

**WALWHAN SOLAR BH LIMITED**

## **INDEPENDENT AUDITOR'S REPORT**

To the Members of Walwhan Solar BH Limited

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

#### **Opinion**

We have audited the accompanying Ind AS financial statements of Walwhan Solar BH 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.

#### **Other Information**

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's 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



Walwhan Solar BH Limited  
Page 2 of 7

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.

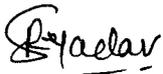
We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Walwhan Solar BH Limited  
Page 3 of 7

**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 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) The provisions of section 197 read with Schedule V of the Act are not applicable to the Company for the year ended March 31, 2019;
  - (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; and
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For S R B C & CO LLP  
Chartered Accountants  
ICAI Firm Registration Number: 324982E/E300003



per Suresh Yadav  
Partner  
Membership Number: 119878  
Place of Signature: Mumbai  
Date: April 15, 2019

Walwhan Solar BH Limited  
Page 4 of 7

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

Re: Walwhan Solar BH Limited ('the Company')

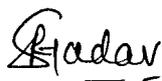
- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) Fixed assets have been physically verified by the management during the year and no material discrepancies were identified on such verification.
- (c) According to the information and explanations given by the management, the title deeds of immovable properties included in fixed assets are held in the name of the Company.
- (ii) The inventory has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable. No material discrepancies were noticed on such physical verification.
- (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, provisions of section 185 and 186 of the Companies Act 2013 in respect of loans to directors including entities in which they are interested and in respect of loans and advances given, investments made and, guarantees, and securities given have been complied with by the Company.
- (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) We have broadly reviewed the books maintained by the Company pursuant to the rules made to the rules made by Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, related to the service of generation of power through renewable sources, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.
- (vii) (a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, duty of custom, goods and service tax, cess and other statutory dues have generally been regularly deposited with the appropriate authorities though there has been a slight delay in a few cases.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, goods and service tax, duty of custom, cess and other material 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, customs duty and cess which have not been deposited on account of any dispute.



Walwhan Solar BH Limited  
Page 5 of 7

- (viii) The Company did not have any outstanding loans and 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 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.
- (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 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 provisions of section 197 read with Schedule V of the Act are not applicable to the Company and hence reporting under clause 3(xi) are not applicable and hence not commented upon.
- (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) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, 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) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.
- (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  
ICAI Firm Registration Number: 324982E/E300003



per Suresh Yadav  
Partner  
Membership Number: 119878  
Place of Signature: Mumbai  
Date: April 15, 2019

Walwhan Solar BH Limited  
Page 6 of 7

## **ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF WALWHAN SOLAR BH 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 Walwhan Solar BH 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 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 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 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 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 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

Walwhan Solar BH Limited  
Page 7 of 7

being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls Over Financial Reporting 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  
ICAI Firm Registration Number: 324982E/E300003



per Suresh Yadav  
Partner  
Membership Number: 119878  
Place of Signature: Mumbai  
Date: April 15, 2019

**Walwhan Solar BH Limited**  
(Formerly known as Walwhan Solar BH Private Limited and Welspun Energy Jharkhand Private Limited)  
Balance Sheet as at March 31, 2019

	Notes	As at March 31, 2019 INR lacs	As at March 31, 2018 INR lacs
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	7	22,327.38	22,909.94
<b>Financial assets</b>			
(i) Other bank balances	12B	1.00	1.00
Deferred tax assets (net)	18	106.87	360.45
Non current tax assets (net)	19	84.74	83.45
<b>Total non-current assets</b>		<b>22,519.99</b>	<b>23,354.84</b>
<b>Current assets</b>			
Inventories	10	45.44	7.83
<b>Financial assets</b>			
(i) Investments	8	163.86	-
(ii) Trade receivables	11	1,024.95	257.36
(iii) Unbilled revenue	12	527.61	532.75
(iii) Cash and cash equivalents	12A	134.10	114.06
(iv) Loans	9	1,698.47	-
(v) Other financial assets	12	118.19	863.30
Other current assets	13	83.86	101.96
<b>Total current assets</b>		<b>3,796.48</b>	<b>1,877.26</b>
<b>Total assets</b>		<b>26,316.47</b>	<b>25,232.10</b>
<b>Equity</b>			
Equity share capital	14	3,051.00	3,051.00
Other equity	15	7,015.79	5,135.83
<b>Total equity</b>		<b>10,066.79</b>	<b>8,186.83</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
<b>Financial liabilities</b>			
(i) Borrowings	16	777.89	15,991.66
<b>Total non-current liabilities</b>		<b>777.89</b>	<b>15,991.66</b>
<b>Current liabilities</b>			
<b>Financial liabilities</b>			
(i) Trade payables			
(a) Total outstanding dues of micro enterprises and small enterprises - (Refer note 35)		2.00	-
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		278.19	647.71
(ii) Other financial liabilities	17	15,168.23	378.02
Current tax liabilities (net)	19	20.23	-
Other current liabilities	20	3.14	27.88
<b>Total current liabilities</b>		<b>15,471.79</b>	<b>1,053.61</b>
<b>Total liabilities</b>		<b>16,249.68</b>	<b>17,045.27</b>
<b>Total equity and liabilities</b>		<b>26,316.47</b>	<b>25,232.10</b>

**Summary of significant accounting policies**

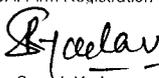
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The accompanying notes are an integral part of the financial statements

As per our report on even date

For and on behalf of the Board of Directors

For S R B C & CO LLP  
Chartered Accountants  
ICAI Firm Registration No: 324982E/E300003

  
per Suresh Yadav  
Partner  
Membership No. 119878

  
Mahesh Paranjpe  
Director  
DIN 03530639

  
Pradip Roy  
Director  
DIN 08164464

  
Behram Mehta  
Chief Financial Officer

  
C.R. Santosh  
Company Secretary

Date : April 15, 2019  
Place : Mumbai

Date : April 15, 2019  
Place : Mumbai

Date : April 15, 2019  
Place : Mumbai

**Walwhan Solar BH Limited**  
**(Formerly known as Walwhan Solar BH Private Limited and Welspun Energy Jharkhand Private Limited)**  
**Statement of Profit & Loss account for the year ended March 31, 2019**

	Notes	For the year ended	For the year ended	
		March 31, 2019	March 31, 2018	
		INR lacs	INR lacs	
I	Revenue from operations	21	5,735.72	4,060.55
II	Other income	22	82.15	811.28
III	<b>Total income (I + II)</b>		<b>5,817.87</b>	<b>4,871.83</b>
<b>Expenses</b>				
	(a) Finance costs	23	1,376.62	1,576.35
	(b) Depreciation expense	25	920.52	942.02
	('c) Other expenses	27	509.69	514.73
	<b>Total expenses (IV)</b>		<b>2,806.83</b>	<b>3,033.10</b>
V	<b>Profit/(Loss) before tax</b>		<b>3,011.04</b>	<b>1,838.73</b>
VI	<b>Tax expense:</b>			
	Current tax (MAT)	26	878.78	623.34
	Tax related to earlier years	26	(1.29)	164.77
	Deferred tax	26	253.59	(360.45)
	<b>Total tax expenses</b>		<b>1,131.08</b>	<b>427.66</b>
VII	<b>Profit/ (loss) for the year (V - VI)</b>		<b>1,879.96</b>	<b>1,411.07</b>
VIII	<b>Other comprehensive income</b>			
	Items that will not be reclassified to profit and loss		-	-
IX	<b>Total comprehensive income/(expense) for the year</b>		<b>1,879.96</b>	<b>1,411.07</b>
<b>Earnings per equity share [face value of share Rs. 10 each]</b>				
	(a) Basic (in Rs)	27	6.16	4.62
	(b) Diluted (in Rs)	27	6.16	4.62

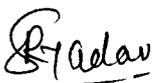
**Summary of significant accounting policies** 1-6

The accompanying notes are an integral part of the financial statements

As per our report on even date

For and on behalf of the Board of Directors

For S R B C & CO LLP  
Chartered Accountants  
ICAI Firm Registration No: 324982E/E300003



per Suresh Yadav  
Partner  
Membership No. 119878



Mahesh Paranjpe  
Director  
DIN 03530639



Pradip Roy  
Director  
DIN 08164464



Behram Mehta  
Chief Financial Officer



C.R. Santosh  
Company Secretary

Date : April 15, 2019  
Place : Mumbai

Date : April 15, 2019  
Place : Mumbai

Date : April 15, 2019  
Place : Mumbai

**Walwhan Solar BH Limited**  
(Formerly known as Walwhan Solar BH Private Limited and Welspun Energy Jharkhand Private Limited)

Cash Flows Statement for the year ended March 31, 2019

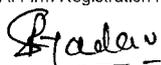
	For the year ended March 31, 2019	For the year ended March 31, 2018
	INR lacs	INR lacs
<b>A. Cash flows from operating activities</b>		
Profit before tax for the year	3,011.04	1,838.73
<b>Adjustments to reconcile profit before tax to net cash flows :</b>		
Finance costs recognised in profit and loss	1,159.82	1,575.64
Change in fair value of mutual funds investments	(70.79)	(29.20)
Interest on fixed deposits	(0.08)	(0.08)
Interest income on inter corporate deposit	(11.28)	-
Depreciation expense	920.52	942.02
Provision for doubtful advances	-	4.22
Loss on Property, plant and equipment written off	-	43.43
Insurance Claim write back as per claim approval note	74.59	(782.00)
Excess provision no longer required written back	(649.24)	(160.65)
	<b>4,434.58</b>	<b>3,432.11</b>
<b>Movements in working capital</b>		
(Increase) in trade receivables	(762.45)	268.14
Decrease in Other current financial assets	18.11	(647.06)
(Increase) in Inventory	(37.61)	(7.83)
Decrease in other non-current financial assets	-	0.47
(Increase) in other current assets	-	(524.76)
Decrease in trade payables	281.71	367.44
Decrease in other current financial liability	(42.35)	-
Decrease in other current liabilities	(24.74)	24.14
<b>Cash generated from operations</b>	<b>3,867.25</b>	<b>2,912.65</b>
Income taxes paid	(858.56)	(780.56)
<b>Net cash generated from operating activities</b>	<b>3,008.69</b>	<b>2,132.09</b>
<b>B. Cash flows from investing activities</b>		
Proceeds from sale of Property, Plant and Equipment	-	184.58
Payments for Property, Plant and Equipment	(337.96)	(15.44)
Payments for Loan & advances	(1,698.47)	-
Insurance claim received	457.40	782.00
Interest received on inter corporate deposit	8.38	-
Current investments not considered as cash and cash equivalents	-	-
- Purchased	(6,599.99)	(3,088.00)
- Proceeds from sale	6,506.92	3,117.20
<b>Net cash generated from/ (used in) investing activities</b>	<b>(1,663.72)</b>	<b>980.34</b>
<b>C. Cash flows from financing activities</b>		
Repayment of current borrowings - term loan	-	(3,453.82)
Repayment of non-current borrowings - related parties	(1,770.00)	(1,680.00)
Proceeds from non current borrowings - related parties	-	3,450.00
Gain on cancellation of forward contract	1,158.70	-
Interest and finance cost paid	(713.63)	(1,545.47)
<b>Net cash flows (used in)/generated from financing activities</b>	<b>(1,324.93)</b>	<b>(3,229.29)</b>
<b>Net decrease in cash and cash equivalents (A+B+C)</b>	<b>20.04</b>	<b>(116.86)</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>114.06</b>	<b>230.92</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>134.10</b>	<b>114.06</b>

**Summary of significant accounting policies**

The accompanying notes are an integral part of the financial statements

As per our report of even date

For S R B C & CO LLP  
Chartered Accountants  
ICAI Firm Registration No: 324982E/E300003



per Suresh Yadav  
Partner  
Membership No. 119878

Date : April 15, 2019  
Place : Mumbai

Note

For and on behalf of the Board of Directors

  
Mahesh Paranjpe  
Director  
DIN 03530639

  
Pradip Roy  
Director  
DIN 08164464

  
Behram Mehta  
Chief Financial Officer

  
C.R. Santosh  
Company Secretary

Date : April 15, 2019  
Place: Mumbai

Date : April 15, 2019  
Place: Mumbai

Walwhan Solar BH Limited  
(Formerly known as Walwhan Solar BH Private Limited and Welspun Energy Jharkhand Private Limited)  
Statement of Changes in Equity as on March 31, 2019

A. Equity share capital

	No. of Shares	Amount in lacs
Balance as at April 01, 2017	10,000	1.00
Issued during the year	3,05,00,000	3,050.00
Balance as at March 31, 2017	3,05,10,000	3,051.00
Balance as at April 01, 2018	3,05,10,000	3,051.00
Issued during the year	-	-
Balance as at March 31, 2019	3,05,10,000	3,051.00

B. Other equity

	Reserves and surplus		
	Retained earnings	Equity component of interest free loans from related party	
		INR lacs	INR lacs
Balance as at April 01, 2017	(299.61)	2,595.17	2,295.56
Profit(Loss) for the year	1,411.07	-	1,411.07
Balance as at March 31, 2018	1,111.46	2,595.17	3,706.63
Balance as at April 01, 2018	1,111.46	2,595.17	3,706.63
Profit for the year	1,879.96	-	1,879.96
Equity component of interest free loan	-	1,429.20	1,429.20
Total	1,879.96	1,429.20	3,309.16
Balance as at March 31, 2019	2,991.42	4,024.37	7,015.79

Summary of significant accounting policies

The accompanying notes are an integral part of the financial statements

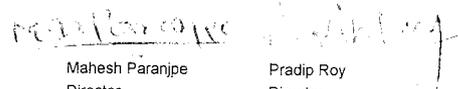
As per our report on even date

For and on behalf of the Board of Directors

For S R B C & CO LLP  
Chartered Accountants  
ICAI Firm Registration No: 324982E/E300003

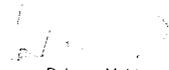


per Suresh Yadav  
Partner  
Membership No. 119878



Mahesh Paranjpe  
Director  
DIN 03530639

Pradip Roy  
Director  
DIN 08164464



Behram Mehta  
Chief Financial Officer



C.R. Santosh  
Company Secretary

Date : April 15, 2019  
Place : Mumbai

Date : April 15, 2019  
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Date : April 15, 2019  
Place : Mumbai

**Walwhan Solar BH Limited**  
**(Formerly known as Walwhan Solar BH Private Limited and Welspun Energy Jharkhand Private Limited)**  
**Notes to the financial statements for the year ended March 31, 2019**

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**1. Corporate information**

Walwhan Solar BH Limited (formerly known as “Walwhan Solar BH Private Limited” and “Welspun Energy Jharkhand Private Limited”) was incorporated on October 29, 2010 as subsidiary of Walwhan Renewable Energy Limited (formerly known as "Walwhan Renewable Energy Private Limited" and Welspun Renewables Energy Private Limited).

During the previous year, the name of the Company has been changed from Welspun Energy Jharkhand Private Limited to Walwhan Solar BH Private Limited and thereafter to Walwhan Solar BH Limited vide fresh certificate of incorporation dated September 25, 2017 and November 6, 2017.

The Principal business of the Company is to sell the power generated from solar projects across India. The Company has operational plants of 40 MW.

The Company is a public limited company incorporated and domiciled in India and has its registered office at C/o The Tata Power Company Limited, Corporate Center B, 34 Sant Tukaram Road, Carnac Bunder Mumbai City - 400009.

The financial statements were authorised for issue in accordance with a resolution of the Directors on April 15, 2019.

**2.1 Statement of compliance**

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) read with section 133 of the Companies Act, 2013.

The accounting policies adopted are consistent with those of the previous financial year except policy for booking for delayed payment charges and interest on delayed payments. Refer Note 5 for Changes in accounting policies and disclosures.

**2.2 Basis of preparation and presentation**

The financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value:

- a) Derivative financial instruments,
- b) Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments).

**3 Significant Accounting Policies**

**3.1 Revenue recognition**

**a) Revenue from contracts with 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.

Description of performance obligations is as follows:-

Revenue from sale of power is recognised net of estimated rebates and other similar allowances when the units of electricity are delivered.

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.

**Walwhan Solar BH Limited**  
**(Formerly known as Walwhan Solar BH Private Limited and Welspun Energy Jharkhand Private Limited)**  
**Notes to the financial statements for the year ended March 31, 2019**

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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.

**b) Dividend and interest income**

Dividend income from investments is recognised when the shareholder's 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.

**c) Unbilled revenue**

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

**3.2 Leases**

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

**The Company as lessee**

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases. There are no finance leases.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term.

**3.3 Foreign currencies**

The functional currency of the Company is Indian rupee.

Income and expenses in foreign currencies are recorded at exchange rates prevailing on the date of the transaction. Foreign currency denominated monetary assets and liabilities are translated at the exchange rate prevailing on the balance sheet date and exchange gains and losses arising on settlement and restatement are recognised in the statement of profit and loss.

Non-monetary assets and liabilities that are measured in terms of historical cost in foreign currencies are not retranslated.

Exchange differences on monetary items are recognised in the statement of profit and loss in the year in which they arise except for exchange differences on foreign currency borrowings relating to assets under construction for future productive use.

**3.4 Borrowing costs**

Borrowing costs directly attributable to the acquisition, construction or production 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 statement of profit and loss in the period in which they are incurred.

### **3.5 Income Taxes**

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

#### **a) Current tax**

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

#### **b) 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 of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

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.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognised as deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised. The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent that it is no longer probable that it will pay normal tax during the specified period.

In the situations where one or more units of the Company are entitled to a tax holiday under the tax law, no deferred tax (asset or liability) is recognized in respect of temporary differences which reverse during the tax holiday period, to the extent the concerned unit's gross total income is subject to the deduction during the tax holiday period. Deferred tax in respect of temporary differences which reverse after the tax holiday period is recognized in the year in which the temporary differences originate. However, the Company restricts recognition of deferred tax assets to the extent it is probable that sufficient future taxable income will be available against which such deferred tax assets can be realized. For recognition of deferred taxes, the temporary differences which originate first are considered to reverse first.

**Walwhan Solar BH Limited**  
**(Formerly known as Walwhan Solar BH Private Limited and Welspun Energy Jharkhand Private Limited)**  
**Notes to the financial statements for the year ended March 31, 2019**

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Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

### **3.6 Property, plant and equipment**

Depreciation commences when an asset is ready for its intended use. Freehold land and assets held for sale are not depreciated.

Depreciation is recognised on the cost of assets (other than freehold land and properties under construction) less their residual values over their estimated useful lives, using the straight-line method.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis. The Company, based on technical assessment made by technical expert and management estimate, depreciates certain items of building, plant and equipment over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Estimated useful lives of the assets are as follows:

Buildings - 25 Years

Plant and Machinery - 25 Years

Computer and Networking - 3 Years

Furniture and fixture - 10 years

Office equipment - 5 years

Vehicle - 10 years

### **Decapitalisation**

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

### **3.7 Impairment of tangible assets**

84

**Walwhan Solar BH Limited**  
**(Formerly known as Walwhan Solar BH Private Limited and Welspun Energy Jharkhand Private Limited)**  
**Notes to the financial statements for the year ended March 31, 2019**

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

When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

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

### **3.8 Inventories**

Inventories are stated at the lower of cost and net realisable value. Costs incurred in bringing each product to its present location and conditions are accounted for as follows:

- Cost of inventory includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.
- Costs of inventories are determined on weighted average basis.

Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

Unserviceable/damaged stores and spares are identified and written down based on technical evaluation.

### **3.9 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).

### **3.10 Financial instruments**

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

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

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 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 the statement of profit and loss.

### **3.10.1 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.

#### **a) Financial assets at amortised cost**

Financial assets are subsequently measured at amortised cost using the effective interest method if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

#### **b) Financial assets at fair value through other comprehensive income**

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition, the Company makes an irrevocable election on an instrument-by-instrument basis to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments, other than equity investment which are held for trading. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the 'Reserve for equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to profit or loss on disposal of the investments.

#### **c) Financial assets at fair value through profit or loss (FVTPL)**

Investments in equity instruments are classified as at FVTPL, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading.

Other financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in statement of profit and loss.

#### **d) Derecognition of financial assets**

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

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

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

#### **e) Impairment of financial assets**

The Company assesses at each date of balance sheet 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 lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the

12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

### **3.10.2 Financial Liabilities and Equity Instruments**

#### **a) 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.

#### **b) 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.

#### **c) Financial liabilities**

All financial liabilities are recognised initially at fair value and in case of financial liabilities at amortised cost, net of directly attributable transaction costs.

All financial liabilities are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in statement of profit and loss when the liabilities are derecognised as well as through the Effective Interest Rate (EIR) amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

#### **d) Derecognition**

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

#### **e) Financial guarantee contracts**

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

#### **f) Derivative financial instruments**

The Company enters into a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks, including foreign exchange forward contracts, interest rate swaps and cross currency swaps.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting year. The resulting gain or loss is recognised in statement profit and loss immediately.

#### **g) Reclassification of financial assets and liabilities**

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are

**Walwhan Solar BH Limited**  
**(Formerly known as Walwhan Solar BH Private Limited and Welspun Energy Jharkhand Private Limited)**  
**Notes to the financial statements for the year ended March 31, 2019**

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significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting year following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

**h) Offsetting of financial instruments**

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

**3.11 Current versus non-current classification**

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- expected to be realised or intended to be sold or consumed in normal operating cycle,
- held primarily for the purpose of trading,
- expected to be realised within twelve months after the reporting year, or
- cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting year.

All other assets are classified as non-current.

A liability is current when:

- it is expected to be settled in normal operating cycle,
- it is held primarily for the purpose of trading,
- it is due to be settled within twelve months after the reporting year, or
- there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting year.

The Company classifies all other liabilities as non-current.

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

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

**3.12 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.

**3.13 Cash and cash equivalents**

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. Cash and cash equivalents include balances with banks which are unrestricted for withdrawal and usage.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

**3.14 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.

**3.15 Earnings per share**

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**Walwhan Solar BH Limited**  
**(Formerly known as Walwhan Solar BH Private Limited and Welspun Energy Jharkhand Private Limited)**  
**Notes to the financial statements for the year ended March 31, 2019**

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Basic earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares outstanding during the period. Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Company (after adjustment for income in respect of dilutive potential ordinary shares) by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

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

The amendments to standards that are issued, but not yet effective, up to the date of issuance of the Company's financial statements are disclosed below. The Company intends to adopt these standards, if applicable, when they become effective.

##### **a) 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.

##### **b) 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.

##### **c) 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.

**d) 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.

**e) 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.

## **5 Changes in accounting policies and disclosures**

### **a) Accounting of Delayed Payment Charges**

Delayed payment charges were hitherto recognized only when they are realised/recovered. With effect from April 01, 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 favourable 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 financial position and performance. The revision in accounting policy has been applied retrospectively and does not have any significant impact on current year and previous year statement of profit and loss and retained earnings as at March 31, 2017.

## **6 Critical accounting estimates and judgements**

In the application of the Company's accounting policies, the directors of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The areas involving critical estimates or judgements are:

Estimation of current tax and deferred tax expense (including Minimum Alternate Tax credit) - Note 18 and Note 26

Estimates and judgement are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

Waluhan Solar BH Limited  
(Formerly known as Waluhan Solar BH Private Limited and Welspun Energy Jharkhand Private Limited)  
Notes to the financial statements for the year ended March 31, 2019

7. Property, plant and equipment

Description	INR Lacs	
	As at March 31, 2019	As at March 31, 2018
Carrying amounts of:		
Freehold land	443.28	443.28
Building	381.94	155.57
Plant and machinery	21,487.45	22,302.66
Furniture and fixture	2.52	2.85
Office equipments	12.19	5.58
<b>Total</b>	<b>22,327.38</b>	<b>22,909.94</b>

Description	Gross Block					Accumulated Depreciation			Net Block	
	As at 01-April-18	Additions	Disposal/ adjustment	As at March 31, 2019	As at 01-April-18	Additions	Disposal/ adjustment	As at March 31, 2019	As at March 31, 2018	As at March 31, 2018
1 Freehold land	443.28	-	-	443.28	-	-	-	443.28	443.28	443.28
2 Building	166.34	234.12	-	400.46	10.77	7.75	-	381.94	155.57	155.57
3 Plant and machinery	23,871.95	94.76	-	23,966.71	1,569.29	909.97	-	21,487.45	22,302.66	22,302.66
4 Furniture and fixture	3.35	-	-	3.35	0.50	0.33	-	2.52	2.85	2.85
5 Office equipments	8.39	9.08	-	17.47	2.81	2.47	-	12.19	5.58	5.58
<b>Total</b>	<b>24,493.31</b>	<b>337.96</b>	<b>-</b>	<b>24,831.27</b>	<b>1,583.37</b>	<b>920.52</b>	<b>-</b>	<b>22,327.38</b>	<b>22,327.38</b>	<b>22,909.94</b>

Note: All property, plants and equipments except freehold land of the Company are pledged against Buyer's credit taken from UBI ( Refer Note - 16.1)

Description	Gross Block					Accumulated Depreciation			Net Block	
	As at 01-April-17	Additions	Disposal/ adjustment	As at March 31, 2018	As at 01-April-17	Additions	Disposal/ adjustment	As at March 31, 2018	As at March 31, 2017	As at March 31, 2017
1 Freehold land	443.28	-	-	443.28	-	-	-	443.28	443.28	443.28
2 Building	235.90	-	69.56	166.34	6.34	6.32	1.89	155.57	229.55	229.55
3 Plant and machinery	23,932.20	107.48	167.73	23,871.95	642.83	933.88	7.42	22,302.66	23,289.37	23,289.37
4 Furniture and fixture	3.40	-	0.05	3.35	0.26	0.25	0.02	2.85	3.15	3.15
5 Office equipments	8.39	-	-	8.39	1.25	1.56	-	5.58	7.14	7.14
<b>Total</b>	<b>24,623.17</b>	<b>107.48</b>	<b>237.34</b>	<b>24,493.31</b>	<b>650.68</b>	<b>942.02</b>	<b>9.33</b>	<b>22,909.94</b>	<b>23,972.49</b>	<b>23,972.49</b>

(i) Adjustment/ deletion with respect to building represents compensation received during the previous year amounting to Rs.69.56 Lacs.

(ii) Disposal of gross block of INR 162.32 lacs and accumulated depreciation of INR 7.27 lacs represents property plant and equipment written off during the previous year due to attack by microcreants. The company has recorded insurance claim receivable amounting to Rs. 115.05 Lacs ,thus net loss of INR 40 lacs has been charged to statement of profit and loss for the previous year.

(iii) Disposal of gross block of INR 5.46 lacs and accumulated depreciation of INR 2.03 lacs resulting into loss of INR 3.43 lacs charged to statement of profit and loss for the previous year represents property plant and equipment written off during the previous year based on physical verification conducted during the previous year.

Walwhan Solar BH Limited  
(Formerly known as Walwhan Solar BH Private Limited and Welspun Energy Jharkhand Private Limited)

Notes to the financial statements for the year ended March 31, 2019

8. Current Investments

	INR lacs	
	As at March 31, 2019	As at March 31, 2018
<u>Investments carried at Fair Value through Profit and Loss</u>		
<b>Mutual Funds (Quoted)</b>		
Inveso India Liquid fund- Direct plan growth (No. of units - Current year 6,369.886, previous year - Nil)	163.86	-
	163.86	-

8.1 Category-wise other investments-as per Ind AS 109 classification

	INR lacs	
	As at March 31, 2019	As at March 31, 2018
<b>Financial assets carried at fair value through profit or loss (FVPTL)</b>		
Mandatory measured at FVPTL (Quoted mutual fund)	163.86	-

9 . Loans

	INR lacs	
	As at March 31, 2019	As at March 31, 2018
<u>Current</u>		
(a) Security deposits (unsecured considered good)	0.47	-
(b) Loans to Related Parties (Unsecured considered good)	1,698.00	-
	1,698.47	-

9.1 The Company entered into Inter corporate deposit with Walwhan Renewable Energy Limited for a period of 60 days. The inter corporate deposit is unsecured.

Interest rate- Average yield on liquid mutual funds for 3 months

Repayment terms: the principal is payable at the end of 90 days along with interest.

9.2 The Company also entered into Inter corporate deposit with Walwhan Solar TN Ltd for a periodo of 60 days. The inter corporate deposit is unsecured.

Interest rate- Average yield on liquid mutual funds for 3 months

Repayment terms: the principal is payable at the end of 90 days along with interest.

Walwhan Solar BH Limited  
(Formerly known as Walwhan Solar BH Private Limited and Welspun Energy Jharkhand Private Limited)  
Notes to the financial statements for the year ended March 31, 2019

10 . Inventories

	INR Lacs	
	As at March 31, 2019	As at March 31, 2018
Inventories (Lower of cost and net realizable value)		
Stores and Spare Parts	45.44	7.83
	<b>45.44</b>	<b>7.83</b>

11 . Trade receivable

	INR Lacs	
	As at March 31, 2019	As at March 31, 2018
Trade receivables (Refer Note 11.1)	1,024.95	257.36
	<b>1,024.95</b>	<b>257.36</b>

11.1 Trade Receivables

	INR Lacs	
	As at March 31, 2019	As at March 31, 2018
Age of receivables		
Within the credit period	440.00	257.36
1-90 days past due	584.95	-
	<b>1,024.95</b>	<b>257.36</b>

12 . Other financial assets

	INR Lacs	
	As at March 31, 2019	As at March 31, 2018
<b>Current</b>		
<b>Unsecured, considered good</b>		
(a) Interest Accrued on Bank Deposits	0.22	0.14
(b) Interest Accrued on Inter-corporate Deposits	2.90	-
(c) Insurance Claim Receivable	115.07	647.06
(d) Mark to market gain on forward contracts	-	216.10
	<b>118.19</b>	<b>863.30</b>

12A. Cash and cash equivalents

	INR Lacs	
	As at March 31, 2019	As at March 31, 2018
(a) Balances with Banks:		
(i) In Current Accounts	134.10	114.06
<b>Total Cash and cash equivalents</b>	<b>134.10</b>	<b>114.06</b>

12B. Other bank balances

	INR Lacs	
	As at March 31, 2019	As at March 31, 2018
(a) Other bank balances		
(i) In deposit accounts (Original maturity more than 12 months)	1.00	1.00
<b>Total Other bank balances</b>	<b>1.00</b>	<b>1.00</b>

13. Other assets

	INR Lacs	
	As at March 31, 2019	As at March 31, 2018
<b>Current</b>		
<b>Unsecured, considered good</b>		
(a) Advances other than capital advances	2.01	4.53
(b) Other Loans and Advances		
(i) Prepaid Expenses	81.85	97.43
<b>Unsecured, considered doubtful</b>		
(a) Advances other than capital advances	4.22	4.22
<b>Allowance for doubtful debts</b>		
Unsecured, considered doubtful	(4.22)	(4.22)
	<b>83.86</b>	<b>101.96</b>

Walwhan Solar BH Limited  
(Formerly known as Walwhan Solar BH Private Limited and Welspun Energy Jharkhand Private Limited)  
Notes to the financial statements for the year ended March 31, 2019

14 Equity share capital

	INR Lacs	
	As at March 31, 2019	As at March 31, 2018
<b>Authorised share capital</b>		
Equity shares of Rs 10 each with voting rights	3,500	3,500
March 31, 2019- 35,000,000		
March 31, 2018- 35,000,000		
	<b>3,500</b>	<b>3,500</b>
<b>Issued and subscribed</b>		
Equity shares of Rs 10 each with voting rights	3,051	3,051
March 31, 2019- 30,510,000		
March 31, 2018- 30,510,000		
	<b>3,051</b>	<b>3,051</b>

14.1 Issued, paid up and subscribed capital

	Number of Shares	Share Capital INR Lacs
Balance as at April 1, 2017	30,510,000	3,051
Movements during the year	-	-
<b>Balance as at March 31, 2018</b>	<b>30,510,000</b>	<b>3,051</b>
Balance as at April 1, 2018	30,510,000	3,051
Movements during the year	-	-
<b>Balance as at March 31, 2019</b>	<b>30,510,000</b>	<b>3,051</b>

14.2 Details of share held by the holding company

	Fully paid ordinary shares Nos. in Lacs
<b>As at March 31, 2019</b>	
Walwhan Renewables Energy Limited (WREL)*, the holding company	305.10
<b>As at March 31, 2018</b>	
Walwhan Renewables Energy Limited (WREL)*, the holding company	305.10

14.3 Details of shares held by each shareholder holding more than 5%

Fully paid equity shares	As at March 31, 2019	
	Number of shares held	% holding of equity shares
Walwhan Renewables Energy Limited (WREL)*, the holding company	30,510,000	100%
Fully paid equity shares	As at March 31, 2018	
	Number of shares held	% holding of equity shares
Walwhan Renewables Energy Limited (WREL)*, the holding company	30,510,000	100%

14.4 Voting Right

Fully paid equity shares which have a par value of Rs 10 each, carry one vote per share and carry a right to dividends. The Company declares and pays dividends 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.

\*Including 6 equity shares held by nominee shareholders on behalf of Walwhan Renewable Energy Limited (WREL) (formerly known as Walwhan Renewable Energy Private Limited and Welspun Renewables Energy Private Limited)

15. Other equity

	INR Lacs	
	As at March 31, 2019	As at March 31, 2018
Retained earnings (refer note 15.1)	2,991.42	1,111.46
Equity component of interest free loans from related parties (refer note 15.2)	4,024.37	4,024.37
	<b>7,015.79</b>	<b>5,135.83</b>

15.1 Retained earnings

	INR Lacs	
	As at March 31, 2019	As at March 31, 2018
Balance at the beginning of the year	1,111.46	(299.61)
Profit/(Loss) attributable to owners of the Company	1,879.96	1,411.07
<b>Balance at the end of the year</b>	<b>2,991.42</b>	<b>1,111.46</b>

15.2 Equity component of interest free loans to related parties

	INR Lacs	
	As at March 31, 2019	As at March 31, 2018
Balance at the beginning of the year	4,024.37	2,595.17
Equity component of interest free loan	-	1,429.20
<b>Balance at the end of the year</b>	<b>4,024.37</b>	<b>4,024.37</b>

8

**Walwhan Solar BH Limited**  
(Formerly known as Walwhan Solar BH Private Limited and Welspun Energy Jharkhand Private Limited)  
Notes to the financial statements for the year ended March 31, 2019

**16. Non-current borrowings**

	INR Lacs	
	As at March 31, 2019	As at March 31, 2018
<b>Secured - at amortised cost</b>		
(a) Buyers credit from Banks [Refer note 16.1(i) below]	-	13,521.06
<b>Unsecured - at amortised cost</b>		
(a) From Related parties - interest free loan [Refer note 16.1(ii) below]	777.89	700.60
(b) From Related parties [Refer note 16.1(iii) below]	-	1,770.00
<b>Total non-current borrowings</b>	<b>777.89</b>	<b>15,991.66</b>

**16.1 Security & terms of repayment**

**Secured - at amortised cost**

**i) Buyers credit from Banks**

The above term loan and buyers credit is secured by way of following :-

- a) pari passu first equitable mortgage of land/ leasehold rights held by Walwhan Renewable Energy Limited and Walwhan BH Limited.
- b) pari passu first hypothecation charge on moveable assets of the project
- c) pari passu first hypothecation charge on all receivables of the project
- d) pari passu first charge over all the accounts including but not limited to the TRA, DSRA, sub accounts and all other bank accounts of the company in respect of or in connection with the project
- e) security interest infavour of lenders of all project documents including PPA, approvals, clearances, insurance policies, performance guarantees
- f) pledge of 51% equity shares of the company held by the promoter.

**Terms of repayment & interest rate**

Repayable upon maturity over a period of 14 months from the date of the balance sheet i.e. 2019 at an interest rate of LIBOR plus 0.66%. During the year interest has been paid/accrued at rate ranging from 1.96% p.a. to 2.47% p.a.

**Unsecured - at amortised cost**

**ii) From Related parties - interest free loan**

Interest free loan taken from Holding Company i.e. Walwhan Renewable Energy Limited. The Company has accounted said loan as per Ind AS 109.

**iii) From Related parties**

In FY 2016-17 company has taken loan from Walwhan Renewable Energy Limited amounting to Rs.3,450 Lacs and has repaid loan amounting to Rs. 1,680 lacs in previous year and Rs.1,770 lacs in current year.

**17. Other financial liabilities**

	INR Lacs	
	As at March 31, 2019	As at March 31, 2018
<b>Current</b>		
(a) Current maturities of buyer's credit	14,376.90	-
(b) Interest accrued but not due		
(i) Interest accrued on Buyer's Credit	157.48	94.91
(ii) Interest on loan from related parties	-	235.16
(c) Capital Creditors	5.60	47.95
(d) Provision for mark to market losses on forward contracts	628.25	-
	<b>15,168.23</b>	<b>378.02</b>

**Walwhan Solar BH Limited**  
 (Formerly known as Walwhan Solar BH Private Limited and Welspun Energy Jharkhand Private Limited)  
 Notes to the financial statements for the year ended March 31, 2019

**18. Deferred tax balances**

	INR Lacs	
	As at March 31, 2019	As at March 31, 2018
Deferred tax assets	533.30	464.48
Deferred tax liabilities	(426.43)	(104.03)
<b>Deferred tax assets (net)</b>	<b>106.87</b>	<b>360.45</b>

**18.1 Deferred tax assets/(liabilities) relate to the following**

	INR Lacs	
	As at March 31, 2019	As at March 31, 2018
<b>Deferred Tax Liability on account of:</b>		
Depreciation on Property, Plant and Equipment	(426.43)	(104.03)
<b>Deferred Tax liability</b>	<b>(426.43)</b>	<b>(208.03)</b>
<b>Deferred Tax asset on account of:</b>		
MAT credit entitlement	533.30	464.48
<b>Deferred Tax Asset</b>	<b>533.30</b>	<b>464.48</b>
<b>Reconciliation of deferred tax assets (net)</b>		
Opening balance at the beginning of the year	360.45	-
Tax expense (credit) taken during the year	(253.58)	360.45
<b>Closing balance at the end of year</b>	<b>106.87</b>	<b>360.45</b>

The Company is eligible for tax holiday under section 80IA of Income Tax Act, 1961 and planning to avail the tax holiday period benefit from the Financial year 2021-22 to 2030-31. Accordingly, net deferred tax liabilities for timing differences originating as on Balance Sheet date and reversing with in tax holiday period has not been recognized.

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**Walwhan Solar BH Limited**

(Formerly known as Walwhan Solar BH Private Limited and Welspun Energy Jharkhand Private Limited)

Notes to the financial statements for the year ended March 31, 2019

**19. Non current tax assets**

	INR Lacs	
	As at	As at
	March 31, 2019	March 31, 2018
<b>Non current tax assets</b>		
Advance tax (net of provisions)	84.74	83.45
	<b>84.74</b>	<b>83.45</b>
<b>Current tax liabilities</b>		
Income-tax payable	20.23	-
	<b>20.23</b>	<b>-</b>

**20. Other current liabilities**

	INR Lacs	
	As at	As at
	March 31, 2019	March 31, 2018
Statutory dues	3.14	27.88
	<b>3.14</b>	<b>27.88</b>

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Walwhan Solar BH Limited  
(Formerly known as Walwhan Solar BH Private Limited and Welspun Energy Jharkhand Private Limited)  
Notes to the financial statements for the year ended March 31, 2019

21. Revenue from operations

	INR Lacs	
	For the year ended March 31, 2019	For the year ended March 31, 2018
<b>(a) Revenue from Power Supply contract with customers</b>		
Sale of electricity	5,117.38	3,940.43
Less: Rebate/Discount	(30.90)	(40.53)
<b>(b) Other Operating Revenue</b>		
Excess provision no longer required written back	649.24	160.65
	<b>5,735.72</b>	<b>4,060.55</b>

Details of Revenue from contract with customers

Particulars	INR Lacs	
	For the year ended March 31, 2019	For the year ended March 31, 2018
Revenue from power supply (net of cash discount)	5,086.48	3,899.90
<b>Total revenue from contract with customers</b>	<b>5,086.48</b>	<b>3,899.90</b>
Add : Rebate/ Discount	30.90	40.53
<b>Total revenue as per contracted price</b>	<b>5,117.38</b>	<b>3,940.43</b>

Contract Balances

	INR Lacs	
	For the year ended March 31, 2019	For the year ended March 31, 2018
<b>Contract assets</b>	-	-
<b>Contract liabilities</b>	-	-
<b>Receivables</b>		
Trade receivables (Gross)	1,024.95	257.36
Unbilled Revenue	527.61	532.75
<b>Net receivables</b>	<b>1,552.56</b>	<b>790.11</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.

Disaggregation of Revenue

The Company has a single stream of revenue i.e. sale of power

**22. Other income**

INR Lacs

	For the year ended	For the year ended
<b>(a) Interest income</b>		
(i) Interest income on Fixed Deposits	0.08	0.08
(ii) Interest income on ICD	11.28	
<b>(b) Other non operating income</b>		
Insurance Claim	-	782.00
<b>(c) Other gains &amp; losses</b>		
(i) Change in fair value of mutual funds investments	70.79	29.20

**23. Finance costs**

	For the year ended March 31, 2019	For the year ended March 31, 2018
<b>(a) Interest costs :</b>		
Interest on term loans & Buyer's credit	467.52	310.14
Interest on loans from related parties	150.81	351.06
<b>(b) Other borrowing cost :</b>		
LUT commission charges	142.66	121.24
Other cost	-	156.26
Bank Charges	0.64	0.71
Mark to market Loss on forward contracts	216.16	-
Net loss on foreign currency transactions and translation	398.83	636.94
	<b>1,376.62</b>	<b>1,576.35</b>

**24. Depreciation expense**

INR Lacs

	For the year ended March 31, 2019	For the year ended March 31, 2018
Depreciation of property, plant and equipment	920.52	942.02
<b>Total depreciation expense</b>	<b>920.52</b>	<b>942.02</b>

**25. Other expenses**

INR Lacs

	For the year ended March 31, 2019	For the year ended March 31, 2018
Rent including lease rentals	4.29	1.98
Repairs and Maintenance	72.14	50.55
Rates & taxes	26.14	18.14
Insurance	8.31	14.04
Insurance claim receivable - written off	74.59	-
Other Operation Expenses	158.81	121.45
Travelling and Conveyance Expenses	10.28	17.71
Consultants Fees	3.31	8.38
Auditors Remuneration (Refer note no. 30)	2.82	4.17
Cost of Services Procured	136.97	218.00
Corporate Social Responsibility Expenses (Refer note no. 32)	9.96	10.57
Miscellaneous expenses	2.07	2.09
Provision for doubtful advances	-	4.22
Loss on Property, plant and equipment written off	-	43.43
<b>Total other expense</b>	<b>509.69</b>	<b>514.73</b>

**Walwhan Solar BH Limited**  
(Formerly known as Walwhan Solar BH Private Limited and Welspun Energy Jharkhand Private Limited)  
Notes to the financial statements for the year ended March 31, 2019

	INR lacs	
26. Income taxes		
Income taxes recognised in profit and loss	For the year ended March 31, 2019	For the year ended March 31, 2018
<b>Current tax</b>		
In respect of the current year	878.78	623.34
In respect of the earlier years	(1.29)	164.77
	<b>877.49</b>	<b>788.11</b>
<b>Deferred tax expense/ (credit)</b>		
In respect of temporary differences	322.40	104.03
<b>MAT credit entitlement</b>		
In respect of the current year	(68.81)	(310.94)
In respect of the earlier years	-	(153.54)
	<b>253.59</b>	<b>(360.45)</b>
<b>Total income tax expense recognised</b>	<b>1,131.08</b>	<b>427.66</b>

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

	For the year ended March 31, 2019	For the year ended March 31, 2018
Profit before tax considered for tax working	3,011.04	1,838.73
Income tax expense calculated at 29.12 % for FY 2018-19 and at 27.5525% for FY 17-18	876.81	506.62
Effect of expenses that are not deductible in determining taxable profit	201.67	216.37
Effect of non taxable income	(0.29)	(0.28)
Effect of movement on which no deferred tax was recognised or adjustments arising in	49.34	(346.55)
Effect of changes in tax rates	-	38.42
Effect of Other Items - Recognition of MAT Credit & tax paid for earlier years	3.55	13.08
<b>Income tax expense recognised in statement of profit or loss</b>	<b>1,131.08</b>	<b>427.66</b>

**Note:**

1. The tax rates used for the years 2018-19 reconciliation above is the corporate tax rate of 29.12% and for previous year 27.5525% as 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 Income Tax profit of the company or MAT at 21.55% of book profit for the year 2018-19 and for previous year 21.34%.
3. The Minimum Alternate Tax (MAT) rate applicable is 21.55% of the book profit for the year 2018-19.

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**Walwhan Solar BH Limited**  
**(Formerly known as Walwhan Solar BH Private Limited and Welspun Energy Jharkhand Private Limited)**  
**Notes to the financial statements for the year ended March 31, 2019**

**27. Earnings per share**

	(Amount in Rs.)	
	For the year ended March 31, 2019	For the year ended March 31, 2018
Basic earnings per share (Refer note 27.1)	6.16	4.62
Diluted earnings per share (Refer note 27.2)	6.16	4.62

**27.1 Basic earnings per share**

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

	INR lacs	
	For the year ended March 31, 2019	For the year ended March 31, 2018
Profit for the year attributable to owners of the company	1,879.96	1,411.07
Earnings/(loss) used in the calculation of basic earnings per share	1,879.96	1,411.07

	For the year ended March 31, 2018	For the year ended March 31, 2017
	Nos	Nos
Weighted average number of equity shares for the purposes of basic earnings per share	30,510,000	30,510,000

**27.2 Diluted earnings per share**

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

	INR lacs	
	For the year ended March 31, 2019	For the year ended March 31, 2018
Earnings/(loss) used in the calculation of diluted earnings per share	1,879.96	1,411.07

	For the year ended March 31, 2018	For the year ended March 31, 2017
	Nos	Nos
Weighted average number of equity shares for the purposes of diluted earnings per share	30,510,000	30,510,000

There are no potential equity shares that are anti-dilutive and therefore not considered for the weighted average number of equity shares for the purpose of diluted earnings per share.

**Walwhan Solar BH Limited**  
**(Formerly known as Walwhan Solar BH Private Limited and Welspun Energy Jharkhand Private Limited)**  
**Notes to the financial statements for the year ended March 31, 2019**

**Note 28 Related party transactions**

a. **Holding companies**

The Tata Power Company Limited (Ultimate Holding Company w.e.f September 14, 2016)
Tata Power Renewable Energy Limited (Subsidiary of the Ultimate Holding Company w.e.f September 14, 2016)
Welspun Energy Private Limited (Ultimate Holding Company till September 13, 2016)
Walwhan Renewable Energy Limited (formerly known as Walwhan Renewable Energy Private Limited and Welspun Renewables Energy Private Limited) Holding Company

b. **Fellow subsidiary companies (with whom transactions has been done)**

Walwhan Solar AP Limited (formerly known as Walwhan Solar AP Private Limited and Welspun Solar AP Private Limited)
Walwhan Solar TN Limited (formerly known as Walwhan Solar TN Private Limited and Welspun Solar Tech Private Limited)
Solarsys Renewable Energy Private Limited

c. **Directors**

Jayant Kumar - upto January 19,2019
Nandakumar Tirumalai - upto May 31,2018
Soundararajan Kasturi - w.e.f. May 30,2018 to June 27,2018
Pradip Roy w.e.f June 22,2018
Aditya Gupta w.e.f January 29,2019

d. **Key Managerial Persons (KMP)**

Mahesh Paranjpe - Chief Executive Officer w.e.f. September 28,2018
Rajesh Daga - Chief Financial Officer Upto January 31,2019
Behram Mehta - Chief Financial Officer w.e.f. February 1,2019
Santosh C.R - Company Secretary
Anant Hanamshet upto September 8, 2017
Zarir Nowroz Panthaky upto September 6, 2017



Waluhan Solar BH Limited  
(Formerly known as Waluhan Solar BH Private Limited and Welspun Energy Jharkhand Private Limited)

Notes to the Financial Statements

Related Party Disclosures.....(Contd.)

e. Details of Transactions:

Particulars	Year	Fellow Subsidiaries				Holding Company		Ultimate Holding Company	Key Management Personnel		Total		
		Waluhan Solar AP Limited		Waluhan Solar TN Limited		SolarSys Renewables Energy Private Limited	Waluhan Renewable Energy Limited		Tata Power Renewable Energy Limited	Anant Hanamshet		Zarir Nowroz Panthaky	
		Waluhan Solar AP Limited	Waluhan Solar TN Limited	Waluhan Renewable Energy Limited	Tata Power Renewable Energy Limited								
Borrowing taken	2019	-	-	-	-	-	-	-	-	-	-		
Finance charges on interest free loan	2018	-	-	-	-	3,450.00	-	-	-	-	3,450.00		
	2019	-	-	-	-	77.29	-	-	-	-	77.29		
Interest expenses on non current borrowing	2018	-	-	-	-	89.77	-	-	-	-	89.77		
	2019	-	-	-	-	73.52	-	-	-	-	73.52		
Conversion of borrowing	2018	-	-	-	-	261.29	-	-	-	-	261.29		
	2019	-	-	-	-	-	-	-	-	-	-		
Repayment of Non-current borrowing	2018	-	-	-	-	1,641.00	-	-	-	-	1,641.00		
	2019	-	-	-	-	1,770.00	-	-	-	-	1,770.00		
Short term advance given	2018	-	-	-	-	1,680.00	-	-	-	-	1,680.00		
	2019	-	98.00	-	-	2,130.00	900.00	-	-	-	3,128.00		
Short term advance repaid	2018	-	-	-	-	354.00	-	-	-	-	354.00		
	2019	-	-	-	-	530.00	900.00	-	-	-	1,430.00		
Interest income on short term advances	2018	-	-	-	-	354.00	-	-	-	-	354.00		
	2019	-	0.33	-	-	10.42	0.53	-	-	-	11.28		
Expense incurred by company on behalf of	2018	-	-	-	-	-	-	-	-	-	-		
	2019	0.03	-	-	-	8.81	-	-	-	-	8.84		
Expense incurred by others on behalf of	2018	-	-	-	-	-	-	-	-	-	-		
	2019	-	-	-	-	5.29	-	0.57	-	-	5.86		
Repayment made against statutory payments made by	2018	-	-	-	-	-	-	-	-	-	-		
	2019	-	-	-	-	37.25	-	-	-	-	37.25		
Purchase of goods & Services(inclusive of taxes)	2018	-	-	-	-	-	-	-	-	-	-		
	2019	-	-	-	-	-	-	2.04	-	-	2.04		
Business Support expenses	2018	-	-	-	4.07	-	-	-	-	-	4.07		
	2019	-	-	-	-	14.58	-	-	-	-	14.58		
Director sitting fee	2018	-	-	-	-	16.46	-	-	-	-	16.46		
	2019	-	-	-	-	-	-	-	-	-	-		
	2018	-	-	-	-	-	-	-	0.80	0.80	1.60		

5

Waiwhan Solar BH Limited  
(Formerly known as Waiwhan Solar BH Private Limited and Wespun Energy Jharkhand Private Limited)

Notes to the Financial Statements

Related Party Disclosures ....(Contd.)

		Balances outstanding			
		2019	2018		
Non current liability- Borrowing		777.89	-	-	777.89
Equity component of interest free loan from related party		2,470.60	-	-	2,470.60
		4,024.37	-	-	4,024.37
Loans to Related Parties (Unsecured considered good)		4,024.37	-	-	4,024.37
		1,600.00	-	-	1,698.00
		-	-	-	-
Interest Accrued on Inter-corporate Deposits		2.60	-	-	2.90
		235.16	-	-	235.16
Trade Payables		14.33	-	1.24	15.57
		16.18	-	0.57	16.75
Amount outstanding against corporate guarantee issued to bank on behalf of the company by		13,521.07	-	-	13,521.07
		13,521.07	-	-	13,521.07

*JS*

29. Financial Instruments

1 Fair values

Set out below, is a comparison by class of the carrying amount and fair value of the financial assets and liabilities:

	Carrying value		Fair Value	
	March 31	March 31	March 31	March 31
	2019	2018	2019	2018
	INR lacs	INR lacs	INR lacs	INR lacs
<b>Financial assets</b>				
Cash and Cash Equivalents	134.10	114.06	134.10	114.06
Trade Receivables	1,024.95	257.36	1,024.95	257.36
Unbilled Revenues	527.61	532.75	527.61	532.75
Loans	1,698.47	-	1,698.47	-
FVTOCI Financial Investments	163.86	-	163.86	-
Other financial assets	118.19	647.20	118.19	647.20
Derivative instrument	-	216.10	-	216.10
<b>Total</b>	<b>3,667.18</b>	<b>1,767.47</b>	<b>3,667.18</b>	<b>1,767.47</b>
<b>Financial liabilities</b>				
Trade Payables	280.19	647.71	280.19	647.71
Floating rate borrowings (including current maturities)	14,376.90	13,521.06	14,376.90	13,521.06
Fixed rate borrowings (including current maturities)	777.89	2,470.60	777.89	2,470.60
Other financial liabilities (excluding current maturities)	14,539.98	378.02	14,539.98	378.02
Derivative instruments	628.25	-	628.25	-
<b>Total</b>	<b>30,603.21</b>	<b>17,017.39</b>	<b>30,603.21</b>	<b>17,017.39</b>

The management assessed that cash and cash equivalents, other balances with bank, trade receivables, loans, unbilled revenues, trade payables, other financial assets and liabilities approximate their carrying amounts largely due to the short term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties. The following methods and assumptions were used to estimate the fair values.

- The Company enters into derivative financial instruments with various counterparties, principally banks and financial institutions. Foreign exchange forward are valued using valuation techniques, which employs the use of market observable inputs. The valuation has been done by an independent expert.

- Fair value of interest bearing borrowings and loans are determined using discounted cash flow method (DCF) using discount rate that reflects the issuer's borrowing rate of a similar loan. The own performance risk has been assessed to be insignificant.

2 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. This comprises of mutual funds that have quoted price.
- 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). This comprises of derivative financial instruments and borrowings.
- 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 Company does not have any such financial instruments.

The following table summarizes 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 disclosures are required):

	Date of valuation	Fair value hierarchy as at March 31, 2019			
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
		INR lacs	INR lacs	INR lacs	INR lacs
<b>Asset measured at fair value</b>					
FVTPL financial investments	March 31, 2019	163.86	-	-	163.86
<b>Liabilities measured at fair value</b>					
Derivative financial liabilities	March 31, 2019	-	628.25	-	628.25
<b>Liabilities for which fair values are disclosed</b>					
Fixed rate borrowings (INR)	March 31, 2019	-	777.89	-	777.89
<b>Total</b>		-	<b>1,406.14</b>	-	<b>1,406.14</b>

	Date of valuation	Fair value hierarchy as at 31st March, 2018			
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
		INR lacs	INR lacs	INR lacs	INR lacs
<b>Asset measured at fair value</b>					
Derivative instrument	March 31, 2018	-	216.10	-	216.10
<b>Liabilities for which fair values are disclosed</b>					
Fixed rate borrowings (INR)	March 31, 2018	-	2,470.60	-	2,470.60
Floating rate borrowings (USD)	March 31, 2018	-	13,521.06	-	13,521.06
<b>Total</b>		-	<b>15,991.66</b>	-	<b>15,991.66</b>

There has been no transfer between level 1 and level 2 during the period.

### 3 Capital Management & Gearing Ratio

For the purpose of capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of capital management is to maximize the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. From time to time, the Company reviews its policy related to dividend payment to shareholders. The Company monitors capital using gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings, less cash and cash equivalents.

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 period was as follows:

	INR lacs	
	March 31 2019	March 31 2018
Debt (i)	15,154.79	15,991.66
Less: Cash and Bank balances	134.10	114.06
<b>Net debt</b>	<b>15,020.69</b>	<b>15,877.60</b>
Total Capital (ii)	10,066.79	8,186.83
<b>Capital and net debt</b>	<b>25,087.48</b>	<b>24,064.43</b>
Net debt to Total Capital plus net debt ratio (%)	59.87	65.98

- (i) Debt is defined as long-term borrowings (including current maturities) and short-term borrowings (excluding derivative).  
(ii) Equity is defined as Equity share capital and other equity including reserves and surplus.

### 4 Financial risk management objectives and policies

The Company's principal financial liabilities, other than derivatives, comprise borrowings, trade and other payables and other financial liabilities. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations. The Company's principal financial assets include loans, trade and other receivables, cash and cash equivalents, other bank balances, unbilled receivables and other financial assets that derive directly from its operations. The Company also enters into derivative transactions.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management reviews the financial risks and the appropriate financial risk governance framework for the Company. The Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. All derivative activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. It is the Company's policy that no trading in derivatives for speculative purposes may be undertaken.

#### 4.1 Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of three types of risk: currency risk, interest rate risk and equity price risk. The equity price risk is not applicable for the Company. Financial instruments affected by market risk include loans and borrowings and derivative financial instruments.

The sensitivity analysis in the following sections relate to the position as at March 31, 2019 and March 31, 2018.

The sensitivity analysis has been prepared on the basis that the amount of net debt, the ratio of fixed to floating interest rates of the debt and derivatives and the proportion of financial instruments in foreign currencies are all constant. The analysis exclude the impact of movements in market variables on: the carrying values of provisions; and the non-financial assets.

**Walwhan Solar BH Limited**  
**(Formerly known as Walwhan Solar BH Private Limited and Welspun Energy Jharkhand Private Limited)**  
**Notes to the financial statements for the year ended March 31, 2019**

**4.1.1 Foreign currency risk management**

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company is exposed to foreign exchange risk through capital buyers' credit availed in USD for import of solar modules. The results of the Companies operations can be affected as the rupee appreciates/depreciates against this currency. The Company enters into derivative financial instruments such as foreign exchange forward to mitigate the risk of changes in exchange rates on foreign currency exposures. The following table analyzes foreign currency assets and liabilities on balance sheet dates:

Foreign Currency Liabilities	March 31, 2019		March 31, 2018	
	Foreign Currency	INR lacs	Foreign Currency	INR lacs
	Million		Million	
In USD	20.79	14,376.90	20.79	13,521.06

Foreign Currency Liabilities (Unhedged)*	March 31, 2019		March 31, 2018	
	Foreign Currency	INR lacs	Foreign Currency	INR lacs
	Million		Million	
In USD	0.23	157.48	0.14	94.91

\*The amount represent interest accrued but not due on buyer's credit as at year end. Company has reinstated the liability as per closing rate. Foreign currency exposure considered insignificant.

**(a) Foreign currency sensitivity analysis**

The following tables demonstrate the sensitivity to a reasonably possible change in USD exchange rates, with all other variables held constant. The impact on the Company's profit before tax and pre-tax equity is due to changes in the fair value of monetary assets and liabilities including non-designated foreign currency forward given as under :-

	INR Lacs			
	Effect on profit before tax		Effect on pre-tax equity	
	Other#	Unhedged	Other#	Unhedged
<b>As of March 31, 2019</b>				
Rupee depreciate by INR1 against USD	(206.00)	(2.30)	(206.00)	-
Rupee appreciate by INR1 against USD	206.00	2.30	206.00	-
<b>As of March 31, 2018</b>				
Rupee depreciate by INR1 against USD	(206.00)	(0.14)	(206.00)	(0.14)
Rupee appreciate by INR1 against USD	206.00	0.14	206.00	0.14

# The above amount is secured against fluctuation in the market rate by way of forward contract taken by the company.

**(b) Derivative financial instruments**

The Company holds derivative financial instruments such as foreign exchange forward to mitigate the risk of changes in exchange rate on foreign currency exposure. The counterparty for these contracts is generally a Bank or a Financial institution. These derivative financial instrument are valued based inputs that is directly or indirectly observable in the marketplace by an independent expert.

The following table gives details in respect of outstanding foreign exchange forward and CIRS contracts:

**Outstanding Contracts**

Buy/ Sell	March 31, 2019		
	Foreign Currency (in millions)	Nominal Value in INR lacs	Fair Value in INR lacs
Other Derivatives			
Forward contracts- in USD	20.79	14,378.61	(628.25)
Total- in USD	20.79	14,378.61	(628.25)

Buy/ Sell	March 31, 2018		
	Foreign Currency (in millions)	Nominal Value in INR lacs	Fair Value in INR lacs
Other Derivatives			
Forward contracts- in USD	20.79	13,451.68	216.10
Total- in INR USD	20.79	13,451.68	216.10

**4.1.2 Interest rate risk management**

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

The Companies manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings.

**(a) Interest rate sensitivity:**

The sensitivity analysis below have been determined based on exposure to interest rates for buyer's credit 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 borrowings 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 Companies profit in that financial year would have been as below:

	INR lacs			
	As of March 31, 2019		As of March 31, 2018	
	50 bps increase	50 bps decrease	50 bps increase	50 bps decrease
Interest expense on loan	71.88	(71.88)	67.26	(67.26)
Effect on profit before tax	(71.88)	71.88	(67.26)	67.26

**Walwhan Solar BH Limited**

(Formerly known as Walwhan Solar BH Private Limited and Welspun Energy Jharkhand Private Limited)

Notes to the financial statements for the year ended March 31, 2019

**4.2 Credit risk management**

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its other activities including derivative contracts. The Company generally deals with parties which has good credit rating/ worthiness or based on Company's internal assessment as listed below:

	INR lacs	
	March 31, 2019	March 31, 2018
Trade receivables	1,552.56	790.11
Loans	1,698.47	-
Unbilled revenue	527.61	532.75
Other financial assets	118.19	863.30
<b>Total</b>	<b>3,896.83</b>	<b>2,186.16</b>

a) Trade receivables (including unbilled revenue) as stated above are due from the Discoms and are under normal course of the business and as such the Company believes exposure to credit risk to be minimal.

The Companies has not acquired any credit impaired asset. There was no modification in any financial assets.

**4.3 Liquidity risk management**

The Companies manages liquidity risk by maintaining adequate reserves, banking facilities, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities. The Company has access to a sufficient variety of sources of funding and debt maturing within 12 months can be rolled over with existing lenders, wherever applicable

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

	INR lacs			
	Up to 1 year	1 to 5 years	5+ years	Total
<b>31st March, 2019</b>				
<b>Non-Derivatives</b>				
Borrowings*	14,376.90	-	777.89	<b>15,154.79</b>
Future Interest on above borrowing	244.86	-	-	<b>244.86</b>
Trade Payables	280.19	-	-	<b>280.19</b>
Other Financial Liabilities	163.08	-	-	<b>163.08</b>
<b>Total Non-Derivative Liabilities</b>	<b>15,065.03</b>	-	<b>777.89</b>	<b>15,842.92</b>
<b>Derivatives</b>				
Other Financial Liabilities	628.25	-	-	<b>628.25</b>
<b>Total Derivative Liabilities</b>	<b>628.25</b>	-	-	<b>628.25</b>
<b>31st March, 2018</b>				
<b>Non-Derivatives</b>				
Borrowings*	-	13,451.68	2,470.60	<b>15,922.28</b>
Future Interest on above borrowing	509.28	756.07	6,059.87	<b>7,325.22</b>
Trade Payables	647.71	-	-	<b>647.71</b>
Other Financial Liabilities	378.02	-	-	<b>378.02</b>
<b>Total Non-Derivative Liabilities</b>	<b>1,535.01</b>	<b>14,207.75</b>	<b>8,530.47</b>	<b>24,273.23</b>
<b>Derivatives</b>				
Other Financial Liabilities	-	-	-	-
<b>Total Derivative Liabilities</b>	-	-	-	-

\* Including current maturities of long term debt

The table has been drawn up based on the undiscounted contractual maturities of the financial liabilities including interest that will be paid on those liabilities upto the maturity of the instruments, ignoring the refinancing options available with the Company. 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 period.

The Company has access to financing facilities. The Company expects to meet its obligations from operating cash flows and proceeds of maturing financial assets.

The disclosed financial derivative instruments in the above table are the gross undiscounted cash flows. However, those amounts may be settled gross or net. The following table shows the corresponding reconciliation of those amounts to their carrying amounts

30 Payments to the auditors remuneration:-

Particulars	For the Year ended	For the Year ended
	March 31, 2019	March 31, 2018
(a) For statutory audit	0.71	0.71
(b) For limited review	1.06	2.80
(c) For tax audit	0.59	0.59
(d) Other services - certification	0.35	-
(e) Out of pocket expense	0.11	0.07
	<b>2.82</b>	<b>4.17</b>

31 Capital Commitment

Particulars	As at	As at
	March 31, 2019	March 31, 2018
Estimated amount of contracts remaining to be executed on capital account and not provided for	63.23	73.40
<b>Total</b>	<b>63.23</b>	<b>73.40</b>

The company does not have any long term commitment or material non-cancellable contractual commitments/ contracts which might have a material impact on the financial statements.

32 Details of Expenditure on Corporate Social Responsibility :

Particular	As at	As at
	March 31, 2019	March 31, 2018
Contribution to Tata Power Community Development Trust	9.96	-
Expenses incurred by the Group Companies	-	-
<b>Total</b>	<b>9.96</b>	<b>-</b>
<b>Amount required to be spent as per section 135 of the Act</b>	<b>8.49</b>	<b>-</b>
<b>Amount spent during the year on:</b>		
(a) Construction/Acquisition of asset	-	-
(b) On purposes other than (a) above	9.96	-

33 Segment reporting

The company is engaged in a single segment i.e., the business of "Generation of power" from where it is earning its revenue and incurring expense. The operating results are regularly reviewed and performance is assessed by its Chief Operating Decision Maker (CODM). All the company's resources are dedicated to this single segment and all the discrete financial information is available for this segment. The company is having all its revenue from sale to single customer.

34 The Company had obtained 21.65 acres of land through registered lease deed for 33 years for setting up a solar power plant in Bihar. During the current year, the lease was treated by Collector, Gaya as illegal for entering into lease without order of any competent authority, and was cancelled alongwith recovery of penal rent. The Company filed Writ Petition before Patna High Court against the said Order. Patna High Court, stayed the operations of the Collectors Order and provided certain time to file counter affidavit.

The Company is of the view that it has a good case with likelihood of liability arising out of the said cancellation being remote. Accordingly, pending settlement of the legal dispute, no adjustment has been made in the financials for the year ended 31st March 2019

35 Micro and small enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 have been determined based on the information available with the Company and the required disclosures are given below:

Particular	As at	As at
	March 31, 2019	March 31, 2018
(a) Principal amount remaining unpaid as on 31st March	2.00	-
(b) Interest due thereon as on 31st March @	-	-
(c) The amount of Interest paid along with the amounts of the payment made to the supplier beyond the appointed day @	-	-
(d) The amount of Interest due and payable for the year @	-	-
(e) The amount of Interest accrued and remaining unpaid as at 31st March @	-	-
(f) The amount of further interest due and payable even in the succeeding years, until such date when the interest dues as above are actually paid @	-	-

Dues to Micro and small enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

@ Amounts unpaid to Micro and small enterprises vendors on account of retention money have not been considered for the purpose of interest calculation.

8

Walwhan Solar BH Limited  
(Formerly known as Walwhan Solar BH Private Limited and Welspun Energy Jharkhand Private Limited)  
Notes to the financial statements for the year ended March 31, 2019

- 36 The Company does not have any pending litigations which would impact its financial position.
- 37 Previous year figures have been regrouped / reclassified wherever necessary, to confirm with current year presentation.
- 38 **Significant Events after the Reporting Period**  
There were no significant adjusting events that occurred subsequent to the reporting period other than the events disclosed in the relevant notes.

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The accompanying notes are an integral part of the financial statements

As per our report on even date

For S R B C & CO LLP  
Chartered Accountants  
ICAI Firm Registration No: 324982E/E300003



per Suresh Yadav  
Partner  
Membership No. 119878

Date : April 15, 2019  
Place : Mumbai

For and on behalf of Board of Directors



Mahesh Paranjpe  
Director  
DIN 03530639

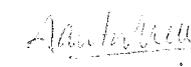


Beham Mehta  
Chief Financial Officer

Date : April 15, 2019  
Place : Mumbai



Pradipto Roy  
Director  
DIN 08164464



C.R. Santosh  
Company Secretary

Date : April 15, 2019  
Place : Mumbai

