

INDEPENDENT AUDITOR'S REPORT

To,
The Members of,
Reliance Green Power Limited.

Opinion

1. We have audited the accompanying standalone Ind AS financial statements of **Reliance Green Power Limited**, which comprise the **Balance Sheet** as at 31st March, 2020, the **Statement of Profit and Loss (including "Other Comprehensive Income")**, the **Statement of cash flows and the Statement of Changes in Equity** for the year then ended, and notes to the financial statement and a summary of the significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the state of affairs (financial position) of the company as at 31 March 2020, its loss (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs), as 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 Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules there under, 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.

Key Audit Matters

4. 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 for the financial year ended March 31, 2020. 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. We have determined that there are no key Audit matters to communicate in our report.

“Information Other than the Standalone Financial Statements and Auditors’ Report Thereon”)

5. The Company’s management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company’s annual report, but does not include the financial statements and our auditors’ report thereon.
6. Our opinion on the standalone 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 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 financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management’s Responsibility for the Standalone Ind AS Financial Statements

7. The Company’s Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 with respect to the preparation of these Standalone Ind AS financial statements that give a true and fair view of the state of affairs (Financial position), Profit or Loss (financial performance including other comprehensive income), cash flows and changes in Equity of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with the relevant rules thereunder.

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8. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
9. In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibility for the audit of Standalone Ind AS Financial Statements

10. 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 Standards on Auditing (SAs) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
11. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is

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higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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

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

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

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

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Report on Other Legal and Regulatory Requirements

12. As required by the companies (Auditor's Report) Order, 2016("the orders") issued by the Central Government in terms of Section 143(11) of the Act, and on the basis of such books and records of the company as we consider appropriate and according to the information and explanations given to us, we give in "Annexure I" a statement on the matters specified in paragraph 3 and 4 of the order.
13. As required by Section 143 (3) of the Act, we report that:
- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and Statement of changes in Equity dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act.
 - (e) On the basis of the written representations received from the Directors as on 31st March, 2020 taken on record by the Board of Directors, none of the Directors is disqualified as on 31st March, 2020 from being appointed as a Director in terms of Section 164 (2) of the Act.
14. With respect to the other matters to be included in the Auditors' 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.

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- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2020.

15. With respect to the matter to be included in the Auditors' Report under section 197(16):

In our opinion and according to the information and explanations given to us, the remuneration paid by the company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

For and on behalf of
For SHRIDHAR AND ASSOCIATES
Chartered Accountants
Firm Registration No. 0134427W

Hemant Phatak.
Partner
Membership number: 160832
UDIN: 20160832AAAAFD6488
Place: Mumbai
Date: 29-04-2020

Annexure to the Auditors' Report

Annexure I

The Annexure referred to in our report to the members **RELIANCE GREEN POWER LIMITED** for the year Ended on 31st March, 2020. We report that;

1) **Fixed Assets**

According to the information and explanations given to us, the Company does not have any fixed asset. Accordingly, the provisions of clause (i) of the Order is not applicable to the company.

The company does not hold any immovable property.

2) **Inventory**

The nature of business of the company does not require it to have any inventory. Hence the requirement of clause (ii) of paragraph 3 of the said order is not applicable to the company.

3) **Secured or Unsecured Loans given**

According to the information and explanations given to us and on the basis of our examination of the records of the company, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (C) of the Order are not applicable to the Company and hence not commented upon.

4) **Loan to parties covered under section 185 & 186 of the act**

In our opinion and according to the information and explanations given to us, the company has not granted any loan to any directors nor acquired securities of anybody corporate.

5) **Deposit's From Public**

According to the information and explanations given to us, the Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.

6) **Maintenance of Cost Records**

As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company.

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7) **Statutory Dues**

According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion, the Company is generally regular in depositing the undisputed statutory dues, including income tax and is regular in depositing undisputed statutory dues, including profession tax, value added tax, provident fund, employees' state insurance, service tax, duty of customs, sales tax, duty of excise, cess and other material statutory dues, as applicable, with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2020 for a period of more than six months from the date on when they become payable.

According to the information and explanation given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute.

8) **Loans From Financial Institutions or Banks**

In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to banks. The Company has not taken any loan either from financial institutions or from the government and has not issued any debentures.

9) **Money raised from initial public offer and term loans**

Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.

10) **Fraud Reporting**

Based upon the audit procedures performed and according to the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the course of our audit.

11) **Managerial Remuneration**

Section 197 of the Act is not applicable to a Private Company, and accordingly, reporting under this clause would not be required.

12) **Nidhi Company**

In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Therefore, the provisions of clause 3 (xii) of the Order are not applicable to the Company.

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13) **Transactions with related parties**

According to the information and explanations given to us and based on our examination of the records of the company, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013

14) **Preferential allotment or private placement of shares**

According to the information and explanations given to us and based on our examination of the records of the company, the company has not made preferential allotment or private placement of shares during the year and the provisions of section 42 of The Companies Act 2013 have been complied with.

15) **Non cash transactions with directors**

Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.

16) **Registration u/s 45-IA of the RBI Act, 1934**

In our opinion, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented.

For and on behalf of
For SHRIDHAR AND ASSOCIATES
Chartered Accountants
Firm Registration No. 0134427W

Hemant Phatak
Partner
Membership number: 160832
UDIN: 20160832AAAAFD6488
Place: Mumbai
Date: 29-04-2020

Reliance Green Power Private Limited
Balance Sheet as at March 31, 2020

Particulars	Note No.	As at March 31, 2020 Rupees in '000	As at March 31, 2019 Rupees in '000
ASSETS			
Non-current assets			
Financial assets			
Other financial assets	3.1	20	20
Other non-current assets	3.2	16,707	16,707
Total non-current assets		16,727	16,727
Current assets			
Financial assets			
Cash and cash equivalents	3.3(a)	27	49
Loans	3.3(b)	84,510	84,545
Total current assets		84,537	84,594
Total Assets		1,01,264	1,01,321
EQUITY AND LIABILITIES			
Equity			
Equity share capital	3.4	257	257
Other equity			
Instrument entirely equity in nature	3.5	232	232
Reserve and surplus	3.6	62,080	62,976
Total equity		62,569	63,465
Liabilities			
Current liabilities			
Financial liabilities			
Borrowings	3.7(a)	36,600	36,600
Other financial liabilities	3.7(b)	2,095	1,256
Total current liabilities		38,695	37,856
Total Equity and Liabilities		1,01,264	1,01,321

Significant accounting policies
Notes on financial statements

2
1 to 16

The accompanying notes are an integral part of these financial statements.
As per our attached report of even date.

For Shridhar & Associates
Chartered Accountants
Firm Registration No 0134427W

For and on behalf of the Board of Directors

Hemant Phatak
Partner
Membership No.160832

Pranindra Kumar Nemani
Director
DIN:00051091

Umesh Agrawal
Director
DIN: 02908684

Date : April 29, 2020
Place: Mumbai

Date : April 29, 2020
Place: Mumbai

Reliance Green Power Private Limited
Statement of Profit and Loss for the year ended March 31, 2020

Particulars	Note No.	Year ended March 31, 2020 Rupees in '000	Year ended March 31, 2019 Rupees in '000
Expenses			
Other expenses	3.8	896	3,000
Total expenses		<u>896</u>	<u>3,000</u>
Profit/(Loss) before tax		(896)	(3,000)
Income tax expense			
Current tax		-	-
Deferred tax		-	-
Profit/(Loss) for the year (A)		<u>(896)</u>	<u>(3,000)</u>
Other Comprehensive Income			
Items that will not be reclassified to profit or loss		-	-
Other Comprehensive Income for the year (B)		<u>-</u>	<u>-</u>
Total Comprehensive Loss for the year (A+B)		<u>(896)</u>	<u>(3,000)</u>
Earnings/(Loss) per equity share: (Face value of Rs. 10 each)			
Basic / Diluted (Rupees)	7	(34.82)	(116.53)
Significant accounting policies	2		
Notes on financial statements	1 to 16		

The accompanying notes are an integral part of these financial statements
As per our attached report of even date.

For Shridhar & Associates
Chartered Accountants
Firm Registration No 0134427W

For and on behalf of the Board of Directors

Hemant Phatak
Partner
Membership No.160832

Phanindra Kumār Nemani
Director
DIN:00051091

Umesh Agrawal
Director
DIN: 02908684

Date : April 29, 2020
Place: Mumbai

Date : April 29, 2020
Place: Mumbai

Reliance Green Power Private Limited
Cash Flow Statement for the year ended March 31, 2020

Particulars	Year ended March 31, 2020 Rupees in '000	Year ended March 31, 2019 Rupees in '000
(A) Cash flow from/(used in) operating activities:		
Net Loss before tax	(896)	(3,000)
Operating profit/(loss) before working capital changes	(896)	(3,000)
Adjustments for:		
Financial Assets	35	1,300
Financial Liabilities	839	1,071
	874	2,371
Net Cash from operating activities	(22)	(629)
(B) Cash flow from investing activities:		
Proceeds from sale of investments in equity shares	-	-
Net Cash from investing activities	-	-
(C) Cash flow from financing activities:		
Inter corporate deposit received	-	850
Inter corporate deposit from Related Parties refunded	-	(850)
Net Cash financing activities	-	-
Net increase/(decrease) In Cash and Cash equivalents (A+B+C)	(22)	(629)
Cash and Cash equivalents at the beginning of the year:		
Bank Balance - current account	49	678
Cash and Cash equivalents at the end of the year :		
Bank Balance - current account	27	49

The accompanying notes are an integral part of these financials statements.
As per our attached report of even date.

For Shridhar & Associates
Chartered Accountants
Firm Registration No 0134427W

For and on behalf of the Board of Directors

Hemant Phatak
Partner
Membership No.160832

Phanindra Kumar Nemani
Director
DIN:00051091

Umesh Agrawal
Director
DIN: 02908684

Date : April 29, 2020
Place: Mumbai

Date : April 29, 2020
Place: Mumbai

Reliance Green Power Private Limited
Statement of changes in equity for the year ended March 31, 2020

A. Equity Share Capital

	Rupees in '000
Balance as at March 31, 2018	257
Changes in equity share capital	-
Balance as at March 31, 2019	257
Changes in equity share capital	-
Balance as at March 31, 2020	257

B. Other Equity

Particulars	Reserves and Surplus		Interruption entirely equity in nature Preference shares [refer note no. 3.6.1]	Total
	Securities Premium	Retained Earnings		
Balance as at March 31, 2018	2,47,061	(1,81,085)	232	66,208
Profit for the year	-	(3,000)	-	(3,000)
Other Comprehensive Income for the year	-	-	-	-
Total Comprehensive Loss for the year	-	(3,000)	-	(3,000)
Balance as at March 31, 2019	2,47,061	(1,84,085)	232	63,208
Profit for the year	-	(896)	-	(896)
Other Comprehensive Income for the year	-	-	-	-
Total Comprehensive Loss for the year	-	(896)	-	(896)
Balance as at March 31, 2020	2,47,061	(1,84,981)	232	62,312

The accompanying notes are an integral part of these financial statements.
As per our attached report of even date.

For Shridhar & Associates
Chartered Accountants
Firm Registration No 0134427W

For and on behalf of the Board of Directors

Hemant Phatak
Partner
Membership No. 160832

Phanindra Kumar Hemani
Director
DIN:00051091

Umesh Agrawal
Director
DIN: 02908684

Date : April 29, 2020
Place: Mumbai

Date : April 29, 2020
Place: Mumbai

Reliance Green Power Private Limited
Notes to the financial statements for the year ended March 31, 2020 (Continued)

1) General information

Reliance Green Power Private Limited is a company incorporated under provisions of Companies Act, for the development of Solar Power Plant in the State of Rajasthan.

The Company is a private limited company which is incorporated and domiciled in India under the provisions of the Companies Act. The registered office of the Company is located at H Block, 1st Floor, DhirubhaiAmbani Knowledge City, Navi Mumbai - 400710.

The Company is developing 150 MW Solar Power Plant in the State of Rajasthan.

These financial statements were authorised for issue by the board of directors on April 29, 2020.

2) Significant accounting policies, Critical accounting estimates and judgements:

2.1 Basis of preparation, measurement and significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Basis of preparation

Compliance with Indian Accounting Standards

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 and relevant provisions of the Companies Act, 2013 ("the Act").

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

(b) Historical cost convention

The financial statements have been prepared under the historical cost convention, as modified by the following:

- i. Defined benefit plans – plan assets that are measured at fair value;

Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

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

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

Current vis-à-vis non-current classification

The assets and liabilities reported in the balance sheet are classified on a "current/non-current basis", with separate reporting of assets held for sale and liabilities. Current assets, which include cash and cash equivalents, are assets that are intended to be realized, sold or consumed during the normal operating cycle of the Company or in the 12 months following the balance sheet date; current liabilities are liabilities that are expected to be settled during the normal operating cycle of the Company or within the 12 months following the close of the financial year.

(c) Foreign currency translation:

i. Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The financial statements are presented in 'Indian Rupees' (INR), which is the Company's functional and the Company's presentation currency.

ii. Transactions and balances

- (i) Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions.
- (ii) All exchange differences arising on reporting of short term foreign currency monetary items at rates different from those at which they were initially recorded are recognised in the Statement of Profit and Loss.
- (iii) Non-monetary items denominated in foreign currency are stated at the rates prevailing on the date of the transactions / exchange rate at which transaction is actually effected.

(d) Borrowing costs

Borrowing costs include costs that are ancillary and required as per the terms of agreement. Borrowing cost that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the Statement of Profit and Loss in the period in which they are incurred.

(e) Impairment of non-financial assets

Assets which are subject to depreciation or amortisation are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use.

(f) Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, demand deposits with banks, short-term balances (with an original maturity of three months or less from date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

(g) Financial instruments:

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

Investments and other financial assets

i. Classification

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

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

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

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments in subsidiaries, the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

ii. **Measurement**

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

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

Fair value through profit or loss (FVPL): Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognised in profit or loss in the period in which it arises. Interest income from these financial assets is included in other income.

Equity investments: The Company subsequently measures all equity investments in subsidiaries at fair value. The Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in profit or loss as other income when the Company's right to receive payments is established.

Changes in the fair value of financial assets at FVTPL are recognised in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

iii. **Impairment of financial assets**

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

iv. **Derecognition of financial assets**

A financial asset is derecognised only when:

- i. the rights to receive cash flows from the asset have expired, or
- ii. the company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows to one or more recipient

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

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

v. **Income recognition**

Interest income

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate,

Reliance Green Power Private Limited
Notes to the financial statements for the year ended March 31, 2020 (Continued)

the company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

(h) Offsetting Financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

(i) Contributed equity

Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

(j) Financial liabilities

i. Classification as debt or equity

Debt and equity instruments issued by the company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definition of a financial liability and an equity instrument.

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

ii. Initial recognition and measurement

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

The Company's financial liabilities include borrowings, dues to holding company and creditors for capital expenditure.

iii. Subsequent measurement

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

Borrowings: Borrowings are subsequently carried at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the statement of profit and loss over the period of the borrowings using the effective interest method.

Trade and other payable: These amounts represents obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. These payable are classified as current liabilities if payment is due within one year or less otherwise they are presented as non-current liabilities. Trade and payables are subsequently measured at amortised cost using the effective interest method.

iv. Derecognition

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

(k) Provisions, Contingent Liabilities and Contingent Assets:

Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present

value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

Contingent liabilities

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. A present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or reliable estimate of the amount cannot be made, is termed as contingent liability.

Contingent Assets:

A contingent asset is disclosed, where an inflow of economic benefits is probable.

(l) Revenue recognition:

The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Company's activities.

(m) Employee benefits:

Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

Other long-term employee benefit obligations

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

Post employee obligations

The group operates the following post-employment schemes:

- defined benefit plans such as gratuity
- defined contribution plans such as provident fund.

Gratuity obligations

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

Defined contribution plans

The Company pays provident fund contributions to publicly administered provident funds as per local regulations. The group has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

(n) Income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Company operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, on temporary differences arising between the tax base of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

(o) Earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company
- by the weighted average number of equity shares outstanding during the financial year.

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

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

(p) Cash flow statement

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

2.2 Critical accounting estimates and judgements

The preparation of financial statements under Ind AS requires management to take decisions and make estimates and assumptions that may impact the value of revenues, costs, assets and liabilities and the related disclosures concerning the items involved as well as contingent liabilities at the balance sheet date. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Company make estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

(a) Defined benefit obligations

The present value of the defined benefit obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) for post employment plans include the discount rate. Any changes in these assumptions will impact the carrying amount of such obligations.

The Company determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the defined benefit obligations. In determining the appropriate discount rate, the Company considers the interest rates of government bonds of maturity approximating the terms of the related plan liability.

(b) Income taxes

There are transactions and calculations for which the ultimate tax determination is uncertain and would get finalized on completion of assessment by tax authorities. Where the final tax outcome is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

Deferred tax on temporary differences reversing within the tax holiday period is measured at the tax rates that are expected to apply during the tax holiday period, which is the lower tax rate or the nil tax rate. Deferred tax on temporary differences reversing after the tax holiday period is measured at the enacted or substantively enacted tax rates that are expected to apply after the tax holiday period.

(c) Provision

Estimates of the amounts of provisions recognised are based on current legal and constructive requirements, technology and price levels. Because actual outflows can differ from estimates due to changes in laws, regulations, public expectations, technology, prices and conditions, and can take place many years in the future, the carrying amounts of provisions are regularly reviewed and adjusted to take account of such changes.

Reliance Green Power Private Limited
Notes to the financial statements for the year ended March 31, 2020 (continued)

Particulars	As at March 31, 2020 Rupees in '000	As at March 31, 2019 Rupees in '000
3.1 Other non-current financial assets (Unsecured and considered good)		
Security deposits	20	20
	<u>20</u>	<u>20</u>
3.2 Other non-current assets (Unsecured and considered good)		
Capital advances	16,707	16,707
	<u>16,707</u>	<u>16,707</u>
3.3(a) Cash and cash equivalents		
Balance with banks: In current account	27	49
	<u>27</u>	<u>49</u>
3.3(b) Current Loans (Unsecured and considered good)		
Inter corporate deposits-Related parties	9,802	9,837
Inter corporate deposits to Others	1,700	1,700
Loans / advances to related party	834	834
Loans / advances to others	2,174	2,174
Security deposits	70,000	70,000
	<u>84,510</u>	<u>84,545</u>

Reliance Green Power Private Limited
Notes to the financial statements for the year ended March 31, 2020 (continued)

3.4 Share capital

Authorised share capital

30,000 (March 31, 2019: 30,000) equity shares of Rs. 10 each

As at March 31, 2020 Rupees in '000	As at March 31, 2019 Rupees in '000
300	300
300	300
257	257
257	257

Issued, subscribed and fully paid up capital

25,745 (March 31, 2019: 25,745) equity shares of Rs. 10 each fully paid-up

3.4.1 Reconciliation of number of equity shares

Equity shares

Balance at the beginning of the year 25,745 (March 31, 2019: 25,745) shares of Rs. 10 each

257

257

Balance at the end of the year - 25,745 (March 31, 2019: 25,745) shares of Rs. 10 each

257

257

3.4.2 Terms/ rights attached to equity shares

Equity shares

The Company has only one class of equity shares having face value of Rs.10 per share. Each holder of the equity share is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the remaining assets of the Company, after distribution of all preferential amounts.

3.4.3 Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

	As at March 31, 2020		As at March 31, 2019	
	No. of Shares	Percentage of share holding	No. of Shares	Percentage of share holding
Equity shares				
Reliance Power Limited	25,745	100%	25,745	100%
	25,745	100%	25,745	100%

3.4.4 Shares held by Holding Company

Equity Shares

Reliance Power Limited

(Of the above 25,744 equity share of Rs. 10 each fully paid up are held by Reliance Power Limited, the holding Company and 1 equity share is jointly held by Reliance Power Limited and its nominee

As at March 31, 2020	As at March 31, 2019
257	257
257	257

Reliance Green Power Private Limited
Notes to the financial statements for the year ended March 31, 2020 (continued)

	As at March 31, 2020 Rupees in '000	As at March 31, 2019 Rupees in '000
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Other equity

3.5 Instrument entirely equity in nature

3.5.1 Preference share capital

Authorised share capital
300,000 (March 31, 2019: 300,000) preference shares of Rs. 1 each

	300	300
	<u>300</u>	<u>300</u>

Issued, subscribed and fully paid up capital

231,705 (March 31, 2019: 231,705) equity shares of Rs. 1 each fully paid-up

	232	232
	<u>232</u>	<u>232</u>

3.5.2 Reconciliation of number of preference shares

Preference shares (refer note 3.5.3(a))

Balance at the beginning of the year 231,705 (March 31, 2019: 231,705) shares of Rs. 1 each

Balance at the end of the year - 231,705 (March 31, 2019: 231,705) shares of Rs. 1 each

	232	232
	<u>232</u>	<u>232</u>

3.5.3 Terms/ rights attached to preference shares

3.5.3(a) 7.5% Compulsory Convertible Redeemable Non-Cumulative Preference Shares (CCRPS)

The Company shall have a call option on CCRPS which can be exercised by the Company in one or more tranches and in part or in full before the end of agreed tenure (20 years) from 31.03.2014 of the said shares. In case the call option is exercised, CCRPS shall be redeemed at an issue price (ie face value and premium). The holders of CCRPS however, shall have an option to convert CCRPS into equity shares at any time during the tenure of such shares. At the end of tenure and to the extent the Company or the shareholder has not exercised their options, CCRPS shall be compulsorily converted into equity shares. On conversion, in either case, each CCRPS shall be converted into one fully paid equity share of Rs. 10 each at a premium of Rs. 990 shares. If during the tenure of CCRPS, the Company declares equity dividend, CCRPS holders shall also be entitled to dividend on their shares at the same rate as the equity dividend and this dividend will be over and above the coupon rate of 7.5%. These preference shares shall continue to be non cumulative.

3.5.4 Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

	As at March 31, 2020		As at March 31, 2019	
	No. of Shares	Percentage of share holding	No. of Shares	Percentage of share holding
Preference shares Reliance Power Limited	2,31,705	100%	2,31,705	100%
	<u>2,31,705</u>	<u>100%</u>	<u>2,31,705</u>	<u>100%</u>

3.5.5 Shares held by Holding Company

Preference shares (refer note 3.5.3(a))

Reliance Power Limited
(231,705 preference share of Rs. 1 each fully paid)

	As at March 31, 2020	As at March 31, 2019
	232	232
	<u>232</u>	<u>232</u>

3.5.6 Movement of instrument entirely in the nature of equity

Preference shares (refer note 3.5.3(a))

Balance at the beginning of the year

	232	232
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Closing balance

	232	232
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Reliance Green Power Private Limited
Notes to the financial statements for the year ended March 31, 2020 (continued)

Particulars	As at March 31, 2020 Rupees in '000	As at March 31, 2019 Rupees in '000
3.6 Reserves and surplus		
Balance at the end of the year		
3.6.1 Securities premium	2,47,061	2,47,061
3.6.2 Retained earnings	(1,84,981)	(1,84,085)
Total	62,080	62,976
3.6.1 Securities premium		
Balance at the beginning of the year	2,47,061	2,47,061
Balance at the end of the year	2,47,061	2,47,061
3.6.2 Retained earnings		
Balance at the beginning of the year	(1,84,085)	(1,81,085)
Profit/ Loss for the year	(886)	(3,000)
Balance at the end of the year	(1,84,981)	(1,84,085)
Nature and purpose of other reserves:		
(a) Securities premium		
Securities premium is created with premium issue of shares. The reserve is utilised in accordance with the provision of the Companies Act, 2013		
3.7(a) Current borrowings		
Unsecured		
Inter Corporate Deposit from Related Parties (Unsecured Interest-free Deposits repayable within one year)	36,600	36,600
	36,600	36,600
3.7(b) Other current financial liabilities		
Dues to Holding Company	400	341
Creditors for services	18	13
Others	1,677	902
	2,095	1,256

Reliance Green Power Private Limited

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

Particulars	Year ended March 31, 2020 Rupees in '000	Year ended March 31, 2019 Rupees in '000
3.8 Other expenses		
Rent expenses	835	835
Stamp duty and filing fees	-	5
Legal and professional charges (including shared service charges)	57	2,120
Travelling and conveyance	-	40
Miscellaneous expenses	4	-
	896	3,000

4) Project Status:

The State of Rajasthan promulgated solar policy in order to promote renewable generation of electricity. RGPPL had applied in August 2012, under Rajasthan Solar Energy Policy, 2011 – to develop a 150 MW solar PV power plant in the state with an intention of supplying power to 3rd party/outside state consumers. Accordingly, submitted BG of Rs 30 Cr towards Security Deposit. However, Rajasthan Renewable Energy Corporation (RREC) delayed allotment of land by almost 2 (two) years (As per policy 2011, land was to be allotted within 60 days from RREC recommendation). Over the period of such delay in allotment of land, solar power market dynamics changed substantially. Accordingly, RGPPL has requested Government of Rajasthan for surrender of the project due to Force Majeure events beyond its control and requested for refund of the charges paid and return of Bank Guarantee. While we are pursuing GoR for allowing to surrender of the project, we have also filed petition before Rajasthan High Court, Jodhpur for allowing to surrender the project due to Force Majeure event & obtained stay on encashment of the said BG.

5) Details of remuneration to auditors:

Rupees in '000

	Year ended March 31, 2020	Year ended March 31, 2019
(a) As auditors		
For statutory audit (excluding taxes)	10	10
	10	10

6) Related party transactions:

As per Indian Accounting Standard 24 (Ind AS-24) 'Related Party Transactions' as prescribed by Companies (Indian Accounting Standards) Rules, 2015, the Companies related parties and transactions are disclosed below:

A. Parties where control exists:

Holding Company:

Reliance Power Limited (R Power)

B. Related parties with whom transactions have taken place during the year or previous year:

Fellow subsidiaries

Reliance Cleangen Limited (RCGL)

Parties stated in (A) above has significant influence on the Company directly or indirectly.

RPL Photon Private Limited (RPHOTONPL)

RPL Sun Technique Private Limited (RSUNTPL)

RPL Sun Power Private Limited (RSUNPPL)

C. Details of transactions during the year and closing balance at the end of the year:

Particulars	March 31, 2020	March 31, 2019
	Rupees in '000	Rupees in '000
Transactions during the year:		
Reimbursement of Expenses incurred by		
R Power	59	341
Inter Corporate deposits Received		
R Power	35	1,260

Particulars	March 31, 2020	March 31, 2019
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Reliance Green Power Private Limited

Notesto the financial statements for the year ended March 31, 2020 (Continued)

	Rupees in '000	Rupees in '000
Closing balance		
Equity share capital (excluding premium)		
R Power	257	257
Preference share capital (excluding premium)		
R Power	232	232
Inter Corporate deposits Received from		
RCGL	36,600	36,600
Inter Corporate deposits Givento		
R Power	9,502	9,537
RPL Photon	100	100
RPL Sun Technique	100	100
RPL Sunpower	100	100
Bank Guarantee issued		
R Power	300,000	300,000
Loans / advances to related party		
RPL Photon	278	278
RPL Sun Technique	278	278
RPL Sunpower	278	278
Other payable		
R Power	400	341

(i) The above disclosures do not include transactions with public utility service providers, viz, electricity, telecommunications in the normal course of business.

7) Earnings per share:

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Profit available to equity shareholders		
Profit/ (loss) after tax (A) (Rupees in '000)	(896)	(3,000)
Number of equity shares		
Weighted average number of equity shares outstanding (Basic) (B)	25,745	25,745
Basic and diluted earnings per share (A / B) (Rs.)	(34.82)	(116.53)
Nominal value of an equity share (Rs.)	10.00	10.00

7.5% Compulsorily Convertible Redeemable Non-Cumulative Preference Shares had an anti-dilutive effect on earning per shares and hence have not been considered for the purpose of computing dilutive earnings per share.

8) Income taxes

Rupees in '000		
The reconciliation of tax expense and the accounting profit multiplied by tax rate :		
Particulars	March 31, 2020	March 31, 2019
Profit/ (Loss) before tax	(896)	(3,000)
Tax at the Indian tax rate of 26% (2018-19: 26%)	(233)	(780)
Tax losses for which no deferred income tax was recognised	(233)	(780)
Income tax expense	-	-

Note: The Company has not recognized deferred tax assets on the unabsorbed losses as it does not claim the unabsorbed losses in the income tax returns filed by the Company.

Reliance Green Power Private Limited
Notesto the financial statements for the year ended March 31, 2020 (Continued)

9) Fair value measurements

(a) Financial instruments by category

The Company does not have any financial assets or liabilities which are measured at FVTPL or FVOCI. Financial assets and liabilities which are measured at amortised cost are as follows:

	Rupees in '000	
	March 31, 2020	March 31, 2019
Financial assets		
Security deposits	70,020	70,020
Cash and cash equivalents	27	49
Inter corporate deposits	9,802	9,837
Inter corporate deposits to Others	1,700	1,700
Loans / advances to related party	834	834
Loans / advances to others	2,174	2,174
Total financial assets	84,537	84,614
Financial liabilities		
Loans from related parties	36,600	36,600
Creditors for supplies and services	18	13
Dues to Holding Company	400	341
Other payables	1,677	902
Total financial liabilities	38,695	37,856

(b) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

	Rupees in '000			
Assets and liabilities which are measured at amortised cost for which fair values are disclose as at March 31, 2020	Level 1	Level 2	Level 3	Total
Financial assets				
Security deposits	-	-	20	20
Total financial assets	-	-	20	20

	Rupees in '000			
Assets and liabilities which are measured at amortised cost for which fair values are disclose as at March 31, 2019	Level 1	Level 2	Level 3	Total
Financial assets				
Security deposits	-	-	20	20
Total financial assets	-	-	20	20

(c) Fair value of financial assets and liabilities measured at amortised cost

	Rupees in '000			
	March 31, 2020		March 31, 2019	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets				
Security deposits	20	20	20	20
Total financial assets	20	20	20	20

Reliance Green Power Private Limited
Notes to the financial statements for the year ended March 31, 2020 (Continued)

(d) Valuation technique used to determine fair values

The carrying amount of current financial assets and liabilities are considered to be the same as their fair values, due to their short term nature.

The fair value of security deposits has been considered same as carrying value since there have not been any material changes in the prevailing interest rates. Impact on account of changes in interest rates, if any has been considered immaterial.

Note

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices.

Level 2: The fair value of financial instruments that are not traded in an active market (for example over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities which are included in level 3.

There were no transfers between any levels during the year.

10) Financial risk management

The Company's business activities expose it to a variety of financial risks, namely liquidity risk, market risks and credit risk.

Risk	Exposure arising from	Measurement	Management
Credit Risk	Cash and cash equivalents, financial assets measured at amortised cost.	Aging analysis	Diversification of bank deposits.
Liquidity Risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities

(a) Credit risk

The company is exposed to credit risk, which is the risk that counterparty will default on its contractual obligation resulting in a financial loss to the company. Credit risk arises from cash and cash equivalents and financial assets carried at amortised cost

Credit risk management

Credit risk is managed at company level depending on the policy surrounding credit risk management. For banks and financial institutions, only high rated banks/institutions are accepted. Generally all policies surrounding credit risk have been managed at company level.

(b) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and availability of funding through an adequate amount of committed credit facilities to meet obligations when due.

Management monitors rolling forecasts of the company's liquidity position and cash and cash equivalents on the basis of expected cash flows. This is generally carried out in accordance with practice and limits set by the company.

Maturities of financial liabilities

The amounts disclosed in the below are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

	Rupees in '000			
March 31, 2020	Less than 1 years	Between 1 year and 5 years	More than 5 years	Total
Financial liabilities				
Loans from related parties	36,600	-	-	36,600
Creditors for supplies and services	18	-	-	18
Dues to Holding Company	400	-	-	400
Other payables	1,677	-	-	1,677
Total financial liabilities	38,695	-	-	38,695

Reliance Green Power Private Limited
 Notes to the financial statements for the year ended March 31, 2020 (Continued)

March 31, 2019	Rupees in '000			Total
	Less than 1 years	Between 1 year and 5 years	More than 5 years	
Financial liabilities				
Loans from related parties	36,600	-	-	36,600
Creditors for supplies and services	13	-	-	13
Dues to Holding Company	341	-	-	341
Other payables	902	-	-	902
Total financial liabilities	37,856	-	-	37,856

11) Capital Management

(a) Risk Management

The company's objectives when managing capital are to safeguard the company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Company monitors capital on basis of total equity on a periodic basis. Equity comprises all components of equity includes the fair value impact. The following table summarizes the capital of the Group:

	Rupees in '000	
	March 31, 2020	March 31, 2019
Equity	62,569	63,465
Debt	36,600	36,600
Total	99,169	100,065

12) Segment reporting

Presently, the Company is engaged in only one segment viz 'Generation of Power' and as such there is no separate reportable segment as per Ind AS 108 'Operating Segments'. Presently, the Company's operations are predominantly confined in India and also all non-current assets are located in India. The Company does not have revenue from any type of product or service or any external customer.

13) Disclosure under Micro, Small and Medium Enterprises Development Act, 2006

Disclosure of amounts payable to vendors as defined under the "Micro, Small and Medium Enterprise Development Act, 2006" is based on the information available with the Company regarding the status of registration of such vendors under the said Act. There are no overdue principal amounts / interest payable amounts for delayed payments to such vendors at the Balance Sheet date. There are no delays in payment made to such suppliers during the year or for any earlier years and accordingly there is no interest paid or outstanding interest in this regard in respect of payments made during the year or brought forward from previous years.

14) Disclosure pursuant to para 44 A to 44 E of Ind AS 7 - Statement of cash flows

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Short term Borrowings		
Opening Balance	36,600	36,600
Availed during the year/period	-	-
Repaid during the year/period	-	-
Closing Balance	36,600	36,600

Reliance Green Power Private Limited
Notes to the financial statements for the year ended March 31, 2020 (Continued)

- 15) The SARS-CoV-2 virus responsible for COVID-19 continues to spread across the globe and India. On March 11, 2020, the COVID-19 outbreak was declared a global pandemic by the World Health Organization. The Indian Government has taken various measures to contain the spread of virus including a strict lockdown, which was further extended across the country. 'Power generation and transmission units' is on the list of essential services. The COVID-19 outbreak has contributed to a decrease in global and local economic activities including power consumption. The extent to which the COVID-19 pandemic will impact the Company's results depend on future developments, which are uncertain, including, among other things, any new information concerning the severity of the COVID-19 pandemic and any action to contain its spread or mitigate its impact whether government mandated or elected by the Company.
- 16) Previous year figures have been regrouped / rearranged wherever necessary.

As per our attached report of even date

For Shridhar&Associates
Chartered Accountants
Firm Registration No.: 0134427W

For and on behalf of the Board of Directors

Hemant Phatak
Partner
Membership No. 160832

Phanindra Kumar Nemani
Director
DIN: 00051091

Umesh Agrawal
Director
DIN: 02908684

Date :April 29, 2020
Place: Mumbai

Date :April 29, 2020
Place: Mumbai