



ANNUAL REPORT F.Y. 2020-2021

NELLAI RENEWABLES PRIVATE LIMITED

(Group Company of 'Statkraft' – Europe's largest renewable energy company)



Powering a green future

We are committed to develop and manage green, smart and profitable energy solutions

competent

responsible

innovative

INDEX		
S NO.	PARTICULARS	PAGE NO.
1	Notice of AGM	3-10
2	Directors report	11-18
3	Auditor's Report	19-22
4	Financial Statement	23-25
5	Notes to Financial Statement	26-36

NOTICE

NOTICE IS HEREBY GIVEN THAT THE FIRST ANNUAL GENERAL MEETING OF THE MEMBERS OF NELLAI RENEWABLES PRIVATE LIMITED WILL BE ON TUESDAY THE 30TH DAY OF NOVEMBER 2021 AT IST 01:30 PM THROUGH AUDIO VISUAL MEANS THROUGH MICROSOFT TEAMS MEETING [CLICK HERE TO JOIN THE MEETING](#) IN ACCORDANCE WITH GENERAL CIRCULAR NO. 20/2020 DATED 5TH MAY 2020 OF MINISTRY OF CORPORATE AFFAIRS, TO TRANSACT THE FOLLOWING BUSINESS:

ORDINARY BUSINESS

Item No. 1 - To receive, consider and adopt the audited financial statements of the Company for the financial year ended on 31st March 2021 together with the Reports of the Board of Directors and the Auditors thereon.

To consider and if thought fit to pass with or without modification, the following resolution as an **ORDINARY RESOLUTION**:

“RESOLVED that the Audited Financial Statements which includes Audited Balance Sheet as at 31st March 2021 and the Statement of Profit & Loss, the Cash Flow Statement and statement of equity for the year ended 31st March 2021 along with the Notes and the Reports of the Board of Directors and the Auditors thereon be and are hereby approved and adopted.”

Item No. 2 –Appointment of Statutory Auditor

To consider and if thought fit to pass with or without modification, the following resolution as an **ORDINARY RESOLUTION**:

“**RESOLVED THAT** pursuant to the applicable provisions of Section 139 of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014, including any modification(s), re-enactment(s) thereof, for the time being in force, consent of the shareholders be and hereby accorded to appoint M/s Deloitte Haskins & Sells, Chartered Accountants (FRN. 015125N), as



NELLAI RENEWABLES PRIVATE LIMITED

CIN: U40108DL2020PTC363557

Registered office address:

401, 4th Floor, D-1, Salcon Rasvilas Building,
Saket District Area, Saket New Delhi-110 017.

Office: +91 11 6616 1200

Telefax: +91 11 6616 1299

www.statkraft.com, www.statkraft.in

Statutory Auditors of the Company from this First Annual General Meeting till the conclusion of Sixth Annual General Meeting i.e. for the financial year 2025-26 at such remuneration as may be mutually agreed between the Board of Directors and the Auditor.

**By Order of the Board of Directors
For Nellai Renewables Private Limited**

**Ms. Ira Srivastava
Company Secretary
Membership No. 65496
Address: EWS 20, 21, Rapti Nagar,
Phase- IV, Gorakhpur, UP - 273013**

**Place: Delhi
Dated: 29.11.2021**

NOTES:

1. Explanatory Statement setting out the material facts concerning each item of special businesses (if any) to be transacted at the general meeting pursuant to Section 102 of the Companies Act, 2013, is annexed hereto and forms part of the Notice.
2. In view of the COVID 19 pandemic, the Ministry of Corporate Affairs vide its Circulars dated 8th April, 2020 read with Circular dated 13th April, 2020 and 5th May, 2020 (collectively referred to as 'Circulars'), has introduced certain measures enabling companies to convene their Extra-Ordinary General Meetings (EGM/ Meeting) through Video Conferencing (VC) or Other Audio-Visual Means (OAVM) and also send notice of the Meeting and other correspondences related thereto, through electronic mode.
3. The members who have not yet registered their e- mail ids with the Company may contact Secretarial.Nellai@statkraft.com for registering their e-mail ids on or before IST 10:00 am on 30th November 2021. The Company shall send the notice to such members whose e-mail ids get registered within the aforesaid time enabling them to participate in the meeting and cast their votes.
4. If there is any change in the e-mail ID already registered with the Company, members are requested to immediately notify such change to the Company.
5. In terms of the aforesaid Circulars, the businesses set out in the Notice will be transacted by the members only through remote e-voting or through the e-voting system provided during the meeting while participating through VC facility.
6. The facility of e-voting through the same portal provided by [Click here to join the meeting](#) will be available during the Meeting through VC.
7. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names shall be entitled to vote.
8. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013 and the Register of Contracts and Arrangements in which Directors are interested maintained under Section 189 of the Companies Act, 2013 shall be made available only in electronic form for inspection during the Meeting through VC.
9. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON POLL ON HIS BEHALF. A PROXY NEED NOT BE A MEMBER OF THE COMPANY.



NELLAI RENEWABLES PRIVATE LIMITED

CIN: U40108DL2020PTC363557

Registered office address:

401, 4th Floor, D-1, Salcon Rasvilas Building,
Saket District Area, Saket New Delhi-110 017.

Office: +91 11 6616 1200

Telefax: +91 11 6616 1299

www.statkraft.com, www.statkraft.in

A person can act as a proxy on behalf of members not exceeding fifty in number and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or Member.

10. The instrument appointing the proxy, to be effective, must be deposited at the Company's registered office or sent on email id of Company Secretary secretarial.nellai@statkraft.com, duly completed and signed, on or before start of the meeting. The proxy form in Form MGT-11 is duly annexed.

Corporate members intending to send their authorized representatives to attend the meeting are requested to send to the Company a certified copy of the board resolution authorizing their representative to attend and vote on their behalf at the AGM.

11. Members are requested to bring their Attendance Slip (duly annexed with this notice), only bonafide Members/Proxy holders, in possession of valid Attendance Slips duly filled and signed will be permitted to attend the meeting.

12. All documents referred to in the notice will be available for inspection at the Company's registered office during normal business hours on working days up to the conclusion of the Extra -ordinary General Meeting.

13. All members are requested to notify any change in their addresses. The Company has the option of sending notices in electronic mode pursuant to Section 101 of the Companies Act, 2013, read with rule 18 of the Companies (Management and Administration) Rules, 2014, and it is requested to all the members to provide their e-mail addresses to the Company for sending notices in electronic mode.

**By Order of the Board of Directors
For Nellai Renewables Private Limited**

**Ms. Ira Srivastava
Company Secretary
Membership No. 65496
Address: EWS 20, 21, Rapti Nagar,
Phase- IV, Gorakhpur, UP - 273013**

**Place: Delhi
Dated: 29.11.2021**



NELLAI RENEWABLES PRIVATE LIMITED
 CIN: U40108DL2020PTC363557
 Registered office address:
 401, 4th Floor, D-1, Salcon Rasvilas Building,
 Saket District Area, Saket New Delhi-110 017.
 Office: +91 11 6616 1200
 Telefax: +91 11 6616 1299
 www.statkraft.com, www.statkraft.in

MGT-11

PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

1st Annual General Meeting of Nellai Renewables Private Limited – 30th November, 2021

Name of Member(s):

Registered Address:

Folio No./Client Id: DP ID: E-mail ID

I/We, being the member(s) ofShares of the above named Company, hereby appoint:

1. Name: Address:
 E mail Id: Signature:

or
 failing
 him/he
 r

2. Name: Address:
 E mail Id: Signature:

or
 failing
 him/her

3. Name: Address:
 E mail Id: Signature:

or
 failing
 him/he
 r

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 1st Annual General Meeting of the Company to be held on Tuesday the 30th day of November 2021 at IST 01:30 P.M. through audio Visual Microsoft Teams Meeting or at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution Number	Resolution	Vote (Optional see Note 2)		
		(Please mention no. of share)		
		For	Against	Abstain
1)	As Ordinary Resolution to consider and adopt the audited financial statement of the Company for the financial year ended March 31, 2021, the reports of the Board of Directors and Auditors thereon			
2)	As Ordinary Resolution to appoint M/s Deloitte Haskins & Sells, Chartered Accountants (FRN. 015125N) as Statutory Auditors of the Company.			

Signed this day of 2021.

Signature of Shareholder

Signature of Proxy holder(s)

Affix a Re.1/- Revenue Stamp

Notes:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company at 401, Level 4, Salcon Rasvilas Building, Saket District Centre, New Delhi- 110017 India or sent via email to Secretarial.Nellai@statkraft.com on or before the commencement of the Meeting.

2. Those Members who have multiple folios with different joint holders may use copies of this Attendance slip.



NELLAI RENEWABLES PRIVATE LIMITED
CIN: U40108DL2020PTC363557
Registered office address:
401, 4th Floor, D-1, Salcon Rasvilas Building,
Saket District Area, Saket New Delhi-110 017.
Office: +91 11 6616 1200
Telefax: +91 11 6616 1299
www.statkraft.com, www.statkraft.in

ATTENDANCE SLIP

1st Annual General Meeting of Nellai Renewables Private Limited – 30th November, 2021

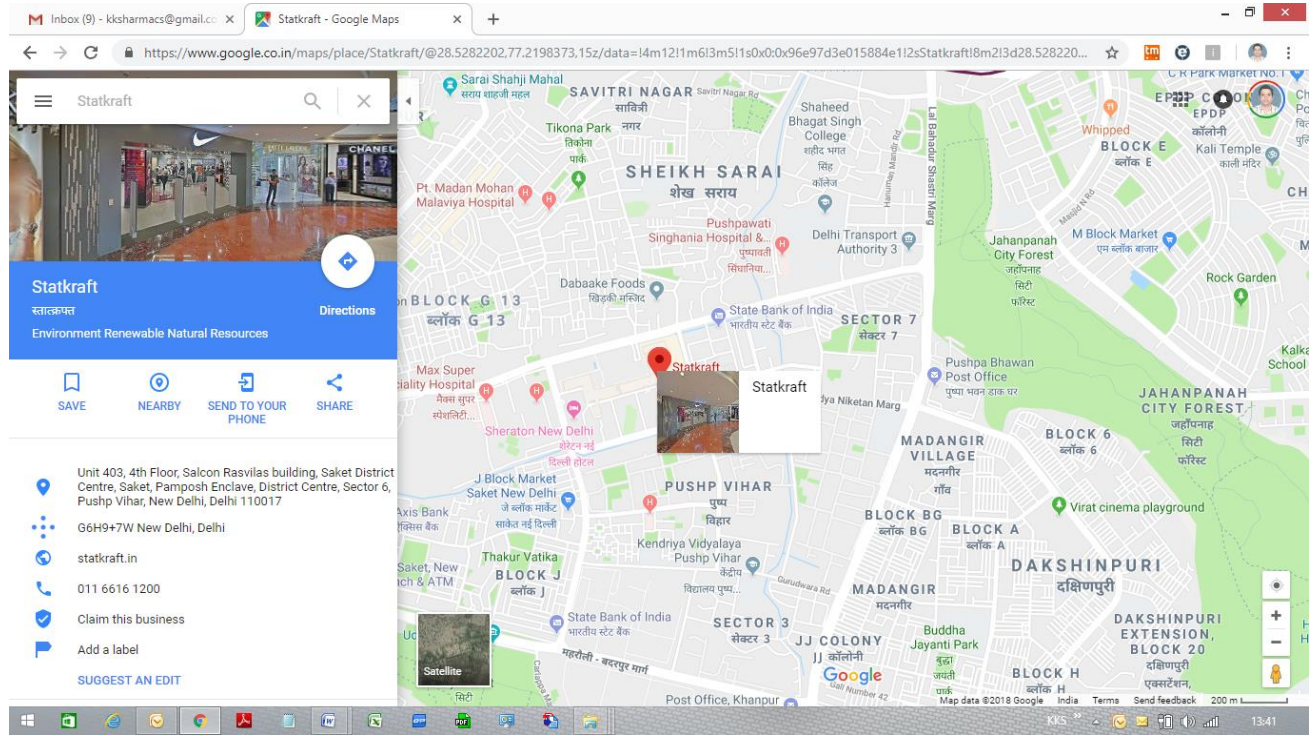
1.	Full name of the Shareholder/ Proxy/Authorized Representative:		
2.	Folio No. /Client Id:		
3.	If Proxy/Authorized Representative, Full Name of Shareholder:		

I hereby record my presence at the 1st Annual General Meeting of the Company held on Tuesday the 30th day of November 2021 at IST 05:00 P.M. through audio Visual Microsoft Teams Meeting.

Signature of the Shareholder/ Proxy Holder/Authorized Representative

Note: This attendance slip is to be handover at the entrance of the Meeting Hall.

Location of the registered office



DIRECTORS' REPORT

Dear Members,

On behalf of the Board of Directors, we present the First Annual Report on the business and operations of your company together with the Audited Financial Statement for the year ended March 31, 2021.

1. FINANCIAL RESULTS SUMMARY

The Financial results for the year are as under: -

(Amount in INR 000)

Particulars	2020-21	2019-20
Total Revenue (A)	3,994	-
Expenses:		
Purchase of power -trading	-	-
Employee benefit Exp	-	-
Finance Cost	-	-
Depreciation	-	-
Other Exp	(30,579)	-
Total Expenses: (B)	(30,579)	-
Profit/(Loss) for the Year (before tax) (A-B)	(26,585)	-
Tax Expense	(473)	-
Profit/(Loss) for the Year (after tax)	(27,058)	-
Earnings /(Loss) per Equity share (of Rs.10 each) Basic/Diluted	(1.49)	-

Your company has incurred net loss during the year.

2. OVERALL PERFORMANCE AND THE STATEMENTS OF AFFAIRS OF THE COMPANY ARE AS UNDER:

2.1 MANAGEMENT DISCUSSION AND ANALYSIS

Management Discussion and Analysis Report for the year under consideration, is presented as under:

Nellai is a 55 MW ac Solar Power project at Tirunelveli and is expected to be commissioned in second quarter of 2022. The Nellai Project site will be constructed over an area of approximately 200 acres to accommodate 55 MWAC (76 MWDC) capacity. The terrain is mostly flat and uncultivated, which makes the site highly suitable for solar project development. The area receives sunshine around 300 days in a year, providing an estimated net generation of 123.6 GWh per annum and a capacity utilization factor of 18.56%(DC).

The project is a group captive projects, under this mechanism, our customers will own a minimum share of 26% and will buy 100% of the power through long term Power Purchase Agreements. In Sept 2021, company had received NFR (Noted for Record) from TANGEDCO for 55MW project.

During the year under review, there has been no change in the nature of business of the Company. and no significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

a) Financial Analysis and review of Operations: (In INR 000)

Total revenue from operations of your Company during the year was Nil, other income Rs. 3,994 and the total expenditure during the same time was Rs. (30,579). Your Company is engaged in the business of purchase, sell, distribution, trade, import, export, generation or otherwise to deal in all forms of electrical power. Your company has a net loss from the current year operations.

Resource Utilization:

i) Fixed Assets: (In INR 000)
The gross fixed asset as at 31st March 2021 are Rs.148,561/- as compared to Rs. Nil/-in the previous year including Capital work in progress.

ii) Current Assets: (In INR 000)
The current assets as on 31st March 2021 are Rs. 98,280/- as against Rs. Rs. Nil/ in the previous year.

b) Internal Control System:

The Company's internal control systems commensurate with the nature of its business and the size and complexity of functions & operations. These systems are routinely tested and also certified by the Statutory Auditors of the Company and cover key areas of the Company. The Board is of the view that policies, system and procedures adopted by the Company provide for suitable internal financial controls and are operating effectively.

3. DIVIDEND

Due to the losses incurred by the Company, your Board of Directors has decided not to declare any dividend for the financial year 2020-21.

4. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION PROVIDENT FUND

The provisions of the section 125(2) of Companies Act 2013 do not apply as there was no dividend declared and paid last year.

5. RESERVES

Since the Company has not declared any dividend for the period, the Directors do not propose to transfer any amount to the General Reserves.

6. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY AFTER 31ST MARCH 2021

During the year, on 26th of March 2021 Statkraft India Private Limited of which our company was a wholly-owned subsidiary transferred its 74% shareholding (1,48,00,000 Equity shares of Rs. 10 each) to Statkraft IH Holding AS, (SIHH) Norway. As on 31st March 2021 the shareholding of the company was as under:

Shareholders as on 31 st March 2021#	Shares	Percentage
Statkraft India Private Limited	51,99,999	26.00
Statkraft IH Holding AS, (SKIHH) Norway	1,48,00,000	73.99
Statkraft Market Private Limited	1	0.01
Total	2,00,00,000	100

#Further, on 25th May 2021 remaining 51,99,999 shares (26%) were transferred to Group Captive Users comprising of 9 Indian companies.

There were no other material changes and commitments affecting the financial position of the Company after 31st March 2021.

7. CHANGES IN CAPITAL STRUCTURE

The Company has not issued any new shares during the year under review. During the period under review, no change has taken place with regard to capital structure of the Company. As on 31st March, 2021 the Authorised Capital of the Company was INR 20,00,00,000 (Indian rupees Twenty Crore) and paid-up capital of the company was INR 20,00,00,000 (Indian rupees Twenty Crore).

8. DIRECTORS

As on the date of this report following are the Directors:

Sr. No	Name of Director	Category
1	Mr. Sanjeev Mehra	Non -executive Director (Chairman)
2	Mr. Pradeep Kr Yadav	Non-executive Director
3	Mr. Gauri Shankar Mishra	Non-executive Director

As per the declarations received, none of the Directors of the Company are disqualified for being appointed as Directors as specified in Section 164 (2) (a) and (b) of the Companies Act, 2013.

None of the Non-Executive Directors had any pecuniary relationship or transactions with the Company. No remuneration has been paid to the Directors of the Company for FY20.

Company Secretary:

Mr. Yogesh Sharma has been appointed as Company secretary of the company with effect from 3rd August 2020. Further, as company ceases to be subsidiary of Statkraft India Private Limited on 26th Mar 2021, Mr. Yogesh Sharma tendered his resignation and Ms. Ira Srivastava was appointed as Company Secretary of the company with effect from 24th May 2021.

9. BOARD MEETINGS

During the Financial Year 2020-21, the Board met 6 times i.e. on 03rd June 2020, 02nd July, 2020, 03rd August, 2020, 30th October, 2020, 15th December, 2020 & 26th March 2021.

Attendance of Directors:

Name of the Director	Meeting Attended	% of Attendance
Mr. Sanjeev Mehra	6/6	100
Mr. Pradeep Kumar Yadav	6/6	100
Mr. Gauri Shankar Mishra	6/6	100

10. DECLARATION BY INDEPENDENT DIRECTORS

The provisions of Section 149(7) of the Companies Act, 2013 pertaining to the appointment of Independent Directors do not apply to your Company.

11. POLICY ON SELECTION OF DIRECTORS

The Company believes that an enlightened Board consciously creates a culture of leadership to provide a long-term vision and policy approach to improve the quality of governance. The Board Members are expected to have adequate time and expertise and experience to contribute to effective Board performance. The policy requires the Directors to be of high integrity with relevant expertise and experience so as to have a diverse Board and should limit their directorship in other companies in such a way that it does not interfere with their role as directors of the Company.

12. SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

Your Company does not have any direct Subsidiary, Joint Venture or Associate Company.

13. CORPORATE SOCIAL RESPONSIBILITY

Currently Corporate Social Responsibility is not applicable on the company therefore, annual Report on CSR activities is not annexed herewith. The Company will adapt and follow the requirements once the same start applying to the Company.

However, we are very happy to inform the members that that we have successfully implemented the 1st voluntary CSR initiative for Nellai Solar Project in southern part of India. This initiative was implemented under 'Helping to Heal' CSR program today and is 3rd of its kind since the program was launched in 2020. This initiative has given us a very good opportunity to establish a foundation for a healthy relationship with the local community in Tirunelveli district, where the project is about to start construction. Under this initiative we have provided this health care unit with needed medical equipment for primary treatment of COVID cases and also COVID related supplies. We are hoping these small efforts from 'Statkraft' will have a substantial positive impact for the local community.

14. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Particulars required to be furnished in this report under Section 134 (3) (m) of the Companies Act, 2013 read with Rule 8 (3) of the Companies (Accounts) Rules, 2014 relating to conservation of energy and technology absorption are not applicable for the year under review, as your Company is engaged in the activity of trading of power and other related activities.

The details of earnings of foreign exchange and the expenditure in foreign currency during the period under review are as under:

Income in Foreign Currency**(In INR 000)**

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Professional fees	Nil	Nil
Reimbursement received	Nil	Nil
Total	Nil	Nil

Expenditure in Foreign Currency**(In Rs. 000)**

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Professional charges	Nil	Nil
Other expenses	Nil	Nil
Reimbursement of expenses	Nil	Nil
Total	Nil	Nil

15. Particulars of Loans, Guarantees or investments

There are no Loans, Guarantees and investments covered under the provisions of Section 186 of the Companies Act, 2013 and full disclosure has been made in the note 21 to the financial statement.

16. Related Party Transactions

All related party transactions are negotiated on arm's length basis and are intended to further the interests of the Company. As a prudent measure and good governance practice the Company has been placing such transactions before the Board or the Shareholders depending on the transaction value for their approval.

All contracts/ arrangements/ transactions entered by the Company during the financial year with related parties were in the ordinary course of business and negotiated on arm's length principle. Details of those transactions are annexed herewith in **Annexure 1**.

17. STATUTORY AUDITORS

Pursuant to resolution passed by the board in their board meeting held on 03rd day of June 2020, M/s Deloitte Haskins & Sells, Chartered Accountants (ICAI Registration No. 015125N) were appointed as the First Auditors of the Company.

The Board recommends for the approval of members, the appointment of M/s Deloitte Haskins & Sells, Chartered Accountants as the auditor of the company for period of five years from the conclusion of 1st First annual general meeting till the conclusion of 6th Sixth Annual General Meeting.

Appropriate resolution seeking your approval to the appointment and remuneration of M/s Deloitte Haskins & Sells, Chartered Accountants as the Statutory Auditors is appearing in the Notice convening the 1st AGM of the Company.

18. EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITORS IN THEIR REPORTS

The notes on financial statement referred to in the Auditors' Report are self-explanatory and do not call for any further comments. There are no qualifications, reservations or adverse remarks made by the Auditors in their report.

19. REPORT ON FRAUDS U/S 143 (12) OF THE COMPANIES ACT, 2013 AS GIVEN BY AUDITOR

The Auditors during the performance of their duties have not identified any offence of fraud committed by the company or its officers or employees. Therefore, no frauds have been reported to the Central Government under Section 143 (12) of the Companies Act, 2013.

20. COST AND SECRETARIAL AUDITORS

Cost and Secretarial audit is not applicable to the Company.

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

During the period under review, no significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

22. DIRECTOR'S RESPONSIBILITY STATEMENT

Your directors state that:

- i. in the preparation of the annual accounts for the year ended 31.03.2021, the applicable Accounting Standards have been followed and there are no material departures;
- ii. appropriate accounting policies have been selected and applied consistently, and have made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company and profit and loss of the Company as at 31.03.2021;
- iii. proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safe guarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. the Directors have prepared the annual accounts on a going concern basis.
- v. the Directors have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and were operating effectively; and
- vi. the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and those systems were adequate and operating effectively.

23. GENERAL

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

- a) Issue of equity shares with differential rights as to dividend, voting rights or otherwise;
- b) Issue of sweat equity shares and issue of shares under ESOP scheme to employees of the Company;
- c) Neither the Managing Director nor the Whole-time Directors of the Company receive any remuneration or commission from the subsidiary company.

24. PARTICULARS OF EMPLOYEES

The industrial relations scenario continued to be cordial. The company regards its employees as a great asset and accords high priority to training and development of employees.

The information required pursuant to Section 197 of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of managerial Personnel) Rules, 2014 is prepared and are kept in the records of the Company Secretary and shall be sent to the members, if required.

25. HUMAN RESOURCE MANAGEMENT

Your Company strongly believes that people are our most valued assets and important for the organization. The Company engages effectively with its employees for building and sustaining a high-performing business and retaining talent. In today's competitive environment it is of utmost importance to hire the right kind of talent at the right time which has been carried out successfully during the year under review. In order to uphold the values of ethical conduct and compliance to our Statkraft Way document, your Company ensured that all new joiners and existing employees of the Company undertook a training and awareness program to familiarize with the requirements of the principles on which the Company is operating.

To make the performance assessment more transparent, objective and bring in the culture of individual accountability towards their role, the Key Result Areas (KRAs) of all employees were set in line with the Departmental Objectives which in turn were set in accordance with Business Objectives (BOs) of the Company in consultation with their respective departmental heads. This gave each employee a clear picture and understanding of the area and scope of his responsibility and delivery standards.

26. RISK MANAGEMENT POLICY

The Company manages and monitors the principal risks and uncertainties that can impact its ability to achieve its strategic objectives and does not foresee any element of risk, which may threaten the existence of the Company.

27. DISCLOSURES:

(i) Significant and material orders passed by the regulators

During the year under review, no significant and material orders were passed by the Regulators or Courts or Tribunals impacting the going concern status and the Company's operations.

(ii) Public Deposits

The Company has neither accepted nor renewed any deposits from public within the meaning of Section 73 of the Companies Act, 2013 read with Companies (Acceptance of Deposit) Rules, 2014, during the year under review.

(iii) **Change in the nature of business**

During the year under review, there was no change in nature of business of the Company.

(iv) **Whistle Blower Policy**

The Company has established a mechanism under its Whistle Blower Policy at group level for employees to report to the management instances of unethical behavior, actual or suspected fraud or violation of the Company's code of conduct for employees and suppliers. The employees have been provided access to the policy document and have access to the line management or the Corporate Audit at head office to report any wrongdoing.

(v) **Website**

The company has developed its website for India operations for its customers and agencies.

Website is www.statkraft.in

28. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

Pursuant to the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 read with Rules as amended up to date, the Company had constituted Internal Complaints Committee (ICC). During the year under operation, ICC was re-constituted and ICC members were given training by an outside expert on how to receive and address the complaints received. The Company has also taken steps in creating awareness about familiarization to the said policy having been put in place and conducted sessions for the employees. There was no instance of alleged sexual harassment reported during the year under review.

29. ACKNOWLEDGMENTS

Your directors place on record their appreciation for employees at all levels, who have contributed to the improvement in the performance of your Company.

Your directors would like to thank all stakeholders, namely, clients, shareholders, advisors, generators, exchange, Regulatory Authorities, Central and State Governments, statutory authorities, agencies and bankers for the continuous support given by them to the Company and its Management.

**By Order of the Board of Directors
For Nellai Renewables Private Limited**

**(Sanjeev Mehra)
(Chairman and Director)
DIN: 02626778
Address: 523, Abhinav Apartment, B-12 Vasundhara
Enclave, Delhi- 110096**

**Place: Delhi
Dated: 29.11.2021**

Matter for Board Approval**I. Related party transactions of the Company for the year ended March 31, 2021:**

The statement covering related party transactions of the Company for the period ended March 31, 2021 to be placed before the Board members for the review and approval are as under:

All the transactions with related parties are at arms-length basis and in compliance with the requirements of the Companies Act, 2013.

We noted that all the below mentioned services related to manpower support services and others have been rendered by Statkraft India Private Limited ("SKI") to Nellai Renewables Private Limited ("the Company"). The Board has reviewed these services and noted that these services have been received by the Company.

S · N o ·	Particulars	Holding Company / Company under Common control (Amounts in Rs.)	Remarks
1 ·	Manpower support services		
	Statkraft India Private Limited("SKI")	5,00,94, 375	The amount is related to receipt of manpower support services in designing and commissioning, project feasibility studies and management of Company's solar power plant. (At markup of 15%)
2 ·	Reimbursement of expenses to		
	Statkraft India Private Limited	3,87,22, 930	The amount is related to reimbursement related to land aggregation services, consultancy services from external vendors, drafting and reviewing of customer and vendor agreements, etc. (At actual amount i.e. on cost to cost basis)
3 ·	Issue of Share Capital		
	Statkraft India Private Limited	19,99,99, 990	SKI has made investment in the Company amounting Rs.
	Statkraft Markets Private Limited	10	

	Statkraft IH Holding AS (Transferred from Statkraft India Private Limited)	14,80,00 ,000	19,99,99,990 on 19 th June 2020 and thereafter on 26 th March 2021, SKI has sold 74% of share capital amounting 14,80,00,000 to Statkraft IH Holding AS. Also, SKM has made investment of Rs. 10 in the Company.	Rs.
4 .	Redemption of Share Capital			
	Statkraft India Private Limited	14,80,00 ,000	Refer explanation above.	

II. Related party balances of the Company as at March 31, 2021:

The statement covering related party balances of the Company as at ended March 31,2021 to be placed before the Boards members for review and approval are as under:

S · n o	Particulars	Holding Company / Company under Common control (Amounts in Rs.)	Remarks
1	Trade Payable		
	Statkraft India Private Limited	2,27,59,246	The amount is related to payable in respect of manpower support services and reimbursement of expenses to SKI.
2	Capital Creditors		
	Statkraft India Private Limited	7,44,53,956	The amount is related to payable in respect of manpower support services and reimbursement of expenses to SKI which are related to development of the Company's project.

INDEPENDENT AUDITOR'S REPORT To The Members of Nellai Renewables Private Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Nellai Renewables Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss, the Cash Flow Statement for the period then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Accounting Standards prescribed under section 133 of the Act read with the Companies (Accounting Standards) Rules, 2006, as amended ("Accounting Standards") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, its loss and its cash flows for the period ended on that date.

Basis for Opinion

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

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

- The Company's management and Board of Directors is responsible for the other information. The other information comprises the information included in the Director's report, but does not include the financial statements and our auditor's report thereon.
- Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

Deloitte Haskins & Sells

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

Management's Responsibility for the Financial Statements

The Company's management and Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibility for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

Deloitte Haskins & Sells

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 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

Deloitte Haskins & Sells

reporting of the Company and the operating effectiveness of such controls, under section 143(3)(i) of the Act is not applicable in view of the exemption available to the Company in terms of the notification no. G.S.R. 583(E) dated June 13, 2017 issued by the Ministry of Corporate Affairs, Government of India, read with general circular No. 08/2017 dated July 25, 2017.

- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended.

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

- 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. Refer Note No. 15 to the financial statements.
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses. Refer Note No. 15 to the financial statements.
- iii. There were no amounts, which were required to be transferred to the Investor Education and Protection Fund by the Company. Refer Note No. 23 to the financial statements.

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

For **Deloitte Haskins and Sells**
Chartered Accountants
(Firm's Regn. No. 015125N)

Vikas Khurana
Partner
(Membership No. 503760)

UDIN:

Place: Gurugram
Date: November 29, 2021

Nellai Renewables Private Limited
Balance sheet as at March 31, 2021
(All amounts in Rupees (Rs.) unless otherwise stated)

Particulars	Note	As at 31 March 2021
EQUITY AND LIABILITIES		
Shareholders' funds		
(a) Share capital	2	200,000,000
(b) Reserves and surplus	3	<u>(27,058,089)</u>
		172,941,911
Current liabilities		
(a) Trade payables	4	
(i) Total outstanding dues of micro enterprises and small enterprises; and		-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		23,489,947
(b) Other current liabilities	5	81,236,362
(c) Short-term provisions	6	<u>172,722</u>
		<u>104,899,030</u>
		<u><u>277,840,941</u></u>
ASSETS		
Non-current assets		
Property, plant and equipment		
- Tangible assets	7	111,074,998
- Capital work-in-progress	8	<u>37,486,085</u>
		148,561,083
Long-term loans and advances	9	30,000,000
Current assets		
(a) Cash and Bank balances	10	98,228,437
(b) Short-term loans and advances	11	1,000,000
(c) Other current assets	12	<u>51,422</u>
		<u>99,279,859</u>
		<u><u>277,840,941</u></u>

See accompanying notes forming part of the financial statements
As per our report of the even date attached

1 to 23

For Deloitte Haskins & Sells
Chartered Accountants

For and on behalf of the Board of Directors of
Nellai Renewables Private Limited

Vikas Khurana

Partner

Place : Gurugram
Date : November 29, 2021

Sanjeev Mehra

Director
DIN:02626778

Place : Delhi
Date : November 29, 2021

Pradeep Kumar Yadav

Director
DIN:08125189

Place : Delhi
Date : November 29, 2021

Ira Srivastava
Company Secretary

Place : Delhi
Date : November 29, 2021

Nellai Renewables Private Limited
Statement of profit and loss for the period ended March 31, 2021
(All amounts in Rupees (Rs.) unless otherwise stated)

Particulars	Note	For the period from 05 May 2020 to 31 March 2021
Revenue		
Other income	13	3,994,306
		<u>3,994,306</u>
Expenses		
Other expenses	14	30,579,797
		<u>30,579,797</u>
Loss before tax		(26,585,491)
Tax expenses:		
- Current tax		472,598
Net loss after tax for the period		(27,058,089)
Earnings per share [nominal value of Rs 10 each]		
-Basic	17	(1.57)
-Diluted		(1.57)

See accompanying notes forming part of the financial statements 1 to 23
As per our report of the even date attached

For Deloitte Haskins & Sells
Chartered Accountants

For and on behalf of the Board of Directors of
Nellai Renewables Private Limited

Vikas Khurana
Partner

Sanjeev Mehra
Director
DIN:02626778

Pradeep Kumar Yadav
Director
DIN:08125189

Place : Gurugram
Date : November 29, 2021

Place : Delhi
Date : November 29, 2021

Place : Delhi
Date : November 29, 2021

Ira Srivastava
Company Secretary

Place : Delhi
Date : November 29, 2021

Nellai Renewables Private Limited
Cash flow statement for the period ended March 31, 2021
(All amounts in Rupees (Rs.) unless otherwise stated)

**For the period from 05 May
2020 to
31 March 2021**

Particulars

Cash flows from operating activities

Loss before Tax		(26,585,491)
Adjustments for:		
Interest income		(3,994,306)
Operating cash flow before working capital changes		(30,579,797)
(Increase) in long term loans and advances		(31,000,000)
Increase in trade payables		23,489,947
Increase in other current liabilities		6,782,406
Increase in Short term provisions		172,722
Cash used in operating activities		(31,134,722)
Income taxes (Net of refund)		(472,598)
Net cash generated from operating activities	A	(31,607,320)

Cash flows from investing activities

Purchase of property, plant and equipment including capital work-in-progress		(74,107,127)
Increase in bank deposits		(89,375,146)
Interest received		3,942,884
Net cash used in investing activities	B	(159,539,389)

Cash flows from financing activities

Proceeds from issue of equity shares		200,000,000
Net cash generated by financing activities	C	200,000,000

Net increase in cash and cash equivalents (A+B+C) **8,853,291**

Cash and cash equivalents at the beginning of the period -
Cash and cash equivalent at the end of the year (Refer note below) **8,853,291**

Note:

Components of cash and cash equivalents [Refer note 10]

Balances with banks		8,853,291
		8,853,291

See accompanying notes forming part of the financial statements
As per our report of the even date attached

1 to 23

For Deloitte Haskins & Sells
Chartered Accountants

For and on behalf of the Board of Directors of
Nellai Renewables Private Limited

Vikas Khurana
Partner

Sanjeev Mehra
Director
DIN:02626778

Pradeep Kumar Yadav
Director
DIN:08125189

Place : Gurugram
Date : November 29, 2021

Place : Delhi
Date : November 29, 2021

Place : Delhi
Date : November 29, 2021

Ira Srivastava
Company Secretary

Place : Delhi
Date : November 29, 2021

Nellai Renewables Private Limited
Notes to accounts forming part of the financial statements
(All amounts in Rupees (Rs.) unless otherwise stated)

Company Overview

Nellai Renewables Private Limited (hereinafter referred to as 'the Company') is a private limited Company incorporated in India on May 05, 2021 under the provisions of the Companies Act, 2013. The address of its registered office is 401, 4th Floor, D-1, Salcon Rasvillas Building, Saket District Area Saket, New Delhi, India 110017. Statkraft IH Holding AS, Norway ('the holding Company') holds 76% shares and Statkraft India Private Limited holds 26% shares of the Company. The Company's ultimate holding Company is Statkraft AS, Norway.

The Company is in process of setting up 76 MW DC capacity solar power project near Ettankulam village in the state of Tamil Nadu, South India. The solar power project is under the group captive model. Under this mechanism, the customers own a minimum share of 26% and will buy 100% of the power through long term PPAs. The Company expects that plant will be able to start its operations in May 2022. Project got NFR approval from TANGEDCO on 20th September 2021.

1 Significant accounting policies

(a) Basis of preparation

The financial statements are prepared and presented under the historical cost convention on the accrual basis of accounting and comply with the Accounting Standards prescribed under section 133 of the Companies Act, 2013 ('the Act'), read with the Companies (Accounting Standards) Rules, 2006, as amended ("Accounting Standards") and other accounting principles generally accepted in India. The financial statements are for the period 05 May 2020 to 31 March 2021 since the Company was incorporated on 05 May 2020, hence the previous year comparative figures are not applicable. The financial statements are presented in Indian rupees and rounded off to the nearest Rupee.

(b) Use of estimates

(c) Revenue recognition

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate.

(d) Property, plant and equipment

Property, plant and equipment are carried at cost less accumulated depreciation and accumulated impairment losses, if any. Cost includes its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates. It includes other costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in Statement of profit and loss as incurred.

Subsequent expenditures relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the costs of the item can be measured reliably. Repairs and maintenance costs are charged to the Statement of profit and loss when incurred. An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively.

Depreciation:

Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their 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.

Capital work in progress:

a.) Expenditure incurred on assets under construction (including a project) is carried at cost under Capital Work in Progress (CWIP). Such costs comprise purchase price of assets including import duties and non-refundable taxes (after deducting trade discounts and rebates), expenditure in relation to survey and investigation activities of projects, cost of site preparation, initial delivery and handling charges, installation and assembly costs, etc.

b.) Costs including manpower support, consultancy and professional fees, travel and conveyance expenses, depreciation on assets used in construction of project, interest during construction and other costs that are directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management are accumulated under "Capital work in progress" and subsequently allocated on systematic basis over major immovable assets, other than land. Net pre-commissioning income/expenditure is adjusted directly in the cost of related assets.

Nellai Renewables Private Limited
Notes to accounts forming part of the financial statements

(e) Impairment of assets

The Company periodically assesses whether there is any indication that an asset or a group of assets comprising a cash generating unit may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. For an asset or group of assets that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the statement of profit and loss. The recoverable amount is higher of the asset's, net selling price and value in use.

After recognition of impairment loss, depreciation is provided on the revised carrying amount of the asset, less its residual value (if any), over its remaining useful life. If at the balance sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciable historical cost. An impairment loss is reversed only to the extent that the carrying amount of asset does not exceed the net book value that would have been determined; if no impairment loss had been recognised.

Management uses the estimated future cash flows in assessing value in use for Property, plant and Equipments. Future estimated cash flows are discounted to their present value using a discount rate that reflects the current market assessments of the time value of money. The inputs to the valuation models are taken from observable markets where possible, but where this is not feasible a degree of judgement is required in establishing fair values. Judgements include consideration of inputs such as energy generation, tariff rates, discount rate, tax rates, inflation rates, etc.

(f) Foreign currency transactions

Initial recognition: Transactions in the foreign currency are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transactions.

Measurement of foreign currency monetary items at the balance sheet date: Monetary items denominated in foreign currencies at the period-end are restated at the exchange rates prevailing on the date of the balance sheet.

Treatment of exchange differences: The exchange difference arising on the settlement of monetary items or on reporting these items at rate different from the rates at which these were initially recorded are recognized as income/expense in the statement of profit and loss in the period in which they arise.

(g) Employee benefits

Short-term employee benefits

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

Defined contribution plans

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

Defined benefit plans

The Company's gratuity benefit scheme is a defined benefit plan. The Company's net obligation in respect of the defined benefit plan is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. Any unrecognised past service costs and the fair value of any plan assets are deducted. The calculation of the Company's obligation under each of the two plans is performed annually by a qualified actuary using the projected unit credit method.

The Company recognises all actuarial gains and losses arising from defined benefit plans immediately in the statement of profit and loss. All expenses related to defined benefit plans are recognised in employee benefits expense in the statement of profit and loss.

Compensated absences

The employees can carry-forward a portion of the unutilised accrued compensated absences and utilise it in future service periods or receive cash compensation on termination of employment. Since the compensated absences do not fall due wholly within twelve months after the end of the period in which the employees render the related service and are also not expected to be utilized wholly within twelve months after the end of such period, the benefit is classified as a long-term employee benefit. The Company records an obligation for such compensated absences in the period in which the employee renders the services that increase this entitlement. The obligation is measured on the basis of independent actuarial valuation using the projected unit credit method.

Nellai Renewables Private Limited
Notes to accounts forming part of the financial statements

(h) Taxation

Income-tax expense comprises current tax (i.e. amount of tax for the period determined in accordance with the Income-tax law) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the period). The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in future; however, where there is unabsorbed depreciation or carried forward business loss under taxation laws, deferred tax assets are recognised only if there is a virtual certainty of realisation of such assets.

Deferred tax assets/ liabilities are reviewed as at each balance sheet date and written down or written up to reflect the amount that is reasonably/ virtually certain (as the case may be) to be realised.

The Company offsets, the current tax assets and liabilities (on a year on year basis) and deferred tax assets and liabilities, where it has a legally enforceable right and where it intends to settle such assets and liabilities on a net basis.

Minimum Alternative Tax (MAT) credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income-tax during the specified period. In the year in which the MAT credit becomes eligible to be recognised as an asset in accordance with the recommendations contained in the guidance note issued by Institute of Chartered Accountants of India ('ICAI'), the said asset is created by way of a credit to the statement of profit and loss. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal tax during the specified period.

(i) Provisions and contingent liabilities

A provision is recognised when the Company has a present obligation as a result of past events, for which it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made. Provisions are reviewed regularly and are adjusted where necessary to reflect the current best estimate of the obligation. When the Company expects a provision to be reimbursed, the reimbursement is recognised as a separate asset only when reimbursement is virtually certain.

A disclosure for contingent liabilities is made where there is a possible obligation or a present obligation that may probably not require an outflow of resources. When there is a possible or a present obligation where the likelihood of outflow of resources is remote, no provision or disclosure is made.

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

(j) Trade Receivables and Loans and advances

Trade receivables and Loans and advances are stated after making adequate provisions for doubtful receivables and loans and advances.

(k) Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are unsecured and are presented as current liabilities unless payment is not due within 12 months after the reporting period.

(l) Earnings per share

The basic earnings per share is computed by dividing the net profit/ (loss) attributable to equity shareholders for the year by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the net profit by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the year, unless issued at a later date. In computing diluted earnings per share, only potential equity shares that are dilutive and that either reduces earnings per share or increases loss per share are included. The number of shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for the share splits.

(m) Cash flow statement

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

(n) Cash and cash equivalents

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

(o) Operating Cycle

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

(p) Subsequent Events

Based on the nature of the event, the Company identifies the events occurring between the balance sheet date and the date on which the financial statements are approved as 'Adjusting Event' and 'Non-adjusting event'. Adjustments to assets and liabilities are made for events occurring after the balance sheet date that provide additional information materially affecting the determination of the amounts relating to conditions existing at the balance sheet date or because of statutory requirements or because of their special nature. For non-adjusting events, the Company may provide a disclosure in the financial statements considering the nature of the transaction.

Nellai Renewables Private Limited
Notes to accounts forming part of the financial statements
(All amounts in Rupees (Rs.) unless otherwise stated)

2 Share capital

Particulars	As at 31 March 2021
Authorised share capital	
28,000,000 equity shares of par value of Rs.10 each	280,000,000
Issued, subscribed and paid up equity shares	
20,000,000 equity shares of par value of Rs.10 each	200,000,000
	200,000,000

(i) Reconciliation of equity shares outstanding at the beginning and at the end of the reporting period:

Particulars	No. of shares	Amount
At the beginning of the period	-	-
Issued during the period	20,000,000	200,000,000
Outstanding at the end of the period	20,000,000	200,000,000

(ii) The rights, preferences and restrictions attaching to each class of shares including restrictions on the distribution of dividends and the repayment of capital:

The Company has only one class of shares referred to as equity shares having par value of Rs 10 each. Each holder of the equity share, as reflected in the records of the Company, is entitled to one vote in respect of each share held for all matters. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors (BOD) is subject to the approval of the shareholders in the ensuing annual general meeting except interim dividend where approval of Board of Directors is considered sufficient.

(iii) Details of equity shareholders holding more than 5% equity shares in the Company:

Name of the shareholder	As at 31 March 2021	
	No. of shares	% holding
Statkraft India Private Limited	5,199,999	26.00%
Statkraft IH Holding AS	14,800,000	74.00%

(iv) Shares in respect of equity in the company held by its holding or ultimate holding company, including shares held

by subsidiaries or associates of the holding company or the ultimate holding company in aggregate:

Name of the shareholder	As at 31 March 2021	
	No. of shares	Amount
Holding company		
Statkraft India Private Limited	5,199,999	51,999,990
Statkraft IH Holding AS	14,800,000	148,000,000
Statkraft Markets Private Limited	1	10

Subsequent to the period end, on 24th May 2021, Statkraft India Private Limited and Statkraft Market Private Limited has transferred its respective shares to group captive customers.

Name of the shareholder	No. of shares	Amount	% holding
K L Concast Private Limited	1,368,422	13,684,220	6.84%
Orchid Pharma Limited	957,895	9,578,950	4.79%
Jay Jay Mills Private Limited	615,789	6,157,890	3.08%
Shiva Mills Limited	136,842	1,368,420	0.68%
Bannari Amman Spinning Mills Limited	821,053	8,210,530	4.11%
Sri Kannapiran Mills Private Limited	478,947	4,789,470	2.39%
Naga Limited	410,526	4,105,260	2.05%
Shiva Taxyarn Limited	273,684	2,736,840	1.37%
Young Brand Apparel Private Limited	136,842	1,368,420	0.68%
	5,200,000	52,000,000	

(v) The Company was incorporated on 05 May 2020 and there has been no buy back of shares, issue of shares by way of bonus shares or issue of shares pursuant to contract without payment being received in cash.

Nellai Renewables Private Limited
Notes to accounts forming part of the financial statements
(All amounts in Rupees (Rs.) unless otherwise stated)

3 Reserves and surplus

Particulars	As at 31 March 2021
<i>Deficit in the statement of Profit and Loss</i>	
Opening balance	-
Net Loss after tax for the period	(27,058,089)
Closing balance	<u>(27,058,089)</u>

4 Trade payables

Particulars	As at 31 March 2021
Total outstanding dues of micro enterprises and small enterprises;	-
Total outstanding dues of creditors other than micro enterprises and small enterprises*	23,489,947
	<u>23,489,947</u>

* includes Rs. 2,27,59,246 (March 31, 2020: Rs.Nil) payable to related parties (refer note 18)

5 Other current liabilities

Particulars	As at 31 March 2021
Capital creditors	74,453,956
Other payables:	
- Statutory dues	6,782,406
	<u>81,236,362</u>

* includes Rs. 7,44,53,956 (March 31, 2020: Rs.Nil) payable to related parties (refer note 18)

6 Short-term provisions

Particulars	As at 31 March 2021
Provision for income tax (net of tax deducted at source)	172,722
	<u>172,722</u>

Nellai Renewables Private Limited
Notes to accounts forming part of the financial statements
(All amounts in Rupees (Rs.) unless otherwise stated)

7 Property, plant and equipments

Description	Gross block				Accumulated depreciation and amortisation				Net block
	As at 05 May 2021	Additions during the period	Deletions during the period	As at 31 March 2021	As at 05 May 2021	Charge for the period	Deletions	As at 31 March 2021	As at 31 March 2021
<i>Tangible assets, owned</i>									
Freehold land	-	111,074,998	-	111,074,998	-	-	-	-	111,074,998
Total	-	111,074,998	-	111,074,998	-	-	-	-	111,074,998
Total	-	111,074,998	-	111,074,998	-	-	-	-	111,074,998

Nellai Renewables Private Limited
Notes to accounts forming part of the financial statements
(All amounts in Rupees (Rs.) unless otherwise stated)

8 Capital work-in-progress

Particulars	As at 31 March 2021
Capital work-in-progress #	37,486,085
	<u>37,486,085</u>

Capital work-in-progress represents expenditure incurred in respect of 76 MW DC capacity solar power project near Ettankulam village in the state of Tamil Nadu, South India. Upto 31 March 2021, the Company has spent Rs. 14,85,61,083 (including land cost amounting Rs. 11,10,74,998) on the project. The remaining construction works are expected to be completed by May 2022. Project cost incurred till date includes development costs and other direct expenditure pertaining to the project.

9 Long-term loans and advances

Particulars	As at 31 March 2021
Deposits	30,000,000
	<u>30,000,000</u>

10 Cash and Bank balances

Particulars	As at 31 March 2021
Cash and cash equivalents:	
Balance with banks	
-in current accounts	8,853,291
(A)	8,853,291
Other bank balances	
-in deposit accounts (refer note below)	89,375,146
(B)	89,375,146
(A+B)	<u>98,228,437</u>

Note:

(a) **Details of bank deposits:**

Bank deposits within maturity of 12 months of the reporting date included under other bank balances	89,375,146
	<u>89,375,146</u>

11 Short-term loans and advances

Particulars	As at 31 March 2021
<i>Unsecured, Considered good</i>	
Deposits	1,000,000
	<u>1,000,000</u>

12 Other current assets

Particulars	As at 31 March 2021
<i>Unsecured, considered good</i>	
Interest accrued but not due	51,422
	<u>51,422</u>

Nellai Renewables Private Limited
Notes to accounts forming part of the financial statements
(All amounts in Rupees (Rs.) unless otherwise stated)

13 Other income

Particulars	For the period from 05 May 2020 to 31 March 2021
Interest income	3,994,306
	3,994,306

14 Other expenses

Particulars	For the period from 05 May 2020 to 31 March 2021
Legal and professional fees	29,919,880
Retainership expenses	109,917
Auditor's remuneration (refer Note 16)	550,000
	30,579,797

Nellai Renewables Private Limited
Notes to accounts forming part of the financial statements
(All amounts in Rupees (Rs.) unless otherwise stated)

15 Contingent liabilities and commitments

Particulars	As at 31 March 2021
-------------	------------------------

Contingent liabilities

The Company does not have any pending litigations which would impact its financial position.

Commitments

16 Auditors' remuneration (excluding Goods and Services Tax)

Particulars	For the period from 05 May 2020 to 31 March 2021
-------------	--

(a) Statutory audit	500,000
(b) Others	50,000
	550,000

17 Earnings / (loss) per share

Particulars	For the period from 05 May 2020 to 31 March 2021
-------------	--

(a) Net loss attributable to equity shareholders	(27,058,089)
(b) Weighted average number of equity shares of Rs 10 each outstanding for computing earnings per share	17,280,967
(c) Weighted average number of equity shares of Rs 10 each outstanding for computing diluted earnings per share	17,280,967
(d) Loss adjusted the effects of dilutive potential equity shares for computing diluted earnings per share	(27,058,089)
(e) Basic earnings / (loss) per share	(1.57)
(f) Diluted earnings / (loss) per share	(1.57)

Nellai Renewables Private Limited
Notes to accounts forming part of the financial statements
(All amounts in Rupees (Rs.) unless otherwise stated)

18 Related parties

(i) Relationships

- (a) Name of related parties where control exists
- Statkraft AS (Ultimate Holding Company)
 - Statkraft India Private Limited, (Holding Company till 25 March 2021)
 - Statkraft IH Holding AS, (Holding Company w.e.f. 26 March 2021)
- (b) Other related parties with whom transactions have taken place during the period (Parties under common control)
- Statkraft India Private Limited w.e.f. 26 March 2021
- (d) *Key management personnel*
- Sanjeev Mehra w.e.f. 05 May 2020
 - Gauri Shankar Mishra w.e.f. 05 May 2020
 - Pradeep Kumar Yadav w.e.f. 05 May 2020

(ii) Transactions with related party during the period

Particulars	For the period from 05 May 2020 to 31 March 2021
- Statkraft IH Holding AS	
Issue of share capital (Transferred from Statkraft India Private Limited)	148,000,000
- Statkraft India Private Limited	
Issue of share capital	199,999,990
Proceeds from sale of shares to Statkraft IH Holding AS	(148,000,000)
Purchase of services	50,094,375
Reimbursement of expenses	38,722,930
- Statkraft Market Private Limited	
Issue of share capital	10

(iii) Related party closing balances as at the balance sheet date

Particulars	As at 31 March 2021
(a) Trade Payables	
- Statkraft India Private Limited	22,759,246
(b) Other current liabilities	
<i>Capital Creditors</i>	
- Statkraft India Private Limited	74,453,956

Note:

The above information has been determined to the extent such parties have been identified on the basis of information available with the Company and relied upon by the auditors.

Nellai Renewables Private Limited
Notes to accounts forming part of the financial statements
(All amounts in Rupees (Rs.) unless otherwise stated)

19 Unhedged foreign currency exposure

The Company has no foreign currency exposure and hence no disclosure has been made.

20 Deferred taxes

The Company is in construction phase in the current period and hence the carry forward of losses under tax laws is not allowable, The Company being in construction phase, the expenses have been considered as items of permanent differences in Accounting Standard 22 'Accounting for taxes on income'. Accordingly, no deferred tax asset has been recognized as at the period-end.

Particulars	As at 31 March 2021
<i>Deferred tax liability</i>	
Excess of depreciation allowable under Income tax laws	-
Total deferred tax liability	-
<i>Deferred tax asset</i>	
Unabsorbed depreciation and carried forward losses	212,826
Net deferred tax liability/(asset)	(212,826)

21 Segment reporting

Based on guiding principles in the Accounting Standard 17 - "Segment Reporting" ('AS-17'), the primary business segment of the Company is to develop, finance, invest, build, install, own and operate electricity generating stations in India based on solar technology having installed capacity of below 10 MW per installation for private industrial, commercial or other customers. Further, the Company operates only in India and, hence, it is construed that the Company has only a single geographical segment. Since the Company has a single business segment and a single geographical segment, disclosures pertaining to the primary and secondary segments as per AS-17 have not been presented.

22 There are no dues owed by the Company to Micro and Small enterprises, which are outstanding for more than 45 days as at 31st March, 2021. This information as required under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company and has been relied upon by the auditors.

Particulars	As at 31 March 2021
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of the period:	
- Principal	-
- Interest	-
The amount of interest paid by the Company in terms of Section 16 of the MSMED Act, 2006 alongwith the amount of the payment made to the supplier beyond the appointed date during the period	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding the interest specified under MSMED Act, 2006.	-
The amount of interest accrued and remaining unpaid at the end of each accounting period	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purposes of disallowance as a deductible expenditure under the MSMED Act, 2006.	-

23 There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For and on behalf of the Board of Directors of
Nellai Renewables Private Limited

Sanjeev Mehra
Director
DIN:02626778

Pradeep Kumar Yadav
Director
DIN:08125189

Place : Delhi
Date : November 29, 2021

Place : Delhi
Date : November 29, 2021

Ira Srivastava
Company Secretary

Place : Delhi
Date : November 29, 2021