transaction price of the appropriateness of the basis used to measure revenue recognized over a period; estimation of costs to complete, determining the stage of completion and the timing of revenue recognition<br><br>Further, revenue comprises of 'at a point in time' types of contracts where revenue is recognized on transfer of control in relation to sale of solar water pumps (supply-only and supply-and-installation) and 'over a period of | Our procedures included, among others, obtaining an understanding of contract execution processes and relevant controls relating to the accounting for customer contracts. We tested the relevant internal controls used to ensure the completeness, accuracy and timing of revenue recognized, including controls over the degree of completion of service contracts at year-end.<br><br>We read a sample of contracts to assess whether the method for recognition of revenue was relevant and consistent with Ind AS 115 and has been applied consistently. We focused on contract classification, allocation of income and cost to individual performance obligations and timing of transfer of control. Where a contract contained multiple elements, we considered Management's judgements as to whether they comprised performance obligations that |

| | | |
|---|---|---|
| | time' types of contracts which involves assessing the degree of completion for Ground Solar Power Plants and Rooftop projects. The Company recognizes revenue and profit/loss based on stage of completion which is computed based on the proportion of contract costs incurred at the balance sheet date in relation to the total estimated costs of the contract at completion. The recognition of revenue and profit/loss therefore rely on estimates in relation to the total estimated costs of each contract.<br><br>Refer Note 3(c) of the standalone Ind AS financial statements. | should be accounted for separately, and in such cases, challenged the judgements made in the allocation of consideration to each performance obligation.<br><br>We evaluated and challenged the significant judgements and estimates made by Management in applying the Company's accounting policy to a sample of specific contracts and separable performance obligations of contracts, and we obtained evidence to support them, including details of contractual agreements, delivery records, cost estimations, budget approvals and cash receipts. For the contracts selected, we inspected original signed contracts and reconciled the revenue recognized to the underlying accounting records. |
| 2 | **Warranty Provisions**<br><br>The Company's product warranties primarily cover expected costs to repair or replace components with defects or functional errors and financial losses suffered by the Company's customers in connection with unplanned suspension of operations. Warranties are usually granted for a period of five to ten years from legal transfer of the solar water pumps. This area is complex as the completeness and valuation of the expected outcome of warranty provisions requires a high degree of judgement and the use of estimates giving rise to inherent uncertainty in the amounts recorded in the standalone Ind AS financial statements. Refer Note 17 of the standalone Ind AS financial statements. | We tested the relevant internal controls regarding completeness of warranty provisions and how Management assesses valuation of provisions. We challenged the assumptions underlying the valuation of provisions by checking and corroborating the inputs used to calculate the provisions, including interviewing Management regarding individual cases. We assessed specific warranty provisions held for individual cases to evaluate whether the warranty provisions were sufficient to cover expected costs at year-end. Further, we assessed the level of historical warranty claims to assess whether the total warranty provisions held at year-end were sufficient to cover expected costs in light of known and expected cases and standard warranty periods provided. |

## INFORMATION OTHER THAN THE STANDALONE IND AS FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Company's Board of Directors is responsible for the other information. The other information obtained at the date of this auditor's report is information included in the Director's report but does not include the standalone Ind AS financial statements and our auditor's report thereon.

Our opinion on the standalone Ind AS 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 standalone Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone Ind AS financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.to be communicated in our report.

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.

## MANAGEMENT'S RESPONSIBILITY FOR THE STANDALONE IND AS FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the Indian Accounting Standards (Ind AS) and accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone Ind AS financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

## AUDITOR'S RESPONSIBILITY FOR THE AUDIT OF THE STANDALONE IND AS FINANCIAL STATEMENTS

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 standalone Ind AS 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 standalone Ind AS 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 controls 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 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 standalone Ind AS 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 standalone Ind AS financial statements, including the disclosures, and whether the standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone Ind AS 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 Ind AS 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.

## OTHER MATTERS

The financial statements of the Company for the year ended March 31, 2019, included in these standalone financial statements, have been audited by the predecessor auditor who expressed an unmodified opinion on those statements on May 30, 2019

## REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by Section 143(3) of the Act, based on our audit we report that:

   a) We have sought and obtained all the information and explanations which to the best of ourknowledge and belief were necessary for the purposes of our audit.

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.

   d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act.

   e) The matter described in the Material uncertainty related to Going Concern section above, in our opinion, may have an adverse effect on the functioning of the Company.

   f) 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.

   g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

   h) 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 to the best of our information and according to the explanations given to us, the Company being a private company, section 197 of the Act related to the managerial remuneration not applicable.

   i) 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.

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

For **V K A N & Associates**
*Chartered Accountants*
ICAI Firm Registration No 014226S

# ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

## (REFERRED TO IN PARAGRAPH 1(H) UNDER 'REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS' SECTION OF OUR REPORT TO THE MEMBERS OF SUNEDISON INFRASTRUCTURE LIMITED OF EVEN DATE)

### REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 ("THE ACT")

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

### MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

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

## MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

## INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

## OPINION

In our opinion, to the best of our information and according to the explanations given to us , the Company has in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 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 **V K A N & Associates**
*Chartered Accountants*
ICAI Firm Registration No 014226S

Kaushik Venkatraman
**Partner**
Membership No. 222070
Place: Chennai
Date: October 12, 2020

# ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

## (REFERRED TO IN PARAGRAPH 2 UNDER 'REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS' SECTION OF OUR REPORT TO THE MEMBERS OF SUNEDISON INFRASTRUCTURE LIMITED OF EVEN DATE)

(i) In respect of its fixed assets:

(a) The Company has maintained proper records showing full particulars including quantitative details and location of fixed assets

(b) The Company has a regular program of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the company and nature of its assets.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no immovable properties are held in the name of the Company.

(ii) In respect of inventories:

(a) Inventories have been physically verified by the management during the year. In our opinion, the frequency of such interval is reasonable.

(b) The procedures for physical verification of inventories followed by the management are reasonable and adequate considering the nature and size of the Company and the nature of its business.

(c) The Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material.

(iii) According to the information and explanations given to us and on the basis of our examination of books of accounts, the Company has not granted any loan, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register required under Section 189 of the Companies Act, 2013 and hence paragraph 3(iii) of the order is not applicable.

(iv) The Company has complied with provisions of section 185 and 186 of the Act in respect of loans. The Company does not have any investments and guarantees which requires compliance under Sections 185 and 186 of the Act.

(v) According to the information and explanations made available to us, the Company has not accepted deposits from the public.

(vi) The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act.

(vii) According to the information and explanations given to us and on the basis of our examination of books of accounts in respect of statutory dues,

a) There were delays in depositing undisputed statutory dues including income tax, goods and services tax, customs duty and other material statutory dues ranging from 1 – 94 days with the appropriate authorities. There are no undisputed amounts payable in respect of income tax, goods and services tax and other material statutory dues as at 31 March 2020 for a period of more than six months from the date they became payable.

b) The company has no material dues of duty of income tax or goods and services tax or cess which have not been deposited with the appropriate authorities on account of any dispute as on 31st March 2020.

(viii) According to the information and explanations given to us and on the basis of our examination of books of accounts, the Company has not defaulted in repayment of borrowings to a financial institution.

(ix) According to the information and explanations given to us and on the basis of our examination of books of accounts, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year.

(x) According to the information and explanations given to us, no fraud by the Company or no fraud on the Company by its officers or employees has been noticed or reported during the year.

(xi) In our opinion and according to the information and explanations given to us, the Company has made paid the managerial remuneration in compliance with the the provisions of Section 197 read along with Schedule V to the Act.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Act, where applicable, for all transactions with related parties and the details of such related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) According to the information and explanations give to us and on the basis of our examination of books of accounts, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year

(xv) According to the information and explanations given to us and on the basis of our examination of books of accounts, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For **V K A N & Associates**
*Chartered Accountants*
ICAI Firm Registration No 014226S

Kaushik Venkatraman
**Partner**
Membership No. 222070
Place: Chennai
Date: October 12, 2020

**SUNEDISON INFRASTRUCTURE LIMITED (FORMERLY KNOWN AS YKM INDUSTRIES LIMITED)**
**CIN : L40100TN1994PLC028263**

## BALANCE SHEET AS AT 31st MARCH 2020

*(ALL AMOUNT ARE IN INDIAN RUPEES, UNLESS OTHERWISE STATED)*

| | Notes | As at 31 March 2020 | As at 31 March 2019 |
|---|---|---|---|
| **ASSETS** | | | |
| **Non-Current Assets** | | | |
| Property, Plant and Equipment | 4 | 10,740,034 | 67,511 |
| Other Intangible Assets | 5 | 6,801,729 | - |
| Financial Assets | | | |
| (i) Investments | 6 | 75,737,103 | 59,037,103 |
| (ii) Other Financial Assets | 7 | 45,114,322 | 13,472 |
| **Total Non-Current Assets** | | **138,393,188** | **59,118,086** |
| **Current Assets** | | | |
| Inventories | 8 | 33,185,661 | 16,915,456 |
| Financial Assets | | | |
| (i) Trade Receivables | 9 | 244,550,999 | 57,131,992 |
| (ii) Cash and Cash Equivalents | 10 | 844,115 | 816,900 |
| (iii) Loans | 11 | 260,759,096 | 59,075 |
| (iv) Other Financial Assets | 12 | 33,994,305 | 42,004,975 |
| Contract Assets | 23.2 | 4,454,691 | - |
| Other Current Assets | 13 | 62,147,580 | 1,396,356 |
| **Total Current assets** | | **639,936,447** | **118,324,754** |
| **Total Assets** | | **778,329,635** | **177,442,840** |
| **EQUITY AND LIABILITIES** | | | |
| **Equity** | | | |
| (a) Equity Share Capital | 14 | 44,899,000 | 44,899,000 |
| (b) Other Equity | | | |
| (i) Reserves and Surplus | 15 | (133,184,460) | 1,833,946 |
| **Total Equity** | | **(88,285,460)** | **46,732,946** |
| **Liabilities** | | | |
| **Non Current Liabilities** | | | |
| (a) Financial Liabilities | | | |
| (i) Borrowings | 16 | 164,320,884 | 46,938,193 |
| (b) Provisions | 17 | 57,461,795 | 7,535,000 |
| (c) Other Non Current Liabilities | | | |
| Non Current Contract liabilities | 18 & 23.2 | 21,601,320 | 5,109,671 |
| **Total Non Current Liabilities** | | **243,384,000** | **59,582,864** |
| **Current Liabilities** | | | |
| (a) Financial Liabilities | | | |
| (i) Borrowings | 19 | 48,372,384 | 65,782,579 |
| (ii) Trade Payables | 20 | | |
| Total outstanding dues of micro and small enterprises | | 54,775,962 | - |
| Total outstanding dues other than micro and small enterprises | | 103,926,232 | 3,089,194 |
| (iii) Other Financial Liabilities | 21 | 20,833,066 | 578,581 |
| (b) Contract liabilities | 23.2 | 381,762,357 | 1,340,367 |
| (c) Other Current Liabilities | 22 | 13,561,095 | 336,309 |
| **Total Current Liabilities** | | **623,231,096** | **71,127,030** |
| **Total Equity and Liabilities** | | **778,329,635** | **177,442,840** |
| Notes forming part of the Ind AS Financial Statements | 1 -39 | | |
| This is the Balance Sheet referred to in our report | | | |

In terms of our report attached
**For V K A N & Associates**
Chartered Accountants
Firm Registration No: 014226S

**Kaushik Venkatraman**
Partner
Membership No: 222070
Place : Chennai
Date : 12th October 2020

For and on behalf of the Board of Directors of
**SunEdison Infrastructure Limited**

**Kalpesh Kumar**
Managing Director
DIN: 07966090

**Shailesh Rajagopalan**
Director
DIN: 01855598

**Ruchi Ashish Maheshwari**
Chief Financial Officer

**Suresh Babu RV**
Company Secretary

**SUNEDISON INFRASTRUCTURE LIMITED** (FORMERLY KNOWN AS YKM INDUSTRIES LIMITED)
**CIN : L40100TN1994PLC028263**

## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2020

*(ALL AMOUNT ARE IN INDIAN RUPEES, UNLESS OTHERWISE STATED)*

| | Notes | For the Year ended 31 March 2020 | For the year ended 31 March 2019 |
|---|---|---|---|
| **Income** | | | |
| Revenue from Operations | 23 | 499,339,043 | 574,540,784 |
| Other Income | 24 | 7,850,806 | 10,537,926 |
| **Total Income** | | **507,189,849** | **585,078,710** |
| | | | |
| **Expenses** | | | |
| Cost of materials consumed | 25 | 448,617,064 | 575,536,353 |
| Changes in inventories of finished goods, work in progress and stock in trade | | (16,270,205) | (16,915,456) |
| Employee Benefit Expenses | 26 | 52,404,309 | 384,420 |
| Finance Cost | 27 | 21,028,088 | 642,868 |
| Depreciation and Amortization Expense | 4 | 1,266,091 | 115,743 |
| Other Expenses | 28 | 135,162,908 | 18,783,463 |
| **Total Expenses** | | **642,208,255** | **578,547,391** |
| | | | |
| **Profit/(Loss) Before Tax** | | **(135,018,406)** | **6,531,319** |
| **Tax Expense** | | | |
| Current Tax | 29 | - | 3,200,000 |
| Deferred Tax | 29 | - | 1,772,739 |
| **Profit After Tax** | | **(135,018,406)** | **1,558,580** |
| | | | |
| **Other Comprehensive Income** | | | |
| **Items that will not be reclassified to Profit or Loss** | | | |
| Remeasurements of defined benefit obligations, net | | - | - |
| **Total Comprehensive Income for the year** | | **(135,018,406)** | **1,558,580** |
| | | | |
| Earnings per equity share (of face value of Rs. 10 each) | | | |
| Basic and Diluted Earnings Per Sshare | 30 | (30.07) | 0.35 |
| Notes forming part of the Ind AS Financial Statements | 1 -39 | | |
| This is the Statement of Profit and Loss referred to in our report | | | |

In terms of our report attached
**For V K A N & Associates**
Chartered Accountants
Firm Registration No: 014226S

**Kaushik Venkatraman**
Partner
Membership No: 222070
Place : Chennai
Date : 12th October 2020

For and on behalf of the Board of Directors of
**SunEdison Infrastructure Limited**

**Kalpesh Kumar**
Managing Director
DIN: 07966090

**Shailesh Rajagopalan**
Director
DIN: 01855598

**Ruchi Ashish Maheshwari**
Chief Financial Officer

**Suresh Babu RV**
Company Secretary

**SUNEDISON INFRASTRUCTURE LIMITED** (FORMERLY KNOWN AS YKM INDUSTRIES LIMITED)
**CIN : L40100TN1994PLC028263**

# CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2020

*(ALL AMOUNT ARE IN INDIAN RUPEES, UNLESS OTHERWISE STATED)*

| Particulars | Notes | For the year ended 31 March 2020 | For the year ended 31 March 2019 |
|---|---|---|---|
| **A. Cash flow from operating activities** | | | |
| Net Profit/ (Loss) before tax | | (135,018,406) | 6,531,319 |
| *Adjustments for:* | | | |
| Depreciation and amortisation expenses | | 1,266,091 | 115,743 |
| Provision for warranty and liquidated damages | | 49,580,680 | 4,335,000 |
| Loss on sale of investments | | - | 9,362,627 |
| Provision for dimunition in value of investments | | - | (9,762,627) |
| Interest income | | (7,722,146) | - |
| Interest expense | | 21,028,088 | 642,868 |
| **Operating loss before working capital changes** | | **(70,865,693)** | **11,224,930** |
| Adjustments for (increase) / decrease in operating assets : | | | |
| Adjustments for increase / (decrease) in operating liabilities : | | | |
| Inventories | | (16,270,205) | (16,915,456) |
| Trade Receivables | | (187,419,007) | (57,131,993) |
| Other Financial Assets | | (30,478,646) | (42,619,572) |
| Other Current Assets | | (60,751,224) | (781,759) |
| Contract assets | | (4,454,691) | - |
| Trade Payables | | 155,613,000 | 2,962,387 |
| Other Liabilities and provisions | | 18,815,384 | 6,772,597 |
| Contract Liabilities | | 396,913,638 | - |
| Cash used in operations | | **201,102,556** | **(96,488,866)** |
| Net income tax (paid)/refund | | (5,244,482) | - |
| **Net cash flow from / (used) in operating activities** | | **195,858,074** | **(96,488,866)** |
| **B. Cash flow from investing activities** | | | |
| Purchase of tangible and intangible assets | | (18,740,343) | (183,254) |
| Loans given | | (260,700,021) | (59,075) |
| Investment in subsidiaries | | (16,700,000) | (59,037,103) |
| Interest received | | 1,110,612 | - |
| Proceeds from sale of investments | | - | 500,000 |
| **Net cash flow from / (used) investing activities** | | **(295,029,752)** | **(58,779,432)** |
| **C. Cash flow from financing activities** | | | |
| Proceeds from borrowings | | 100,921,443 | 112,720,772 |
| Interest paid | | (1,722,550) | (64,287) |
| **Net cash flow from / (used) in financing activities** | | **99,198,894** | **112,656,485** |
| **Net increase / (decrease) in cash and cash equivalents ( A+B+C )** | | **27,215** | **(42,611,811)** |
| **Cash and cash equivalents at the beginning of the year** | | **816,900** | **43,428,711** |
| **Cash and cash equivalents at the end of the period** | | **844,115** | **816,900** |
| **Notes** | | | |
| 1. The cash flow statement is prepared under Indirect Method as set out in Ind AS 7 | | | |
| 2. Reconciliation of cash and cash equivalents with the Balance Sheet. | | | |
| Cash on hand (refer note 10) | | 516,161 | - |
| Balance with banks in current account (refer note 10) | | 317,954 | 816,900 |
| **Cash and cash equivalents as per cash flow statement** | | **834,115** | **816,900** |
| Restricted bank balances with original maturity of more than 3 months (refer note 10) | | 10,000 | - |
| **Cash and cash equivalents as per Balance sheet (refer note 10)** | | **844,115** | **816,900** |

In terms of our report attached
**For V K A N & Associates**
Chartered Accountants
Firm Registration No: 014226S

**Kaushik Venkatraman**
Partner
Membership No: 222070
Place : Chennai
Date : 12th October 2020

For and on behalf of the Board of Directors of
**SunEdison Infrastructure Limited**

**Kalpesh Kumar**
Managing Director
DIN: 07966090

**Shailesh Rajagopalan**
Director
DIN: 01855598

**Ruchi Ashish Maheshwari**
Chief Financial Officer

**Suresh Babu RV**
Company Secretary

**SUNEDISON INFRASTRUCTURE LIMITED** (FORMERLY KNOWN AS YKM INDUSTRIES LIMITED)
**CIN : L40100TN1994PLC028263**

# STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2020

*(ALL AMOUNT ARE IN INDIAN RUPEES, UNLESS OTHERWISE STATED)*

## A. Equity Share Capital

| Particulars | Number | Amount in Rs |
|---|---|---|
| Equity shares INR 10 each issued, subscribed and paid | | |
| **As at 31 March 2019** | **4,489,900** | **44,899,000** |
| Issue of equity shares | - | - |
| **As at 31 March 2020** | **4,489,900** | **44,899,000** |

## B. Other Equity

| Particulars | Retained Earnings | Capital Reserve | Items of other Comprehensive | Income |
|---|---|---|---|---|
| **As at 31 March 2018** | **(2,275,134)** | **2,550,500** | **-** | **275,366** |
| Add: Profit/(Loss) for the year | 1,558,580 | - | - | 1,558,580 |
| **As at 31 March 2019** | **(716,554)** | **2,550,500** | **-** | **1,833,946** |
| Add: Profit/(Loss) for the year | (135,018,406) | - | - | (135,018,406) |
| Other Comprehensive Income for the year | - | - | - | - |
| **As at 31 March 2020** | **(135,734,960)** | **2,550,500** | **-** | **(133,184,460)** |

Notes forming part of the Ind AS Financial Statements

This is Statement of Changes in Equity referred to in our report

In terms of our report attached
**For V K A N & Associates**
Chartered Accountants
Firm Registration No: 014226S

**Kaushik Venkatraman**
Partner
Membership No: 222070
Place : Chennai
Date : 12th October 2020

For and on behalf of the Board of Directors of
**SunEdison Infrastructure Limited**

**Kalpesh Kumar**
Managing Director
DIN: 07966090

**Shailesh Rajagopalan**
Director
DIN: 01855598

**Ruchi Ashish Maheshwari**
Chief Financial Officer

**Suresh Babu RV**
Company Secretary

SUNEDISON INFRASTRUCTURE LIMITED (FORMERLY KNOWN AS YKM INDUSTRIES LIMITED)
CIN : L40100TN1994PLC028263

# NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

## 1. BACKGROUND

SunEdison Infrastructure Limited ( formerly known as YKM Industries Limited) is a Public Company domiciled and headquartered in India and was incorporated under the Companies Act, 1956. The Company is engaged in the business of rendering engineering, procurement and construction services in respect of solar power plants, setting up of solar power plants, solar water pumps, generating power and also rendering other related services.

## 2. BASIS OF PREPARATION

### a. Statement of Compliance

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, at the end of each reporting period as explained in the accounting policies below , the provisions of the Companies Act, 2013 ('the Act') (to the extent notified). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

Accounting policies have been consistently applied except where a newly-issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use. Details of the Company's significant accounting policies are included in Note 3.

### b. Functional and Presentation Currency

The functional currency of the Company is the Indian rupee. All the financial information have been presented in Indian Rupees (Rs.) except for share data or as stated otherwise.

### c. Basis of Measurement

"These financial statements have been prepared on the historical cost basis except for the following items:

a) Net defined benefit liability - Present value of defined benefit obligations

b) Certain financial assets and financial liabilities - Fair value"

### d. Use of Estimates

In preparing these financial statements, Management has made judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results could differ from those estimates.

Estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognized prospectively.

Judgements are made in applying accounting policies that have the most significant effects on the amounts recognized in the financial statements and the same is disclosed in the relevant notes to the financial statements.

Assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment are reviewed on an on-going basis and the same is disclosed in the relevant notes to the financial statements.

### e. Measurement of Fair Values

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and /or disclosure purposes in these financial statements is determined on such a basis, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly (i.e.as prices ) or indirectly (i.e. derived from prices );

- Level 3 inputs are unobservable inputs for the asset or liability.

## 3 SIGNIFICANT ACCOUNTING POLICIES

### a. Foreign Currency Transactions

The functional currency of the Company is the Indian rupee. The financial statements are presented in Indian rupee.

Foreign-currency-denominated monetary assets and liabilities are translated into the relevant functional currency at exchange rate in effect at the Balance Sheet date. The gains or losses resulting from such translations are included in net profit in the Statement of Profit and Loss.

Transaction gains or losses realized upon settlement of foreign currency transactions are included in determining net profit for the period in which the transaction is settled. Revenue, expense and cash-flow items denominated in foreign currencies are translated into the relevant functional currencies using the exchange rate in effect on the date of the transaction.

All foreign exchange gains and losses are presented in the statement of profit and loss on a net basis within other gains/(losses).

### b. Inventories

Inventories are valued at the lower of cost and net realizable value. Cost of inventories comprises all cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost includes all taxes and duties, but excludes duties and taxes that are subsequently recoverable from tax authorities.

The methods of determining cost of various categories of inventories are as follows:

| Description | Methods of determining cost |
|---|---|
| Raw Materials | First-In-First-Out (FIFO) |

Net realisable value is the estimated selling price less estimated costs for completion and sale. Obsolete, slow moving and defective inventories are identified from time to time and, where necessary, a provision is made for such inventories.

**c. Revenue Recognition**

Revenue is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of returns and discounts to customers. Revenue from the sale of goods is recognised when significant risks and rewards of ownership have been transferred to the customer, which is mainly upon delivery, the amount of revenue can be measured reliably and recovery of the consideration is probable. Revenue from services is recognised in the periods in which the services are rendered and the Performance Obligations are discharged. However, where the ultimate collection of revenue lacks reasonable certainty, revenue recognition is postponed.

**d. Property, Plant and Equipment**

Property, plant and equipment are stated at cost of acquisition less accumulated depreciation. Cost includes freight, duties and taxes and other incidental expenses related to the acquisition, but exclude duties and taxes that are recoverable subsequently from tax authorities. Capital work in progress includes the cost of assets that are not ready for its intended use and cost of assets not put to use before the balance sheet date. Dismantling costs and costs of removing the item and restoring the site on which it is located is required to be included in the cost of property, plant and equipment where ever applicable and Cost of major inspections is recognized in the carrying amount of property, plant and equipment as a replacement, if recognition criteria are satisfied and any remaining carrying amount of the cost of previous inspection is derecognized. An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognized in profit or loss.

**Depreciation**

The management estimates the useful lives tangible fixed assets as follow:

| Description | Useful lives |
|---|---|
| Computers | 3 years |
| Vehicles | 8-10 years |
| Office equipments | 5 years |
| Furnitures and fixtures | 10 years |
| Trademarks | 10 years |

During the current year, there has been a change in the existing pattern of consumption of the future economic benefits embodied in the assets and hence, the method of depreciation has been changed to reflect the changed pattern from straight line method applied till the year ended March 2019 to written down value method from the current year onwards. If the assets were continued to be depreciated under straight line method, the depreciation charge for the year would have been INR 830,702 ( March 2018- INR 407,134) and loss before tax would have been INR 3,598,398 ( March 2018- INR 13,361,130)

**e. Cash and Cash Equivalents**

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.

**f. Income Taxes**

Income tax expense comprise current tax (i.e. amount of tax for the period determined in accordance with the income-tax law) and deferred tax charge or credit (reflecting that tax effects of timing differences between accounting income and taxable income for the period). The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognized using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognized only to the extent there is a reasonable certainty that the assets can be realized in future; however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognized only if there is a virtual certainty of realization of such assets. Deferred tax assets are reviewed as at the balance sheet date and written down or written up to reflect the amount that is reasonably/virtually certain (as the case may be) to be realized. Current tax and deferred tax assets and liabilities are offset to the extent to which the Company has a legally enforceable right to set off and they relate to taxes on income levied by the same governing taxation laws.

Minimum Alternate Tax ("MAT") paid in accordance with tax laws, which gives rise to future economic benefits in the form of adjustment of future income tax liability, is considered as an asset if there is convincing evidence that the company would pay normal income tax after tax holiday period and accordingly, MAT is recognized as an asset in the balance sheet when it is probable that the future economic benefit associated with it will flow to the company and the asset can be measured reliably. MAT credit entitlement is reviewed at each balance sheet date and written down to the extent there is no convincing evidence to the effect that the Company will pay normal income tax during the specified period.

**Current and deferred tax for the year**

Current and deferred tax are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively.

**g. Provisions, Contingent Liabilities and Contingent Assets**

The Company creates a provision when there is present obligation as a result of past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made. Contingent assets are neither recognized nor disclosed in the financial statements.

Provision for onerous contracts i.e. contacts where the expected unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it, are recognized when it is probable that an outflow of resources embodying economic benefits will be required to settle a present obligation as a result of an obligating event, based on reliable estimate of such obligation.

**h. Earnings per share**

Basic earnings per equity share is computed by dividing the net profit for the year attributable to the Equity Shareholders by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the net profit for the year, adjusted for the effects of dilutive potential equity shares, attributable to the Equity Shareholders by the weighted average number of the equity shares and dilutive potential equity shares outstanding during the year except where the results are anti-dilutive.

**i. Cash Flow Statements**

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

**j. Financial Instruments:**

**Initial recognition**

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are accounted for at trade date.

**Subsequent measurement**

**i) Financial assets carried at amortized cost**

A financial asset is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

**ii) Financial assets at fair value through other comprehensive income**

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The Company has made an irrevocable election for its investments which are classified as equity instruments to present the subsequent changes in fair value in other comprehensive income based on its business model.

**iii) Financial assets at fair value through profit or loss**

A financial asset, which is not classified in any of the above categories, is subsequently fair valued through profit or loss.

**iv) Impairment of Financial Assets**

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, ECLs are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL, as applicable, as the case may be. The amount of ECLs (or reversals, if any) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized is recognized as an impairment gain or loss in the profit or loss.

**v) Financial Liabilities**

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination, which is subsequently measured at fair value through profit or loss. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

**Derecognition of Financial Instruments**

The company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

**k. Operating Cycle**

Based on the nature of activities of the company and the normal time between rendering of services and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

**l. Leases**

The company assesses whether a contract contains a lease at the inception of the contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the company assesses whether (i) the contract involves the use of an identified asset (ii) the company has substantially all of the economic benefits from the use of the asset through the period of the lease and (iii) the company has the right to direct the use of the asset. The company has applied the exemption of not to recognize Right to Use assets and liabilities for leases with less than 12 months of lease term on the date of initial application as a practical expediency. For these short term and low value leases , the Company recognises the lease payments as an operating expense on a straight line basis over the term of the lease.

**m. Employee Benefits**

i. Short-term employee benefits: Employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, bonus and ex-gratia. The undiscounted amount of short-term employee benefits to be paid in exchange for employee services is recognized as an expense as the related service is rendered by employees.

ii. Post employment benefits:

"Defined Contribution Plans

A defined contribution plan is a post-employment benefit plan under which an entity pays specified contributions to a separate entity and has no obligation to pay any further amounts. The Company makes specified monthly contributions towards employee provident fund to Government administered provident fund scheme which is a defined contribution plan. The Company's contribution is recognized as an expense in the statement of profit and loss during the year in which the employee renders the related service."

**Defined Benefit Plans**

The Company provides for gratuity, a defined benefit plan (the “Gratuity Plan”) covering eligible employees. The Plan provides payment to vested employees at retirement, death or termination of employment, of an amount based on the respective employee’s salary and the tenure of employment with the Company. The Company provides for gratuity based on actuarial valuation as at the balance sheet date. The actuarial valuation has been carried out using ‘Projected Unit Method’ by an independent actuary."

**Compensated Absences**

Provision for compensated absences is made by the Company as at the balance sheet date of the un-availed leave standing to the credit of employees in accordance with the service rules of the Company. Liabilities related to the compensated absences are determined by actuarial valuation using projected unit credit method as at the balance sheet date."

Actuarial gains and losses are recognized in the Statement of other comprehensive income in the period in which they occur. The retirement benefit obligation recognized in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognized past service cost, as reduced by the fair value of scheme assets.

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# NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

*(ALL AMOUNT ARE IN INDIAN RUPEES, UNLESS OTHERWISE STATED)*

## NOTE 4 PROPERTY, PLANT AND EQUIPMENT

**Tangible Assets**

| Description | Computers | Office Equipments | Vehicle | Furniture | Total |
|---|---|---|---|---|---|
| **Gross Block** | | | | | |
| **Balance as at 31st March 2018** | - | - | - | - | - |
| Additions | 183,254 | | | | **183,254** |
| Deletions | - | - | - | - | - |
| **Balance as at 31st March 2019** | **183,254** | **-** | **-** | **-** | **183,254** |
| Additions | 5,880,298 | 85,730 | 5,372,633 | 4,500 | **11,343,161** |
| Deletions | - | - | - | - | - |
| **Balance as at 31st March 2020** | **6,063,552** | **85,730** | **5,372,633** | **4,500** | **11,526,415** |
| **Accumulated Depreciation** | | | | | |
| **Balance as at 31st March 2018** | - | - | - | - | - |
| **Charge for the year** | 115,743 | | | | **115,743** |
| **Balance as at 31st March 2019** | **115,743** | **-** | **-** | **-** | **115,743** |
| Depreciation for the year | 601,650 | 78 | 68,694 | 217 | **670,639** |
| Disposals | 0 | - | - | - | - |
| **Balance as at 31st March 2020** | **717,393** | **78** | **68,694** | **217** | **786,382** |
| **Net Block** | | | | | |
| **Balance as at 31st March 2020** | **5,346,159** | **85,652** | **5,303,939** | **4,283** | **10,740,034** |
| **Balance as at 31st March 2019** | **67,511** | **-** | **-** | **-** | **67,511** |

## NOTE 5 OTHER INTANGIBLE ASSETS

| Description | Trademark |
|---|---|
| **Gross Block** | |
| **Balance as at 31st March 2018** | - |
| **Additions** | - |
| **Balance as at 31st March 2019** | - |
| Additions | 7,397,182 |
| Deletions | - |
| **Balance as at 31st March 2020** | 7,397,182 |
| **Accumulated Depreciation** | |
| **Balance as at 31st March 2018** | - |
| **Charge for the year** | - |
| **Balance as at 31st March 2019** | - |
| Depreciation for the year | 595,453 |
| Disposals | - |
| **Balance as at 31st March 2020** | 595,453 |
| **Net Block** | |
| **Balance as at 31st March 2020** | 6,801,729 |
| **Balance as at 31st December 2019** | - |

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# NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

*(ALL AMOUNT ARE IN INDIAN RUPEES, UNLESS OTHERWISE STATED)*

| | As at 31 March 2020 | As at 31 March 2019 |
|---|---|---|
| **NOTE 6 - INVESTMENTS- NON CURRENT** | | |
| **Details of Non Current Investments held at Cost** | | |
| **Investment in equity shares fully paid up (unquoted)** | | |
| **a) In Subsidiaries** | | |
| SEI Tejas Private Limited (7,215,250 equity shares of Rs 10 each fully paid up ) | 942,103 | 942,103 |
| SEI Solartech Private Limited (200,000 equity shares of Rs 10 each fully paid up) | 23,500,000 | 23,500,000 |
| Ishaan Solar Power Private Limited (185,000 equity shares of Rs 10 each fully paid up ) | 34,595,000 | 34,595,000 |
| SIL Rooftop Solar Power Pvt Ltd (10,000 equity shares of Rs.10 each fully paid up) | 100,000 | - |
| SILRES Energy Solutions Pvt Ltd (99,999) equity shares of Rs.10 each fully paid up) | 1,000,000 | - |
| Megamic Energy Solutions Pvt Ltd (51,000) equity shares of Rs.10 each fully paid up) | 10,000,000 | - |
| Enrecover Energy Recovery Solutions Pvt Ltd (5,100) equity shares of Rs.10 each fully paid up) | 5,600,000 | - |
| **Total** | **75,737,103** | **59,037,103** |

| | As at 31 March 2020 | As at 31 March 2019 |
|---|---|---|
| **NOTE 7 - OTHER FINANCIAL ASSETS - NON-CURRENT** | | |
| *(Unsecured, Considered good)* | | |
| Security Deposits | 45,114,322 | 13,472 |
| **Total** | **45,114,322** | **13,472** |

| | As at 31 March 2020 | As at 31 March 2019 |
|---|---|---|
| **NOTE 8 - INVENTORIES (AT LOWER OF COST OR NET REALISABLE VALUE)** | | |
| Raw Materials and Components | 33,185,661 | 16,915,456 |
| **Total** | **33,185,661** | **16,915,456** |

| | As at 31 March 2020 | As at 31 March 2019 |
|---|---|---|
| **NOTE 9 - TRADE RECEIVABLES** | | |
| **Unsecured** | | |
| Considered good (Refer note 30) | 244,551,008 | 57,131,992 |
| **Total** | **244,551,008** | **57,131,992** |

| | As at 31 March 2020 | As at 31 March 2019 |
|---|---|---|
| **NOTE 10 - CASH AND CASH EQUIVALENTS** | | |
| Balances with banks | | |
| i) Cash on hand | 516,161 | - |
| ii) Balance with Banks | | |
| - In current accounts | 317,954 | 816,900 |
| iii) Restricted Bank Balances | 10,000 | |
| **Total** | **844,115** | **816,900** |

| | As at 31 March 2020 | As at 31 March 2019 |
|---|---|---|
| **NOTE 11 - LOANS** | | |
| *(Unsecured, Considered good)* | | |
| To Loan Receivable (Refer note No. 32) | 260,759,096 | 59,075 |
| **Total** | **260,759,096** | **59,075** |

| | As at 31 March 2020 | As at 31 March 2019 |
|---|---|---|
| **NOTE 12 - OTHER FINANCIAL ASSETS** | | |
| Interest accrued and due | 6,611,534 | - |
| Security deposits | 26,470,472 | 42,000,000 |
| Advance to Employees | 912,299 | 4,975 |
| **Total** | **33,994,305** | **42,004,975** |

| | As at 31 March 2020 | As at 31 March 2019 |
|---|---|---|
| **NOTE 13 - OTHER CURRENT ASSETS** | | |
| Advance to Suppliers | 46,684,305 | 614,597 |
| Advance Tax (Net of Income tax provision of Rs. 3,299,811) | 1,944,671 | - |
| Balance with Government Authorities | 13,518,604 | 781,759 |
| **Total** | **62,147,580** | **1,396,356** |

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# NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

*(ALL AMOUNT ARE IN INDIAN RUPEES, UNLESS OTHERWISE STATED)*

| | As at 31 March 2020 | As at 31 March 2019 |
|---|---|---|
| **14. SHARE CAPITAL** | | |
| **Authorised** | | |
| 7,000,000 (Previous year: 7,000,000) equity Shares of ₹ 10 each | 70,000,000 | 70,000,000 |
| **Issued, Subscribed and Paid up** | | |
| 4,489,900 (Previous year: 4,489,900) equity Shares of ₹ 10 each | 44,899,000 | 44,899,000 |
| | **44,899,000** | **44,899,000** |

| | As at 31 March 2020 | | As at 31 March 2019 | |
|---|---|---|---|---|
| | Number | Amount | Number | Amount |
| **a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period** | | | | |
| Equity Shares | | | | |
| At the commencement of the year | 4,489,900 | 44,899,000 | 4,744,950 | 47,449,500 |
| Shares issued during the year | - | - | - | - |
| Shares forfeited during the year | - | - | (255,050) | (2,550,500) |
| **At the end of the year** | **4,489,900** | **44,899,000** | **4,489,900** | **44,899,000** |

**Rights, preferences and restrictions attached to equity shares**

"The company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the company's residual assets. The equity shares are entitled to receive dividend as declared from time to time after subject to dividend to preference shareholders. The voting rights of an equity shareholder on a poll (not show of hands) are in proportion to its share of the paid-up equity capital of the company.

On winding up of the company, the holder of equity shares will be entitled to receive the residual assets of the company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held."

| | As at 31 March 2020 | | As at 31 March 2019 | |
|---|---|---|---|---|
| | Number | (% of total shares in the class) | Number | (% of total shares in the class) |
| **b. Particulars of shareholders holding more than 5% shares of a class of shares** | | | | |
| Equity shares of ₹ 10 each fully paid held by | | | | |
| Avyan Renewable Solar Private Limited # | 1,923,680 | 42.84% | - | - |
| Sherisha Technologies Private Limited | 1,975,556 | 44.00% | 2,035,860 | 45.34% |
| T Anil Jain | - | - | 877,175 | 19.54% |
| Dimple Jain | - | - | 224,495 | 5.00% |
| Ugamdevi Jain | - | - | 224,495 | 5.00% |
| | **3,899,236** | **86.84%** | **3,362,025** | **74.88%** |

| | As at 31 March 2020 | As at 31 March 2019 |
|---|---|---|
| **NOTE 15 - OTHER EQUITY** | | |
| Retained Earnings | **(135,734,960)** | **(716,554)** |
| Capital Reserve | **2,550,500** | **2,550,500** |
| Items of other comprehensive income | - | - |
| **A Retained Earnings** | | |
| Opening balance | (716,554) | (2,275,134) |
| Add: Profit/(Loss) for the year | (135,018,406) | 1,558,580 |
| Closing Balance | **(135,734,960)** | **(716,554)** |
| **B Capital Reserve** | | |
| Opening balance | 2,550,500 | 2,550,500 |
| Additions during the year | - | - |
| Closing Balance | **2,550,500** | **2,550,500** |
| **C Items of other comprehensive income** | | |
| Opening balance | - | - |
| Add: Items not reclassified into Profit and Loss | | - |
| Closing Balance | - | - |
| **Total** | **(133,184,460)** | **1,833,946** |

| | As at 31 March 2020 | As at 31 March 2019 |
|---|---|---|
| **NOTE 16 - BORROWINGS-LONG TERM** | | |
| Secured Loan from HDFC Bank * (Refer note 20) | 4,568,691 | - |
| **Unsecured** | | |
| From Others # | 159,752,193 | 46,938,193 |
| **Total** | **164,320,884** | **46,938,193** |

* The above loan from HDFC Bank has been availed against purchase of vehicle which has been hypothecated. The said loan carries an interest of 8.35% p.a.

# This loan is obtained from DN Energy Private Limited as a "Revolving Credit Line". The loan and the revolving credit line carries a interest rate of 8% per annum on the outstanding amount.

| | As at 31 March 2020 | As at 31 March 2019 |
|---|---|---|
| **NOTE 17 - PROVISIONS** | | |
| **Provision for Employee Benefits (Refer note 31)** | | |
| Gratuity | 1,869,815 | - |
| Compensated absence | 1,676,300 | - |
| Provision for Warranty * | 33,930,000 | 4,335,000 |
| Provision for Income Tax (Net of Taxes Receivable) | - | 3,200,000 |
| Provision for Liquidated Damages | 19,985,680 | - |
| **Total** | **57,461,795** | **7,535,000** |
| *** Provision for Warranty** | | |
| Balance at the beginning of the year | 4,335,000 | - |
| Provisions made during the year | 29,595,000 | 4,335,000 |
| Provisions utilised during the year | - | - |
| Balance at the end of the year | **33,930,000** | **4,335,000** |

Estimated warranty costs and additional service actions are accrued for at the time of sale. Warranty cost accruals include costs for basic and extended warranty coverage on parts sold. Estimates for warranty costs are made based primarily on historical warranty claim experience. The provisions are likely to be utilised for settlement of warranty claims ranging between 5 to 10 years.

| | As at 31 March 2020 | As at 31 March 2019 |
|---|---|---|
| **NOTE 18 - NON CURRENT CONTRACT LIABILITIES** | | |
| Billing in excess of revenue (also refer note 31 and 23.2) | 21,601,320 | 5,109,671 |
| **Total** | **21,601,320** | **5,109,671** |

| | As at 31 March 2020 | As at 31 March 2019 |
|---|---|---|
| **NOTE 19 - BORROWINGS** | | |
| **Unsecured** | | |
| From Related Parties-@ (also refer note 30) | 48,372,384 | 65,782,579 |
| **Total** | **48,372,384** | **65,782,579** |

@ Loans taken for working capital requirements repayable on demand and carry an interest at the rate of 8% per annum

| | As at 31 March 2020 | As at 31 March 2019 |
|---|---|---|
| **NOTE 20 - TRADE PAYABLES** | | |
| Dues to micro and small enterprises (refer note below) | 54,775,962 | - |
| Others* | 103,926,232 | 3,089,194 |
| **Total** | **158,702,194** | **3,089,194** |

* also refer note (31.a)

## 18A DISCLOSURES REQUIRED UNDER SECTION 22 OF THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006

The management has identified certain enterprises which have provided goods and services to the Company and which qualify under the definition of 'Micro and Small Enterprises' as defined under Micro, Small and Medium Enterprises Development Act, 2006 ("the Act"). Accordingly the disclosure in respect of the amounts payable to such enterprises as at 31st March 2020 and 31st March 2019 have been made in the financial statements based on information available with the Company and relied upon by the auditors.

| | As at 31 March 2020 | As at 31 March 2019 |
|---|---|---|
| (i) Principal amount remaining unpaid to any supplier as at the end of the accounting year | 54,686,194 | - |
| (ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year | 89,768 | - |
| (iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day | - | - |
| (iv) The amount of interest due and payable for the year | 89,768 | - |
| (v) The amount of interest accrued and remaining unpaid at the end of the accounting year | 89,768 | - |
| (vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid | - | - |

| | As at 31 March 2020 | As at 31 March 2019 |
|---|---|---|
| **NOTE 21 - OTHER FINANCIAL LIABILITIES** | | |
| Current Maturities of Long Term Borrowings | 948,947 | - |
| Interest Payable (also refer note 30) | 19,884,119 | 578,581 |
| **Total** | **20,833,066** | **578,581** |

| | As at 31 March 2020 | As at 31 March 2019 |
|---|---|---|
| **NOTE 22 - OTHER CURRENT LIABILITIES** | | |
| Statutory Dues Payable | 7,123,842 | 144,034 |
| Accrued salaries and wages | 6,437,253 | 192,275 |
| **Total** | **13,561,095** | **336,309** |

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## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

*(ALL AMOUNT ARE IN INDIAN RUPEES, UNLESS OTHERWISE STATED)*

| | As at 31 March 2020 | As at 31 March 2019 |
|---|---|---|
| **NOTE 23 - REVENUE FROM OPERATIONS** | | |
| Sale of Products | 303,487,362 | 574,540,784 |
| Sale of Services | 67,848,946 | - |
| Revenue from Engineering, procurement and construction services | 124,139,196 | - |
| Operation maintenance | 3,863,539 | - |
| **Total** | **499,339,043** | **574,540,784** |

### 23.1 Disaggregation of Revenue:

The following table presents the Company's revenue disaggregated based on timing of transfer point in time and over time for the year ended March 31, 2020:

| | Year ended March 31, 2020 |
|---|---|
| **Timing of revenue recognition - India** | |
| Point in Time | 371,336,308 |
| Over the Time | 128,002,735 |
| **Total revenue recognised** | **499,339,043** |

### 23.2 Contract Balances

A contract asset is recognized when the Company has recognized revenue, but not issued an invoice for payment. Contract assets are classified separately on the balance sheets and transferred to receivables when rights to payment become unconditional. The following table summarizes the activity in the Company's contract assets during the year ended March 31, 2020.

The following table provides information about contract assets and contact liabilities from contract with customers:

| Particulars | Year ended March 31, 2020 |
|---|---|
| **Contract Assets** | |
| Recoverable from customers | |
| Non-Current | - |
| Current | 4,454,691 |
| **Total Contract Assets** | **4,454,691** |
| **Contract liabilities** | |
| Advance from Customers | |
| Non-Current | - |
| Current | 317,447,395 |
| **Liabilities towards customers** | |
| Non-Current | 21,601,320 |
| Current | 64,314,961 |
| | **403,363,677** |

| Particulars | "Year ended March 31, 2020" |
|---|---|
| **Opening Balance as on April 1, 2019 (exclude trade receivables and trade payables)** | 6,450,038 |
| Revenue recognized during the year from contracts | 497,858,551 |
| Revenue recognized during the year that was included in the opening contract liabilities | 1,480,492 |
| **Closing Balance as on March 31, 2020 (exclude trade receivables and trade payables)** | 85,916,281 |

| | As at 31 March 2020 | As at 31 March 2019 |
|---|---|---|
| **NOTE 24 - OTHER INCOME** | | |
| Gain on sale of Investments | - | 775,299 |
| Provision no longer required written back | - | 9,762,627 |
| Interest Income on Fixed Deposits & Loans | 7,722,146 | - |
| Others | 128,660 | - |
| **Total** | **7,850,806** | **10,537,926** |

| | As at 31 March 2020 | As at 31 March 2019 |
|---|---|---|
| **NOTE 25 - COST OF MATERIALS CONSUMED** | | |
| Purchases | 343,968,187 | 571,838,907 |
| Consumption of equipments, installation & commissioning expenses | 104,648,877 | 3,697,446 |
| **Total** | **448,617,064** | **575,536,353** |

| | As at 31 March 2020 | As at 31 March 2019 |
|---|---|---|
| **NOTE 26 - EMPLOYEE BENEFIT EXPENSES** | | |
| Salaries and Wages | 45,876,727 | 384,420 |
| Contribution to Funds | 5,200,334 | - |
| Staff Welfare Expenses | 1,327,248 | - |
| **Total** | **52,404,309** | **384,420** |

| | As at 31 March 2020 | As at 31 March 2019 |
|---|---|---|
| **NOTE 27 - FINANCE COST** | | |
| Interest Expense | 21,028,088 | 642,868 |
| **Total** | **21,028,088** | **642,868** |

| | As at 31 March 2020 | As at 31 March 2019 |
|---|---|---|
| **NOTE 28 - OTHER EXPENSES** | | |
| Audit Fees (Refer note below) | 1,019,993 | 125,000 |
| Advertisement | 984,751 | 201,998 |
| Professional Fee | 50,090,559 | 758,835 |
| Loss on sale of Investments | - | 9,362,627 |
| Freight Expenses | - | 1,560,000 |
| Warranty Provision | 29,595,000 | 4,335,000 |
| Rent | 7,575,767 | 409,522 |
| Rates and Taxes | 837,346 | 49,469 |
| Travelling and Conveyance Expenses | 15,784,788 | 734,356 |
| Printing And Stationery | 587,068 | 123,028 |
| Bank Charges | 248,411 | 481,238 |
| Liquidated Damages | 19,985,680 | - |
| Repairs & Maintenance | 483,092 | - |
| Miscellaneous Expenses | 7,970,453 | 642,391 |
| **Total** | **135,162,908** | **18,783,463** |
| Payment to Auditors | | |
| Statutory Audit | 700,000 | 125,000 |
| Tax Audit | 50,000 | - |
| Others | 12,000 | - |
| | **762,000** | **125,000** |

| | As at 31 March 2020 | As at 31 March 2019 |
|---|---|---|
| **NOTE 29 - TAX EXPENSE** | | |
| Current tax | - | 3,200,000 |
| Deferred Tax | - | 1,772,739 |
| **Income tax expense reported in the statement of profit and loss** | **-** | **4,972,739** |

The major components of income tax expense and reconciliation of expected tax expense based on the domestic effective tax rate of the Company at 27.82% (March 2019) and the reported tax expense in the statement of profit or loss are as follows:

| | As at 31 March 2020 | As at 31 March 2019 |
|---|---|---|
| **29A RECONCILIATION OF TAX EXPENSE AND THE ACCOUNTING PROFIT MULTIPLIED BY TAX RATE** | | |
| Accounting profit before income tax | (135,018,406) | 6,531,319 |
| At country's statutory income tax rate of 27.82% (31 March 2018: 27.55%) | | 1,817,013 |
| Effect of expenses that are not deductible in determining taxable profit | | 1,114,208 |
| Deferred Tax Asset (recognised) / reversed on carried forward losses | | 1,772,739 |
| Others | | 268,779 |
| **Effective tax** | **-** | **4,972,739** |

| | As at 31 March 2020 | As at 31 March 2019 |
|---|---|---|
| **NOTE 30 - EARNINGS PER SHARE (EPS)** | | |
| **a** Net profit/(loss) attributable to equity shareholders for calculation of EPS | (135,018,406) | 1,558,580 |
| **b** Weighted average number of equity shares outstanding during the period | 4,489,900 | 4,489,900 |
| Basic/Dilutive earnings per share | (30.07) | 0.35 |

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## 31. PROVISION AND CONTINGENT LIABILITIES AS AT YEAR END ARE AS FOLLOWS:

a) Provision for future losses pertains to certain onerous contracts where the unavoidable costs of meeting the obligations as per the contracts exceed the economic benefits expected to be received from it

| Particulars | As at 31 March 2020 | As at 31 March 2019 |
|---|---|---|
| **Opening balance** | **-** | **-** |
| Add: Provision during the year | 2,940,029 | - |
| (Less): Utilisation during the year | - | - |
| (Less): Reversed during the year | - | - |
| **Closing balance** | **2,940,029** | **-** |

## 32. RELATED PARTY TRANSACTIONS

**A. List of Related Parties***
**Name of the related party and nature of relationship**

| Nature of Relationship | Name of the Related Party |
|---|---|
| Ultimate Holding Company (Promoters) | Sherisha Technologies Private Limited |
| Ultimate Holding Company (Promoters) | Avyan Renewable Solar Private Limited |
| Wholly Owned Subsidiary | Ishaan Solar Power Private Limited |
| | SEI Tejas Private Limited |
| | SEI Solartech Private Limited |
| | SILRES Energy Solutions Private Limited |
| | SIL Rooftop Solar Power Private Limited |
| Subisidiary | Megamic Electronics Private Limited |
| | Enrecover Energy Recovery Solutions Private Limited |
| Step down Subsidiary | Sherisha Solar Power Private Limited |
| | Athense Energy Private Limited |
| | Flaunt Solar Energy Private Limited |
| | Sourashakthi Energy Private Limited |
| | Sprangle Energy Private Limited |
| | Swelter Energy Private Limited |
| | STPL Horticulture Private Limited |
| | Scorch Solar Energy Private Limited |
| | Sherisha Agro Private Limited |
| | Singe Solar Energy Private Limited |
| | Torrid Solar Power Private Limited |
| | Broil Solar Energy Private Limited |
| | Wither Solar Energy Private Limited |
| | Kiln Solar Energy Private Limited |
| | Taper Solar Energy Private Limited |
| | Sphere Capital Private Limited |
| | Sherish Rooftop Solar SPV Three Private Limited |
| | Sherish Rooftop Solar SPV Four Private Limited |

| Nature of Relationship | Name of the Related Party |
|---|---|
| Entities in which share holders exert significant influence | SunEdison Energy India Private Limited |
| | Refex Industries Limited |
| | Refex Solar Power Private Limited |
| | Refex Energy Limited |
| | Refex Solar limited |
| | Refex Research Private Limited |
| | Jain International Trade Organization |
| Key Mangement Personnel | Kalpesh Kumar - Managing Director |
| | Ruchi Ashish Maheshwari- Chief Financial Officer |
| | Suresh Babu RV - Company Secretary |
| Directors | Anil Jain |
| | Shailesh Rajagopalan |
| | Jamuna |
| | Hem Senthil Raj - upto 20 Jan 2020 |

* as identified by the management and relied upon by the auditors

**B. Transactions with Related Parties**

| Nature of the Transaction | Name of Related Party | For the year ended March 31, 2020 | For the year ended March 31, 2019 |
|---|---|---|---|
| Sales of goods | Refex Industries Limited | - | 443,494,690 |
| Sales of goods | Refex Solar Power Private Limited | - | 45,555,510 |
| Sales of goods | SEI Tejas Pvt Ltd | - | 24,922,032 |
| Sales of goods | Refex Energy Limited | 75,353,585 | 60,568,551 |
| Sales of goods | Kiln Solar energy private limited | 407,116 | - |
| Sales of goods | Broil Solar Energy private limited | 38,381,462 | - |
| Sales of goods | Sherisha rooftop solar SPV four private limited | 4,044,192 | - |
| Sales of goods | Sherisha rooftop solar SPV Three private limited | 407,387 | - |
| Sales of goods | STPL horticulture Private limited | 63,838,895 | - |
| Sales of goods | Ishaan Solar Power Private Limited | 154,673,107 | - |
| Purchase of Goods | Ishaan Solar Power Private Limited | 82,022,330 | 503,896,225 |
| Purchase of Goods | Refex enery limited | 26,053 | - |
| Purchase of Goods | Refex industries limited | 7,275,167 | - |
| Purchase of Goods | Megamic Electronics private limited | 613,000 | - |
| Purchase of Goods | Jain International Trade organisation | 2,700,852 | - |
| Legal and Professional Charges | Sherisha Solar private limited | 32,500,000 | - |
| Expenses incurred by related party | Refex Industries Limited | 55,338 | 1,665,296 |
| Expenses incurred by related party | Sherisha Technologies P Ltd | 6,656,256 | 409,882 |
| Expenses incurred on behalf of related party | Ishaan Solar Power Private Limited | 1,250,205 | 479,500 |
| Expenses incurred by related party | Ishaan Solar Power Private Limited | 1,763,200 | - |
| Expenses incurred on behalf of related party | SEI Tejas Pvt Ltd | - | 56,075 |
| Expenses incurred on behalf of related party | Refex Energy Limited | - | 456,251 |
| Expenses incurred by related party | Anil Jain - KMP | 19,788 | - |
| Expenses incurred by related party | Ruchi Maheshwari - KMP | 23,600 | - |
| Security Deposit | Refex Energy Limited | 26,114,322 | 24,000,000 |
| Interest Expense | SunEdison Energy India Private Limited | 4,023,045 | 252,222 |
| Interest Expense | Ishaan Solar Power Private Limited | 290,691 | - |

### B. Transactions with Related Parties

| Nature of the Transaction | Name of Related Party | For the year ended March 31, 2020 | For the year ended March 31, 2019 |
|---|---|---|---|
| Interest Expense | DN Energy Limited | 1,57,82,527 | - |
| Interest Income | SEI Tejas Pvt Ltd | 13,48,031 | - |
| Interest Income | Enrecover Energy Recovery Solutions Private Limited | 1,59,664 | - |
| Interest Income | Megamic Electronics Private Limited | 77,579 | - |
| Interest Income | SEI Solartech Private Limited | 1,668 | - |
| Interest Income | SILRES Energy Solutions Private Limited | 2,03,146 | - |
| Interest Income | SIL Rooftop solar power private limited | 48,21,445 | - |
| Loan Advanced | Enrecover Energy Recovery Solutions Private Limited | 79,83,700 | - |
| Loan Advanced | Megamic Electronics Private Limited | 32,01,000 | - |
| Loan Advanced | SEI Solartech Private Limited | 6,57,100 | - |
| Loan Advanced | SILRES Energy Solutions Private Limited | 1,11,80,151 | - |
| Loan Advanced | SIL Rooftop Solar Power Private Limited | 27,07,18,854 | - |
| Loan borrowed | SunEdison Energy India Private Limited | - | 6,67,30,541 |
| Loan borrowed | Ishaan Solar Power Private Limited | 18,08,05,980 | 53,40,000 |
| Loan borrowed | SEI Tejas Pvt Ltd | 19,03,07,036 | 11,49,22,950 |
| Compensation to Key Management Personnel | Ruchi Maheshwari | 36,83,256 | - |
| Compensation to Key Management Personnel | Suresh Babu | 6,26,897 | - |
| Compensation to Key Management Personnel | Kalpesh Kumar | 8,69,400 | - |
| Compensation to Key Management Personnel | Hem Senthil Raj - Sitting Fees | 40,000 | 40,000 |
| Compensation to Key Management Personnel | Jamuna - Sitting Fees | 40,000 | 40,000 |

### C. Balance as at year end

| Nature of the Transaction | Name of Related Party | As at March 31, 2020 | As at March 31, 2019 |
|---|---|---|---|
| Loan Payable | SunEdison Energy India Private Limited | - | 6,60,35,101 |
| Loan Payable | Ishaan Solar Power Private Limited | 3,16,92,122 | - |
| Loan Payable | SEI Tejas Private Limited | 1,66,80,262 | - |
| Loan Receivable | Enrecover Energy Recovery Solutions Private Limited | 74,83,700 | - |
| Loan Receivable | Megamic Electronics Private Limited | 32,01,000 | - |
| Loan Receivable | SEI Solartech Private Limited | 1,00,100 | 3,000 |
| Loan Receivable | SILRES Energy Solutions Private Limited | 81,17,457 | - |
| Loans Receivable | SEI Tejas Private Limited | - | 56,075 |
| Loan Receivable | SIL Rooftop Solar Power Private Limited | 24,18,56,839 | - |
| Interest Payable | SunEdison Energy India Private Limited | 35,84,795 | 2,52,222 |
| Interest Payable | Ishaan Solar Power Private Limited | 2,90,691 | - |
| Interest accrued and due | SEI Tejas Private Limited | 13,48,031 | - |
| Interest accrued and due | Enrecover Energy Recovery Solutions Private Limited | 1,59,664 | - |
| Interest accrued and due | Megamic Electronics Private Limited | 77,579 | - |
| Interest accrued and due | SEI Solartech Private Limited | 1,668 | - |
| Interest accrued and due | SILRES Energy Solutions Private Limited | 2,03,146 | - |
| Interest accrued and due | SIL Rooftop Solar Power Private Limited | 48,21,445 | - |
| Trade Receivable | Broil Solar Energy Pvt Ltd | 1,64,13,016 | - |
| Trade Receivable | Ishaan Solar Power Pvt Ltd | 12,19,26,313 | - |
| Trade Receivable | Kiln Solar Energy Private Limited | 54,23,000 | - |
| Trade Receivable | Refex Energy Limited | 5,92,36,260 | 5,71,31,992 |
| Trade Receivable | Refex Solar Power Private Limited | - | - |
| Trade Receivable | SEI Tejas Private Limited | - | - |
| Trade Receivable | Sherisha Rooftop Solar Spv Four Pvt Ltd | 1,14,87,108 | - |
| Trade Receivable | Taper Solar Energy Private Limited | 1,46,202 | - |
| Advances from customers | Sherisha Rooftop Solar SPV Three Pvt Ltd | 2,63,35,500 | - |
| Advances from customers | STPL Horticulture Private Limited | 26,79,97,573 | - |
| Trade Payable | Ishaan Solar Power Private limited | 5,07,04,921 | - |
| Trade Payable | Sherisha Solar Power Private Limited | 3,51,00,000 | - |
| Trade Payable | Sherisha Technologies Private Limited | 90,09,558 | - |
| Trade Payable | Refex Industries Limited | 20,94,218 | - |
| Advances to vendor | Megamic Electronics Private Limited | 3,79,030 | - |
| Security Deposits | Refex Energy Limited | 4,41,14,322 | 2,40,00,000 |

## 33. DISCLOSURE OF EMPLOYEE BENEFIT OBLIGATIONS:

| | Compensated Absences Plan | | Gratuity | |
|---|---|---|---|---|
| | 31 March 2020 | 31 March 2019 | 31 March 2020 | 31 March 2019 |
| **Components of Employer's Expense:** | | | | |
| Current Service Cost | 1,676,300 | - | 1,123,979 | - |
| Past Service Cost | - | - | 952,073 | - |
| Interest Cost | - | - | - | - |
| Actuarial Losses/ (Gains) | - | - | - | - |
| **Total expense recognised in the Statement of Profit and Loss** | **1,676,300** | **-** | **2,076,052** | - |

**Changes in the Defined Benefit Obligation (DBO) during the year:**

| | Compensated Absences Plan | | Gratuity | |
|---|---|---|---|---|
| | 31 March 2020 | 31 March 2019 | 31 March 2020 | 31 March 2019 |
| Present value at the beginning of year | - | - | - | - |
| Interest Cost | - | - | - | - |
| Service Cost | 1,676,300 | - | 2,076,052 | - |
| Benefits Paid | - | - | - | - |
| Actuarial (Gains)/Losses | - | - | - | - |
| **Present value at the end of year** | **1,676,300** | **-** | **2,076,052** | **-** |

**Liability recognised in the balance sheet**

| | Compensated Absences Plan | | Gratuity | |
|---|---|---|---|---|
| | 31 March 2020 | 31 March 2019 | 31 March 2020 | 31 March 2019 |
| Current Portion | 37,151 | - | 5,404 | - |
| Non-Current Portion | 1,639,149 | - | 2,070,648 | - |
| | **1,676,300** | **-** | **2,076,052** | **-** |

**Actuarial Assumptions:**

| | | | | |
|---|---|---|---|---|
| Discount Rate | 6.85% | - | 6.85% | - |
| Expected rate of return on assets | NA | - | NA | - |
| Expected rate of salary Increase | 10% pa for the first three years and 7.5% pa thereafter | - | 10% pa for the first three years and 7.5% pa thereafter | - |
| Attrition Rate | | | | |
| Upto 30 years | 3.00% | - | 3.00% | - |
| 31-44 years | 2.00% | - | 2.00% | - |
| Above 44 years | 1.00% | - | 1.00% | - |
| Mortality (% of IALM 06-08) | 100% | - | 100% | - |

**Sensitivity Analysis**

**Gratuity :**

| | As at 31 March 2020 | | As at 31 March 2019 | |
|---|---|---|---|---|
| | Decrease | Increase | Decrease | Increase |
| Discount Rate (-/+ 1%) | 2,535,950 | 1,714,019 | - | - |
| (% change compared to actual) | 22.20% | -17.40% | - | - |
| Salary growth rate (-/+1%) | 1,714,054 | 2,514,044 | - | - |
| (% change compared to actual) | -17.40% | 21.10% | - | - |
| Attrition rate (-/+ 50%) | 2,149,077 | 2,008,197 | - | - |
| (% change compared to actual) | 3.50% | -3.30% | - | - |
| Mortality rate (-/+10%) | 2,076,677 | 2,075,430 | - | - |
| (% change compared to actual) | 0.00% | 0.00% | - | - |

**Leave Encashment:**

| | As at 31 March 2020 | | As at 31 March 2019 | |
|---|---|---|---|---|
| | Decrease | Increase | Decrease | Increase |
| Discount Rate (-/+ 1%) | 2,037,519 | 1,392,636 | - | - |
| (% change compared to actual) | 21.50% | -16.90% | - | - |
| Salary growth rate (-/+1%) | 1,392,680 | 2,030,079 | - | - |
| (% change compared to actual) | -16.90% | 21.10% | - | - |
| Attrition rate (-/+ 50%) | 1,701,614 | 1,654,541 | - | - |
| (% change compared to actual) | 1.50% | -1.30% | - | - |
| Mortality rate (-/+10%) | 1,676,824 | 1,675,778 | - | - |
| (% change compared to actual) | 0.00% | 0.00% | - | - |

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## 34. SEGMENT REPORTING

Ind AS 108 establishes standards for reporting information about operating segments and related disclosures about product and services, geographical areas and major customers. Based on 'management approach' as defined in Ind AS 108, the Board of Directors evaluates the company perfomance and allocates resources based on analysis of various performance indicators by business segments and geographical segments. Accordingly information has been presented both along business segment and geographical segment. The accounting principle used in the preparation of financial statements are consistently applied to record revenue and expenditure in individual segment and or as set out in the significant accounting policies.

Business segment of the company comprise of:-

(i) Trading activities which involve buying and selling various solar components

(ii) Engineering, procurement and construction ('EPC-Rural') - Supply, installation, commissioning and maintenance of solar water pumps and home systems.

(iii) Engineering, procurement and construction ('EPC-Commercial and Industrial (C&I)') - Supply, installation, commissioning and maintenance of Ground solar power plants and Rooftop.

Segment assets are measured in the same way as in the financial statements. These assets are allocated based on the operations of the segment and the physical location of the assets. Segments assets do not include investments and income tax assets which are managed for the Company as whole.

Segment liabilities are measured in the same way as in the financial statements. These liabilities are allocated based on the operations of the segment. Segments liabilities do not include borrowings and income tax liabilities which are managed for the Company as a whole.

During the previous year the Company operated in a single segment viz., EPC and hence information for such segment has been presented as part of the Balance Sheet and Statement of profit and loss.

### A. BUSINESS SEGMENT INFORMATION

| Particulars | Year ended 31 March 2020 | | | |
|---|---|---|---|---|
| | Rural | C&I | Others | Total |
| Revenue from operations | 375,199,847 | 124,139,196 | - | 499,339,043 |
| Segment result | 46,749,748 | 20,242,437 | - | 66,992,184 |
| Unallocated income less expenses | - | - | (202,010,591) | (202,010,591) |
| Profit before income tax | - | - | - | (135,018,406) |
| Income tax expense | - | - | - | - |
| **Net profit** | **-** | **-** | **-** | **(135,018,406)** |
| Depreciation | - | - | 1,266,091 | **1,266,091** |

### B. SEGMENT ASSETS

| Particulars | As at 31 March 2020 | | | |
|---|---|---|---|---|
| | Rural | C&I | Others | Total |
| Segment fixed assets | - | - | - | - |
| Other segment assets | 263,722,000 | 79,687,275 | - | 343,409,275 |
| Unallocated Corporate assets | - | - | 434,920,360 | 434,920,360 |
| **Total Assets** | **263,722,000** | **79,687,275** | **434,920,360** | **778,329,635** |

### C. SEGMENT LIABILITIES

| Particulars | As at 31 March 2020 | | | |
|---|---|---|---|---|
| | Rural | C&I | Others | Total |
| Segment Liabilities | 132,336,327 | 352,533,629 | - | 484,869,956 |
| Unallocated Corporate liabilities | - | - | 381,745,139 | 381,745,139 |
| **Total Liabilities** | **132,336,327** | **352,533,629** | **381,745,139** | **866,615,095** |
| Additions to segment fixed assets | | | 11,343,161 | **11,343,161** |

### A. BUSINESS SEGMENT INFORMATION

| Particulars | Year ended 31 March 2019 | | | |
|---|---|---|---|---|
| | Trading | Rural | Others | Total |
| Revenue from operations | 513,972,232 | 60,568,551 | - | 574,540,783 |
| Segment result | 8,516,007 | 1,508,880 | - | 10,024,887 |
| Unallocated income less expenses | - | - | (3,493,568) | (3,493,568) |
| Profit before income tax | - | - | - | 6,531,319 |
| Income tax expense | - | - | - | 4,972,739 |
| **Net profit** | **-** | **-** | **-** | **1,558,580** |
| Depreciation | - | - | 115,743 | **115,743** |

### B. SEGMENT ASSETS

| Particulars | As at 31 March 2020 | | | |
|---|---|---|---|---|
| | Trading | Rural | Others | Total |
| Segment fixed assets | - | - | | - |
| Other segment assets | - | 116,680,492 | - | 116,680,492 |
| Unallocated Corporate assets | - | - | 60,762,348 | 60,762,348 |
| **Total Assets** | **-** | **116,680,492** | **60,762,348** | **177,442,840** |

### C. SEGMENT LIABILITIES

| Particulars | As at 31 March 2020 | | | |
|---|---|---|---|---|
| | Trading | Rural | Others | Total |
| Segment Liabilities | 1,560,000 | 12,314,232 | - | 13,874,232 |
| Unallocated Corporate liabilities | - | - | 116,835,662 | 116,835,662 |
| **Total Liabilities** | **1,560,000** | **12,314,232** | **116,835,662** | **130,709,894** |
| Additions to segment fixed assets | - | - | 183,254 | **183,254** |

Geographical Segments - The Company has only one geographical segment viz., India.

### Details of income from major customers

| Name of customer | Year ended 31 March 2020 | Year ended 31 March 2019 |
|---|---|---|
| Alectrona Energy Private Limited | 29.07% | 0.00% |
| Ishaan Solar Power Private Limited | 30.98% | 48.00% |
| Refex Energy Limited | 15.09% | 9.00% |
| STPL Horticulture Private Limited | 12.78% | 0.00% |

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## 35. FAIR VALUE MEASUREMENTS FINANCIAL INSTRUMENTS BY CATEGORY

### A. BUSINESS SEGMENT INFORMATION

| Particulars | As at 31 March 2020 | | | Fair value hierarchy | | |
|---|---|---|---|---|---|---|
| | FVPL | FVOCI | Amortised cost | Level I | Level II | Level III |
| **Financial Assets** | | | | | | |
| Investment in Equity Instruments | - | - | 75,737,103 | - | - | - |
| Trade Receivables* | - | - | 244,551,008 | - | - | - |
| Cash and cash equivalents# | - | - | 844,116 | - | - | - |
| Loans | | | 260,759,096 | | | |
| Other Financial Assets* | - | - | 33,994,305 | - | - | 45,114,322 |
| **TOTAL ASSETS** | **-** | **-** | **615,885,628** | **-** | **-** | **45,114,322** |
| | | | | | | |
| **Financial Liabilities** | | | | | | |
| Borrowings | | | 212,693,269 | | | |
| Trade Payable | | | 158,702,194 | | | |
| Other Financial Liabilities | | | 20,833,066 | | | |
| **TOTAL LIABILITIES** | **-** | **-** | **392,228,528** | **-** | **-** | **45,114,322** |

| Particulars | As at 31 March 2019 | | | Fair value hierarchy | | |
|---|---|---|---|---|---|---|
| | FVPL | FVOCI | Amortised cost | Level I | Level II | Level III |
| **Financial Assets** | | | | | | |
| Investment in Equity Instruments | - | | 59,037,103 | - | - | - |
| Trade Receivables* | - | - | 57,131,992 | - | - | - |
| Cash and cash equivalents# | - | - | 816,900 | - | - | - |
| Loans | - | - | 59,075 | | | |
| Other Financial Assets* | - | - | 42,633,044 | - | - | - |
| **TOTAL ASSETS** | **-** | **-** | **159,678,114** | **-** | **-** | **-** |
| | | | | | | |
| **Financial Liabilities** | | | | | | |
| Borrowings | | | 112,720,772 | - | - | - |
| Trade Payables* | - | - | 3,089,194 | - | - | - |
| Other Financial Liabilities | - | - | 578,581 | - | - | - |
| **TOTAL LIABILITIES** | **-** | **-** | **116,388,547** | **-** | **-** | **-** |

*The carrying value of these accounts are considered to be the same as their fair value, due to their short term nature. Accordingly, these are classified as level 3 of fair value hierarchy.

# These accounts are considered to be highly liquid and the carrying amount of these are considered to be the same as their fair value.

## 36. FINANCIAL RISK MANAGEMENT

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk and foreign currency risk. The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The primary risks to the Company are credit and liquidity risk.

The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below:

**(i) Credit Risk**

***Credit risk management***

Credit risk is the risk of financial loss to the company if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the company's receivables from customers and investment securities. Credit risk arises from cash held with banks and financial institutions, as well as credit exposure to clients, including outstanding accounts receivable. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

**a)Provision for Expected Credit Loss**

The company provides for loss allowance based 12 months credit loss except in the case of trade receivables which are provided based on life-time credit loss. For the assessment of 12 months of life time expected credit loss, assets are classified into three categories as standard, sub-standard and doubtful based on the counter-party's capacity to meet the obligations and provision is determined accordingly. Standard assets are those where the risk of default is negligible, sub-standard are those where the credit risk is significantly increased since inception and doubtful assets are those where the assets are impaired.

**(ii) Liquidity Risk**

Liquidity risk is the risk that the company will not be able to meet its financial obligations as they become due. The company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due. The Company depends on its related parties for short term funds to maintain liquidity for fulfilling its working capital requirements. In addition, processes and policies related to such risks are overseen by senior management.

The working capital position of the Company is given below:

| Particulars | As at 31 March 2020 | As at 31 March 2019 |
|---|---|---|
| Cash and cash equivalents | 844,115 | 816,900 |
| **Total** | **844,115** | **816,900** |

The table below provides details regarding the contractual maturities of significant financial liabilities as at 31 March 2020 and 31 March 2019.

| Particulars | As at 31 March 2020 | | | |
|---|---|---|---|---|
| | Less than one year | 1-2 years | 2 years and above | Total |
| Trade Payables | 158,702,194 | | | 158,702,194 |
| Borrowings | 49,321,331 | 160,783,482 | 3,537,402 | 213,642,215 |
| Other Financial Liabilities | 20,833,066 | | | 20,833,066 |
| **Total** | **228,856,591** | **160,783,482** | **3,537,402** | **393,177,475** |

| Particulars | As at 31 March 2019 | | | |
|---|---|---|---|---|
| | Less than one year | 1-2 years | 2 years and above | Total |
| Trade payables | 3,089,194 | - | - | 3,089,194 |
| Borrowings | 65,782,579 | - | 46,938,193 | 112,720,772 |
| Other Financial Liabilities | 578,581 | - | - | 578,581 |
| **Total** | **69,450,354** | **-** | **46,938,193** | **116,388,547** |

**(iii) Foreign Currency Risk**

The Company's operations are largely within India and hence the exposure to foreign currency risk is very minimal.

## 37. DISCLOSURE OF INFORMATION IN TERMS OF SECTION 186 (4) OF THE COMPANIES ACT, 2013 :

| Name of Entity | Nature of Relationship | Purpose | 31 March 2020 | 31 March 2019 |
|---|---|---|---|---|
| Enrecover Energy Recovery Solutions Private Limited | Subsidiary | Working capital | 74,83,700 | - |
| Megamic Electronics Private Limited | Subsidiary | Working capital | 32,01,000 | - |
| SEI Solartech Private Limited | Subsidiary | Working capital | 1,00,100 | 3,000 |
| SILRES Energy Solutions Private Limited | Subsidiary | Working capital | 81,17,457 | - |
| SIL Rooftop Solar Power Private Limited | Subsidiary | Working capital | 24,18,56,839 | - |
| SEI Tejas Private Limited | Subsidiary | Working capital | - | 56,075 |

## 38. GOING CONCERN ASSUMPTION

The Company has incurred losses in the current year and consequently the net worth has been compeletely eroded as at the balance sheet date. Also refer Note 40 below which fully describes that a major businesses are to be restructured and transferred out on a slump sale basis. Both these factors thereby raise a substantial doubt about the Company's ability to continue on a going concern basis for the foreseeable future. However, the Company was profitable last year and based on alternative business plans developed, the management is confident of continuing the business in a profitable manner. Accordingly, these financial statements have been prepared on a going concern basis and do not include any adjustments to the recorded amounts of assets/liabilities that may be necessary if the entity is unable to continue as a going concern.

## 39. SUBSEQUENT EVENTS

The Company entered into a framework agreement dated June 23, 2020 with South Lake LLC (South Lake), Fenice Investment Group LLC (Fenice), Pashupathy Shankar Gopalan, Anil Jain, SILRES Energy Solutions Private Limited, Pashupathy Capital Pte Limited, Sherisha Infrastructure Private Limited, Sherisha Technologies Private Limited and Avyan Pashupathy Capital Advisors Private Limited (referred to as the Framework agreement). The Framework agreement intends to restructure and transfer the under construction Commercial and Industrial customers' business and certain other businesses of the Company to SunEdison Energy Solutions Private Limited which is a joint venture between a company proposed to be set up in the United Kingdom by Pashupathy Capital Pte Limited, South Lake and Fenice.

The proposed restructuring is being undertaken to primarily separate the completed projects from the under development projects and transfer the under development projects along with the engineering, procurement and construction (EPC) business and the Trademark SunEdison by way of a slump sale on a going concern basis to SunEdison Energy Solutions Private Limited for a consideration of INR 45 crores. The businesses referred to in such agreement which are going to be structured and transferred include (hereinafter referred to as 'the carve out business');

1) EPC business segment (Rural and C&I) and the Trademark which is an intangible asset of the Company

2) All equity shares held as investments in Ishaan Solar Power Private Limited, SILRES Energy Solutions Private Limited, Megamic Electronics Private Limited and Enercover Energy Recovery Solutions Private Limited . Prior to the transfer of such shares the equity shares held by the Company in SEI Tejas Private Limted will be transferred to Ishaan Solar Power Private Limited

3) Sherisha Solar Private Limited, which is currently held by SIL Rooftop Private Limited (subsidiary of the Company) will be converted into Sherisha Solar LLP. 36% of the partnership interest, constituting 99% of the economic interest, of such LLP will also be transferred

The slump sale is proposed to be completed by way of a Business Transfer Agreement to be executed once the valuation of the businesses and subsidiaries being transferred is undertaken, subject to the approval of the shareholders. Even though the purchase consideration has been agreed for the slump sale the impact of the Framework agreement cannot be ascertained since the underlying values of the assets and liabilities of the carve out business is yet to be determined."

40. “The World Health Organization declared the outbreak of COVID-19 as a Global Pandemic. Many countries have announced complete or partial shut-downs. The Government of India, on March 24, 2020 had declared complete countrywide lock down. These developments have resulted into significant macro-economic impact, the duration and scale of which remains uncertain and could impact Company’s earnings and cash flows going forward. The Company management has done the preliminary assessment and expect no significant impact on the Company’s operations. Further, this being post Balance Sheet non-adjusting event, hence no adjustments were required to made in the books for the year ended March 31, 2020.”

## 41. PREVIOUS YEARS FIGURES

Previous year figures have been regrouped wherever necessary to conform to current year's classification. The previous year figures have been audited by a firm other than V K A N & Associates.

For and on behalf of the Board of Directors of
**SunEdison Infrastructure Limited**

**Kalpesh Kumar**
Managing Director
DIN: 07966090
Place : Chennai
Date : 12th october 2020

**Shailesh Rajagopalan**
Director
DIN: 01855598

**Ruchi Ashish Maheshwari**
Chief Financial Officer

**Suresh Babu RV**
Company Secretary

# INDEPENDENT AUDITOR'S REPORT

## TO THE MEMBERS OF SUNEDISON INFRASTRUCTURE LIMITED
## REPORT ON THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

### QUALIFIED OPINION

We have audited the accompanying consolidated financial statements of SunEdison Infrastructure Limited ("the Parent"/ "the Holding Company") and its subsidiaries, (the Parent/ Holding Company and its subsidiaries together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at 31st March 2020, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income) , the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity 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, and based on the consideration of reports of the other auditors on separate financial statements of the subsidiaries referred to in the Other Matters section below, except for the possible effects of the matter described in the Basis for Qualified Opinion section below, the aforesaid consolidated 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 consolidated state of affairs of the Group as at 31 March 2020, and their consolidated loss, their consolidated total comprehensive income, their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

### BASIS FOR QUALIFIED OPINION

With respect to two subsidiaries, certain liabilities aggregating to INR 144,897,675 outstanding under borrowings, trade payables and other current liabilities do not have sufficient appropriate audit evidence to corroborate the management's assessment of such obligations. Hence, we were unable to determine whether any adjustments might be necessary to such amounts and the corresponding impact on income tax, net income and shareholders' funds. We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing specified under section 143 (10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group 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 consolidated 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 by us and other auditors in terms of their reports referred to in the sub-paragraphs of the Other Matters section below, is sufficient and appropriate to provide a basis for our qualified audit opinion on the consolidated financial statements.

## MATERIAL UNCERTAINTY RELATING TO GOING CONCERN

1) We draw your attention to Note 42 of the consolidated financial statements annexed to this report which states that the Group has incurred losses during the year ended 31st March 2020 due to which the net worth has been fully eroded as at such date. We also draw your attention to Note 44 of the consolidated financial statements annexed to this report wherein a substantial portion of the Company's business is proposed to be restructured and transferred on a slump sale basis. The notes referred to in this paragraph in conjunction, give rise to a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern. As more fully explained in such Note 42 of the consolidated financial statements it is considered appropriate by the management to prepare the consolidated financial statements on a going concern basis.

2) We draw your attention to Note 43 of the consolidated financial statements which details that the net worth of a subsidiary (SEI Tejas Private Limited) has been fully eroded as at 31st March, 2020 and such subsidiary has also incurred a loss during year ended on such date thereby raising substantial doubt about the subsidiary's ability to continue in operation for the foreseeable future. However, the standalone Ind AS financial statements of such subsidiary has been prepared on a going concern basis as some of the related parties of such subsidiary have been according financial support in the form of short term borrowings to enable it to meet its working capital related obligations and the management of such subsidiary is confident that such support will continue until such time it is able to meet such obligations on its own.

Our opinion is not modified in respect of these matters.

## EMPHASIS OF MATTER

1) We draw your attention to Note 44 of the consolidated financial statements annexed to this report which more fully describes the transaction which the Company has entered into vide a Framework agreement dated June 23, 2020 wherein the proposed restructuring is being undertaken to primarily separate the completed projects from the under-development projects and transfer such under-development projects along with the engineering, procurement and construction ("EPC") business and the Trademark "SunEdison" by way of a slump sale on a going concern basis to an entity which is incorporated along with the participation of certain identified external investors.

2) We draw your attention to Note 45 of the consolidated financial statements annexed to this report , wherein management has assessed that there is no material impact in the consolidated financial statements due to lockdown and related restrictions imposed towards COVID 19 pandemic. Management continues to monitor all material changes to the Company's internal and external environment due to the Covid-19 pandemic.

3) We draw attention to Note 40A of the consolidated financial statements annexed to this report where a subsidiary had transactions in foreign currency with parties outside India relating to various contracts. As at the balance sheet date, there are balances which are receivable/payable from such parties outstanding beyond the period permitted under RBI/FEMA regulations. Moreover, relevant annual filings and returns required to be filed under RBI/FEMA regulation with respect to foreign currency transactions/balances have not yet been carried out by such subsidiary. The subsidiary is in the process of initiating necessary actions to comply with the relevant requirements under RBI/FEMA regulations.

## KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated Ind AS financial statements of the current period. These matters were addressed in the context of our audit of the consolidated Ind AS Financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the Basis for Qualified Opinion section and Material Uncertainty Related to Going Concern section of our report, we have determined the matters described below to be the key audit matters to be communicated in our report.

| SR. NO. | KEY AUDIT MATTER | AUDITOR'S RESPONSE |
|---|---|---|
| 1 | Accuracy of recognition, measurement, presentation and disclosure of revenues and other related balances in view of adoption of Ind AS 115 "Revenue from Contracts with Customers" The application of the revenue accounting standard involves certain key judgements relating to identification of distinct performance obligations, determination of transaction price of the appropriateness of the basis used to measure revenue recognized over a period; estimation of costs to complete, determining the stage of completion and the timing of revenue recognition.<br><br>Further, revenue comprises of 'at a point in time' types of contracts where revenue is recognized on transfer of control in relation to sale of solar water pumps (supply-only and supply-and-installation) and 'over a period of time' types of contracts which involves assessing the degree of completion for round Solar Power Plants and Rooftop projects. The group recognizes revenue and profit/loss based on stage of completion which is computed based on the proportion of contract costs incurred at the balance sheet date in relation to the total estimated costs of the contract at completion. The recognition of revenue and profit/loss therefore rely on estimates in relation to the total estimated costs of each contract.<br><br>Refer Note 3(c) of the Consolidated Ind AS financial statements. | Our procedures included, among others, obtaining an understanding of contract execution processes and relevant controls relating to the accounting for customer contracts. We tested the relevant internal controls used to ensure the completeness, accuracy and timing of revenue recognized, including controls over the degree of completion of service contracts at year-end.<br><br>We read a sample of contracts to assess whether the method for recognition of revenue was relevant and consistent with Ind AS 115 and has been applied consistently. We focused on contract classification, allocation of income and cost to individual performance obligations and timing of transfer of control. Where a contract contained multiple elements, we considered Management's judgements as to whether they comprised performance obligations that should be accounted for separately, and in such cases, challenged the judgements made in the allocation of consideration to each performance obligation.<br><br>We evaluated and challenged the significant judgements and estimates made by Management in applying the Company's accounting policy to a sample of specific contracts and separable performance obligations of contracts, and we obtained evidence to support them, including details of contractual agreements, delivery records , cost estimations, budget approvals and cash receipts. For the contracts selected, we inspected original signed contracts and reconciled the revenue recognized to the underlying accounting records. |

| | | |
|---|---|---|
| 2 | **Warranty provisions**<br><br>The Company's product warranties primarily cover expected costs to repair or replace components with defects or functional errors and financial losses suffered by the Company's customers in connection with unplanned suspension of operations. Warranties are usually granted for a five to ten years period from legal transfer of the solar water pumps. We focused on this area as the completeness and valuation of the expected outcome of warranty provisions requires a high degree of Management judgement and the use of estimates giving rise to inherent uncertainty in the amounts recorded in the Ind AS financial statements. Refer Note 20 of the Consolidated Ind AS financial statements. | We tested the relevant internal controls regarding completeness of warranty provisions and how Management assesses valuation of provisions. We challenged the assumptions underlying the valuation of provisions by checking and corroborating the inputs used to calculate the provisions, including interviewing Management regarding individual cases. We assessed specific warranty provisions held for individual cases to evaluate whether the warranty provisions were sufficient to cover expected costs at year-end. Further, we assessed the level of historical warranty claims to assess whether the total warranty provisions held at year-end were sufficient to cover expected costs in light of known and expected cases and standard warranty periods provided. |

## INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Holding Company's Board of Directors is responsible for the other information. The other information obtained at the date of this auditor's report is information included in the Director's report but does not include the Consolidated Ind AS financial statements, standalone Ind AS financial statements and our auditor's report thereon.

Our opinion on the Consolidated Ind AS 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 consolidated Ind AS financial statements, our responsibility is to read the other information , compare with the financial statements of the subsidiaries audited by the other auditors, to the extent it relates to these entities and, in doing so, place reliance on the work of the other auditors and consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the subsidiaries is traced from their financial statements audited by other auditors

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. As described in the Basis for Qualified Opinion section above, we were unable obtain sufficient appropriate audit evidence with respect to certain liabilities aggregating to INR 144,897,675 outstanding as at March 31, 2020 under trade payables and other current liabilities to corroborate the management's assessment of such obligations. Hence, we are unable to determine whether any adjustments might be necessary to such amounts and the corresponding impact on income tax, net income and shareholders' funds. Accordingly, we are unable to conclude whether or not the other information is materially misstated with respect to this matter.

## MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Holding 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 consolidated Ind AS financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income , consolidated cash flows and consolidated changes in equity of the Group in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated Ind AS financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate or cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

## AUDITOR'S RESPONSIBILITY FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated Ind AS 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 consolidated Ind AS 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 consolidated Ind AS 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 Holding 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 ability of the Group 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 consolidated Ind AS 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 Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated Ind AS financial statements, including the disclosures, and whether the consolidated Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the branches, entities or business activities within the Group to express an opinion on the consolidated Ind AS financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such branches or entities or business activities included in the consolidated Ind AS financial statements of which we are the independent auditors. For the entities included in the consolidated Ind AS financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated Ind AS financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated Ind AS 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 consolidated Ind AS financial statements.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated Ind AS financial statements of which we are the independent auditors 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 consolidated Ind AS 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.

## OTHER MATTERS

a) We did not audit the Ind AS financial statements of three subsidiaries whose Ind AS financial statements reflect total assets of INR 2,007,516,574 as at 31st March 2020 total revenues of INR 73,739,828 total comprehensive income (comprising of profit/ loss and other comprehensive income) of INR 51,531,103 for the year ended on that date, as considered in the consolidated Ind AS financial statements. These standalone Ind AS financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

b) The comparative consolidated Ind AS financial statements of the Group for the year ended March 31, 2019, were audited by predecessor auditor who expressed a modified opinion on such financial information on May 30, 2019.

Our opinion on the consolidated financial statements above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of other auditors.

## REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of other auditors on the separate financial statements of the subsidiaries referred to in the Other Matters section above we report, to the extent applicable that:

a) We have sought and except for the matter described in sub-paragraph of the Basis for Qualified Opinion section above and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

b) In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion section above, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books, returns and the reports of the other auditors.

c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income , the Consolidated Statement of Cash Flows/ the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

d) In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion section above, the aforesaid consolidated financial statements comply with the Ind AS/ Accounting Standards specified under Section 133 of the Act.

e) The matter described in the Basis for Qualified Opinion section and in the Material uncertainty related to Going Concern section above, in our opinion, may have an adverse effect on the functioning of the Group .

f) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2020 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.

g) The qualification relating to maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion section above.

h) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' reports of the Holding company and subsidiary companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of those companies.

i) 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 to the best of our information and according to the explanations given to us, the remuneration paid by the Holding Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

j) 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 Group had disclosed the impact of the pending litigations which would impact its financial position. Refer note 35 to the consolidated Ind AS financial statements.

   ii. The Group 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 Group.

For **V K A N & Associates**
*Chartered Accountants*
ICAI Firm Registration No 014226S

Kaushik Venkatraman
**Partner**
Membership No. 222070
Place: Chennai
Date: October 12, 2020
UDIN: 20222070AAAAGI7556

# ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

## (REFERRED TO IN PARAGRAPH 1(F) UNDER 'REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS' SECTION OF OUR REPORT TO THE MEMBERS OF SUNEDISON INFRASTRUCTURE LIMITED)

### REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 ("THE ACT")

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31 March 2020, we have audited the internal financial controls over financial reporting of SunEdison Infrastructure Limited ("the Holding Company") and its subsidiaries which are companies incorporated in India, as of that date.

### MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The respective Board of Directors of the Holding Company and its subsidiaries are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by these entities 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 Group's policies, the safeguarding of their 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 Holding 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, 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 obtained by us and the other statutory auditors in terms of their reports referred to in the Other matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Group'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 Holding Company and its subsidiary companies which are companies incorporated in India, have, 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.

## OTHER MATTERS

Our aforesaid reports under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to the three direct subsidiaries which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies.

For **V K A N & Associates**
*Chartered Accountants*
ICAI Firm Registration No 014226S

Kaushik Venkatraman
**Partner**
Membership No. 222070
Place: Chennai
Date: October 12, 2020

**SUNEDISON INFRASTRUCTURE LIMITED (FORMERLY KNOWN AS YKM INDUSTRIES LIMITED)**
**CIN : L40100TN1994PLC028263**

# CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2020

*(ALL AMOUNT ARE IN INDIAN RUPEES, UNLESS OTHERWISE STATED)*

| | Notes | As at 31 March 2020 | As at 31 March 2019 |
|---|---|---|---|
| **ASSETS** | | | |
| **Non-current assets** | | | |
| (a) Property, Plant and Equipment | 4 | 1,157,804,664 | 4,321,056 |
| (b) Capital work in progress | | 188,582,699 | - |
| (c) Investment property | 5 | 27,049,620 | 27,049,620 |
| (d) Goodwill | 6 | 498,206,812 | 100,202,189 |
| (e) Other Intangible assets | 6(a) | 7,600,133 | - |
| (f) Financial Assets | | | |
| (i) Loans | 7 | 23,724,242 | - |
| (ii) Other financial assets | 8 | 283,920,291 | 96,970,155 |
| (g) Other non-current assets | 9 | - | 23,290 |
| **Total non-current assets** | | **2,186,888,460** | **228,566,310** |
| **Current assets** | | | |
| (a) Inventories | 10 | 94,050,660 | 75,145,723 |
| (b) Financial Assets | | | |
| (i) Trade receivables | 11 | 508,810,709 | 135,442,919 |
| (ii) Cash and cash equivalents | 12 | 13,288,369 | 51,583,259 |
| (iii) Other bank balances | 13 | 37,728,843 | 35,343,300 |
| (iv) Loans | 14 | 16,924,741 | 54,177,045 |
| (v) Other financial assets | 15 | 88,699,378 | 106,506,873 |
| (c) Contract Assets | | 4,454,691 | - |
| (d) Other current assets | 16 | 130,203,172 | 57,058,300 |
| **Total current assets** | | **894,160,563** | **515,257,419** |
| **Total Assets** | | **3,081,049,023** | **743,823,730** |
| **EQUITY AND LIABILITIES** | | | |
| **Equity** | | | |
| (a) Equity Share Capital | 17 | 44,899,000 | 44,899,000 |
| (b) Other Equity | 18 | 1,165,102,444 | 77,469,593 |
| Total equity attributable to equity holders of the company | | 1,210,001,444 | 122,368,593 |
| Non Controlling Interest | | (90,267,926) | - |
| **Total Equity** | | **1,119,733,517** | **122,368,593** |
| **Liabilities** | | | |
| Non-current liabilities | | | |
| (a) Financial Liabilities | | | |
| (i) Borrowings | 19 | 1,016,540,580 | 49,140,361 |
| (b) Provisions | 20 | 123,544,964 | 60,914,591 |
| (c) Deferred Tax Liabilities (Net) | 21 | 171,411,443 | - |
| (d) Other non-current liabilities | 22 | 34,562,853 | 6,736,743 |
| **Total non-current liabilities** | | **1,346,059,840** | **116,791,695** |
| **Current liabilities** | | | |
| (a) Financial Liabilities | | | |
| (i) Borrowings | 23 | 69,679,978 | 190,411,636 |
| (ii) Trade payables | | | |
| Total outstanding dues of micro and small enterprises | 24 | 128,873,945 | - |
| Total outstanding dues other than micro and small enterprises | | 239,591,558 | 275,574,366 |
| (iii) Other financial liabilities | 25 | 51,594,987 | 29,955,333 |
| (b) Contract Liabilities | 27.2 | 90,946,896 | 3,477,477 |
| (c) Other current liabilities | 26 | 34,568,302 | 5,244,630 |
| **Total current liabilities** | | **615,255,666** | **504,663,442** |
| **Total Equity and Liabilities** | | **3,081,049,023** | **743,823,729** |
| Notes forming part of the Ind AS Consolidated Financial statements | 1 to 46 | | |
| This is the Consolidated Balance sheet referred to in our report | | | |

In terms of our report attached
**For V K A N & Associates**
Chartered Accountants
Firm Registration No: 014226S

**Kaushik Venkatraman**
Partner
Membership No: 222070
Place : Chennai
Date : 12th October 2020

For and on behalf of the Board of Directors of
**SunEdison Infrastructure Limited**

**Kalpesh Kumar**
Managing Director
DIN: 07966090

**Shailesh Rajagopalan**
Director
DIN: 01855598

**Ruchi Ashish Maheshwari**
Chief Financial Officer

**Suresh Babu RV**
Company Secretary

**SUNEDISON INFRASTRUCTURE LIMITED** (FORMERLY KNOWN AS YKM INDUSTRIES LIMITED)
**CIN : L40100TN1994PLC028263**

# CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2020

*(ALL AMOUNT ARE IN INDIAN RUPEES, UNLESS OTHERWISE STATED)*

| | Notes | For the Year ended 31 March 2020 | For the year ended 31 March 2019 |
|---|---|---|---|
| **Income** | | | |
| Revenue from operations | 27 | 626,113,871 | 707,150,440 |
| Other income | 28 | 21,147,970 | 33,622,498 |
| **Total Income** | | **647,261,841** | **740,772,938** |
| **Expenses** | | | |
| Cost of material consumed | 29 | 480,103,482 | 561,478,709 |
| Changes in inventories of finished goods and stock in trade | | (18,194,745) | (16,915,456) |
| Employee benefits expense | 30 | 73,018,633 | 20,938,044 |
| Finance costs | 31 | 57,747,852 | 585,408 |
| Depreciation and amortization expense | 4 | 42,624,878 | 353,238 |
| Other expenses | 32 | 205,583,775 | 62,689,162 |
| **Total expenses** | | **840,883,874** | **629,129,105** |
| **Profit/(Loss) before tax** | | **(193,622,033)** | **111,643,832** |
| **Tax expense:** | | | |
| Current tax | 33 | 12,557,369 | 32,654,848 |
| Deferred tax | 33 | 9,537,487 | 1,772,739 |
| Profit after tax | | (215,736,889) | 77,216,246 |
| **Other Comprehensive Income** | | | |
| **Items that will not be reclassified to profit or loss** | | | |
| Remeasurements of defined benefit obligations, net | | 713,143 | (22,019) |
| **Total Comprehensive Income for the year** | | **(215,023,746)** | **77,194,227** |
| **Profit / (Loss) attributable to** | | | |
| Owners of the company | | (213,675,768) | 77,216,246 |
| Non-controlling interests | | (2,061,121) | - |
| **Total Comprehensive Income attributable to** | | | |
| Owners of the company | | (212,962,625) | 77,194,227 |
| Non-controlling interests | | (2,061,121) | - |
| Earnings per equity share (of Rs. 10 each) | | | |
| Basic earnings per share | 34 | (47.89) | 17.19 |
| Diluted earnings per share | 34 | (47.89) | 17.19 |
| Notes forming part of the Ind AS Consolidated Financial statements | 1 to 46 | | |
| This is the Consolidated Statement of profit and loss referred to in our report | | | |

In terms of our report attached
**For V K A N & Associates**
Chartered Accountants
Firm Registration No: 014226S

**Kaushik Venkatraman**
Partner
Membership No: 222070
Place : Chennai
Date : 12th October 2020

For and on behalf of the Board of Directors of
**SunEdison Infrastructure Limited**

**Kalpesh Kumar**
Managing Director
DIN: 07966090

**Shailesh Rajagopalan**
Director
DIN: 01855598

**Ruchi Ashish Maheshwari**
Chief Financial Officer

**Suresh Babu RV**
Company Secretary

**SUNEDISON INFRASTRUCTURE LIMITED** (FORMERLY KNOWN AS YKM INDUSTRIES LIMITED)
**CIN : L40100TN1994PLC028263**

# CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2020

*(ALL AMOUNT ARE IN INDIAN RUPEES, UNLESS OTHERWISE STATED)*

| Particulars | Notes | For the year ended 31 March 2020 | For the year ended 31 March 2019 |
|---|---|---|---|
| **A. Cash flow from operating activities** | | | |
| Net profit/ (Loss) before tax excluding non controlling interest | | (191,560,912) | 111,643,832 |
| Adjustments for: | | | |
| Depreciation and amortisation expenses | | 42,624,878 | 353,238 |
| Interest income on fixed deposits/loans | | (20,953,777) | 7,987,146 |
| Provision for warranty | | 30,437,005 | 11,175,824 |
| Provision for doubtful debts | | 23,991,172 | - |
| Provisions no longer required written back | | - | 23,654,848 |
| Bad debts written off | | 707,542 | |
| Advances written off | | 12,181,039 | 1,439,228 |
| Liquidated damages | | 19,985,624 | - |
| Interest expense | | 57,747,852 | 585,408 |
| **Operating loss before working capital changes** | | **(24,839,577)** | **156,839,523** |
| Changes in working capital: | | | |
| Adjustments for (increase) / decrease in operating assets : | | | |
| Adjustments for increase / (decrease) in operating liabilities : | | | |
| Inventories | | (17,420,121) | 171,305,452 |
| Trade receivables | | (215,473,665) | (59,806,637) |
| Other financial assets and other assets | | (96,398,722) | 38,795,208 |
| Trade payables | | 78,089,818 | (55,054,026) |
| Other financial liabilities, Other liabilities and provisions | | 148,211,043 | (254,058,849) |
| **Cash used in operations** | | **(127,831,224)** | **(1,979,330)** |
| Net income tax (paid)/refund | | (8,451,990) | (5,964,005) |
| **Net cash used in operating activities** | | **(136,283,214)** | **(7,943,335)** |
| **B. Cash flow from investing activities** | | | |
| Bank deposits redeemed/(made) | | (2,385,543) | (34,130,042) |
| Proceeds from inter corporate loans | | 238,966,229 | 59,634,658 |
| Purchase of fixed assets | | (196,093,238) | (3,663,289) |
| Consideration paid on acquisition of subsidiaries | | (15,600,000) | - |
| Sale of Investments | | - | 100,000 |
| Interest income from Fixed deposits received | | 28,455,275 | 1,513,186 |
| **Net Cash from investing activities** | | **53,342,723** | **23,454,513** |
| **C. Cash flow from financing activities** | | | |
| Net Proceeds from Borrowings | | 82,650,693 | 32,955,449 |
| Interest paid during the year | | (38,005,091) | - |
| **Net Cash used in financing activities** | | **44,645,601** | **32,955,449** |
| **Net increase in cash and cash equivalents ( A+B+C )** | | **(38,294,889)** | **48,466,627** |
| **Cash and cash equivalents at the beginning of the year** | | **51,583,259** | **3,116,632** |
| **Cash and cash equivalents at the end of the year** | | **13,288,370** | **51,583,259** |
| **Note :** | | | |
| 1. The cash flow statement is prepared under "Indirect method" as set out in IND AS 7 Statements of Cash Flows notified in Section 133 of the Companies Act, 2013. | | | |
| 2. Reconciliation of Cash and cash equivalents with the Balance sheet | | | |
| Cash and cash equivalents | | 13,288,369 | 51,583,259 |
| **Cash and cash equivalents at the end of the year** | | **13,288,369** | **51,583,259** |
| Notes forming part of the Ind AS Financial statements | 1 to 46 | | |
| This is the Consolidated cash flow statement referred to in our report | | | |

In terms of our report attached
**For V K A N & Associates**
Chartered Accountants
Firm Registration No: 014226S

**Kaushik Venkatraman**
Partner
Membership No: 222070
Place : Chennai
Date : 12th October 2020

For and on behalf of the Board of Directors of
**SunEdison Infrastructure Limited**

**Kalpesh Kumar**
Managing Director
DIN: 07966090

**Shailesh Rajagopalan**
Director
DIN: 01855598

**Ruchi Ashish Maheshwari**
Chief Financial Officer

**Suresh Babu RV**
Company Secretary

**SUNEDISON INFRASTRUCTURE LIMITED** (FORMERLY KNOWN AS YKM INDUSTRIES LIMITED)
**CIN : L40100TN1994PLC028263**

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2020

*(ALL AMOUNT ARE IN INDIAN RUPEES, UNLESS OTHERWISE STATED)*

### A. Equity Share capital

| Particulars | Number | Amount in Rs |
|---|---|---|
| Equity shares INR 10 each issued, subscribed and paid | | |
| **As at 31 March 2018** | **4,489,900** | **44,899,000** |
| Issue of equity shares/ Shares forfeited | - | - |
| **As at 31 March 2019** | **4,489,900** | **44,899,000** |
| Issue of equity shares/ Shares forfeited | - | - |
| **As at 31 March 2020** | **4,489,900** | **44,899,000** |

### B. Other Equity

| Particulars | Retained Earnings | Capital reserve | Other comprehensive income | Equity component of compound financial instruments | Total equity attributable to equity holders |
|---|---|---|---|---|---|
| **As at 31 March 2018** | **(2,275,134)** | **2,550,500** | **-** | **-** | **275,366** |
| Add: Profit/(Loss) for the year | 77,216,246 | - | - | - | 77,216,246 |
| Other comprehensive income for the year | - | | (22,019) | - | (22,019) |
| **As at 31 March 2019** | **74,941,112** | **2,550,500** | **(22,019)** | **-** | **77,469,593** |
| Add: Profit/(Loss) for the year | (213,675,768) | - | - | - | (213,675,768) |
| Other comprehensive income for the year | - | - | 713,143 | | 713,143 |
| 0.01% Redeemable Preference Shares issued | | | | 1,300,595,476 | 1,300,595,476 |
| **As at 31 March 2020** | **(138,734,656)** | **2,550,500** | **691,124** | **1,300,595,476** | **1,165,102,444** |

Notes forming part of the Ind AS Financial statements 1 to 46

This is Consolidated Statement of changes in equity referred to in our report

In terms of our report attached
**For V K A N & Associates**
Chartered Accountants
Firm Registration No: 014226S

**Kaushik Venkatraman**
Partner
Membership No: 222070
Place : Chennai
Date : 12th October 2020

For and on behalf of the Board of Directors of
**SunEdison Infrastructure Limited**

**Kalpesh Kumar**
Managing Director
DIN: 07966090

**Shailesh Rajagopalan**
Director
DIN: 01855598

**Ruchi Ashish Maheshwari**
Chief Financial Officer

**Suresh Babu RV**
Company Secretary

SUNEDISON INFRASTRUCTURE LIMITED (FORMERLY KNOWN AS YKM INDUSTRIES LIMITED)
CIN : L40100TN1994PLC028263

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

## 1. BACKGROUND

SunEdison Infrastructure Limited (formerly known as YKM Industries Limited) is a Public Company domiciled and headquartered in India and was incorporated under the Companies Act, 1956. The Company is engaged in the business of Supply, installation, commissioning and maintenance of solar water pumps, home lighting systems, ground solar power plants and Rooftop including sale of electricity

## 2. BASIS OF PREPARATION

### a. Statement of Compliance

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, at the end of each reporting period as explained in the accounting policies below , the provisions of the Companies Act, 2013 ('the Act') (to the extent notified). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

Accounting policies have been consistently applied except where a newly-issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use. Details of the Company's significant accounting policies are included in Note 3.

### b. Principles of consolidation and equity accounting

During the year the Company has acquired two subsidiaries - Enrecover Energy Solutions Private Limited, Megamic Electronics Private Limited and incorporated two companies SILRES Energy Solutions Private Limited and SIL Rooftop Solar Power Private Limited across various dates and accordingly, the same has been considered for the purpose of consolidation. A subsidiary is an entity over which the Company has control. The Company controls an entity when the Company is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Company. They are deconsolidated from the date that control ceases. The acquisition method of accounting is used to account business combinations by the Company. In case the acquisition falls under Appendix C of Ind AS 103, which deals with common control transactions, the accounting treatment meted out by such standard is followed.

The Company combines its standalone financial statements and its subsidiary line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of the subsidiary have been changed wherever necessary to ensure consistency with the policies adopted by the Company.

Non-controlling interests in the results and equity of subsidiary are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet respectively.

**c. Functional and presentation currency**

The functional currency of the Company is the Indian rupee. All the financial information have been presented in Indian Rupees (Rs.) except for share data or as stated otherwise.

**d. Basis of measurement**

"These financial statements have been prepared on the historical cost basis except for the following items:

a) Net defined benefit liability - Present value of defined benefit obligations

b) Certain financial assets and financial liabilities - Fair value"

**e. Use of estimates**

In preparing these financial statements, Management has made judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results could differ from those estimates.

Estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognized prospectively.

Judgements are made in applying accounting policies that have the most significant effects on the amounts recognized in the financial statements and the same is disclosed in the relevant notes to the financial statements.

Assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment are reviewed on an on-going basis and the same is disclosed in the relevant notes to the financial statements.

**f. Measurement of fair values**

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and /or disclosure purposes in these financial statements is determined on such a basis, except for leasing transactions that are within the scope of Ind AS 17, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly (i.e.as prices ) or indirectly (i.e. derived from prices );
- Level 3 inputs are unobservable inputs for the asset or liability.

## 3. SIGNIFICANT ACCOUNTING POLICIES

### a. Foreign currency transactions

The functional currency of the Company is the Indian rupee. The financial statements are presented in Indian rupee.

Foreign-currency-denominated monetary assets and liabilities are translated into the relevant functional currency at exchange rate in effect at the Balance Sheet date. The gains or losses resulting from such translations are included in net profit in the Statement of Profit and Loss.

Transaction gains or losses realized upon settlement of foreign currency transactions are included in determining net profit for the period in which the transaction is settled. Revenue, expense and cash-flow items denominated in foreign currencies are translated into the relevant functional currencies using the exchange rate in effect on the date of the transaction.

All foreign exchange gains and losses are presented in the statement of profit and loss on a net basis within other gains/(losses).

### b. Inventories

Inventories are valued at the lower of cost and net realizable value. Cost of inventories comprises all cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost includes all taxes and duties, but excludes duties and taxes that are subsequently recoverable from tax authorities.

The methods of determining cost of various categories of inventories are as follows:

| Description | Methods of determining cost |
|---|---|
| Raw Materials | First-In-First-Out (FIFO) |

### c. Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of returns and discounts to customers. Revenue from the sale of goods is recognised when significant risks and rewards of ownership have been transferred to the customer, which is mainly upon delivery, the amount of revenue can be measured reliably and recovery of the consideration is probable. Revenue from services is recognised in the periods in which the services are rendered and the Performance Obligations are discharged. However, where the ultimate collection of revenue lacks reasonable certainty, revenue recognition is postponed.

### d. Property, plant and equipment

"Property, plant and equipment are stated at cost of acquisition less accumulated depreciation. Cost includes freight, duties and taxes and other incidental expenses related to the acquisition, but exclude duties and taxes that are recoverable subsequently from tax authorities. Dismantling costs and costs of removing the item and restoring the site on which it is located is required to be included in the cost of property, plant and equipment where ever applicable and cost of major inspections is recognized in the carrying amount of property, plant and equipment as a replacement, if recognition criteria are satisfied and any remaining carrying amount of the cost of previous inspection is derecognized.

Capital work in progress includes the cost of assets that are not ready for its intended use and cost of assets not put to use before the balance sheet date.

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

**Depreciation and amortization**

Depreciation is provided on the straight line method over the useful lives of assets as assessed by the management of the Holding Company. However, some of the tangible fixed assets relating to the subsidiaries have provided for Depreciation on written down value basis as that method more closely reflects the expected pattern of consumption of future economic benefits embodied in their respective assets. The method adopted in the standlone financial statements of subsidiaries have not been changed for the purpose of consolidation. The management estimates the useful lives tangible fixed assets as follow:

| Description | Useful lives |
|---|---|
| Computers | 3 years |
| Vehicles | 8-10 years |
| Office equipment's | 5 years |
| Electrical Fittings | 10 years |
| Tools and Equipment | 10 years |
| Plant and Machinery | 25 years |
| Furniture's and fixtures | 10 years |

**e. Intangible assets**

Goodwill is accounted on acquisition of subsidiaries when the consideration paid is in excess of the fair value of the net assets acquired. Goodwill is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses.

Trademarks and software purchased are measured at cost less accumulated amortisation and accumulated impairment, if any. Amortisation is provided on straight line basis over the estimated useful lives of the intangible assets as per the details below:

| Description | Useful lives |
|---|---|
| Trademark | 10 years |
| Software | 10 years |

**f. Investment Property**

Investment properties include freehold land which is held for capital appreciation is initially measured at cost, including related transaction costs and is not depreciated. Subsequent expenditure is capitalized to the asset's carrying value only when it is probable that future economic benefits associated with the expenditure will flow to the group and the cost of the item can be measured reliably.

**g. Cash and Cash Equivalents**

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.

**h. Employee benefits**

i. Short-term employee benefits: Employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, bonus and ex-gratia. The undiscounted amount of short-term employee benefits to be paid in exchange for employee services is recognized as an expense as the related service is rendered by employees.

**ii. Post employment benefits:**
**Defined contribution plans**

A defined contribution plan is a post-employment benefit plan under which an entity pays specified contributions to a separate entity and has no obligation to pay any further amounts. The Company makes specified monthly contributions towards employee provident fund to Government administered provident fund scheme which is a defined contribution plan. The Company's contribution is recognized as an expense in the statement of profit and loss during the year in which the employee renders the related service."

**Defined benefit plans**

The Company provides for gratuity, a defined benefit plan (the "Gratuity Plan") covering eligible employees. The Plan provides payment to vested employees at retirement, death or termination of employment, of an amount based on the respective employee's salary and the tenure of employment with the Company. The Company provides for gratuity based on actuarial valuation as at the balance sheet date. The actuarial valuation has been carried out using 'Projected Unit Method' by an independent actuary."

**Compensated absences**

Provision for compensated absences is made by the Company as at the balance sheet date of the un-availed leave standing to the credit of employees in accordance with the service rules of the Company. Liabilities related to the compensated absences are determined by actuarial valuation using projected unit credit method as at the balance sheet date."

Actuarial gains and losses are recognized in the Statement of other comprehensive income in the period in which they occur. The retirement benefit obligation recognized in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognized past service cost, as reduced by the fair value of scheme assets.

**iii. Employee share based payments**

The Company recognizes compensation expense relating to share based payments in net profit using fair value in accordance with Ind AS 102, Share-Based Payment. The estimated fair value of awards is charged to income on a straight line basis over the requisite service period for each separately vesting portion of the award as if the award was in substance, multiple awards with a corresponding increase to share option outstanding account.

**i. Leases**

The company assesses whether a contract contains a lease at the inception of the contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the company assesses whether (i) the contract involves the use of an identified asset (ii) the company has substantially all of the economic benefits from the use of the asset through the period of the lease and (iii) the company has the right to direct the use of the asset. The company has applied the exemption of not to recognize Right to Use assets and liabilities for leases with less than 12 months of lease term on the date of initial application as a practical expediency.

**j. Income taxes**

Income tax expense comprise current tax (i.e. amount of tax for the period determined in accordance with the income-tax law) and deferred tax charge or credit (reflecting that tax effects of timing differences between accounting income and taxable income for the period). The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognized using the tax rates and tax laws that have been enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognized only to the extent there is a reasonable certainty that the assets can be realized in future; however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognized only if there is a virtual certainty of realization of such assets. Deferred tax assets are reviewed as at the balance sheet date and written down or written up to reflect the amount that is reasonably/virtually certain (as the case may be) to be realized. Current tax and deferred tax assets and liabilities are offset to the extent to which the Company has a legally enforceable right to set off and they relate to taxes on income levied by the same governing taxation laws.

Minimum Alternate Tax ("MAT") paid in accordance with tax laws, which gives rise to future economic benefits in the form of adjustment of future income tax liability, is considered as an asset if there is convincing evidence that the company would pay normal income tax in the future years and accordingly, MAT is recognized as an asset in the balance sheet when it is probable that the future economic benefit associated with it will flow to the company and the asset can be measured reliably. MAT credit entitlement is reviewed at each balance sheet date and written down to the extent there is no convincing evidence to the effect that the Company will pay normal income tax during the specified period.

**Current and deferred tax for the year**

Current and deferred tax are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively.

**k. Provisions, contingent liabilities and contingent assets**

The Company creates a provision when there is present obligation as a result of past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made. Contingent assets are neither recognized nor disclosed in the financial statements.

Provision for onerous contracts i.e. contacts where the expected unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it, are recognized when it is probable that an outflow of resources embodying economic benefits will be required to settle a present obligation as a result of an obligating event, based on reliable estimate of such obligation.

**l. Earnings per share**

Basic earnings per equity share is computed by dividing the net profit for the year attributable to the Equity Shareholders by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the net profit for the year, adjusted for the effects of dilutive potential equity shares, attributable to

the Equity Shareholders by the weighted average number of the equity shares and dilutive potential equity shares outstanding during the year except where the results are anti-dilutive.

**m. Cash flow statements**

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

**n. Financial instruments:**

**Initial recognition**

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are accounted for at trade date.

**Subsequent measurement**

**i) Financial assets carried at amortized cost**

A financial asset is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

**ii) Financial assets at fair value through other comprehensive income**

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The Company has made an irrevocable election for its investments which are classified as equity instruments to present the subsequent changes in fair value in other comprehensive income based on its business model.

**iii) Financial assets at fair value through profit or loss**

A financial asset, which is not classified in any of the above categories, is subsequently fair valued through profit or loss.

**iv) Impairment of Financial Assets**

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, ECLs are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL, as applicable, as the case may be. The amount of ECLs (or reversals, if any) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized is recognized as an impairment gain or loss in the profit or loss.

**v) Financial liabilities**

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination, which is subsequently measured at fair value through profit or loss. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

**Derecognition of financial instruments**

The company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

**o. Operating Cycle**

Based on the nature of activities of the company and the normal time between rendering of services and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

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## 4. PROPERTY PLANT AND EQUIPMENT

| Description | Plant & Machinery | Land | Electrical Fittings | Tools & Equipment | Computers | Vehicles (Refer note below) | Office equipment | Furniture & Fixtures | Total |
|---|---|---|---|---|---|---|---|---|---|
| Gross Block | | | | | | | | | |
| **Balance as at 1 April 2018** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** |
| Additions | - | - | - | - | 463,594 | 2,877,531 | 234,026 | 717,670 | 4,292,821 |
| Deletions | - | - | - | - | - | - | - | - | - |
| Adjustment | - | - | - | - | 357,213 | 20,323 | 3,937 | - | 381,473 |
| **Balance as at 31 March 2019** | **-** | **-** | **-** | **-** | **820,807** | **2,897,854** | **237,963** | **717,670** | **4,674,294** |
| Asset acquired on purchase of business of subsidiary | 1,433,977,964 | 44,396,000 | 109,859 | 167,951 | 2,221,625 | 21,000 | 86,523 | 684,190 | 1,481,665,112 |
| Additions | 14,210,287 | - | - | - | 6,693,099 | 5,394,633 | 1,557,621 | 133,662 | 27,989,302 |
| Deletions | - | - | - | - | - | - | - | - | - |
| **Balance as at 31 March 2020** | **1,448,188,251** | **44,396,000** | **109,859** | **167,951** | **9,735,531** | **8,313,487** | **1,882,107** | **1,535,522** | **1,514,328,708** |
| **Accumulated depreciation** | | | | | | | | | |
| **Balance as at 1 April 2018** | - | - | - | - | - | - | - | - | - |
| Charge for the year | - | - | - | - | 110,571 | 102,842 | 119,037 | 20,788 | 353,238 |
| **Balance as at 31 March 2019** | **-** | **-** | **-** | **-** | **110,571** | **102,842** | **119,037** | **20,788** | **353,238** |
| Asset acquired on purchase of business of subsidiary | 312,696,098 | - | 22,261 | 65,008 | 875,276 | 1,848 | 29,773 | 353,767 | 314,044,031 |
| Charge for the year | 40,043,018 | - | 5,860 | 11,020 | 1,286,454 | 351,214 | 100,481 | 104,771 | 41,902,818 |
| **Balance as at 31 March 2020** | **352,739,116** | **-** | **28,121** | **76,028** | **2,272,301** | **455,904** | **249,291** | **479,326** | **356,300,087** |
| **Net block** | | | | | | | | | |
| **As at 31 March 2020** | **1,095,449,135** | **44,396,000** | **81,738** | **91,923** | **7,463,230** | **7,857,583** | **1,632,816** | **1,056,196** | **1,158,028,621** |
| **As at 31 March 2019** | **-** | **-** | **-** | **-** | **710,236** | **2,795,012** | **118,926** | **696,882** | **4,321,056** |

Note: Vehicles include an asset which has been hypothecated against a loan taken for purchase of such asset. Refer note 19 for details of the loan.

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## 5 INVESTMENT PROPERTY

| Description | Freehold land | Total |
|---|---|---|
| **Gross block** | | |
| **Balance as at 31 March 2018** | **-** | **-** |
| Additions | - | - |
| Disposals | - | - |
| Adjustments | 27,049,620 | 27,049,620 |
| **Balance as at 31 March 2019** | **27,049,620** | **27,049,620** |
| Additions | - | - |
| Deletions | - | - |
| **Balance as at 31 March 2020** | **27,049,620** | **27,049,620** |
| **Depreciation** | | |
| **Balance as at 31 March 2018** | - | - |
| Charge for the year | - | - |
| Disposals | - | - |
| **Balance as at 31 March 2019** | **-** | **-** |
| Charge for the year | - | - |
| Disposals | - | - |
| **Balance as at 31 March 2020** | **-** | **-** |
| **Net block** | | |
| **As at 31 March 2020** | **27,049,620** | **27,049,620** |
| **As at 31 March 2019** | **27,049,620** | **27,049,620** |

The fair value of the freehold land has been valued by the management based on the prevailing guideline values indicated by the government records based on the location of the property.

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## 6 GOODWILL

| Description | Goodwill | Total |
|---|---|---|
| **Gross block** | | |
| **Balance as at 1 April 2018** | - | - |
| Additions | - | - |
| Disposals | - | - |
| Acquisition of subsidiary | 100,202,189 | 100,202,189 |
| **Balance as at 31 March 2019** | **100,202,189** | **100,202,189** |
| Acquisition of subsidiary | 398,004,623 | 398,004,623 |
| Additions | - | |
| Disposals | - | - |
| **Balance as at 31 March 2020** | **498,206,812** | **498,206,812** |
| Amortization | | |
| Balance as at 31 March 2018 | - | - |
| Charge for the year | - | - |
| Disposals | - | - |
| **Balance as at 31 March 2019** | **-** | **-** |
| **Net block** | | |
| **As at 31 March 2020** | **498,206,812** | **498,206,812** |
| **As at 31 March 2019** | **100,202,189** | **100,202,189** |

"The Company acquired the following entities in accordance with Ind AS 103 ""Business Combination""during the years 2019-20 and 2018-19 as subsidiaries across various dates as mentioned below. All the entities acquired are engaged in the business of rendering engineering, procurement and construction services in respect of solar power plants, setting up of solar power plants and generating power, assembly, installation and maintenance of solar water pumps and also rendering other related services.

Enrecover Energy Recovery Solutions is engaged in eco-friendly business solutions that generate that generate electricity from waste heat and pressure. Megamic Electronics is engaged in design, development and supply of energy management solutions for renewable energy market."

| Description | Date of Acquisition | Number of shares and percentage of holding |
|---|---|---|
| SEI Tejas Private Limited * | 28-Aug-18 | 7,215, 250 equity shares-100% Holding |
| Ishaan Solar Power Private Limited * | 02-Jan-19 | 185,000 equity shares-100% Holding |
| SEI Solartech Private Limited * | 02-Jan-19 | 200,000 equity shares-100% Holding |
| Enrecover Energy Recovery Solution Private Limited * | 03-Oct-19 | 5,100 equity shares - 51% holding |
| SILRES Energy Solutions Private Limited * | 03-Oct-19 | 99,999 equity shares - 99.99% Holding |
| SIL Rooftop Solar Power Private Limited * | 10-Oct-19 | 10,000 equity shares - 100% Holding |
| Megamic Electronics Private Limited * | 26-Dec-19 | 51,000 equity shares - 51% Holding |
| Sherisha Solar Private Limited ** | 03-Jan-20 | 30,574 equity shares - 100% Holding |
| Athenese Energy Private Limited *** | 03-Jan-20 | 7,400 equity shares - 74% Holding |
| Flaunt Solar Energy Private Limited *** | 03-Jan-20 | 7,400 equity shares - 74% Holding |
| Sourashakthi Energy Private Limited *** | 03-Jan-20 | 7,400 equity shares - 74% Holding |
| Spangle Energy Private Limited *** | 03-Jan-20 | 7,400 equity shares - 74% Holding |
| Swelter Energy Private Limited *** | 03-Jan-20 | 7,400 equity shares - 74% Holding |
| STPL Horticulture Private Limited *** | 03-Jan-20 | 7,400 equity shares - 74% Holding |
| Sherisha Solar SPV Two Private Limited *** | 03-Jan-20 | 4,900 equity shares - 49% Holding |
| Sherisha Solar Rooftop SPV Three Private Limited *** | 03-Jan-20 | 74,000 equity shares - 74% Holding |
| Sherisha Solar Rooftop SPV Four Private Limited *** | 03-Jan-20 | 74,000 equity shares - 74% Holding |
| Sherisha Solar Rooftop SPV Five Private Limited *** | 03-Jan-20 | 74,000 equity shares - 74% Holding |
| Scorch Solar Energy Private Limited *** | 03-Jan-20 | 7,400 equity shares - 74% Holding |
| Sherish Agro Private Limited *** | 03-Jan-20 | 7,400 equity shares - 74% Holding |
| Singe Solar Energy Private Limited *** | 03-Jan-20 | 7,400 equity shares - 74% Holding |
| Torrid Solar Power Private Limited *** | 03-Jan-20 | 7,400 equity shares - 74% Holding |
| Broil Solar Energy Private Limited *** | 03-Jan-20 | 27,20,671 equity shares - 100% Holding |
| Kiln Solar Energy Private Limited *** | 03-Jan-20 | 9,999 equity shares - 100% Holding |
| Engender Developer Private Limited *** | 03-Jan-20 | 7,400 equity shares - 74% Holding |
| Taper Solar Energy Private Limited *** | 03-Jan-20 | 63,786 equity shares - 100% Holding |
| SIL Govindam Energy Private Limited *** | 03-Jan-20 | 5,100 equity shares - 51% Holding |
| Wither Solar Energy Private Limited **** | 03-Jan-20 | 9,000 equity shares - 90% Holding |

* Subsidiaries of SunEdison Infrastructure Limited ** Subsidiary of SIL Rooftop Solar Power Private Limited

*** Subsidiaries of Sherisha Solar Private Limited **** Subsidiary of Broil Solar Energy Private Limited

The net difference between the consideration and the value of net identifiable assets acquired have been accounted as Goodwill on acquisition of Subsidiary.

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## 6(A) OTHER INTANGIBLE ASSETS

| Description | Software | Trademark | Total |
|---|---|---|---|
| **Gross Block** | | | |
| Balance as at 31 March 2018 | - | - | - |
| Additions | - | - | - |
| Deletions | - | - | - |
| **Balance as at 31 March 2019** | **-** | **-** | **-** |
| Asset acquired on purchase of business of subsidiary | 617,440 | - | 617,440 |
| Additions | 186,952 | 7,397,182 | 7,584,134 |
| Deletions | - | - | - |
| **Balance as at 31 March 2020** | **804,392** | **7,397,182** | **8,201,574** |
| **Accumulated Amortisation** | | | |
| Balance as at 31 March 2018 | - | - | - |
| Charge for the year | - | - | - |
| Deletions | - | - | - |
| **Balance as at 31 March 2019** | **-** | **-** | **-** |
| Asset acquired on purchase of business of subsidiary | 143,577 | - | 143,577 |
| Charge for the year | 86,073 | 595,453 | 681,526 |
| Deletions | - | - | - |
| **Balance as at 31 March 2020** | **229,650** | **595,453** | **825,103** |
| **Net carrying amount as at 31 March 2020** | **574,742** | **6,801,729** | **7,376,471** |
| **Net carrying amount as at 31 March 2019** | **-** | **-** | **-** |

Trademarks were acquired by the group from SunEdison LLC for an overall consideration of USD 325,000 out of which USD 105,000 was settled by the Company and balance USD 220,000 was expected to be offset against the receivable balances from the affiliates of SunEdison LLC to any of the affiliates of SunEdison Infrastructure Limited pursuant to the agreement entered into between the two parties for such transaction. Management believes that there are no such identified receivables in the Company's books and consequently, the transaction price to the extent it has been settled aggregating to USD 105,000, has been considered as the fair value at the time of acquisition and accordingly capitalised.

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| | As at 31 March 2020 | As at 31 March 2019 |
|---|---|---|
| **7. LOANS - NON CURRENT** | | |
| *(Unsecured and considered good)* | | |
| To related parties (refer note 36 ) | 5,518,871 | - |
| Others | 18,205,371 | - |
| **Total** | **23,724,242** | **-** |

| | As at 31 March 2020 | As at 31 March 2019 |
|---|---|---|
| **8. OTHER FINANCIAL ASSETS - NON-CURRENT** | | |
| Bank deposits # | 228,958,545 | 67,980,676 |
| Interest accrued but not due on fixed deposits (Refer note 15) | 2,147,092 | 5,998,351 |
| Security Deposits | 52,814,654 | 22,991,128 |
| **Total** | **283,920,291** | **96,970,155** |

# marked as lien against bank guarantees

| | As at 31 March 2020 | As at 31 March 2019 |
|---|---|---|
| **9. OTHER NON-CURRENT ASSETS** | | |
| Capital Advances | - | 23,290 |
| **Total** | **-** | **23,290** |

| | As at 31 March 2020 | As at 31 March 2019 |
|---|---|---|
| **10. INVENTORIES** | | |
| Raw materials | 94,050,660 | 75,145,723 |
| **Total** | **94,050,660** | **75,145,723** |

| | As at 31 March 2020 | As at 31 March 2019 |
|---|---|---|
| **11. TRADE RECEIVABLES** | | |
| **Unsecured** | | |
| Considered good (also refer note 36) | 508,810,709 | 135,442,920 |
| Considered doubtful | 69,206,786 | 44,018,042 |
| | **578,017,495** | **179,460,962** |
| Less: Allowance for credit losses (Refer note 40) | (69,206,786) | (44,018,042) |
| **Total** | **508,810,709** | **135,442,920** |

| | As at 31 March 2020 | As at 31 March 2019 |
|---|---|---|
| **12. CASH AND CASH EQUIVALENTS** | | |
| a) Cash on hand | 656,937 | 208,985 |
| b) Balances with banks | | |
| - In current accounts | 9,566,432 | 8,208,998 |
| - in deposit accounts (with original maturity of 3 months or less) | 55,000 | 43,165,276 |
| - Restricted bank balances | 10,000 | - |
| Cheques on hand | 3,000,000 | - |
| **Total** | **13,288,369** | **51,583,259** |

| | As at 31 March 2020 | As at 31 March 2019 |
|---|---|---|
| **13. OTHER BANK BALANCES** | | |
| Deposits @ (with original maturity of more than 3 months having remaining maturity of less than 12 months from the balance sheet date) | 37,728,843 | 35,343,300 |
| **Total** | **37,728,843** | **35,343,300** |

@ marked as lien against bank guarantees

| | As at 31 March 2020 | As at 31 March 2019 |
|---|---|---|
| **14. LOANS** | | |
| *(Unsecured, considered good)* | | |
| To related parties (Refer note 36) | 11,501,410 | 54,177,045 |
| Others | 5,423,331 | - |
| **Total** | **16,924,741** | **54,177,045** |

| | As at 31 March 2020 | As at 31 March 2019 |
|---|---|---|
| **15. OTHER FINANCIAL ASSETS** | | |
| *(Unsecured, considered good)* | | |
| Security deposits | 57,168,865 | 88,264,488 |
| Interest accrued but not due on fixed deposits (other than Note 8) | 12,729,666 | 16,379,903 |
| Earnest money deposit | 16,515,000 | - |
| Advance to employees | 2,285,847 | - |
| Other advance | - | 1,862,482 |
| **Total** | **88,699,378** | **106,506,873** |

| | As at 31 March 2020 | As at 31 March 2019 |
|---|---|---|
| **16. OTHER CURRENT ASSETS** | | |
| Advances paid to suppliers | 52,890,899 | 31,313,505 |
| Unbilled revenue | 26,945,197 | 4,347,445 |
| Prepaid expenses | 17,212 | 22,801 |
| Balances due from government authorities | 48,699,436 | 21,005,361 |
| Other dues | 1,650,427 | 369,188 |
| **Total** | **130,203,172** | **57,058,300** |

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| | As at 31 March 2020 | As at 31 March 2019 |
|---|---|---|
| **17. SHARE CAPITAL** | | |
| **Authorised** | | |
| 7,000,000 (Previous year: 7,000,000) equity Shares of ₹ 10 each | 70,000,000 | 70,000,000 |
| **Issued, Subscribed and Paid up** | | |
| 4,489,900 (Previous year: 4,489,900) equity Shares of ₹ 10 each | 44,899,000 | 44,899,000 |

| | As at 31 March 2020 | | As at 31 March 2019 | |
|---|---|---|---|---|
| | Number | Amount | Number | Amount |
| **a. A.Reconciliation of the shares outstanding at the beginning and at the end of the reporting period** | | | | |
| Equity Shares | | | | |
| At the commencement of the year | 4,489,900 | 44,899,000 | 4,489,900 | 44,899,000 |
| Shares issued during the year | - | - | - | - |
| Shares forfeited during the year | - | - | - | - |
| **At the end of the year** | **4,489,900** | **44,899,000** | **4,489,900** | **44,899,000** |

**Rights, preferences and restrictions attached to equity shares**

"The company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the company's residual assets. The equity shares are entitled to receive dividend as declared from time to time after subject to dividend to preference shareholders. The voting rights of an equity shareholder on a poll (not show of hands) are in proportion to its share of the paid-up equity capital of the company.

On winding up of the company, the holder of equity shares will be entitled to receive the residual assets of the company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held. "

| | As at 31 March 2020 | | As at 31 March 2019 | |
|---|---|---|---|---|
| | Number | (% of total shares in the class) | Number | (% of total shares in the class) |
| **b. Particulars of shareholders holding more than 5% shares of a class of shares** | | | | |
| Equity shares of ₹ 10 each fully paid held by | | | | |
| Avyan Renewable Solar Private Limited # | 1,923,680 | 42.84% | - | - |
| Sherisha Technologies Private Limited | 1,975,556 | 44.00% | 2,035,860 | 45.34% |
| T Anil Jain | - | - | 877,175 | 19.54% |
| Dimple Jain | - | - | 224,495 | 5.00% |
| Ugamdevi Jain | - | - | 224,495 | 5.00% |
| | **3,899,236** | **86.84%** | **3,362,025** | **74.88%** |

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*(ALL AMOUNT ARE IN INDIAN RUPEES, UNLESS OTHERWISE STATED)*

| | As at 31 March 2020 | As at 31 March 2019 |
|---|---|---|
| **18. OTHER EQUITY** | | |
| Retained Earnings | (138,734,656) | 74,941,112 |
| Capital Reserve | 2,550,500 | 2,550,500 |
| Items of other comprehensive income | 691,124 | (22,019) |
| Equity component of compound financial instruments | 1,300,595,476 | - |
| **A Retained Earnings** | | |
| Opening balance | 74,941,112 | (2,275,134) |
| Add: Profit/(Loss) for the year | (213,675,768) | 77,216,246 |
| **Closing Balance** | **(138,734,656)** | **74,941,112** |
| **B Items of other comprehensive income** | | |
| Opening balance | (22,019) | - |
| Add: Remeasurements of defined benefit obligations, net | 713,143 | (22,019) |
| **Closing Balance** | **691,124** | **(22,019)** |
| **C Capital reserve** | **2,550,500** | **2,550,500** |
| **D Equity Component of Compound Financial Instrument** | | |
| Opening Balance | - | - |
| Add: Shares issued during the year | 1,461,620,000 | - |
| Less: Liability component of Optionally convertible redeemable preference shares | (161,024,524) | - |
| **Closing Balance** | **1,300,595,476** | **-** |
| **Total** | **1,165,102,444** | **77,469,593** |

**Notes to Reserves**

a) Retained Earnings - are the profits earned by the company till date

b) Items of other comprehensive income represent fair value gain/loss on assets and liabilities

c) Capital Reserve - represents excess of the identifiable assets and liabilities over consideration paid

d) Equity component of compound financial instrument - represents the equity portion of redeemable preference shares

| | As at 31 March 2020 | As at 31 March 2019 |
|---|---|---|
| **19. BORROWINGS-LONG TERM** | | |
| Secured loan from Yes Bank * | 1,633,712 | 2,202,168 |
| Secured loan from HDFC Bank @ | 4,568,691 | - |
| Secured loan from SBI ^ | 430,111,723 | - |
| Liability component of compound financial instrument | | - |
| 1,461,620 Optionally convertible Redeemable Preference Shares*** | 173,573,260 | - |
| *Unsecured* | | |
| From Related parties (Refer note 36)** | 246,901,000 | - |
| Loans from others **** | 159,752,193 | 46,938,193 |
| **Total** | **1,016,540,580** | **49,140,361** |

*The above loan from Yes Bank has been availed against purchase of vehicle which has been hypothecated. The said loan carries an interest of 8.84%.

**Loans are taken for working capital requirements and interest is chargeable at the rate of 8% per annum

@ The above loan from HDFC Bank has been availed against purchase of vehicle which has been hypothecated. The said loan carries an interest of 8.35% p.a repayable in 5 years on EMI basis.

^ Term loan sanctioned during previous year for INR 74 crores. The loan is repayable by 2029-30 and carries an interest rate of 11.15% to 12.60%. It is secured by hypothecation of all plant and machineries procured for setting up the project.

***- 1,461,620 Optionally convertible redeemable Preference shares issued at Rs.1000 per share at a coupon rate of 0.01%. These shares are redeemable at any time on or before the end of nineteenth year from the date of issuance at the option of the Company.

**** This is a loan obtained from DN Energy Private Limited as a "Revolving Credit Line". The loan carries a interest rate of 8% per annum on the outstanding amount effectively drawn from the credit line

| | As at 31 March 2020 | As at 31 March 2019 |
|---|---|---|
| **20. PROVISIONS - NON-CURRENT** | | |
| i) Employee benefit obligations (refer note 37) | | |
| Provision for gratuity | 2,105,006 | 756,968 |
| Provision for compensated absences | 1,755,883 | 278,391 |
| ii) Provision for warranty # | 70,340,005 | 39,903,000 |
| iii) Provision for taxation (refer note 33A) | 29,358,390 | 19,976,232 |
| iv) Provision for liquidated damages ## | 19,985,680 | - |
| **Total** | **123,544,964** | **60,914,591** |
| **# Provision for warranty** | | |
| **Balance at the beginning of the period** | 39,903,000 | - |
| Provisions made during the period | 30,437,005 | 39,903,000 |
| Provisions utilised during the period | - | - |
| **Balance at the end of the period** | **70,340,005** | **39,903,000** |

Estimated warranty costs and additional service actions are accrued for at the time of sale. Warranty cost accruals include costs for basic and extended warranty coverage on parts sold. Estimates for warranty costs are made based primarily on historical warranty claim experience. The provisions are likely to be utilised for settlement of warranty claims ranging between 5 to 10 years.

| | | |
|---|---|---|
| **## Provision for Liquidated Damages** | | |
| Balance at the beginning of the year | - | - |
| Provisions made during the year | 19,985,680 | - |
| Provisions utilized during the year | - | - |
| **Balance at the end of the year** | **19,985,680** | **-** |

Liquidated damages is provided for the period of delay between the due of supply of goods as per the delivery schedule and the expected date of delivery of the said goods based on the contracts with the customers.

| | As at 31 March 2020 | As at 31 March 2019 |
|---|---|---|
| **21. DEFERRED TAX LIABILITIES (NET) (REFER NOTE 33B)** | | |
| **Deferred tax liability** | | |
| Excess of amortisation on fixed assets under income tax law over amortisation provided in the books | 171,522,887 | 133,113 |
| **Deferred tax assets*** | | |
| Employee benefit obligations | 111,444 | 133,113 |
| **Total** | **(171,411,443)** | **-** |

* Deferred tax assets have been recognized only to the extent of deferred tax liability as there is no virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which all deferred tax assets can be realized.

| | As at 31 March 2020 | As at 31 March 2019 |
|---|---|---|
| **22. OTHER NON-CURRENT LIABILITIES** | | |
| Billing in excess of revenue (Also Refer Note 27.2) | 34,562,853 | 6,736,743 |
| **Total** | **34,562,853** | **6,736,743** |

| | As at 31 March 2020 | As at 31 March 2019 |
|---|---|---|
| **23. BORROWINGS-SHORT TERM** | | |
| *Unsecured* | | |
| -From Related Parties ( Refer note 36 ) | 49,463,311 | 109,029,057 |
| -Loans from others * | 20,216,667 | 81,382,579 |
| **Total** | **69,679,978** | **190,411,636** |

* Loans taken for working capital requirements repayable on demand and carry an interest at the rate of 8% pa

| | As at 31 March 2020 | As at 31 March 2019 |
|---|---|---|
| **24. TRADE PAYABLES** | | |
| Dues to micro and small enterprises (refer note below) | 128,873,945 | - |
| Others | 239,591,558 | 275,574,366 |
| **Total** | **368,465,503** | **275,574,366** |

## 24A. DISCLOSURES REQUIRED UNDER SECTION 22 OF THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006

The management has identified certain enterprises which have provided goods and services to the Company and which qualify under the definition of 'Micro and Small Enterprises' as defined under Micro, Small and Medium Enterprises Development Act, 2006 ("the Act"). Accordingly the disclosure in respect of the amounts payable to such enterprises as at 31st March 2020 and 31st March 2019 have been made in the financial statements based on information available with the Company and relied upon by the auditors.

| | March 31, 2020 | March 31, 2019 |
|---|---|---|
| (i) Principal amount remaining unpaid to any supplier as at the end of the accounting year | 128,745,728 | - |
| (ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year | 128,217 | - |
| (iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day | - | - |
| (iv) The amount of interest due and payable for the year | 128,217 | - |
| (v) The amount of interest accrued and remaining unpaid at the end of the accounting year | 128,217 | - |
| (vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid | - | - |

| | As at 31 March 2020 | As at 31 March 2019 |
|---|---|---|
| **25. OTHER FINANCIAL LIABILITIES** | | |
| Current maturity of long term borrowings | 2,417,403 | 520,509 |
| Interest payable (also refer note 36) | 49,177,584 | 29,434,824 |
| **Total** | **51,594,987** | **29,955,333** |

| | As at 31 March 2020 | As at 31 March 2019 |
|---|---|---|
| **26. OTHER CURRENT LIABILITIES** | | |
| Statutory dues payable | 21,257,657 | 1,626,054 |
| Advances from customers | 946,154 | 171,230 |
| Dues to employees | 11,514,259 | 2,941,570 |
| Other dues | 850,232 | 505,777 |
| **Total** | **34,568,302** | **5,244,630** |

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*(ALL AMOUNT ARE IN INDIAN RUPEES, UNLESS OTHERWISE STATED)*

| | As at 31 March 2020 | As at 31 March 2019 |
|---|---|---|
| **27. REVENUE FROM OPERATIONS** | | |
| Sale of products | 365,242,030 | 706,870,440 |
| Sale of services | 172,410,183 | 280,000 |
| Sale of electricity | 61,068,207 | - |
| Revenue from Engineering, procurement and construction services | 23,529,912 | - |
| Operation and maintenance | 3,863,539 | - |
| **Total** | **626,113,871** | **707,150,440** |

### 27.1 DISAGGREGATION OF REVENUE:

The following table presents the Group's revenue disaggregated based on timing of transfer point in time and over time for the year ended March 31, 2020:

| | As at 31 March 2020 |
|---|---|
| **Timing of revenue recognition - India** | |
| Point in Time | 59,87,20,420 |
| Over the Time | 2,73,93,451 |
| **Total revenue recognised** | **62,61,13,871** |

### 27.2 CONTRACT BALANCES

A contract asset is recognized when the Company has recognized revenue, but not issued an invoice for payment. Contract assets are classified separately on the balance sheets and transferred to receivables when rights to payment become unconditional. The following table summarizes the activity in the Company's contract assets during the year ended March 31, 2020.

The following table provides information about contract assets and contact liabilities from contract with customers:

| Particulars | As at 31 March 2020 |
|---|---|
| **Contract Assets** | |
| Recoverable from customers | |
| Non-Current | - |
| Current | 44,54,691 |
| **Total Contract Assets** | **44,54,691** |
| **Contract liabilities** | |
| Advance from Customers | |
| Non-Current | - |
| Current | 2,31,14,322 |
| **Liabilities towards customers** | |
| Non-Current | 3,45,62,853 |
| Current | 6,78,32,574 |
| | **12,55,09,749** |

| Particulars | As at 31 March 2020 |
|---|---|
| **Opening Balance as on April 1, 2019 (exclude trade receivables and trade payables)** | **67,36,743** |
| Revenue recognized during the year from contracts | 62,26,22,041 |
| Revenue recognized during the year that was included in the opening contract liabilities | 34,91,830 |
| **Closing Balance as on March 31, 2020 (exclude trade receivables and trade payables)** | **10,23,95,427** |

| | As at 31 March 2020 | As at 31 March 2019 |
|---|---|---|
| **28. OTHER INCOME** | | |
| Interest income on fixed deposits/loans | 20,953,777 | 7,987,146 |
| Foreign exchange gain, net | - | 1,193,868 |
| Liabilities no longer required written back | - | 23,654,848 |
| Gain on sale of Investments | - | 775,299 |
| Other Income | 194,193 | 11,337 |
| **Total** | **21,147,970** | **33,622,498** |

| | As at 31 March 2020 | As at 31 March 2019 |
|---|---|---|
| **29. CONSUMPTION OF MATERIALS CONSUMED** | | |
| Purchases | 437,494,413 | 272,324,449 |
| Consumption of photovoltaic modules and other equipments etc. | 42,609,069 | 280,427,372 |
| Erection and installation expenses | - | 8,726,888 |
| **Total** | **480,103,482** | **561,478,709** |

| | As at 31 March 2020 | As at 31 March 2019 |
|---|---|---|
| **30. EMPLOYEE BENEFITS EXPENSE** | | |
| Salaries and wages | 65,681,566 | 19,271,035 |
| Contribution to provident and other funds | 5,779,521 | 1,558,719 |
| Staff welfare expenses | 1,557,545 | 108,290 |
| **Total** | **73,018,633** | **20,938,044** |

| | As at 31 March 2020 | As at 31 March 2019 |
|---|---|---|
| **31. FINANCE COSTS** | | |
| Interest expense | 57,747,852 | 585,408 |
| **Total** | **57,747,852** | **585,408** |

| | As at 31 March 2020 | As at 31 March 2019 |
|---|---|---|
| **32. OTHER EXPENSES** | | |
| Rates and taxes | 16,689,855 | 2,815,212 |
| Legal and professional charges | 24,470,406 | 3,596,909 |
| Rent | 10,923,737 | 1,935,307 |
| Provision for warranty | 30,437,005 | 11,175,824 |
| Provision for doubtful debts | 23,991,172 | |
| Advance written off | 12,181,039 | 1,439,228 |
| Bad debts written off | 707,542 | - |
| Liquidated damages | 19,985,624 | - |
| Travelling and conveyance | 23,154,937 | 8,895,417 |
| Freight expenses | 4,148,429 | 7,350,000 |
| Repair and maintenance | 1,134,188 | 575,633 |
| Operations and maintenance | 8,515,202 | - |
| Payment to auditors (refer note below) | 2,575,743 | 577,621 |
| Management service fee | 5,500,000 | 6,250,000 |
| Project Management Expenses | 1,250,205 | - |
| Foreign Exchange Losses | 1,524,878 | - |
| Commission expenses | 1,323,204 | - |
| Rebate | 933,346 | - |
| Advertisement | 984,751 | 201,998 |
| Insurance | 873,524 | 312,312 |
| Printing and stationary | 620,068 | - |
| Communication expenses | 613,626 | 480,175 |
| Promotional Expenses | - | 390,783 |
| Administrative Expenses | - | 5,039,193 |
| Bank charges | 370,619 | 1,148,814 |
| Power and Fuel Charges | 18,794 | 157,357 |
| Security Charges | 59,904 | 565,233 |
| Loss on sale of Investments | 11,230 | 9,362,627 |
| Miscellaneous expenses | 12,584,748 | 419,519 |
| **Total** | **205,583,775** | **62,689,162** |

| | | |
|---|---|---|
| **Note: Payment to auditors (exclusive of taxes)** | | |
| Statutory Audit | 2,423,500 | 625,000 |
| Tax Audit | 120,000 | 70,000 |
| Certification and others | 32,243 | 217,621 |
| **Total** | **2,575,743** | **912,621** |

| | As at 31 March 2020 | As at 31 March 2019 |
|---|---|---|
| **33. TAX EXPENSE** | | |
| Current tax | 12,577,369 | 32,654,848 |
| Taxes relating to previous years | - | - |
| Deferred Tax | 9,537,487 | 1,772,739 |
| **Income tax expense reported in the statement of profit and loss** | **22,114,856** | **34,427,587** |

The major components of income tax expense and reconciliation of expected tax expense based on the domestic effective tax rate of the Company at 27.82% and the reported tax expense in the statement of profit or loss are as follows:

| | As at 31 March 2020 | As at 31 March 2019 |
|---|---|---|
| **33. RECONCILIATION OF TAX EXPENSE AND THE ACCOUNTING PROFIT MULTIPLIED BY TAX RATE** | | |
| Accounting profit / (loss) before income tax | (193,622,033) | 111,643,832 |
| Applicable tax rate of for the Company | 27.82% | 28% |
| At country's statutory income tax rate | - | 31,059,314 |
| Tax applicable on profits of subsidiaries at the tax rate applicable for the Companies | 3,490,918 | - |
| Effect of income and related expenses exempt from tax | (1,955,204) | 2,979,025 |
| Reduction in tax liability on account of special rate applicable on a specific transaction (Capital Gains) | - | (2,090,617) |
| Effect of expenses disallowed for tax / losses carried forward | 10,657,261 | - |
| Deferred Tax Liability | 9,537,487 | - |
| Deferred Tax Asset on carried forward losses written off due to management change | - | 1,772,739 |
| Others | 366,664 | 707,126 |
| **Income tax recognised in profit or loss** | **22,097,126** | **34,427,587** |

| | | As at 31 March 2020 | As at 31 March 2019 |
|---|---|---|---|
| **34. EARNINGS PER SHARE (EPS)** | | | |
| a) | Net profit/(loss) attributable to equity shareholders for calculation of EPS | (215,023,746) | 77,194,227 |
| b) | Weighted average number of equity shares outstanding during the period | 4,489,900 | 4,489,900 |
| | Basic and diluted earnings per share | (47.89) | 17.19 |

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| | As at 31 March 2020 | As at 31 March 2019 |
|---|---|---|
| **35. CONTINGENT LIABILITIES AND COMMITMENTS** | | |
| (a) Contingent liabilities - in respect of Income Tax | | |
| For Assessment year 2015-16 | - | 11,383,857 |
| For Assessment year 2018-19 | 112,910 | - |
| (b) Bank guarantees outstanding | 81,993,634 | 216,553,867 |
| (c) As per power purchase agreement with electricity companies, power price is agreed at 8.4 per unit and invoice raised accordingly. The Electricity Supply Companies* paid only Rs.4.36/- per unit against Rs.8.40/- per unit stating delay in the commissioning of the project by the company. The company has appealed to KERC for release of the balance Rs.4.04/- per unit, for which KERC has ruled the Appeal in favour of Electricity Supply Companies. The company has appealed to the Karnataka High Court. As per Supreme Court decision, the company has withdrawn the case before High Court of Karnataka and has filed the appeal before the APTEL New Delhi against the KERC Order. Till the Final Judgement is passed by APTEL New Delhi, the following receivables will not be written off or reversed from the Books of Accounts. | | |
| Name of Subsidiary company | | |
| Athenese Energy Private Limited | 17,944,000 | - |
| Flaunt Solar Energy Private Limited | 38,202,000 | - |
| Scorch Solar Energy Private Limited | 46,863,000 | - |
| Singe Solar Energy Private Limited | 11,903,000 | - |
| Sourashakti Energy Private Limited | 11,404,000 | - |
| Spangle Energy Private Limited | 26,455,000 | - |
| Swelter Energy Private Limited | 12,049,000 | - |
| (d) An amount of Rs 1.23 per unit of power generated needs to be paid to the farmers as dividend (as per the agreed MOU)which has not been recognized in the Financial Statements as the company has not attained profitability. As per MOU, farmers share will be proportionately reduced if the power price is reduced by the electricity supply companies. No payment is made towards the farmers since the farmers share could not be ascertained due to the pending legal proceedings. | | |

## 36. RELATED PARTY TRANSACTIONS

**A. List of related parties (as identified by the management and relied upon by the auditors)**
**Name of the related party and nature of relationship**

| Nature of relationship | Name of the related party* |
|---|---|
| Promoters | Sherisha Technologies Private Limited |
| | Avyan Renewable Solar Private Limited |
| Entities in which shareholders exert significant influence | Refex Industries Limited |
| | Refex Solar Power Private Limited |
| | Refex Energy Limited |
| | Refex Solar Limited |
| | Refex Research Private Limited |
| | SunEdison Energy India Private Limited |
| | Jain International Trade Organization |
| Key Mangement Personnel | Kalpesh Kumar - Managing Director |
| | Ruchi Ashish Maheshwari- Chief Financial Officer |
| | Suresh Babu RV - Company Secretary |
| Directors | Anil Jain |
| | Shailesh Rajagopalan |
| | Jamuna |
| | Hem Senthil Raj - upto 20 Jan 2020 |

**B. Transactions with related parties**

| Nature of the transaction | Name of related party | For the year ended March 31, 2020 | For the year ended March 31, 2019 |
|---|---|---|---|
| Revenue | Refex Solar Limited | - | 45,555,510 |
| | Refex Industries Limited | - | 480,413,580 |
| | Sherisha Technologies Private Limited | - | 5,265,500 |
| | Refex Industries Limited | - | 468,380,117 |
| | Anil Jain | 701,400 | - |
| | Refex Energy Limited | 93,865,297 | 60,568,551 |
| Purchases | Refex Industries Limited | 5,050,070 | 345,670,995 |
| | Sherisha Technologies Private Limited | - | - |
| | Refex Energy Limited | 26,053 | - |
| | Jain International Trade Organization | 2,700,852 | - |
| | Refex Industries Limited | 7,275,167 | 145,434,692 |
| Interest Expense | SunEdison Energy India Private Limited | 4,023,045 | 5,825,545 |
| | Sherisha Technologies Private Limited | 21,873 | |
| | Refex Solar Power Private Limited | - | 86,773 |
| | Sun Edison Research Private Limited | - | 119,451 |
| Interest Income | SunEdison Energy India Private Limited | 3,013,298 | 180,094 |
| | Refex Research Private Limited | 369 | - |
| | Refex Energy Limited | 654,305 | 320,672 |
| Expenditure incurred by | Refex Industries Limited | 55,338 | 7,777,432 |
| | Refex Solar Power Private Limited | - | 494,013 |
| | Refex Energy Limited | - | 479,500 |
| | Anil Jain | 19,788 | - |
| | Ruchi Ashish Maheshwari | 23,600 | - |
| | Sherisha Technologies Private Limited | - | 409,882 |
| Expenditure incurred on behalf of | Refex Energy Limited | | 456,251 |
| | Nikhil Sunil Chougule | 256,996 | |
| | Sagar Rajendra Shelot | 57,433 | |
| Loan given | SunEdison Energy India Private Limited | 14,996,895 | 48,384,505 |
| | Sherisha Technologies Private Limited | 4,900,000 | |
| | Refex Research Private Limited | 20,092 | - |
| | SIL Govindam Power Private Limited | 1,651 | - |
| | Sphere Capital Private Limited | 357,231 | - |
| | Refex Energy Limited | 7,497,147 | - |
| Loans taken | Sherisha Technologies Private Limited | 236,800,000 | 217,009,190 |
| | Sagar Rajendra Shelot | 145,000 | - |
| | Abhijeet Tanaji Choudhari | 15,000 | - |
| | SunEdison Energy India Private Ltd | - | 174,277,098 |
| Security Deposit | Refex Energy Limited | 26,114,322 | 24,000,000 |
| Compensation to Key Managerial Personnel | Ruchi Maheshwari | 3,683,256 | |
| | Suresh Babu | 626,897 | |
| | Kalpesh Kumar | 869,400 | |
| | Nikhil Sunil Chougule | 681,712 | 579,000 |
| | Sagar Rajendra Shelot | 681,712 | 270,000 |
| | Abhijeet Tanaji Choudhari | 50,000 | 220,000 |
| Director Sitting Fees | Hem Senthil Raj | 40,000 | 40,000 |
| | Jamuna - Sitting Fees | 40,000 | 40,000 |

**C. Balance as at year end**

| Nature of the transaction | Name of related party | For the year ended March 31, 2020 | For the year ended March 31, 2019 |
|---|---|---|---|
| Advance paid to suppliers | Sherisha Technologies Private Limited | - | 25,067 |
| Interest Payable | Refex Research Private Limited | 472,760 | 356,463 |
| | Refex Energy Limited | 974,977 | |
| | Refex Solar Power Private Limited | 8,677 | 86,773 |
| | Sherisha Technologies Private Limited | 4,101,583 | - |
| | SunEdison Energy India Private Limited | 21,619,490 | 15,870,104 |
| Interest Receivable | Refex Research Private Limited | 369 | - |
| | SunEdison Energy India Private Limited | 2,548,394 | - |
| Loans and Advances | SunEdison Energy India Private Limited | - | 49,788,898 |
| | Sherisha Technologies Private Limited | 4,900,000 | - |
| | SIL Govindam Power Private Limited | 1,651 | - |
| | Sphere Capital Private Limited | 357,231 | - |
| | Refex Energy Limited | 11,765,537 | 4,329,072 |
| Security Deposits | Refex Energy Limited | 44,114,322 | 24,000,000 |
| Loans Payable | Sherisha Technologies Private Limited | 236,800,000 | - |
| | Vinod S P | 1,850,000 | - |
| | SunEdison Energy India Private Limited | 56,183,011 | 173,581,658 |
| | Refex Research Private Limited | 1,371,300 | 1,482,500 |
| | Refex Solar Power Private Limited | - | - |
| | Abhijeet Tanaji Choudhari | 15,000 | - |
| | Sagar Rajendra Shelot | 145,000 | - |
| Trade Payable | SunEdison Singapore Pte Ltd | | - |
| | SunEdison Energy India Private Limited | 104,660,053 | 104,360,053 |
| | Refex Industries Limited | 3,737,475 | 418,989 |
| Trade Receivable | Refex Solar Power Private Limited | - | 127,829 |
| | Anil Jain | 763,825 | - |
| | Refex Energy Limited | 78,853,558 | 57,131,992 |

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## 37. DISCLOSURE OF EMPLOYEE BENEFIT OBLIGATIONS:

| | Compensated Absences Plan | | Gratuity | |
|---|---|---|---|---|
| | 31 March 2020 | 31 March 2019 | 31 March 2020 | 31 March 2019 |
| **Components of employer's expense:** | | | | |
| Current service cost | 1,477,492 | 278,391 | 1,256,555 | 453,218 |
| Past service cost | | - | 952,073 | - |
| Interest cost | | - | 58,790 | 18,133 |
| Actuarial losses/ (gains) | | - | (713,143) | - |
| **Total expense recognised in the Statement of Profit and Loss** | **1,477,492** | **278,391** | **1,554,275** | **471,351** |

**Changes in the Defined Benefit Obligation (DBO) during the year:**

| | Compensated Absences Plan | | Gratuity | |
|---|---|---|---|---|
| | 31 March 2020 | 31 March 2019 | 31 March 2020 | 31 March 2019 |
| Present value at the beginning of year | 278,391 | | 756,968 | 263,598 |
| Interest cost | | - | 58,790 | 18,133 |
| Service cost | 1,477,492 | 278,391 | 2,208,628 | 453,218 |
| Benefits paid | | - | - | - |
| Actuarial (gains)/losses | | - | (713,143) | 22,019 |
| **Present value at the end of year** | **1,755,883** | **278,391** | **2,311,243** | **756,968** |

**Liability recognised in the balance sheet**

| | Compensated Absences Plan | | Gratuity | |
|---|---|---|---|---|
| | 31 March 2020 | 31 March 2019 | 31 March 2020 | 31 March 2019 |
| Current portion | 37,151 | - | 5,612 | - |
| Non-current portion | 1,718,732 | 278,391 | 2,305,541 | 756,968 |
| | **1,755,883** | **278,391** | **2,311,153** | **756,968** |

**Actuarial Assumptions:**

| | | | | |
|---|---|---|---|---|
| Discount Rate | 7.75% | 7.80% | 7.75% | 7.80% |
| Expected rate of return on assets | NA | NA | NA | NA |
| Expected rate of salary Increase | 10% pa for the first three years and 7.5% pa thereafter | 10% pa for the first three years and 7.5% pa thereafter | 10% pa for the first three years and 7.5% pa thereafter | 10% pa for the first three years and 7.5% pa thereafter |
| *Attrition Rate* | | | | |
| Upto 30 years | 3.00% | 3.00% | 3.00% | 3.00% |
| 31-44 years | 2.00% | 2.00% | 2.00% | 2.00% |
| Above 44 years | 1.00% | 1.00% | 1.00% | 1.00% |
| Mortality (% of IALM 06-08) | 100% | 100% | 100% | 100% |

**Sensitivity Analysis**

**Gratuity :**

| | As at 31 March 2020 | | As at 31 March 2019 | |
|---|---|---|---|---|
| | Decrease | Increase | Decrease | Increase |
| Discount Rate (-/+ 1%)<br>(% change compared to actual) | 942,225<br>23.07% | 635,310<br>-18.07% | 919,474<br>21.50% | 627,688<br>-17.10% |
| Salary growth rate (-/+1%)<br>(% change compared to actual) | 635,320<br>-18.07% | 934,544<br>22.37% | 626,737<br>-17.20% | 917,640<br>21.20% |
| Attrition rate (-/+ 50%)<br>(% change compared to actual) | 798,273<br>3.77% | 744,525<br>-4.00% | 778,930<br>2.90% | 735,142<br>-2.90% |
| Mortality rate (-/+10%)<br>(% change compared to actual) | 770,647<br>0.00% | 770,182<br>0.00% | 756,904<br>0.00% | 757,03<br>0.00% |

**Leave encashment :**

| | As at 31 March 2020 | | As at 31 March 2019 | |
|---|---|---|---|---|
| | Decrease | Increase | Decrease | Increase |
| Discount Rate (-/+ 1%)<br>(% change compared to actual) | 711,722<br>22.17% | 486,054<br>-17.33% | 337,372<br>21.20% | 231,831<br>-16.70% |
| Salary growth rate (-/+1%)<br>(% change compared to actual) | 486,069<br>-17.33% | 709,118<br>21.70% | 231,491<br>-16.80% | 336,706<br>20.90% |
| Attrition rate (-/+ 50%)<br>(% change compared to actual) | 594,175<br>1.53% | 577,664<br>-1.30% | 277,185<br>-0.40% | 279,410<br>0.40% |
| Mortality rate (-/+10%)<br>(% change compared to actual) | 585,477<br>0.00% | 585,112<br>0.00% | 278,367<br>0.00% | 278,415<br>0.00% |

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*(ALL AMOUNT ARE IN INDIAN RUPEES, UNLESS OTHERWISE STATED)*

## 38. SEGMENT REPORTING

Ind AS 108 establishes standards for reporting information about operating segments and related disclosure about product and services, geographical areas and major customers. Based on 'management approach' as defined in Ind AS 108, the Board of Directors evaluates the company performance and allocates resources based on analysis of various performance indicators by business segments and geographical segments. Accordingly information has been presented both along business segment and geographical segment. The accounting principle used in the preparation of financial statements are consistently applied to record revenue and expenditure in individual segment and or as set out in the significant accounting policies.

Business segment of the company comprise of:-

(i) Engineering, procurement and construction ('EPC-Rural') - Supply, installation, commissioning and maintenance of solar water pumps and home systems.

(ii) Engineering, procurement and construction ('EPC-Commercial and Industrial (C&I)') - Supply, installation, commissioning and maintenance of Ground solar power plants and Rooftop including sale of electricity

For the year 2018-19 ,the Company operated in the following segments:

(i) Trading activities which involve buying and selling various solar components

(ii) Engineering, procurement and construction ('EPC') - Supply, installation, commissioning and maintenance of solar water pumps

Segment assets are measured in the same way as in the financial statements. These assets are allocated based on the operations of the segment and the physical location of the assets. Segments assets do not include investments and income tax assets which are managed for the Company as whole.

Segment liabilities are measured in the same way as in the financial statements. These liabilities are allocated based on the operations of the segment. Segments liabilities do not include borrowings and income tax liabilities which are managed for the Company as a whole.

### A. BUSINESS SEGMENT INFORMATION

| Particulars | Year ended 31 March 2020 | | | |
|---|---|---|---|---|
| | Rural | C&I | Others | Total |
| Revenue from operations | 534,612,558 | 23,529,912 | - | 558,142,470 |
| Segment result | 50,379,531 | (3,906,543) | - | 46,472,987 |
| Unallocated income less expenses | - | - | (240,095,073) | (240,095,073) |
| Loss before income tax | - | - | - | (193,622,033) |
| Income tax expense | - | - | - | (22,114,856) |
| Net profit | - | - | - | (215,736,889) |
| Depreciation | - | - | 42,624,878 | 42,624,878 |

### B. SEGMENT ASSETS

| Particulars | As at 31 March 2020 | | | |
|---|---|---|---|---|
| | Rural | C&I | Others | Total |
| Segment fixed assets | - | 1,329,682,920 | - | 1,329,682,920 |
| Other segment assets | 688,316,587 | 267,496,243 | - | 955,812,830 |
| Unallocated Corporate assets | - | - | 795,553,272 | 795,553,272 |
| **Total Assets** | **688,316,587** | **1,597,179,164** | **795,553,272** | **3,081,049,023** |

### C. SEGMENT LIABILITIES

| Particulars | As at 31 March 2020 | | | |
|---|---|---|---|---|
| | Rural | C&I | Others | Total |
| C. SEGMENT LIABILITIES | | | | |
| Segment Liabilities | 413,512,376 | 104,180,165 | - | 517,692,542 |
| Unallocated Corporate liabilities | - | - | 1,443,623,018 | 1,443,623,018 |
| **Total Liabilities** | **413,512,376** | **104,180,165** | **1,443,623,018** | **1,961,315,559** |
| Additions to segment fixed assets | - | - | - | - |

### A. BUSINESS SEGMENT INFORMATION

| Particulars | Year ended 31 March 2019 | | | |
|---|---|---|---|---|
| | Trading | EPC | Others | Total |
| Revenue from operations | 461,856,355 | 245,294,085 | - | 707,150,440 |
| Segment result | 42,926,903 | 112,525,735 | - | 155,452,638 |
| Unallocated income less expenses | - | - | (43,808,804) | (43,808,804) |
| Profit before income tax | - | - | - | 111,643,834 |
| Income tax expense | - | - | - | 34,427,588 |
| Net profit | - | - | - | 77,216,246 |
| Depreciation | - | - | 353,238 | 353,238 |

### B. SEGMENT ASSETS

| Particulars | As at 31 March 2019 | | | |
|---|---|---|---|---|
| | Trading | EPC | Others | Total |
| Segment fixed assets | - | - | 4,321,056 | 4,321,056 |
| Other segment assets | 16,928,000 | 428,019,042 | - | 444,947,042 |
| Unallocated Corporate assets | - | - | 294,555,632 | 294,555,632 |
| **Total Assets** | **16,928,000** | **428,019,042** | **298,876,688** | **743,823,730** |

### C. SEGMENT LIABILITIES

| Particulars | As at 31 March 2019 | | | |
|---|---|---|---|---|
| | Trading | EPC | Others | Total |
| Segment Liabilities | 7,350,000 | 247,329,138 | - | 254,679,138 |
| Unallocated Corporate liabilities | - | - | 366,775,999 | 366,775,999 |
| **Total Liabilities** | **7,350,000** | **247,329,138** | **366,775,999** | **621,455,137** |
| Additions to segment fixed assets | - | - | 4,462,460 | 4,462,460 |

**Geographical Segments -** The Company has only one geographical segment viz., India.

**Details of income from major customers**

| Name of customer | Year ended 31 March 2020 | Year ended 31 March 2019 |
|---|---|---|
| Maharashtra Energy Development Agency | 31.66% | 0% |
| Alectrona Energy Private Limited | 26.71% | 0% |
| Refex Energy Limited | 13.86% | 0% |
| Grassroot Trading Network for Women | 14.12% | 0% |
| Rich Pytocare Private Limited | 13.65% | 0% |
| Refex Industries Limited | 0% | 63% |
| Refex Solar Power private Limited | 0% | 6% |

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## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

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## 39. FAIR VALUE MEASUREMENTS

**Financial instruments by category**

| Particulars | As at 31 March 2020 | | | Fair value hierarchy | | |
|---|---|---|---|---|---|---|
| | FVTPL | FVOCI | Amortised cost | Level I | Level II | Level III |
| **Financial Assets** | | | | | | |
| Trade receivables* | - | - | 508,810,709 | - | - | - |
| Cash and cash equivalents# | - | - | 13,288,369 | - | - | - |
| Other bank balances | | | 37,728,843 | | | |
| Loans | - | - | 40,648,983 | - | - | - |
| Other financial assets | - | - | 327,505,347 | - | - | 45,114,322 |
| **Total Assets** | **-** | **-** | **927,982,251** | **-** | **-** | **45,114,322** |
| | | | | | | |
| **Financial Liabilities** | | | | | | |
| Trade payables* | - | - | 368,465,503 | - | - | - |
| Borrowings | - | - | 1,086,220,558 | - | - | - |
| Other financial liabilities | - | - | 51,594,987 | - | - | - |
| **Total Liabilities** | **-** | **-** | **1,506,281,047** | **-** | **-** | **-** |

| Particulars | As at 31 March 2019 | | | Fair value hierarchy | | |
|---|---|---|---|---|---|---|
| | FVTPL | FVOCI | Amortised cost | Level I | Level II | Level III |
| Financial Assets | | | | | | |
| Trade receivables* | - | - | 135,442,919 | - | - | - |
| Cash and cash equivalents # | - | - | 51,583,259 | - | - | - |
| Other bank balances | - | - | 35,343,300 | | | |
| Loans | - | - | 54,177,045 | - | - | - |
| Other financial assets | - | - | 180,499,372 | - | - | 22,977,657 |
| **Total Assets** | **-** | **-** | **457,045,894** | **-** | **-** | **22,977,657** |
| | | | | | | |
| Financial Liabilities | | | | | | |
| Trade payables* | - | - | 275,574,366 | - | - | - |
| Borrowings | - | - | 239,551,997 | - | - | - |
| Other financial liabilities | - | - | 29,955,333 | - | - | - |
| **Total Liabilities** | **-** | **-** | **545,081,696** | **-** | **-** | **-** |

*The carrying value of these accounts are considered to be the same as their fair value, due to their short term nature.

# These accounts are considered to be highly liquid and the carrying amount of these are considered to be the same as their fair value.

## 40. FINANCIAL RISK MANAGEMENT

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk and foreign currency risk. The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The primary risks to the Company are credit and liquidity risk.

The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below:

**(i) Credit Risk**

***Credit risk management***

Credit risk is the risk of financial loss to the group if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the company's receivables from customers and investment securities. Credit risk arises from cash held with banks and financial institutions, as well as credit exposure to clients, including outstanding accounts receivable. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The management assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

**a)Provision for Expected Credit Loss**

The group provides for loss allowance based 12 months credit loss except in the case of trade receivables which are provided based on life-time credit loss. For the assessment of 12 months of life time expected credit loss, assets are classified into three categories as standard, sub-standard and doubtful based on the counter-party's capacity to meet the obligations and provision is determined accordingly. Standard assets are those where the risk of default is negligible, sub-standard are those where the credit risk is significantly increased since inception and doubtful assets are those where the assets are impaired .For the past years, based on the average of historical trend of loss allowance from the previous years , the group has made a provision for expected credit loss on the existing trade receivable balance. Over and above this, specific provision is made against receivable which are agred more than 365 days and where the management beleives that there is a risk of non collection.

**Year ended March 31, 2020**

Expected credit loss for trade receivables under simplified approach :

| Aging in days | Upton 1 year | More than an year | Total |
|---|---|---|---|
| Gross carrying amount | 496,674,194 | 81,343,301 | 578,017,495 |
| Provision for expected credit loss | (4,712,105) | (64,494,681) | (69,206,786) |
| **Carrying amount of trade receivables (net of impairment)** | **501,386,299** | **16,848,620** | **508,810,709** |

**Year ended March 31, 2019**

Expected credit loss for trade receivables under simplified approach :

| Aging in days | Upton 1 year | More than an year | Total |
|---|---|---|---|
| Gross carrying amount | 135,442,920 | 44,018,042 | 179,460,962 |
| Provision for expected credit loss | - | (44,018,042) | (44,018,042) |
| **Carrying amount of trade receivables (net of impairment)** | **135,442,920** | **-** | **135,442,920** |

**(ii) Liquidity risk**

Liquidity risk is the risk that the group will not be able to meet its financial obligations as they become due. The group manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due. The group depends on its related parties for short term funds to maintain liquidity for fulfilling its working capital requirements. In addition, processes and policies related to such risks are overseen by senior management.

The table below provides details regarding the contractual maturities of significant financial liabilities as at 31 March 2020 and 31 March 2019.

| Particulars | As at 31 March 2020 | | | |
|---|---|---|---|---|
| | Less than one year | 1-2 years | 2 years and above | Total |
| Trade payables | 368,465,503 | - | - | **368,465,503** |
| Borrowings | 920,265,962 | 162,417,194 | 3,537,402 | **1,086,220,558** |
| Other financial liabilities | 51,594,987 | - | - | **51,594,987** |
| **Total** | **1,340,326,451** | **162,417,194** | **3,537,402** | **1,506,281,047** |

| Particulars | As at 31 March 2019 | | | |
|---|---|---|---|---|
| | Less than one year | 1-2 years | 2 years and above | Total |
| Trade payables | 275,574,366 | - | - | **275,574,366** |
| Borrowings | 192,713,804 | - | 46,838,193 | **239,551,997** |
| Other financial liabilities | 29,955,333 | - | - | **29,955,333** |
| **Total** | **498,243,503** | **-** | **46,838,193** | **545,081,696** |

**(iii) Foreign Currency Risk**

The group's operations are largely within India and there are balances of previous years pertaining to one of the subsidiaries and hence the exposure to foreign currency risk is very minimal.

The following table presents foreign currency risk from non-derivative financial instruments as of 31 March 2020 and 31 March 2019

| Particulars | Foreign Currency | 31 March 2020 | | 31 March 2019 | |
|---|---|---|---|---|---|
| | | In Foreign Currency | Amount INR | In Foreign Currency | Amount INR |
| Cash balance | Chinese Yuan | 10,540 | 111,276 | 18,078 | 186,692 |
| Trade Receivables | USD | 116,000 | 8,742,688 | 116,000 | 8,023,871 |
| Trade Payables | USD | 147,392 | 11,108,640 | 147,392 | 10,195,296 |

## 40A. COMPLIANCE WITH LAWS AND REGULATIONS

One of the subsidiaries in the group had transactions in foreign currency with parties outside India (with group companies) relating to various contracts. As at the balance sheet date, there are balances which are receivable/payable from parties outstanding beyond the period permitted under RBI/FEMA regulations. Moreover relevant annual filings and returns required to be filed under RBI/FEMA regulation with respect to foreign currency transactions/balances have not yet been carried out by the Company. The Company is in the process of initiating necessary actions to comply with the relevant requirements under RBI/FEMA regulations. Accordingly impact for the same is not currently determinable and quantifiable.

## 41. DISCLOSURE OF INFORMATION IN TERMS OF SECTION 186 (4) OF THE COMPANIES ACT, 2013 :

| Name of entity | Nature of relationship | Purpose | 31-Mar-20 | 31-Mar-19 |
|---|---|---|---|---|
| Refex Energy Limited | Significant influence | Working Capital | 11,765,537 | 4,329,072 |
| SunEdison Energy India Pvt Ltd | Significant influence | Working Capital | - | 49,788,898 |

**42.** The group has incurred losses in the current year and consequently the net worth has been completely eroded as at the balance sheet date. Also refer note 44 which fully describes that major businesses are to be restructured and transferred out on a slump sale basis. Both these factors thereby raise a substantial doubt about the group's ability to continue as a going concern basis for the foreseeable future. However the group was profitable till last year end and based on alternative business plans developed, the management is confident of continuing the business in a profitable manner. Accordingly, these financial statements have been prepared on a going concern basis and do not include any adjustments to the recorded amounts of assets/liabilities that may be necessary if the group is unable to continue as a going concern.

## 44. SUBSEQUENT EVENTS

"The Company entered into a framework agreement dated June 23, 2020 with South Lake LLC (""South Lake""), Fenice Investment Group LLC (""Fenice""), Pashupathy Shankar Gopalan, Anil Jain, SILRES Energy Solutions Private Limited, Pashupathy Capital Pte Ltd, Sherisha Infrastructure Private Limited, Sherisha Technologies Private Limited and Avyan Pashupathy Capital Advisors Private Limited (referred to as the ""Framework agreement""). The framework agreement intends to restructure and transfer the under construction Commercial and Industrial customer's business and certain other businesses of the Company to SunEdison Energy Solutions Private Limited which is a joint venture between a company proposed to be set up in the United Kingdom by Pashupathy Capital Pte Ltd, South Lake and Fenice.

The proposed restructuring is being undertaken to primarily separate the completed projects from the under development projects and transfer the under development projects along with engineering, procurement and construction (""EPC"") business and Trademark ""SunEdison"" by way of a slump sale on a going concern basis to SunEdison Energy Solutions Private Limited for a consideration of INR 45 crores. The business referred to in such agreement which are going to be structured and transferred include (hereinafter referred to as the ""carve out business"").

1). EPC business segment (Rural and C&I) and Trademark which is an intangible asset of the company.

2). Ishaan Solar Power Private Limited (which will acquire all the equity shares of SEI Tejas Private Limited before the transfer). SILRES Energy Solutions Private Limited, Megamic Electronics Private Limited, Enercover Energy Recovery Solution Private Limited will be transferred.

3). Sherisha Solar Private Limited, which is currently held by SIL Rooftop Private Limited (subsidiary of the company) will be converted into Sherisha Solar LLP 36% of the partnership interest, constituting 99% of the economic interest, of such LLP will also be transferred along with all its investments in subsidiaries in which projects are under progress.

The slump sale is proposed to be completed by way of a Business Transfer Agreement to be executed once the valuation of business and subsidiaries being transferred is undertaken, subject to the approval of shareholders. Even though the purchase consideration has been agreed for the slump sale the impact of the Framework agreement cannot be ascertained since the underlying values of the assets and liabilities of the carve out business is yet to be determined."

## 45. IMPACT OF COVID-19 PANDEMIC

The World Health Organisation declared the outbreak of COVID-19 as a Global Pandemic. The management has done preliminary assessment and expects no significant impact on the group's operations. The impact assessment of COVID-19 is an ongoing process, given the uncertainities associated with its nature and duration the management will continue to monitor all material changes to the group's internal and external environment.

**46.** Figures for the previous year have been regrouped/reclasified to conform to the current years classification. Previous years figures have been audited by a firm other than V K A N & Associates.

For and on behalf of the Board of Directors of
**SunEdison Infrastructure Limited**

| | | | |
|---|---|---|---|
| **Kalpesh Kumar** | **Shailesh Rajagopalan** | **Ruchi Ashish Maheshwari** | **Suresh Babu RV** |
| Managing Director | Director | Chief Financial Officer | Company Secretary |
| DIN: 07966090 | DIN: 01855598 | | |
| Place : Chennai | | | |
| Date : 12th October 2020 | | | |