

**INDO RAMA RENEWABLE JATH LIMITED**

## **INDEPENDENT AUDITOR'S REPORT**

To the Members of Indo Rama Renewables Jath Limited

### **Report on the Audit of the Ind AS Financial Statements**

#### **Opinion**

We have audited the accompanying Ind AS financial statements of Indo Rama Renewables Jath Limited ("the Company"), which comprise the Balance sheet as at March 31, 2019, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity 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 Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

#### **Basis for Opinion**

We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the 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 financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

#### **Information Other than the Financial Statements and Auditor's Report Thereon**

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

Our opinion on the 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 Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



## Responsibility of Management for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, 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 Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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 the 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 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 Responsibilities for the Audit of the Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 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 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by 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 Ind AS financial statements, including the disclosures, and whether the Ind AS 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.

## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of 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 Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
  - (e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act;
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
  - (g) In our opinion, the managerial remuneration for the year ended March 31, 2019 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;



# SRBC & CO LLP

Chartered Accountants

- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position;
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For SRBC & CO LLP

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003



per Abhishek Agarwal

Partner

Membership Number: 112773

Place of Signature: Mumbai

Date: April 16, 2019



**Annexure 1 referred to in paragraph 1 under the heading 'Report on Other Legal and Regulatory Requirements' of our report of even date**

- (i) In respect of its fixed assets:
  - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - (b) Fixed assets have been physically verified by the management during the year and no material discrepancies were identified on such verification.
  - (c) According to the information and explanations given by the management, the title deeds of immovable properties included in property, plant and equipment/ fixed assets are held in the name of the company.
- (ii) The Company's business does not involve inventories and, accordingly, the requirements under paragraph 3(ii) of the Order are not applicable to the Company.
- (iii) According to the information and explanations given to us, 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 Companies Act, 2013. Accordingly, the provisions of clause 3(iii)(a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities given in respect of which provisions of section 185 and 186 of the Companies Act 2013 are applicable and hence not commented upon.
- (v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) According to the information and explanations given to us in respect of statutory dues:
  - (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including income-tax, service tax, goods and service tax, and other statutory dues applicable to it. The provisions relating to provident fund, employees' state insurance, sales tax, duty of custom, duty of excise, value added tax, cess are not applicable to the Company.
  - (b) According to the information and explanations given to us, no undisputed amounts payable in respect of income-tax, service tax, goods and service tax, and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
  - (c) According to the information and explanations given to us, there are no dues of income tax, goods and service tax, service tax, which have not been deposited on account of any dispute.
- (viii) The Company did not have any outstanding loans or borrowing dues in respect of a financial institution or bank or to government or dues to debenture holders during the year.
- (ix) According to the information and explanations given by the management, the Company has not raised any money by way of initial public offer / further public offer / debt instruments and term loans hence, reporting under clause (ix) is not applicable to the Company and hence not commented upon.



# **S R B C & CO LLP**

Chartered Accountants

- (x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the company or no fraud / material fraud on the company by the officers and employees of the Company has been noticed or reported during the year.
- (xi) According to the information and explanations given by the management, the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- (xii) In our opinion, the Company is not a nidhi Company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the company and hence not commented upon.
- (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 Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the company and, not commented upon.
- (xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with him and hence provisions of section 192 of the Companies Act, 2013 are not applicable.
- (xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

**For S R B C & CO LLP**

Chartered Accountants

Firm Registration No. 324982E/E300003



per Abhishek Agarwal  
Partner

Membership No.: 112773

Place: Mumbai

Date: April 16, 2019



**ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF INDO RAMA RENEWABLES JATH LIMITED****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 Indo Rama Renewables Jath Limited ("the Company") as of March 31, 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

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. 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 the 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.

**Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent 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 with reference to these standalone financial statements 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 over financial reporting with reference to these standalone financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls over financial reporting with reference to these financial statements.

**Meaning of Internal Financial Controls Over Financial Reporting with Reference to these Financial Statements**

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



# **S R B C & CO LLP**

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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 with Reference to these Financial Statements**

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

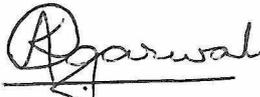
## **Opinion**

In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting with reference to these financial statements and such internal financial controls over financial reporting with reference to these financial statements were operating effectively as at March 31, 2019, 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 **S R B C & CO LLP**

Chartered Accountants

Firm Registration No. 324982E/E300003



per Abhishek Agarwal  
Partner

Membership No.: 112773

Place: Mumbai

Date: April 16, 2019



# Indo Rama Renewables Jath Limited

Balance Sheet as at 31st March, 2019

Amount in ₹ Lakh

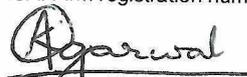
	Notes	As at	As at
		31st March, 2019	31st March, 2018
<b>ASSETS</b>			
<b>Non-current assets</b>			
(a) Property, plant and equipment	3	13,383.19	14,899.01
(b) Non-current tax assets (Net)		73.05	66.15
(c) Other Non-current Assets	5A	22.41	22.41
<b>Total non-current assets</b>		<b>13,478.65</b>	<b>14,987.57</b>
<b>Current assets</b>			
(a) Financial assets			
(i) Investments	6	37.77	1,007.54
(ii) Trade receivables	7	825.34	421.10
(iii) Unbilled revenue		153.86	119.75
(iv) Cash and cash equivalents	8	1,300.16	0.56
(v) Other financial assets	9	0.41	-
(b) Other current assets	5B	116.15	116.45
<b>Total current assets</b>		<b>2,433.69</b>	<b>1,665.40</b>
<b>TOTAL ASSETS</b>		<b>15,912.34</b>	<b>16,652.97</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity share capital	10	6,030.00	6,030.00
(b) Other equity	11	(71.77)	(523.50)
<b>Total Equity</b>		<b>5,958.23</b>	<b>5,506.50</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	12	8,712.50	6,750.00
(b) Deferred Tax Liabilities (Net)	4	169.19	-
<b>Total non-current liabilities</b>		<b>8,881.69</b>	<b>6,750.00</b>
<b>Current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	13	492.87	3,500.00
(ii) Trade payables			
(a) Total outstanding dues of micro enterprises and small enterprises		-	-
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		54.27	194.12
(iii) Other financial liabilities	14	512.50	660.87
(c) Other current liabilities	15	12.78	41.48
<b>Total current liabilities</b>		<b>1,072.42</b>	<b>4,396.47</b>
<b>Total liabilities</b>		<b>9,954.11</b>	<b>11,146.47</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>15,912.34</b>	<b>16,652.97</b>

See accompanying notes forming part of the financial statements

For SRBC & Co LLP

Chartered Accountants

ICAI Firm registration number: 324982E/E300003



per Abhishek Agarwal  
Partner  
Membership No.: 112773



For and on behalf of the Board

  
Pradip Roy  
Director

  
J V Patil  
Director



Mahesh Agarwal  
Chief Financial Officer



Mona Purandare  
Company Secretary

Mumbai, 16th April, 2019

Mumbai, 16th April, 2019

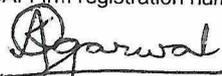
# Indo Rama Renewables Jath Limited

## Statement of Profit and Loss for the year ended 31st March, 2019

	Notes	Amount in ₹ Lakh	
		For the year ended 31st March, 2019	For the year ended 31st March, 2018
I Revenue from operations	16	3,707.44	3,247.92
II Other income	17	33.72	62.84
III <b>Total income</b>		<b>3,741.16</b>	<b>3,310.76</b>
IV <b>Expenses</b>			
Finance costs	18	955.52	1,226.90
Depreciation and amortisation expenses	3	1,515.82	1,515.62
Other expenses	19	475.30	453.55
<b>Total expenses</b>		<b>2,946.64</b>	<b>3,196.07</b>
V <b>Profit before tax</b>		<b>794.52</b>	<b>114.69</b>
VI <b>Tax expense</b>			
Current tax	20.	173.60	31.00
Deferred tax	4	169.19	-
		342.79	31.00
VII <b>Profit for the year</b>		<b>451.73</b>	<b>83.69</b>
VIII <b>Other comprehensive income</b>		-	-
IX <b>Total comprehensive income for the year (VII + VIII)</b>		<b>451.73</b>	<b>83.69</b>
X <b>Earnings per equity share (face value ₹ 10 per share)</b>			
Basic (₹)	24	0.75	0.14
Diluted (₹)	24	0.75	0.14

See accompanying notes forming part of the financial statements

For S R B C & Co LLP  
Chartered Accountants  
ICAI Firm registration number: 324982E/E300003



per Abhishek Agarwal  
Partner  
Membership No.: 112773



Mumbai, 16th April, 2019

For and on behalf of the Board



Pradip Roy  
Director



J V Patil  
Director



Mahesh Agarwal  
Chief Financial Officer



Mona Purandare  
Company Secretary

Mumbai, 16th April, 2019

# Indo Rama Renewables Jath Limited

## Statement of cash flows for the year ended 31st March, 2019

Amount in ₹ Lakh

	For the year ended 31st March, 2019	For the year ended 31st March, 2018
<b>A. Cash Flow from Operating Activities</b>		
Profit before tax	794.52	114.69
Adjustments for :		
Depreciation and Amortisation Expense	1,515.82	1,515.62
Finance Cost	955.52	1,226.90
Interest Income	(0.41)	(3.85)
Net gain on Current Investments measured at FVTPL	(33.31)	(58.99)
<b>Operating profit before working capital changes</b>	<b>2,437.62</b>	<b>2,679.68</b>
	<b>3,232.14</b>	<b>2,794.37</b>
<b>Working Capital Adjustments</b>		
Adjustments for (increase) / decrease in operating assets:		
Trade receivables	(404.24)	2,274.63
Other current assets	0.30	(12.40)
Other non-current assets	-	(0.05)
Unbilled revenue	(34.11)	112.75
	<b>(438.05)</b>	<b>2,374.93</b>
Adjustments for increase / (decrease) in operating liabilities:		
Trade payables	(139.85)	158.72
Other Financial Liabilities-current	-	-
Other current liabilities	(28.70)	25.06
	<b>(168.55)</b>	<b>183.78</b>
<b>Cash flow from operations</b>	<b>2,625.54</b>	<b>5,353.08</b>
Income tax (paid) / refund	(180.50)	30.85
<b>Net cash flow from/(used) in Operating activities</b>	<b>2,445.04</b>	<b>5,383.93</b>
<b>B. Cash Flow from Investing Activities</b>		
Purchase of Current Investments	(1,757.20)	(3,750.36)
Proceeds from Sale of Current Investments	2,760.28	3,232.73
Interest Received	-	-
<b>Net cash flow from/(used) in Investing activities</b>	<b>1,003.08</b>	<b>(517.63)</b>
<b>C. Cash flow from Financing Activities</b>		
Finance Costs paid	(1,116.39)	(1,066.03)
Repayment of Long term borrowings	(1,025.00)	(6,250.00)
Proceeds from Long term borrowings	3,000.00	-
Proceeds from Short term borrowings	50.00	3,500.00
Repayment of Short term borrowings	(3,550.00)	(1,589.63)
<b>Net cash flow from/(used) in Financing activities</b>	<b>(2,641.39)</b>	<b>(5,405.66)</b>
<b>Net increase in cash and cash equivalents</b>	<b>806.73</b>	<b>(539.36)</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>0.56</b>	<b>539.92</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>807.29</b>	<b>0.56</b>
<b>Cash and cash equivalents comprises</b>		
Balance with banks		
(a) in current account	-	0.56
(b) in deposit account	1,300.16	-
(c) in bank overdraft	(492.87)	-
	<b>807.29</b>	<b>0.56</b>

See accompanying notes forming part of the financial statements



## Indo Rama Renewables Jath Limited

### Cash Flow Statement for the year ended 31st March, 2019

#### Reconciliation of changes in liabilities from financing activities:

Amount in ₹ Lakh

Particulars	As at 31.03.2018	Cash Flows		Non-cash Changes / Amortisation	As at 31.03.2019
		Additions	Repayments		
Long term borrowings (including current maturity of long term borrowings)	7,250.00	3,000.00	(1,025.00)	-	9,225.00
Short term borrowings	3,500.00	492.87	(3,500.00)	-	492.87
<b>Total</b>	<b>10,750.00</b>	<b>3,492.87</b>	<b>(4,525.00)</b>	-	<b>9,717.87</b>

For SRBC & Co LLP

Chartered Accountants

ICAI Firm registration number: 324982E/E300003



per Abhishek Agarwal  
Partner  
Membership No.: 112773



For and on behalf of the Board



Pradip Roy  
Director



J V Patil  
Director



Mahesh Agarwal  
Chief Financial Officer



Mona Purandare  
Company Secretary

Mumbai, 16th April, 2019

## Indo Rama Renewables Jath Limited

### Statement of changes in equity for the year ended 31st March, 2019

#### A. Equity Share Capital

	Amount in ₹ Lakh
Opening Balance as at 1st April, 2017	6,030.00
Issued during the year	-
<b>Outstanding Balance as at 31st March, 2018</b>	<b>6,030.00</b>
Opening Balance as at 1st April, 2018	6,030.00
Issued during the year	-
<b>Outstanding Balance as at 31st March, 2019</b>	<b>6,030.00</b>

#### B. Other equity

	Amount in ₹ Lakh		
	Deemed equity contribution from holding company	Retained earnings	Total
Balance as at 1st April, 2017	615.05	(1,222.24)	(607.19)
Profit for the year	-	83.69	83.69
<b>Balance as at 31st March, 2018</b>	<b>615.05</b>	<b>(1,138.55)</b>	<b>(523.50)</b>
Balance as at 1st April, 2018	615.05	(1,138.55)	(523.50)
Profit for the year	-	451.73	451.73
<b>Balance as at 31st March, 2019</b>	<b>615.05</b>	<b>(686.82)</b>	<b>(71.77)</b>

See accompanying notes forming part of the Financial Statements

For S R B C & Co LLP

Chartered Accountants

ICAI Firm registration number: 324982E/E300003

  
per Abhishek Agarwal  
Partner  
Membership No.: 112773



For and on behalf of the Board

  
Pradip Roy  
Director

  
J V Patil  
Director

  
Mahesh Agarwal  
Chief Financial Officer

  
Mona Purandare  
Company Secretary

Mumbai, 16th April, 2019

Mumbai, 16th April, 2019

## **Indo Rama Renewables Jath Limited**

**Notes forming part of the financial statements for the year ended 31 March, 2019**

### **Note 1 Corporate information:**

Indo Rama Renewables Jath Limited (hereinafter referred to as 'the Company' or 'IRRJL') was incorporated on 23 May 2012 and is engaged primarily in the business of generation and supply of energy from wind turbines. During the financial year 2013-14, the Company commissioned a 30 MW wind turbine power plant and commenced revenue operations at Jath, Maharashtra.

Tata Power Renewable Energy Limited (TPREL), a wholly subsidiary of The Tata Power Company Limited acquired 100% equity share capital of the Company comprising of 60,300,000 equity shares of Rs 10 each pursuant to the Share Purchase Agreement entered into between TPREL and Indo Rama Renewables Limited on 19 May 2016.

The financial statements are prepared in Indian Rupees (₹).

## **2. Significant accounting policies**

### **2.1 Statement of compliance**

The financial statements of the company comprising of Balance Sheet, Statement of Profit and Loss, Statement of Change in Equity and Cash Flow Statement together with the Notes to Accounts have been prepared in accordance with Indian Accounting Standards (Ind AS) as notified under the Companies (Indian Accounting Standards) Rules, 2015 read with section 133 of the Companies Act, 2013 (the Act) (as amended from time to time).

### **2.2 Basis of preparation and presentation**

The financial statements have been prepared on historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

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.

### **2.3 Change in accounting policy**

Ind AS 115 supersedes Ind AS 11 Construction Contracts, Ind AS 18 Revenue and related interpretations and it applies, with limited exceptions, to all revenue arising from contracts with its customers. Ind AS 115 establishes a five-step model to account for revenue arising from contracts with customers and requires that revenue be recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

Ind AS 115 requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers. The standard also specifies the accounting for the incremental costs of obtaining a contract and the costs directly related to fulfilling a contract. In addition, the standard requires relevant disclosures.

The Company adopted Ind AS 115 using the full retrospective method of adoption. The effect of the transition on the current period has not been disclosed as the standard provides an optional practical expedient. The Company did not apply any of the other available optional practical expedients.



## **2.4 Use of estimates, assumptions and judgements**

The preparation of financial statements is in conformity with the recognition and measurement principles of IND AS requires the management of the Company to make estimates, judgements and assumptions that affect the reported balances of assets and liabilities, disclosures relating to contingent liabilities as at the date of the financial statements and the reported amounts of income and expense for the periods presented.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected.

Key uncertainty at the date of the financial statements, which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, is in respect of useful lives of property, plant and equipment, valuation of deferred tax assets and provisions and contingent liabilities.

## **2.5 Revenue recognition**

The Company is in the business of supply of power to its customers. Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

### **2.5.1. Sale of Power**

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

Revenue from such contracts is recognised over time for each unit of electricity delivered at the pre-determined rate, as the customer simultaneously receives and consumes the benefits of the company's performance obligation.

Consumers are billed on a monthly basis and are given average credit period of 7 to 15 days for payment. No delayed payment charges ('DPC') is charged for the initial credit period from the date of receipt of invoice by customers, Thereafter, DPC is charged at the rate prescribed by the Power Purchase Agreement on the outstanding balance once the dues are received.

The transaction price for long term power purchase agreements is determined based on the expected plant load factor at the per unit rate of electricity for each year over the contract period. The transaction price is adjusted for significant financing component, if any and the adjustment is accounted as finance cost.

### **2.5.2. Revenue from generation based incentive and delayed payment charges**

Revenue from generation based incentives are recognised based on the number of units supplied to the buyer and when the eligibility criteria under the Indian Renewable Energy Development Agency Limited - Generation Based Incentive scheme is met.

### **2.5.3. Delayed payment charges**

Delayed payment charges were hitherto recognized only when they are realized/recovered. With effect from 1.4.2018, the Company has revised its accounting policy to recognize Delayed Payment Charges (DPC) on accrual basis based on contractual terms and an assessment of certainty of realization which could be based either an acknowledgement of the charges by the concerned customer or if a regulatory or statutory body passes a favorable order. Management believes that this policy results in the financial statements providing reliable and more relevant information about the effects of transaction on the Company's financial position and performance. The revision in accounting policy has been



**Indo Rama Renewables Jath Limited**  
**Notes forming part of the financial statements for the year ended 31 March, 2019**

applied retrospectively and does not have any impact on current year and previous year statement of profit and loss and retained earnings.

#### **2.5.4 Dividend and interest income**

Dividend income from investments is recognised when the right to receive payment has been established.

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

#### **2.5.5 Unbilled revenue**

Unbilled revenue represents services rendered by the Company but not invoiced as at balance sheet date.

#### **2.6 Borrowing costs**

Borrowing costs directly attributable to the acquisition or construction of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

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

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

#### **2.7 Taxation**

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

##### **2.7.1 Current tax**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible.

The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

##### **2.7.2 Deferred tax**

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.



## **Indo Rama Renewables Jath Limited**

### **Notes forming part of the financial statements for the year ended 31 March, 2019**

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

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

For operations carried out under tax holiday period (80IA benefits of Income Tax Act, 1961), deferred tax assets or liabilities, if any, have been established for the tax consequences of those temporary differences between the carrying values of assets and liabilities and their respective tax bases that reverse after the tax holiday ends.

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

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

#### **2.7.3 Current and deferred tax for the year**

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

#### **2.8 Property, plant and equipment**

Land and buildings held for use in the generation of electricity or for administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses. Freehold land is measured at cost and is not depreciated.

Furniture and Fixtures and Plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. Assets used in generation and supply of energy from renewable sources of the company covered under part B of Schedule II of the Companies Act, 2013.

The depreciation is provided on straight line method at the rates as well as methodology notified by the Maharashtra Electricity Regulatory Commission in its order dated March 22, 2013 for Determination of Generic Tariff under Regulation 8 of the Maharashtra Electricity Regulatory Commission (Terms and Conditions for determination of

Renewable Energy Tariff) Regulations 2010. As per the regulations, the depreciation is to be allowed upto a maximum of 90% of the capital cost of the asset and the depreciation rate for the first 10 years of the Tariff Period shall be 7% per annum and the remaining depreciation shall be spread over the remaining useful life of the project from 11th year onwards.

Estimated useful life of the assets are as follows:

Plant and Machinery : 25 years  
Office Equipment : 5 years

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item



**Indo Rama Renewables Jath Limited**  
**Notes forming part of the financial statements for the year ended 31 March, 2019**

of property, plant and equipment is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognised in profit or loss.

### **2.9 Impairment of assets**

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the Company of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

### **2.10 Provisions**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

### **2.11 Financial instruments**

Financial assets and financial liabilities are recognised when an entity becomes a party to the contractual provisions of the instruments.

A financial asset is any asset that is cash, an equity instrument of another entity, a contractual right to receive cash or another financial asset from another entity or to exchange financial asset or financial liability with another entity under the condition that are potential favorable to the entity or a contract that will or may be settle in entity's own equity instrument under certain circumstances.

A financial liability is any liability that is a contractual obligation to deliver cash or any other financial asset to another entity or to exchange financial asset or financial liability with another entity under the condition that are potentially



## **Indo Rama Renewables Jath Limited**

### **Notes forming part of the financial statements for the year ended 31 March, 2019**

unfavorable to the entity or a contract that will or may be settled in entity's own equity instrument under certain circumstances.

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

#### **2.11.1 Financial Assets**

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

##### Classification of financial assets

Financial assets that meet the following conditions are subsequently measured at amortised cost (except for financial assets that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets that meet the following conditions are subsequently measured at fair value through other comprehensive income (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets are subsequently measured at fair value.

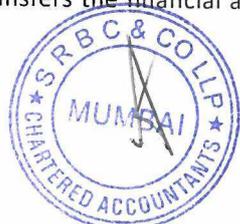
##### Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for financial assets other than those financial assets classified as at fair value through profit or loss. Interest income is recognised in the Statement of profit and Loss and is included in the "Other income" line item.

##### Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.



## **Indo Rama Renewables Jath Limited**

### **Notes forming part of the financial statements for the year ended 31 March, 2019**

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in the Statement of Profit and Loss.

#### Impairment of financial assets

The Company assesses at each Balance sheet date whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognises credit loss allowance at lifetime expected credit loss model for contract assets and / or trade receivables that do not constitute a financing transaction.

#### **2.11.2 Financial Liabilities and Equity Instruments**

##### Classification as debt or equity

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

##### Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by an entity are recognised at the proceeds received, net of direct issue costs.

##### Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at fair value through profit or loss. Financial liabilities are classified as at fair value through profit or loss when the financial liability is held for trading or it is designated as at fair value through profit or loss.

A financial liability is classified as held for trading if:

- it has been incurred principally for the purpose of repurchasing it in the near term; or
- on initial recognition, it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

##### Financial liabilities subsequently measured at amortised cost

Financial liabilities that are not held-for-trading and are not designated as at fair value through profit or loss are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.



Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the Statement of Profit or Loss.

**2.12 Operating Cycle**

Considering the nature of business activities, the operating cycle has been assumed to be of 12 months. Accordingly, all assets and liabilities have been classified as current or noncurrent as per the Company's operating cycle and other criteria set out in Ind AS 1 'Presentation of Financial Statements' and Schedule III to the Companies Act, 2013.

**2.13 Contingent Liabilities**

Contingent liabilities are disclosed in the financial statements by way of notes to accounts, unless possibility of an outflow of resources embodying economic benefit is remote.

**2.14 Cash and cash equivalents**

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

**2.14.1 Cash Flow Statement**

Cash flows are reported using the indirect method, where by profit before tax 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.

**2.15 Earnings per share**

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the group
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus element in equity shares issued during the year and excluding treasury shares.

(ii) 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.



## **2.16 Standards issued but not yet effective**

### **2.16.1 IND AS 116 - Leases**

Ind AS 116 Leases was notified in March 2019 and it replaces Ind AS 17 Leases. Ind AS 116 is effective for annual periods beginning on or after 1 April 2019. It sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under Ind AS 17. Lessor accounting under Ind AS 116 is substantially unchanged from today's accounting under Ind AS 17. Ind AS 116 requires lessees and lessors to make more extensive disclosures than under Ind AS 17. The Company is in the process of evaluating the requirements of the standard and its impact on its financial statements.

### **2.16.2 Ind AS 12 – Income taxes (amendments relating to income tax consequences of dividend and uncertainty over income tax treatments)**

The amendment relating to income tax consequences of dividend clarify that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. The company does not expect any impact from this pronouncement. It is relevant to note that the amendment does not amend situations where the entity pays a tax on dividend which is effectively a portion of dividends paid to taxation authorities on behalf of shareholders. Such amount paid or payable to taxation authorities continues to be charged to equity as part of dividend, in accordance with Ind AS 12.

The amendment to Appendix C of Ind AS 12 specifies that the amendment is to be applied to the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. It outlines the following: (1) the entity has to use judgement, to determine whether each tax treatment should be considered separately or whether some can be considered together. The decision should be based on the approach which provides better predictions of the resolution of the uncertainty (2) the entity is to assume that the taxation authority will have full knowledge of all relevant information while examining any amount (3) entity has to consider the probability of the relevant taxation authority accepting the tax treatment and the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates would depend upon the probability. The Company does not expect any significant impact of the amendment on its financial statements.

### **2.16.3 Ind AS 109 – Prepayment Features with Negative Compensation**

The amendments relate to the existing requirements in Ind AS 109 regarding termination rights in order to allow measurement at amortised cost (or, depending on the business model, at fair value through other comprehensive income) even in the case of negative compensation payments. The Company does not expect this amendment to have any impact on its financial statements.

### **2.16.4 Ind AS 19 – Plan Amendment, Curtailment or Settlement**

The amendments clarify that if a plan amendment, curtailment or settlement occurs, it is mandatory that the current service cost and the net interest for the period after the re-measurement are determined using the assumptions used for the re-measurement. In addition, amendments have been included to clarify the effect of a plan amendment, curtailment or settlement on the requirements regarding the asset ceiling. The Company does not expect this amendment to have any significant impact on its financial statements.



**2.16.5 Ind AS 23 – Borrowing Costs**

The amendments clarify that if any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing becomes part of the funds that an entity borrows generally when calculating the capitalisation rate on general borrowings. The Company does not expect any impact from this amendment.



**Indo Rama Renewables Jath Limited**  
Notes forming part of Financial Statements

3. Property, Plant and Equipments

Amount in ₹ Lakh

Description	Freehold Land	Plant and Equipments	Office Equipments	Total
<b>Cost</b>				
Balance as at 1st April, 2017	144.80	21,651.51	0.28	21,796.59
Additions	-	-	-	-
Disposals	-	-	-	-
<b>Balance as at 31st March, 2018</b>	<b>144.80</b>	<b>21,651.51</b>	<b>0.28</b>	<b>21,796.59</b>
Additions	-	-	-	-
Disposals	-	-	-	-
<b>Balance as at 31st March, 2019</b>	<b>144.80</b>	<b>21,651.51</b>	<b>0.28</b>	<b>21,796.59</b>
<b>Accumulated depreciation and impairment</b>				
Balance as at 1st April, 2017	-	5,381.93	0.03	5,381.96
Depreciation expense	-	1,515.61	0.01	1,515.62
<b>Balance as at 31st March, 2018</b>	-	<b>6,897.54</b>	<b>0.04</b>	<b>6,897.58</b>
Depreciation Expense	-	1,515.61	0.21	1,515.82
<b>Balance as at 31st March, 2019</b>	-	<b>8,413.15</b>	<b>0.25</b>	<b>8,413.40</b>
<b>Carrying amount</b>				
<b>As at 31st March, 2018</b>	<b>144.80</b>	<b>14,753.97</b>	<b>0.24</b>	<b>14,899.01</b>
<b>As at 31st March, 2019</b>	<b>144.80</b>	<b>13,238.36</b>	<b>0.03</b>	<b>13,383.19</b>



**Indo Rama Renewables Jath Limited**  
Notes forming part of Financial Statements

Amount in ₹ Lakh

4. Deferred Tax Balances

	As at 31st March, 2019	As at 31st March, 2018
Deferred tax assets	(1,867.58)	(2,164.38)
Deferred tax liabilities	2,036.77	2,164.38
Deferred tax (asset) / liability Net	<u>169.19</u>	<u>-</u>

2018-19

	Opening Balance	Recognised in P&L	Closing Balance
Deferred tax asset relating to:			
- Unabsorbed depreciation	(2,164.38)	296.80	(1,867.58)
Deferred tax liabilities relating to:			
- Property, plant and equipment	2,157.10	(120.52)	2,036.58
- Financial assets measured at FVTPL	7.28	(7.09)	0.19
	<u>-</u>	<u>169.19</u>	<u>169.19</u>

2017-18

	Opening Balance	Recognised in P&L	Closing Balance
Deferred tax asset relating to:			
- Unabsorbed depreciation	(2,523.26)	358.88	(2,164.38)
Deferred tax liabilities relating to:			
- Property, plant and equipment	2,521.65	(364.55)	2,157.10
- Financial assets measured at FVTPL	1.61	5.67	7.28
	<u>-</u>	<u>-</u>	<u>-</u>

Unrecognised deferred tax asset on unabsorbed depreciation (refer note 20)  
Unrecognised MAT credit (refer note 20)

	As at 31st March, 2019	As at 31st March, 2018
	-	(41.08)
	<u>203.38</u>	<u>-</u>

5. Other Assets

A Non - Current

	As at 31st March, 2019	As at 31st March, 2018
Value Added Tax Receivable	22.36	22.36
Prepaid Expenses	0.05	0.05
	<u>22.41</u>	<u>22.41</u>

B Current

Prepaid Expenses	116.15	116.45
	<u>116.15</u>	<u>116.45</u>



**Indo Rama Renewables Jath Limited**  
Notes forming part of Financial Statements

Amount in ₹ Lakh

**6. Investments**

	As at 31st March, 2019		As at 31st March, 2018	
	Units	Amount	Units	Amount
<b>Current</b>				
<b>Investments carried at FVTPL</b>				
<b>Investments in Mutual funds (unquoted)</b>				
Axis Liquid Fund - Direct - Growth	593.91	12.31	17,903.00	345.08
Edelweiss Mutual Fund	899.31	21.61	-	-
Invesco India Liquid Fund Direct - Growth	-	-	10,103.26	241.68
Invesco India Ultra Short Term - Direct - Growth	-	-	8,737.18	213.71
Invesco India Credit Opportunities - Direct - Growth	-	-	10,129.12	203.50
L&T Liquid Fund - Direct - Growth	149.79	3.85	149.79	3.57
		<b>37.77</b>		<b>1,007.54</b>

**7. Trade Receivables**

	As at 31st March, 2019	As at 31st March, 2018
Trade receivables-Unsecured, considered good :		
(i) Customers	787.45	393.16
(ii) Others	37.89	27.94
	<b>825.34</b>	<b>421.10</b>

The Company has an Energy Purchase Agreement (EPA) with Maharashtra State Electricity Distribution Company Limited (MSEDCL) for supply of its entire energy generated through wind project for a period of 13 years. Credit period on sale is 60 days from the receipt of bill by MSEDCL as per EPA. Late payment surcharge at the rate of 1.25% per month is leivable for delay in payment. Post EPA period of 13 years, MSEDCL has right of first refusal on power procurement.

**Age of receivables**

	As at 31st March, 2019	As at 31st March, 2018
Within the credit period	195.41	248.26
1-90 days past due	369.33	172.84
91-182 days past due	260.60	-
More than 182 days past due	-	-

**8. Cash and Cash Equivalents**

	As at 31st March, 2019	As at 31st March, 2018
<b>Balances with banks</b>		
in current accounts	-	0.56
In Deposit Accounts (with original maturity less than three months)	1,300.16	-
	<b>1,300.16</b>	<b>0.56</b>

For the purpose of the the statement of cash flows, cash and cash equivalents comprise the following:

	As at 31st March, 2019	As at 31st March, 2018
<b>Balances with banks</b>		
in current accounts	-	0.56
In Deposit Accounts (with original maturity less than three months)	1,300.16	-
Bank Overdraft (refer note 13)	(492.87)	-
	<b>807.29</b>	<b>0.56</b>

**9. Other financial assets**

**Interest accrued on fixed deposits**

Interest accrued on deposits	0.41	-
	<b>0.41</b>	<b>-</b>



**Indo Rama Renewables Jath Limited**  
Notes forming part of Financial Statements

10. Equity Share Capital

Amount in ₹ Lakh

	As at 31st March, 2019	As at 31st March, 2018
<b>Authorised Share Capital</b> 61,000,000 fully paid equity shares of ₹ 10 each	6,100.00	6,100.00
<b>Issued, Subscribed and fully paid up Share Capital</b> 60,300,000 fully paid equity shares of ₹ 10 each (as at 31st March, 2018: 60,300,000).	6,030.00	6,030.00
<b>Total issued, subscribed and fully paid-up</b>	<b>6,030.00</b>	<b>6,030.00</b>

a. Reconciliation of number of shares and amount outstanding at the beginning and at the end of the reporting year

Equity shares	31st March, 2019		31st March, 2018	
	Numbers	Rupees	Numbers	Rupees
At the beginning of the year	60,300,000	603,000,000	60,300,000	603,000,000
<b>Outstanding at the end of the year</b>	<b>60,300,000</b>	<b>603,000,000</b>	<b>60,300,000</b>	<b>603,000,000</b>

b. Terms/rights attached to equity shares

The company has only one class of equity shares having a par value of Rs. 10 per share. Each equity shareholder is eligible for one vote per share held. Each equity shareholder is entitled to dividend as and when the company declares and pays dividend after obtaining shareholders approval. Dividends are paid in Indian Rupees.

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

c. 60,300,000 shares (31st March, 2018 - 60,300,000 shares) being the entire share capital is held by Tata Power Renewable Energy Limited, the holding company.

11. Other equity

Amount in ₹ Lakh

	As at 31st March, 2019	As at 31st March, 2018
<b>A. Deemed equity contribution from holding company</b>		
Opening Balance	615.05	615.05
Add: Transaction during the year	-	-
<b>Closing Balance</b>	<b>615.05</b>	<b>615.05</b>
<b>B. Retained Earnings</b>		
Opening Balance	(1,138.55)	(1,222.24)
Profit for the year	451.73	83.69
<b>Closing Balance</b>	<b>(686.82)</b>	<b>(1,138.55)</b>
<b>Total other equity</b>	<b>(71.77)</b>	<b>(523.50)</b>

Nature and purpose of reserves

**Retained Earnings**

Retained earnings are the profit of the Company earned till date net of appropriations.

**Deemed equity contribution from holding company**

Deemed equity is on account of interest free loan from previous holding company Indo Rama Renewables Limited (IRRL) (Rs.476.24 lakh) and fair value of corporate guarantee (Rs.138.81 lakh) given by Indo Rama Renewables Limited (IRRL) on secured loan from lenders.



**Indo Rama Renewables Jath Limited**  
**Notes forming part of Financial Statements**

Amount in ₹ Lakh

**12. Non-current Borrowings**

	As at 31st March, 2019	As at 31st March, 2018
<b>Unsecured - at amortised cost</b>		
(i) Term Loans from Related Party - the Holding Company (Refer Note a. below)	8,712.50	6,750.00
	<b>8,712.50</b>	<b>6,750.00</b>

**13. Current Borrowings**

	As at 31st March, 2019	As at 31st March, 2018
<b>Unsecured at amortised cost</b>		
<b>From Banks</b>		
Bank overdraft	492.87	-
<b>From Others</b>		
Short term loan from Ultimate Holding Company (Refer Note b below)	-	3,500.00
	<b>492.87</b>	<b>3,500.00</b>

**Notes**

- a. The company has borrowed a sum of ₹ 135 crore from the holding company. The rate of interest is linked to ICICI MCLR rate which is 9.45% at present and is payable on a monthly basis. Principal amount is due on half yearly .
- b. Current borrowings from Tata Power Company Limited, the ultimate holding Company, has been repaid during the year. The interest rate was 8.00%

**14. Other Financial Liabilities**

	As at 31st March, 2019	As at 31st March, 2018
<b>Current</b>		
Current maturities of long term debt from holding company	512.50	500.00
<b>Interest Accrued on borrowings</b>		
- Ultimate Holding Company	-	160.87
	<b>512.50</b>	<b>660.87</b>

**15. Other Current liabilities**

	As at 31st March, 2019	As at 31st March, 2018
Statutory Liabilities	12.78	41.48
	<b>12.78</b>	<b>41.48</b>



**Indo Rama Renewables Jath Limited**  
Notes forming part of Financial Statements

	For the year ended 31st March, 2019	Amount in ₹ Lakh For the year ended 31st March, 2018
<b>16. Revenue from operations</b>		
(a) Revenue from contract with customers		
Revenue from Power Supply (net of cash discount)	3,413.63	2,990.56
(b) Other Operating Revenue		
Generation Based Incentive	293.81	257.36
	293.81	257.36
<b>Total Revenue from Operations</b>	<b>3,707.44</b>	<b>3,247.92</b>
<b>17. Other Income</b>		
(a) Interest Income on Financial Assets held at Amortised Cost		
Interest on Banks Deposits	0.41	-
(b) Gain/(Loss) on Investments		
Net gain on Current Investment measured at FVTPL	33.31	58.99
(c) Interest income on income tax refund	-	3.85
<b>Total Other Income</b>	<b>33.72</b>	<b>62.84</b>
<b>18. Finance Costs</b>		
(a) Interest Expense:		
Borrowings		
Interest on - Loans from related Parties	955.14	1,226.89
Other interest and commitment charges	0.38	0.01
<b>Total Finance Costs</b>	<b>955.52</b>	<b>1,226.90</b>
<b>19. Other Expenses</b>		
	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Repairs and Maintenance	404.07	377.90
Rates and Taxes	3.11	10.23
Insurance	8.03	6.21
Other Operation Expenses	0.60	0.04
Cost of Services	39.94	38.06
Electricity Consumed	0.44	0.08
Travelling and Conveyance Expenses	4.21	3.77
Consultants' Fees	3.81	1.89
Auditors' Remuneration	4.96	5.40
Directors Sitting Fee	-	2.91
Other Fees	6.13	7.06
<b>Total Other Expenses</b>	<b>475.30</b>	<b>453.55</b>
<b>Payment to Auditors</b>		
	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Auditor's remuneration :		
Audit fees	3.90	4.13
Tax Audit	0.62	1.18
Other Services	0.35	-
Reimbursement of expenses	0.09	0.09
	<b>4.96</b>	<b>5.40</b>



**Indo Rama Renewables Jath Limited**  
Notes forming part of Financial Statements

20. Tax expense reconciliation

	Amount in ₹ Lakh	
	For the year ended 31st March, 2019	
	For the year ended 31st March, 2018	
<b>Current tax</b>		
In respect of the current year	172.38	31.00
In respect of the previous years	1.22	-
<b>Total Current Tax</b>	<u>173.60</u>	<u>31.00</u>
<b>Deferred tax</b>		
In respect of the current year	169.19	-
Adjustments to deferred tax attributable to changes in tax rates	-	-
<b>Total Deferred Tax</b>	<u>169.19</u>	<u>-</u>
<b>Total income tax expense recognised in the current year</b>	<u><u>342.79</u></u>	<u><u>31.00</u></u>

The income tax expense for the year can be reconciled to the accounting profit as follows:

	Amount in ₹ Lakh	
	For the year ended 31st March, 2019	
	For the year ended 31st March, 2018	
Profit / (Loss) before tax	794.52	114.69
Income tax expense calculated at 29.12% ( Previous year 27.55%)	231.36	31.60
Effect of Brought Forward Losses		(31.60)
Effect of additional tax on account of Minimum Alternate Tax (MAT) applicability	172.38	31.00
Effect of Deferred Tax asset recognised in current year pertaining to earlier year	(62.18)	
Effect other items	1.22	-
<b>Income tax expense recognised in statement of profit or loss</b>	<u><u>342.79</u></u>	<u><u>31.00</u></u>

1. The tax rate used for the years 2018-19 and 2017-18 reconciliations above is the corporate tax rate of 29.12 % and 27.55% respectively payable by corporate entities in India on taxable profits under the Indian tax law.

2. The Company has to pay taxes based on the higher of (a) regular tax rate applied on taxable income ( regular tax) or (b) 20.59% of book profit (MAT) for the year 2018-19 and 2017-18.



**Indo Rama Renewables Jath Limited**  
Notes forming part of Financial Statements

**21 Capital Commitment :**

As at 31st March, 2019 the Company has no capital commitments. (31st March, 2018 - Rs.NIL).

**22 Contingent Liabilities:**

As at 31st March, 2019 the Company has no contingent liabilities. (31st March, 2018 - Rs.NIL).

**23 Related Party Disclosures:**

Disclosure as required by Indian Accounting Standard 24 (IND AS-24) "Related Party Disclosures" as notified under the Companies (Accounts) Rules, 2014 is as follows:

a) List of the related parties and description of relationship:

Name of the related party	Relation	Country of Origin
The Tata Power Company Limited (TPCL)	Ultimate Holding Company	India
Tata Power Renewable Energy Limited (TPREL)	Holding Company	India
Tata AIG General Insurance Company Limited	Joint Venture of Tata Sons Private Limited	India
<u>Key Management Personal (KMP)</u>		
Vasudev Naik	Manager & Director, till 18th May, 2018	-
Anand Solanki	Chief Financial Officer till 26th February, 2019	-
Mahesh Paranjpe	Chief Executive Officer from 16th November, 2018	-
Mona Purandare	Company Secretary	-
Mahesh Agarwal	Chief Financial Officer from 22nd March, 2019	-

b) Details of Transactions / Balances Outstanding:

Particulars	TPCL	TPREL	Amount in ₹ lakh	
			Tata AIG	KMP
Loan taken	-	3,050.00	-	-
	3,500.00	-	-	-
Loan repaid	3,500.00	1,075.00	-	-
	-	7,839.63	-	-
Interest charged	195.62	759.52	-	-
	178.74	1,048.15	-	-
Reimbursement of expenses	-	-	-	-
	-	96.82	-	-
Remuneration	-	-	-	5.60
	-	-	-	4.96
Receiving of services	36.00	-	8.03	-
	31.56	-	6.21	-
<b>Balance Outstanding:</b>				
Loan taken outstanding (including interest accrued)	-	9,225.00	-	-
	3,660.87	7,250.00	-	-
Other payables	32.88	0.13	-	12.88
	2.42	-	-	10.41

*Above related party transactions are in ordinary course of business and are at arm's length.*

Previous year figures are in Italic. Comparative period of the movement is for the period 01st April, 2017 to 31st March, 2018 and closing balance is for the year ended 31st March, 2018.



**Indo Rama Renewables Jath Limited**  
Notes forming part of Financial Statements

**24 Earnings per Share (EPS):**

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
<b>Basic</b>		
Net profit for the period attributable to equity shareholders (₹ lakhs)	451.73	83.69
Weighted Average Number of Equity Shares for Basic EPS (Nos)	60,300,000.00	60,300,000.00
Par value per equity share (₹)	10.00	10.00
Basic EPS (₹)	0.75	0.14
Diluted Earnings Per Share (₹)		

**25 Financial Instruments**

**(i) Capital Management:**

The Company's capital management is intended to create value for shareholders by facilitating the meeting of its long-term and short-term goals. Its Capital structure consists of net debt (borrowings as detailed in notes below) and total equity.

**Gearing ratio**

The gearing ratio at the end of the reporting year was as follows:

	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Debt	10,580.62	11,669.38
Cash and Bank balances	1,300.16	0.56
<b>Net debt</b>	<b>9,280.46</b>	<b>11,668.82</b>
<b>Total Equity</b>	<b>5,958.23</b>	<b>5,506.50</b>
<b>Net debt to equity ratio (%)</b>	<b>156%</b>	<b>212%</b>

(i) Debt is defined as Non current borrowings (including current maturities) and current borrowings (excluding derivative, financial guarantee contracts and contingent considerations) and interest accrued on Non current and current borrowings.

(ii) Equity is defined as Equity share capital, Unsecured perpetual securities and other equity including reserves and surplus. The Company is not subject to any externally imposed capital requirements.

**(ii) Financial Risk Management:**

**Liquidity risk management**

The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

Liquidity risk refers to the risk that the Company will encounter difficulty in meeting its financial obligation as they fall due. The Company's financial liabilities as on 31st March 2019 is Rs 8,712.5 lakh as funding from holding company bearing interest rate of 9.45% repayable on demand and Rs 3,500 lakh was funded by a fellow subsidiary at interest rate of 8% which was repaid during the year. Non interest bearing liability of Rs 61.70 lakh is payable within 30 days. Significant portion of the Company's financial assets as at 31st March 2019 comprise of cash and cash equivalents, and current investments aggregating to Rs. 1,337.37 lakh.

The maturity profile of the financial liabilities are listed below:

Expected maturity for financial Liabilities	Up to 1 year	2 to 5 years	5+ years	Total	Amount in ₹ lakh
					Carrying Amount
<b>31st March, 2019</b>					
Borrowings (including current maturity)	1,005.37	8,712.50	-	9,717.87	9,717.87
Interest payable on above borrowings	862.75	203.01	-	1,065.77	-
Trade Payables	54.27	-	-	54.27	54.27
<b>31st March, 2018</b>					
Borrowings (including current maturity)	4,000.00	6,750.00	-	10,750.00	10,750.00
Interest payable on above borrowings	919.38	756.92	-	1,676.30	160.87
Trade Payables	194.12	7,506.91	-	7,701.03	7,701.03

The amounts included above for variable interest rate instruments for non-derivative liabilities is subject to change if changes in variable interest rates differ to those estimates of interest rates determined at the end of the reporting year.



**Indo Rama Renewables Jath Limited**  
Notes forming part of Financial Statements

**Interest rate risk sensitivity**

Interest rate risk arises from the potential changes in interest rates that may have adverse effects on the Company in the reporting period or in future years.

Interest rate sensitivity:

The sensitivity analysis below have been determined based on exposure to interest rates for term loans at the end of the reporting period and the stipulated change taking place at the beginning of the financial year and held constant throughout the reporting period in case of term loans that have floating rates.

If the interest rates had been 50 basis points higher or lower and all the other variables were held constant, the effect on Interest expense for the respective financial years and consequent effect on Company's profit in that financial year would have been as below:

	As of 31st March, 2019		As of 31st March, 2018	
	50 bps increase	50 bps decrease	50 bps increase	50 bps decrease
Interest expense on loan	(+) Rs. 52.67 lakh	(-) Rs. 52.67 lakh	(+) Rs. 53.27 lakh	(-) Rs. 53.27 lakh
Effect on profit before tax	(-) Rs. 52.67 lakh	(+) Rs. 52.67 lakh	(-) Rs. 53.27 lakh	(+) Rs. 53.27 lakh

**Credit risk management**

Credit risk refers to risk that the counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has signed Power Purchase Agreement (PPA) with Maharashtra State Electricity Distribution Company Limited for 13 years for supply of power. Being a State Government undertaking credit risk is very less.

**(a) Fair Value Measurement:**

The carrying value of financial instruments by categories as of 31st March, 2019 is as follows:

Particulars	Amount in ₹ Lakh				
	Fair Value through Profit and Loss	Fair Value through OCI	Amortised Cost	Total Carrying Value	Fair Value
<b>Assets :</b>					
Cash and Cash Equivalents	-	-	1,300.16	1,300.16	1,300.16
Trade Receivables	-	-	825.34	825.34	825.34
Unbilled Revenue	-	-	153.86	153.86	153.86
Investments	37.77	-	-	37.77	37.77
<b>Total</b>	<b>37.77</b>	<b>-</b>	<b>2,279.36</b>	<b>2,317.13</b>	<b>2,317.13</b>
<b>Liabilities</b>					
Fixed rate borrowings (including current maturities)	-	-	492.87	492.87	492.87
Floating rate borrowings (including current maturities)	-	-	9,225.00	9,225.00	9,225.00
Trade Payables	-	-	54.27	54.27	54.27
Other Financial Liabilities	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>9,772.14</b>	<b>9,772.14</b>	<b>9,772.14</b>

The carrying value of financial instruments by categories as of March 31, 2018 is as follows:

Particulars	Amount in ₹ Lakh				
	Fair Value through Profit and Loss	Fair Value through OCI	Amortised Cost	Total Carrying Value	Fair Value
<b>Assets :</b>					
Cash and Cash Equivalents	-	-	0.56	0.56	0.56
Trade Receivables	-	-	421.10	421.10	421.10
Unbilled Revenue	-	-	119.75	119.75	119.75
Investments	1,007.54	-	-	1,007.54	1,007.54
<b>Total</b>	<b>1,007.54</b>	<b>-</b>	<b>541.41</b>	<b>1,548.95</b>	<b>1,548.95</b>
<b>Liabilities</b>					
Fixed rate borrowings (including current maturities)	-	-	3,500.00	3,500.00	3,500.00
Floating rate borrowings (including current maturities)	-	-	7,250.00	7,250.00	7,250.00
Trade Payables	-	-	194.12	194.12	194.12
Other Financial Liabilities	-	-	160.87	160.87	160.87
<b>Total</b>	<b>-</b>	<b>-</b>	<b>11,104.99</b>	<b>11,104.99</b>	<b>11,104.99</b>

The management of the company consider that the carrying amount of the financial assets and financial liabilities at amortised cost approximate their fair value.



**Indo Rama Renewables Jath Limited**  
Notes forming part of Financial Statements

(b) Fair value hierarchy

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

- Level 1 — Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 — Inputs are 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 not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

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

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

<i>Amount in ₹ Lakh</i>				
As at 31.03.2019	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>				
Mutual Fund Investment	37.77	-	-	37.77
<b>Total</b>	<b>37.77</b>	<b>-</b>	<b>-</b>	<b>37.77</b>
As at 31.03.2018	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>				
Mutual Fund Investment	1,007.54	-	-	1,007.54
<b>Total</b>	<b>1,007.54</b>	<b>-</b>	<b>-</b>	<b>1,007.54</b>

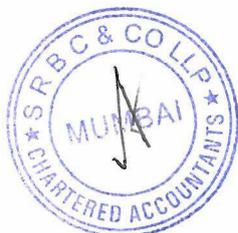
The following table summarises financial liabilities measured at fair value on a recurring basis and financial liabilities that are not measured at fair value on a recurring basis (but fair value disclosures are required):

<i>Amount in ₹ Lakh</i>				
As at 31.03.2019	Level 1	Level 2	Level 3	Total
<b>Financial Liabilities</b>				
Fixed rate borrowings (including current maturity)	-	492.87	-	492.87
Floating rate borrowings (including current maturity)	-	9,225.00	-	9,225.00
Bank OD	-	492.87	-	492.87
<b>Total</b>	<b>-</b>	<b>10,210.74</b>	<b>-</b>	<b>10,210.74</b>
As at 31.03.2018	Level 1	Level 2	Level 3	Total
<b>Financial Liabilities</b>				
Fixed rate borrowings (including current maturity)	-	3,500.00	-	3,500.00
Floating rate borrowings (including current maturity)	-	7,250.00	-	7,250.00
Bank OD	-	-	-	-
<b>Total</b>	<b>-</b>	<b>10,750.00</b>	<b>-</b>	<b>10,750.00</b>

The carrying amount of cash and cash equivalents, trade receivable, unbilled revenue, and trade payables are considered to be the same as their fair value, due to their short term nature.

Borrowings from related parties are the variable rate loans. The current borrowing rate represents the discounting rate, which means that the carrying value will be closely approximate to their fair value.

- 26 The Company has determined its operating segment as generation and selling of wind power, based on the information reported to the chief operating decision maker (CODM) in accordance with the requirements of Indian Accounting Standard 108- 'Operating Segment Reporting', notified under the Companies (Indian Accounting Standards) Rules, 2015.
- 27 The Board of Directors of the Company at its meeting held on 19th July, 2017 has considered and approved the "Scheme of Amalgamation" ("the Scheme") under Section 232 and other applicable provisions, if any, of the Companies Act, 2013 between Tata Power Renewable Energy Limited ("transferee company", "holding company") for transfer of the entire business and the whole of the undertaking of the Company on a going concern basis to the transferee company with effect from 1st April, 2017 (appointed date). The Company is in the process of filing the Scheme with National Company Law Tribunal (NCLT). Accordingly, no effect of the proposed Scheme has been given in the Financial Statements.



**Indo Rama Renewables Jath Limited**  
Notes forming part of Financial Statements

Indo Rama Renewables Jath Limited  
Notes forming part of Financial Statements

**28 Contract Balances**

The following table provides information about receivables, contract assets and contract liabilities from contract with customers.

Particulars	As at	As at
	March 31, 2019	March 31, 2018
<b>Contract assets</b>	-	-
<b>Contract liabilities</b>		
- Advance from customers	-	-
- Deferred revenue from customers	-	-
<b>Total Contract Liabilities</b>	-	-
<b>Receivables</b>		
Trade receivables (Gross)	787.45	393.16
Unbilled revenue	132.82	110.22
Less : Allowances for doubtful debts	-	-
<b>Net receivables</b>	<b>920.27</b>	<b>503.38</b>
<b>Total</b>	<b>920.27</b>	<b>503.38</b>

Contract asset is the right to consideration in exchange for goods or services transferred to the customer. Contract liability is the entity's obligation to transfer goods or services to a customer for which the entity has received consideration from the customer in advance. Contract assets are transferred to receivables when the rights become unconditional and contract liabilities are recognized as and when the performance obligation is satisfied.

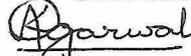
**29 Events occurring after reporting period:**

There was no significant event after the end of the reporting period which require any adjustment or disclosure in the financial statements.

**30 Approval of financial statements:**

The financial statements were approved by the board of directors on 16th April, 2019.

For SRBC & Co LLP  
Chartered Accountants  
ICAI Firm registration number: 324982E/E300003



per Abhishek Agarwal  
Partner  
Membership No.: 112773

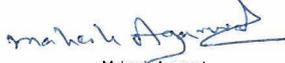
For and on behalf of the Board



Pradip Roy  
Director



J V Patil  
Director



Mahesh Agarwal  
Chief Financial Officer



Mona Purandare  
Company Secretary

Mumbai, 16th April, 2019

Mumbai, 16th April, 2019

