Waaree Energies Limited

Consolidated Financial Statements for the Year Ended 31st March, 2019

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INDEPENDENT AUDITORS REPORT

To the Members of Waaree Energies Limited

Report on the Audit of the Consolidated Ind AS Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Waaree Energies Limited (hereinafter referred to as the 'Parent Company") and its subsidiaries (together referred to as "the Group"), its associates which comprise the consolidated Balance Sheet as at March 31, 2019 , and the consolidated statement of Profit and Loss, (including other comprehensive income) and the consolidated cash flows Statement & the consolidated statement of changes in equity for the year then ended, and notes to the consolidated Ind AS financial statements, including a summary of significant accounting policies (hereinafter referred to as "the consolidated Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements / consolidated financial statements and on the other financial information of the subsidiaries and associates, the aforesaid consolidated Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, including the Indian Accounting Standards ('Ind AS') of their consolidated state of affairs (consolidated financial position) of the Group and its associates as at March 31, 2019, of consolidated profit/loss, (consolidated financial performance including other comprehensive Income) and its consolidated cash flows and the consolidated changes in equity for the year then ended.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by ICAI, and we have fulfilled our other ethical responsibilities in accordance with the provisions of the Companies Act, 2013. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated Ind AS financial statements of the current period. These matters were addressed in the context of our audit of the consolidated Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Sr.No.	Key Audit Matter	Auditor's Response
1.	<u>Contingent assets with regards to certain percentage of sale consideration on disposal of investments held in the nature of wholly owned subsidiary.</u> During the year, the parent company has disposed of its investments held in the wholly owned subsidiary company. As per the terms of the Share Purchase Agreement and its amendment Rs. 420.57 millions will be withheld by the buyer towards the closure of pending obligations and other litigations in such subsidiary. The Company has recognised Rs. 158.00 million on the basis of certainty and the balance amount of Rs. 262.57 million will be recognised by the company on successful closure of such obligations and/or litigation which are contingent in nature. Till that time the company has considered it as Contingent Assets and has not recognised it as income.	Our audit approach in this regards was as follow: • Received and reviewed the agreement(s) entered between both the parties. • Reviewed the status of the obligations and/or the litigation matters covered under the agreement(s). • Evaluated the assumptions provided by the company regarding possible closure of the obligations and the outcome of the ongoing litigation(s). • Subsequent position till the closure of financials is also evaluated for the open positions.

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

The Parent Company's Board of Directors is responsible for the other information. The other information comprises the information included in the management discussion and analysis, Board's Report, Report on Corporate governance and Business Responsibility report but does not include the Consolidated Financial Statements, Standalone Financial Statements and our auditor's report thereon.

Our opinion on the Consolidated Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

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.

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Chartered Accountants
Mumbai

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Parent Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Companies Act, 2013(hereinafter referred to as "the Act") that give a true and fair view of the consolidated state of affairs (consolidated financial position), consolidated profit or loss (consolidated financial performance including other comprehensive income), consolidated changes in equity and consolidated cash flows of the Group including its Associates in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Parent Company, as aforesaid.

In preparing the consolidated Ind AS financial statements, the respective Board of Directors of the companies included in the Group and of its associates are responsible for assessing the ability of the Group and of its associates 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 Group or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

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• Identify and assess the risks of material misstatement of the consolidated 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 Companies Act, 2013, we are also responsible for expressing our opinion on whether the Group 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 ability of the Group and its associates to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associates to cease to continue as a going concern.

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

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

We communicate with those charged with governance of the Parent Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

Other Matters

(a) The financial statements / financial information of 4 subsidiaries viz., Blue Rays Solar Private Limited, Waaree Solar Energy Private Limited, Waaneep Solar One Private Limited and Saswata Solar LLP, whose financial statements / financial information reflect total assets of Rs. 1133.60 millions as at 31st March, 2019, total revenues of Rs.0.01 millions and net cash inflows amounting to Rs.0.15 millions for the year ended on that date, as considered in the consolidated Ind AS financial statements. The consolidated financial statements also include the Group's share of net loss of Rs. 0.001 millions for the year ended 31st March, 2019, as considered in the consolidated financial statements, in respect of two associates, whose financial statements / financial information have not been audited by us. These financial statements / financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

(b) The financial statements / financial information of 3 subsidiaries and viz. Waaneep Solar Private Limited, Rasila International Pte Limited and Waaree Japan KK whose financial statements / financial information reflect total assets of Rs. NIL as at 31st March, 2019, total revenues of Rs. 601.72 millions and net cash outflows amounting to Rs. 0.08 millions for the year ended on that date, as considered in the consolidated Ind AS financial statements. The consolidated financial statements also include the Group's share of net loss of Rs. 0.001 millions for the year ended 31st March, 2019, as considered in the consolidated financial statements, in respect of one associates, whose financial statements / financial information have not been audited by us. These financial statements / financial information are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-sections (3) and (11) of Section 143 of the Act in so far as it relates to the aforesaid subsidiaries is based solely on such unaudited financial statements / financial information.

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

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Report on Other Legal and Regulatory Requirements

1 As required by Section 143(3) of the Act, we report, to the extent applicable, 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 of the aforesaid consolidated financial statements.

(b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

(d) In our opinion, the aforesaid consolidated 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 of the Parent Company as on 31st March, 2019 taken on record by the Board of Directors of the Parent Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy of internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in Annexure.

(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group – Refer Note 40 to the consolidated financial statements.

ii. The Group and its associates did not have any material foreseeable losses on long-term contracts including derivative contracts.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Parent Company and its subsidiary companies incorporated in India.

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2. In respect of companies where managerial remuneration is within limit :

As required by section 197(16) of the act, based on our audit we report that the Parent company paid remuneration to their directors during the year in accordance with the provisions of and the limit laid down under section 197 read with Schedule V to the Act.

For SGCO & CO LLP
Chartered Accountants
Firm's Registration No.112081W/W100184

Suresh Murarka
Partner
Mem.No. 44739

Place : Mumbai

Date : 28th May 2019

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated Ind AS financial statements of **Waaree Energies Limited** ("the Parent Company") as of and for the year ended 31 March 2019, we have audited the internal financial controls over financial reporting of the Parent Company, its subsidiary companies and its associates which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Parent Company, its subsidiary companies and its associates, which are incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal controls over financial reporting criteria established by these companies incorporated in India considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective 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 ("the Act").

Auditor's Responsibility

Our responsibility is to express an opinion on the Parent Company's, its subsidiary companies and its associates incorporated in India, internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial control system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error.

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We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial controls over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls over financial reporting includes those policies and procedures that:

(1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and

(3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Parent Company and its subsidiary companies which are companies incorporated in India, have, in all material respects, have an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 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 ICAI.

For SGCO & CO LLP
Chartered Accountants
Firm's Registration No.112001W/W100184

Suresh Murarka
Partner
Mem.No. 44739

SGCO & CO LLP
FRN - 112081W/W100184
MUMBAI
Chartered Accountants

Place : Mumbai

Date : 28th May 2019

WAAREE ENERGIES LIMITED

Consolidated Balance Sheet as at March 31, 2019

(Rs. in Millions)

Particulars	Note No.	As at March 31, 2019	As at March 31, 2018
Assets			
Non-current assets			
Property, Plant and Equipment	2	899.26	556.13
Capital work-in-progress	2	-	271.73
Investment Property	2	5.09	5.09
Goodwill on Consolidation		1.12	115.23
Other Intangible assets	2	37.11	4,729.68
Intangible assets under development	2	2.14	528.16
Financial assets			
Investments	3	820.08	820.00
Trade receivables	4	126.50	147.95
Security deposits	5	31.79	30.11
Other financial assets	6	107.83	74.08
Deferred tax assets (net)		-	37.30
Income tax assets (net)	7	3.75	26.51
Other non-current assets	8	14.19	310.86
Total non-current assets		**2,048.86**	**7,652.83**
Current assets			
Inventories	9	999.32	985.26
Financial assets			
Investments	10	-	144.36
Trade receivables	11	2,151.50	803.34
Cash and cash equivalents	12	223.98	61.77
Bank balances other than cash and cash equivalents	13	971.34	223.39
Loans	14	643.99	664.54
Other financial assets	15	221.93	13.31
Other current assets	16	606.45	248.28
Total current assets		**5,818.51**	**3,144.25**
Total Assets		**7,867.37**	**10,797.08**
Equity and Liabilities			
Equity			
Equity Share capital	17	1,971.38	1,971.38
Other equity	18	608.51	(213.44)
Equity attributable to Owners		**2,579.89**	**1,757.94**
Non Controlling interest		0.00	0.00
Total equity		**2,579.89**	**1,757.94**
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	19	658.32	4,106.85
Long term provisions	20	176.19	152.78
Deferred tax liabilities (net)	21	16.88	-
Other non-current liabilities	22	2.40	1,016.34
Total non-current liabilities		**853.79**	**5,275.97**
Current liabilities			
Financial liabilities			
Borrowings	23	15.43	507.80
Trade payables			
Total outstanding dues of micro enterprises and small enterprises	24	6.05	1.93
Total outstanding dues of creditors other than micro enterprises and small enterprises		3,071.87	2,085.23
Other financial liabilities	25	585.41	765.29
Provisions	26	36.92	59.29
Other current liabilities	27	718.01	343.63
Total current liabilities		**4,433.69**	**3,763.17**
TOTAL EQUITY AND LIABILITIES		7,867.37	10,797.08

Notes 1 to 52 form an integral part of the Consolidated financial statements

In terms of our report of even date

For S G C O & Co. LLP
Chartered Accountants
Firm Registration No. 112081W/W100184

Suresh Murarka
Partner
Mem. No. 44739
Place: Mumbai
Date: 28th May 2019

For and on behalf of the Board

Chairman & Managing Director
(DIN 00293668)

Director & CFO
(DIN 00207506)

Company Secretary

Place: Mumbai
Date: 28th May 2019

WAAREE ENERGIES LIMITED

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

(Rs. in Millions)

Particulars	Note No.	Year Ended March 31, 2019	Year Ended March 31, 2018
Income			
Revenue from operations	28	15,910.35	13,410.09
Other income	29	216.95	162.42
Total income		**16,127.30**	**13,572.51**
Expenses			
Cost of materials consumed	30	10,878.04	8,250.30
Purchases of stock-in-trade	31	1,254.61	2,519.73
Changes In inventories of finished goods (including stock-in-trade) and work-in-progress	32	87.69	(303.75)
Other manufacturing and EPC project expenses	33	698.44	582.42
Employee benefits expense	34	431.00	361.62
Sales, administration, and other expenses	35	1,180.28	894.45
Finance costs	36	561.14	571.95
Depreciation and amortization expense	37	363.41	281.56
Total expenses		**15,454.61**	**13,158.28**
Profit before share of profit or loss of Associate and Tax		**672.69**	**414.23**
Add/(Less) : Exceptional Items	38	370.51	-
Share of Profit/(loss) of Associate		(0.03)	(0.03)
Profit before Tax		**1,043.17**	**414.21**
Tax expenses	21		
Current Tax		181.55	168.22
Tax for earlier years		0.56	11.04
Deferred Tax		45.54	(7.59)
Profit for the year		**815.52**	**242.54**
Other Comprehensive Income			
Items That will not be reclassified to Profit or loss			
- Gain / (Loss) on fair value of defined benefit plans as per actuarial valuation		4.04	1.02
- Fair value changes on derivatives designated as cashflow hedge		2.47	-
- Income tax effect on above		(2.27)	(0.35)
		4.24	0.67
Total Comprehensive income for the year (After tax)		**819.76**	**243.21**
Net Profit/(Loss) attributable to :			
- Owners		792.17	230.62
- Non-controlling interest		23.35	11.92
Other Comprehensive Income attributable to :			
- Owners		(4.24)	(0.67)
- Non-controlling interest		-	-
Total Comprehensive Income attributable to :			
- Owners		796.41	231.29
- Non Controlling Interest		23.35	11.92
Earnings per equity share: (Nominal value of Rs. 10/- each) - Basic & Diluted	39	4.16	1.23

Notes 1 to 52 form an integral part of the Consolidated financial statements

In terms of our report of even date

For S G C O & Co. LLP
Chartered Accountants
Firm Registration No. 112081W/W100184

Suresh Murarka
Partner
Mem. No. 44739

Place: Mumbai
Date: 28th May 2019

S G C O & CO LLP
FRN - 112081W/ W100184
MUMBAI
Chartered Accountants

For and on behalf of the Board

Chairman & Managing Director
(DIN 00293668)

Director & CFO
(DIN 00207506)

Company Secretary

Place: Mumbai
Date: 28th May 2019

Waaree Energies Limited

WAAREE ENERGIES LIMITED
Consolidated Statement of Changes in Equity for the year ended March 31, 2019

EQUITY SHARE CAPITAL

Particulars	No. of shares	(Rs in Millions)
As at April 1, 2017	75,822,500	758.23
Issue of bonus equity shares	121,315,992	1,213.15
As at March 31, 2018	**197,138,492**	**1,971.38**
Issue of equity shares	-	-
As at March 31, 2019	**197,138,492**	**1,971.38**

OTHER EQUITY (Rs. in Millions)

Particulars	Debeture Redemption Reserve	Securities Premium Reserve	Foreign Currency Translation Reserve	Capital Reserve on consolidation	Retained Earnings	Other Comprehensive Income	Total
Balance as at April 1,2017	-	13.13	(2.72)	5.56	755.73	(1.90)	769.79
Utilised for issue of Bonus Shares.	-	(13.13)	-	-	(1,200.04)	-	(1,213.16)
Adjustments during the year	-	-	(0.22)	(1.16)	-	-	(1.38)
Creation of Debenture Redemption Reserve	250.00	-	-	-	(250.00)	-	-
Total Comprehensive Income for the year	-	-	-	-	230.63	0.67	231.30
Balance as at March 31,2018	**250.00**	**-**	**(2.94)**	**4.40**	**(463.67)**	**(1.23)**	**(213.44)**
Adjustments during the year	-	-	(0.13)	-	-	-	(0.13)
Creation of Debenture Redemption Reserve	125.00	-	-	-	(125.00)	-	-
Transfer to Retained Earnings on Redemption of Debentures	(237.50)	-	-	-	237.50	-	-
On disposal of Subsidiary	-	-	2.33	-	-	-	2.33
Total Comprehensive Income for the year	-	-	-	-	815.52	4.23	819.75
Balance as at March 31,2019	**137.50**	**-**	**(0.74)**	**4.40**	**464.35**	**3.00**	**608.51**

Notes 1 to 52 form an Integral part of the standalone financial statements
In terms of our report of even date

For S G C O & Co. LLP
Chartered Accountants
Firm Registration No. 112081W/W100184

Suresh Murarka
Partner
Mem. No. 44739

S G C O & CO LLP FRN - 112081W/W100184 MUMBAI Chartered Accountants

Place: Mumbai
Date: 28th May 2019

For and on behalf of the Board

Chairman & Managing Director
(DIN 00293668)

Director & CFO
(DIN 00207506)

Company Secretary

Place: Mumbai
Date: 28th May 2019

Waaree Energies Limited

WAAREE ENERGIES LIMITED

Statement of consolidated cash flow for the year ended March 31, 2019

(Rs. in Millions)

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
A. Cash flow from operating activities :		
Profit before tax	672.69	414.23
Add / (Less) : Adjustments for		
Depreciation and amortisation	363.41	281.56
Interest expense	531.22	513.88
Remeasurement of Defined benefit Plans	4.04	1.02
(Gain)/Loss on financial assets measured at Fair Value through profit and loss	(1.35)	(3.15)
Fair value changes on derivatives designated as cashflow hedge	2.47	-
Interest income	(102.16)	(46.93)
(Gain)/loss on unrealised exchange difference	(25.26)	(0.22)
(Gain)/loss on disposal of property, plant and equipment	(0.87)	0.11
(Gain)/loss on disposal of current investment	(3.06)	(5.67)
Provision for Doubtful Debts	-	29.08
Provision for Warranty	65.18	40.34
Allowance for Credit Losses on financial assets	1.46	9.28
Operating Profit Before Working Capital changes	1,504.77	1,233.25
Add / (Less) : Adjustments for change in working capital		
(Increase) / Decrease in Inventory	(14.05)	(390.96)
(Increase) / Decrease in Trade receivables	(1,539.14)	433.59
(Increase) / Decrease in Current Loans	20.55	505.86
(Increase) / Decrease in Other current financial assets	(175.91)	0.01
(Increase) / Decrease in Other current assets	(479.58)	(41.95)
Increase / (Decrease) in Provision	(45.12)	4.38
Increase / (Decrease) in Trade payables	1,016.00	(195.54)
Increase / (Decrease) in Other current financial liabilities	128.03	305.65
Increase / (Decrease) in Other current liabilities	439.20	(445.90)
Cash generated from operations	854.75	1,408.38
Add/(Less) : Exceptional Items	(370.51)	-
	484.24	1,408.38
Add / (Less) : Direct taxes paid	(166.53)	(390.52)
Net cash Inflow from operating activities	**317.71**	**1,017.86**
B. Cash flow from investing activities :		
Acquisition of property, plant and equipment / intangible assets	(558.96)	(42.50)
Capital work in progress /Intangible asset under devlopment	(2.14)	(271.73)
Goodwill on acquisition of subsidiary	-	(106.23)
Fixed Deposits	(872.75)	(123.76)
Acquisition of Non Currrent Investments	(210.00)	-
Proceeds from sale of current investments	210.20	170.77
Proceeds from sale of property, plant and equipment	6.08	-
Proceeds from sale of Subsidiary	2,119.13	-
Investment in Subsidiary/ Associates	(0.18)	(160.04)
Interest Received	102.16	46.93
Change in Minority Interest	(0.00)	(719.31)
Short term loans & advances received back / (given)	20.12	(269.61)
Long term loans & advances received back / (given)	56.85	52.29
Net cash inflow / (outflow) from investing activities	**870.51**	**(1,423.19)**
C. Cash flow from financing activities :		
Proceeds / (Repayment) of borrowings	(494.79)	912.31
Interest Paid	(531.22)	(513.88)
Net cash inflow / (outflow) from financing activities	**(1,026.01)**	**398.43**
Net increase / (decrease) in cash and cash equivalents (A+B+C)	162.21	(6.90)
Add: Cash and cash equivalents at the beginning of year	61.77	68.67
Cash and cash equivalents at the end of year	**223.98**	**61.77**

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Waaree Energies Limited

WAAREE ENERGIES LIMITED

Statement of consolidated cash flow for the year ended March 31, 2019

(Rs. in Millions)

Components of cash and cash equivalents considered only for the purpose of cash flow statement

Particulars	As at March 31, 2019	As at March 31, 2018
Cash on hand	0.99	0.34
Balance with banks	222.99	27.00
Balance with banks(Fixed deposit less than 3 months)	-	34.43
Cash and cash equivalents (closing)	**223.98**	**61.77**

Notes :

1. Statement of cash flows has been prepared under the indirect method as set out in the Ind AS 7 "Statement of Cash Flows" as specified in the Companies (Indian Accounting Standards) Rules, 2015.
2. Previous year's figures have been regrouped/reclassified wherever applicable.

As per our attached report of even date
For S G C O & Co. LLP
Chartered Accountants
Firm Registration No. 112081W/W100184

Suresh Murarka
Partner
Mem. No. 44739

Place : Mumbai
Date: 28th May 2019

For and on behalf of the Board

Chairman & Managing Director
(DIN 00293668)

Director & CFO
(DIN 00207506)

Company Secretary

Place : Mumbai
Date: 28th May 2019

Note 1: Significant Accounting Policies

A. Basis of Preparation of Consolidated Financial Statements

The consolidated financial statements of the Company have been prepared to comply in all material respects with the Indian Accounting Standards ("Ind AS") notified under the Companies (Accounting Standards) Rules, 2015.

The consolidated financial statements have been prepared under the historical cost convention with the exception of certain financial assets and liabilities which have been measured at fair value, on an accrual basis of accounting.

All the assets and liabilities have been classified as current and non-current as per normal operating cycle of the Company and other criteria set out in as per the guidance set out in Schedule III to the Act. Based on nature of services, the Company ascertained its operating cycle as 12 months for the purpose of current and non-current classification of asset and liabilities.

The Company's consolidated financial statements are reported in Indian Rupees, which is also the Company's functional currency, and all values are rounded to the nearest millions (INR 000,000), except when otherwise indicated.

B. Principles of Consolidation

The Consolidated Financial Statements comprise of the financial statements of Waaree Energies Limited and its subsidiaries and associates. The financial statements have been prepared on the following basis:

Susbsidiaries :

a) The financial statements of the Company and its subsidiary companies have been consolidated on a line by line basis by adding together the book values of like items of assets, liabilities, income and expenses, after eliminating intra-group balances / transactions and elimination of resulting unrealized profits / losses in accordance with Indian Accounting Standard ('Ind AS') - 110 'Consolidated Financial Statements'.

b) In case of foreign subsidiaries, being non-integral foreign operations, revenue items are consolidated at the average rate prevailing during the year. All assets and liabilities are converted at rates prevailing at the end of the year. Any exchange difference arising on consolidation is recognised in the Foreign Currency Translation Reserve.

c) Goodwill on consolidation represents the excess of cost of acquisition at each point of time of making the investment in the subsidiary Group's share in the net worth of a subsidiary, as per Indian Accounting Standard (Ind AS) 110 "Consolidated Financial Statements". For this purpose, the Group's share of net worth is determined on the basis of the latest financial statements, prior to the acquisition, after making necessary adjustments for material events between the date of such financial statements and the date of respective acquisition.

d) Minority interest in net profits or losses of consolidated subsidiaries for the year is identified and adjusted against the income or loss in order to arrive at the net income or loss attributable to the shareholders of the Company.

e) Minority Interest's share of net assets of consolidated subsidiaries is identified and presented in the consolidated balance sheet separate from liabilities and the equity of the Company's shareholders.

f) The Consolidated Financial Statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the Company's separate financial statements.

g) Notes to the financial statements represent notes involving items which are considered material and are accordingly disclosed. Materiality for the purpose is assessed in relation to the information contained in the financial statements. Further, additional statutory information disclosed in separate financial statements of the subsidiary and / or a parent having no bearing on the true and fair view of the financial statements has not been disclosed in these financial statements.

h) The difference between the proceeds from disposal of investment in subsidiaries and the carrying amount of its assets less liabilities as on the date of disposal is recognised in the consolidated Profit and Loss Statement being the profit or loss on disposal of investment in subsidiary.

Waaree Energies Limited

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Note 1: Significant Accounting Policies

Associates :

i) The Group's investments in its associate are accounted for using the equity method. Under the equity method, the investment in an associate is initially recognised at cost. Goodwill relating to the associate is included in the carrying amount of the investment and is not tested for impairment individually. The statement of profit and loss reflects the Group's share of the results of operations of the associate .The aggregate of the Group's share of profit or loss of an associate is shown on the face of the statement of profit and loss.

If an entity's share of losses of an associate equals or exceeds its interest in the associate (which includes any long term interest that, in substance, form part of the Group's net investment in the associate), the entity discontinues recognising its share of further losses.

Upon loss of significant influence over the associate, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate upon loss of significant influence and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

C. Other Significant Accounting Policies:

i Accounting Estimates

The preparation of the financial statements, in conformity with the Ind AS, requires the management to make estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities and disclosure of contingent liabilities as at the date of financial statements and the results of operation during the reported period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates which are recognised in the period in which they are determined.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

Deferred tax assets

In assessing the realisability of deferred income tax assets, management considers whether some portion or all of the deferred income tax assets will not be realized. The ultimate realization of deferred income tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. Management considers the scheduled reversals of deferred income tax liabilities, projected future taxable income, and tax planning strategies in making this assessment. Based on the level of historical taxable income and projections for future taxable income over the periods in which the deferred income tax assets are deductible, management believes that the Company will realize the benefits of those deductible differences. The amount of the deferred income tax assets considered realizable, however, could be reduced in the near term if estimates of future taxable income during the carry forward period are reduced.

Defined benefit plans

The cost and present value of the gratuity obligation and compensated absences are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, attrition rate and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

ii Property, Plant and Equipment

Property, Plant and Equipment are stated at cost of acquisition including attributable interest and finance costs, if any, till the date of acquisition/ installation of the assets less accumulated depreciation and accumulated impairment losses, if any. Subsequent expenditure relating to Property, Plant and Equipment is capitalised only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged to the Statement of Profit and Loss as incurred. The cost and related accumulated depreciation are eliminated from the financial statements, either on disposal or when retired from active use and the resultant gain or loss are recognised in the Statement of Profit and Loss.

Capital work-in-progress, representing expenditure incurred in respect of assets under development and not ready for their intended use, are carried at cost. Cost includes related acquisition expenses, construction cost, related borrowing cost and other direct expenditure.

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Waaree Energies Limited

Note 1: Significant Accounting Policies

iii Intangible Assets

Intangible assets includes software are stated at cost less accumulated amortisation.

iv Service concession arrangement :

Revenue

Revenue is measured at the fair value of consideration received or receivable. Revenue from power generation business is accounted on the basis of billings to the power off takers and includes unbilled revenue accrued upto the end of accounting year. Power off takers are billed as per tariff rate, agreed in purchase power agreement. Operating or service revenue is recognised in the period in which services are rendered by the Company.

Financial assets

The Company recognises a financial asset arising from a service concession arrangement when it has an unconditional contractual right to receive cash or another financial asset from or at the discertion of the grantor for the construction. Such financial assets are measured at fair value at initial recognition and classification as loans and receivables . Subsequent to initial recognition, the financial asset are measured at amortised cost.

Intangibale assets

The company recognises an intangible asset arising from a service concession arrangement when it has right to charge for usage of the concession infrastructure.An intangible asset received as consideration for providing construction services in service concession arrangement is measured at cost, less accumulated amortisation and accumulated impairment losses, if any.Internal technical team or user assess the useful lives of intangible asset. Management believes that assigned useful lives of 24 years of solar power projects are reasonable.

Detemination of fair value

The fair value of intangible assets is determined by contract price paid for construction of solar power project.

v Depreciation/ Amortisation

Depreciation/ Amortisation is provided as stated below:-

i) Depreciation on all Property, plant and equipment is provided on 'Straight Line Method' at the rates and in the manner prescribed in the Schedule II of the Companies Act, 2013. Depreciations on additions & deletions made during the year is provided on pro-rata basis from & upto the date of acquisitions and deletions of assets respectively. Management believes that useful life of assets are same as those prescribed in Schedule II of the Act, except for plant and machinery. The Company considers 5 to 10 years useful life for plant and machinery based on technical evaluation.

ii) Leasehold improvement are written off over five year period.

iii) Intangible assets are amortised over a period of four years.v

vi Investment Property

Investment properties are held to earn rentals or for capital appreciation, or both. Investment properties are measured initially at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company. All other repair and maintenance costs are recognised in statement of profit and loss as incurred.

Though the Company measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation performed by an accredited external independent valuer who holds a recognised and relevant professional qualification and has recent experience in the location and category of the investment property being valued.

Investment Property is initially measured at cost including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

Any gain or loss on disposal of investment property calculated as the difference between the net proceeds from disposal and the carrying amount of the item is recognised in Statement of Profit & Loss.

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Note 1: Significant Accounting Policies

vii 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.

a) Financial Assets

Initial Recognition

In the case of financial assets, not recorded at fair value through profit or loss (FVPL), financial assets are recognised initially at fair value plus transaction costs that are directly attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent Measurement

For purposes of subsequent measurement, financial assets are classified in following categories:

Financial Assets at Amortised Cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model with an objective 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. Interest income from these financial assets is included in finance income using the effective interest rate ("EIR") method. Impairment gains or losses arising on these assets are recognised in the Statement of Profit and Loss.

Derivative Financial instruments

The Company holds derivative financial instruments such as foreign exchange forward and options contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. The counterparty for these contracts is generally a bank.

(i) Financial assets or financial liabilities, at fair value through profit or loss.

This category includes derivative financial assets or liabilities which are not designated as hedges. Although the Company believes that these derivatives constitute hedges from an economic perspective, they may not qualify for hedge accounting under Ind AS 109, Financial Instruments. Any derivative that is either not designated as hedge, or is so designated but is ineffective as per Ind AS 109, is categorized as a financial asset or financial liability, at fair value through profit or loss.

Derivatives not designated as hedges are recognized initially at fair value and attributable transaction costs are recognized in net profit in the Statement of Profit and Loss when incurred. Subsequent to initial recognition, these derivatives are measured at fair value through profit or loss and the resulting exchange gains or losses are included in other income. Assets / liabilities in this category are presented as current assets / current liabilities if they are either held for trading or are expected to be realized within 12 months after the Balance Sheet date.

(ii) Cash flow hedge

The Company designates certain foreign exchange forward and options contracts as cash flow hedges to mitigate the risk of foreign exchange exposure on highly probable forecast cash transactions.

When a derivative is designated as a cash flow hedge instrument, the effective portion of changes in the fair value of the derivative is recognized in other comprehensive income and accumulated in the cash flow hedge reserve. Any ineffective portion of changes in the fair value of the derivative is recognized immediately in the net profit in the Statement of Profit and Loss. If the hedging instrument no longer meets the criteria for hedge accounting, then hedge accounting is discontinued prospectively. If the hedging instrument expires or is sold, terminated or exercised,the cumulative gain or loss on the hedging instrument recognized in cash flow hedge reserve till the period the hedge was effective remains in cash flow hedge reserve until the forecasted transaction occurs. The cumulative gain or loss previously recognized in the cash flow hedge reserve is transferred to the net profit in the Statement of Profit and Loss upon the occurrence of the related forecasted transaction. If the forecasted transaction is no longer expected to occur, then the amount accumulated in cash flow hedge reserve is reclassified to net profit in the Statement of Profit and Loss.

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Note 1: Significant Accounting Policies

Financial Assets Measured at Fair Value

Financial assets are measured at fair value through OCI if these financial assets are held within a business model with an objective to hold these assets in order to collect contractual cash flows or to sell these 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. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in the Statement of Profit and Loss.

Financial asset not measured at amortised cost or at fair value through OCI is carried at FVPL.

Impairment of Financial Assets

In accordance with Ind AS 109, the Company applies the expected credit loss ("ECL") model for measurement and recognition of impairment loss on financial assets and credit risk exposures.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. Simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECL at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

ECL is the difference between all contractual cash flows that are due to the group in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL impairment loss allowance (or reversal) recognised during the period is recognised as income/ expense in the Statement of Profit and Loss.

De-recognition of Financial Assets

The Company de-recognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all risks and rewards of ownership of the asset to another entity.

If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the assets and an associated liability for amounts it may have to pay.

If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

b) Equity Instruments and Financial Liabilities

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments which are issued for cash are recorded at the proceeds received, net of direct issue costs. Equity instruments which are issued for consideration other than cash are recorded at fair value of the equity instrument.

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Note 1: Significant Accounting Policies

Financial Liabilities

Initial Recognition

Financial liabilities are classified, at initial recognition, as financial liabilities at FVPL, loans and borrowings and payables as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Subsequent Measurement

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

Financial liabilities at FVPL

Financial liabilities at FVPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVPL. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

Financial liabilities at amortised cost

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in the Statement of Profit and Loss.

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.

De-recognition of Financial Liabilities

Financial liabilities are de-recognised when the obligation specified in the contract is discharged, cancelled or expired. 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 de-recognition of the original liability and recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

c) Offsetting 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.

viii Employee Benefits

a Defined Contribution Plan

Contributions to defined contribution schemes such as provident fund are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees. The above benefits are classified as Defined Contribution Schemes as the Company has no further obligations beyond the monthly contributions.

b Defined Benefit Plan

The Company also provides for gratuity which is a defined benefit plan, the liabilities of which is determined based on valuations, as at the balance sheet date, made by an independent actuary using the projected unit credit method. Re-measurement, comprising of actuarial gains and losses, in respect of gratuity are recognised in the OCI, in the period in which they occur. Re-measurement recognised in OCI are not reclassified to the Statement of Profit and Loss in subsequent periods. Past service cost is recognised in the Statement of Profit and Loss in the year of plan amendment or curtailment. The classification of the Company's obligation into current and non-current is as per the actuarial valuation report.

c Leave entitlement and compensated absences

Accumulated leave which is expected to be utilised within next twelve months, is treated as short-term employee benefit. Leave entitlement, other than short term compensated absences, are provided based on a actuarial valuation, similar to that of gratuity benefit. Re-measurement, comprising of actuarial gains and losses, in respect of leave entitlement are recognised in the Statement of Profit and Loss in the period in which they occur.

d Short-term Benefits

Short-term employee benefits such as salaries, wages, performance incentives etc. are recognised as expenses at the undiscounted amounts in the Statement of Profit and Loss of the period in which the related service is rendered. Expenses on non-accumulating compensated absences is recognised in the period in which the absences occur.

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Note 1: Significant Accounting Policies

e Termination benefits

Termination benefits are recognised as an expense as and when incurred.

ix Cash and Cash Equivalents

Cash and cash equivalents in the Balance Sheet comprises of cash at banks and on hand and short-term deposits with an original maturity of three month or less, which are subject to an insignificant risk of changes in value.

x Borrowing Costs

Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds. Also, the EIR amortisation is included in finance costs.

Borrowing costs relating to acquisition, construction or production of a qualitying asset which takes substantial period of time to get ready for its intended use are added to the cost of such asset to the extent they relate to the period till such assets are ready to be put to use. All other borrowing costs are expensed in the Statement of Profit and Loss in the period in which they occur.

xi Foreign Exchange Translation and Accounting of Foreign Exchange Transaction

a Initial Recognition

Foreign currency transactions are initially 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 transaction. However, for practical reasons, the Company uses a monthly average rate if the average rate approximate the actual rate at the date of the transactions.

b Conversion

Monetary assets and liabilities denominated in foreign currencies are reported using the closing rate at the reporting date. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

c Treatment of Exchange Difference

Exchange differences arising on settlement/ restatement of short-term foreign currency monetary assets and liabilities of the Company are recognised as income or expense in the Statement of Profit and Loss except those arising from investment in Non Integral operations.

xii Revenue Recognition

a Revenue is recognised to the extent it is probable that the economic benefits will flow to the Company and that the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. The Company assesses its revenue arrangements against specific criteria, i.e., whether it has exposure to the significant risks and rewards associated with the sale of goods or the rendering of services, in order to determine if it is acting as a principal or as an agent. Revenue is recognised, net of trade discounts, sales tax, service tax, VAT or other taxes, as applicable

b Contract Revenue in respect of projects for solar power plants , involving designing, engineering, supply, erection (or supervision thereof), commissioning, guaranteeing performance thereof etc., execution of which is spread over more than one accounting periods is recognized on the basis of percentage of completion method, measured by reference to the percentage of cost incurred upto the reporting date to estimated total cost for each contract.

Determination of revenues under the percentage of completion method necessarily involves making estimates by the management (some of which are of a technical nature) of the expected costs to completion, the expected revenues from each contract (adjusted for probable liquidation damages, if any) and the foreseeable losses to completion. When it is probable that the total contract costs will exceed the total contract revenue, the expected loss is recognised as an expense immediately.

c Revenue in respect of operation and maintenance contracts is recognised on the basis of time proportion.

d Revenue from domestic sales of goods is recognized when the significant risks and the rewards of ownership of the goods are passed on to the buyer (i.e. on dispatch of goods) except revenue from contracts in relation to government tenders which is recognised once the goods are supplied to the subcontractor at the site for installation.Revenue from the sale of goods is measured at the fair value of consideration received or receivable, net of returns and allowances and discounts.

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Note 1: Significant Accounting Policies

e For all financial assets measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is recognized on a time proportion basis taking into account the amount outstanding. Interest income is included under the head "other income" in the Statement of Profit and Loss.

f Dividend income is recognised when right to receive the payment is established.

g Claims for insurance are accounted on receipts/ on acceptance of claim by insurer.

xiii Viability Gap Funding(Governement Grant)

Grants from the government are recognized at fair value when there is reasonable assurance that the grant will be received and the company will comply with all attached conditions.

Viability Gap Funding(Governement Grant) relating to service concession arrangement are included in non-current liabilites and current liabilities as deferred income and credited to profit or loss on a straight line basis over the expected lives of the related assets and presented with other income.

xiv Taxes on Income

Income tax comprises of current and deferred income tax. Income tax is recognised as an expense or income in the Statement of Profit and Loss, except to the extent it relates to items directly recognised in equity or in OCI.

a Current Income Tax

Current income tax is recognised based on the estimated tax liability computed after taking credit for allowances and exemptions in accordance with the Income Tax Act, 1961 and is made annually based on the tax liability after taking credit for tax allowances and exemptions. 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.

Current Tax items are recognised in correlation to the underlying transaction either in Statement of Profit And Loss, other comprehensive income or directly in equity

b Deferred Income Tax

Deferred tax is determined by applying the Balance Sheet approach. Deferred tax assets and liabilities are recognised for all deductible temporary differences between the financial statements' carrying amount of existing assets and liabilities and their respective tax base. Deferred tax assets and liabilities are measured using the enacted tax rates or tax rates that are substantively enacted at the Balance Sheet date. The effect on deferred tax assets and liabilities of a change in tax rates is recognised in the period that includes the enactment date. Deferred tax assets are only recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Such assets are reviewed at each Balance Sheet date to reassess realisation.

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

Minimum Alternative Tax ("MAT") credit is recognised as an asset only when and to the extent it is probable that the Company will pay normal income tax during the specified period.

xv Impairment of Non-Financial Assets

As at each Balance Sheet date, the Company assesses whether there is an indication that a non-financial asset may be impaired and also whether there is an indication of reversal of impairment loss recognised in the previous periods. If any indication exists, or when annual impairment testing for an asset is required, the Company determines the recoverable amount and impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount.

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Note 1: Significant Accounting Policies

Recoverable amount is determined:

- In case of an individual asset, at the higher of the assets' fair value less cost to sell and value in use; and
- In case of cash generating unit (a group of assets that generates identified, independent cash flows), at the higher of cash generating unit's fair value less cost to sell and value in use.

In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specified to the asset. In determining fair value less cost to sell, recent market transaction are taken into account. If no such transaction can be identified, an appropriate valuation model is used.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the Statement of Profit and Loss, except for properties previously revalued with the revaluation taken to OCI. For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation.

When the Company considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through the Statement of Profit and Loss.

xvi Inventories

Inventories of Finished Goods, Raw-Material, Work in Process are valued at cost or net realizable value, whichever is lower. Stores & Spares and Packing Materials are valued at cost. Cost comprises of all cost of purchases and other costs incurred in bringing the inventory to their present location and conditions. Cost is arrived at on weighted average basis. Due allowance is estimated and made for defective and obsolete items, wherever necessary, based on the past experience.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

Obsolete, slow moving, surplus and defective stocks are identified at the time of physical verification of stocks and where necessary, provision is made for such stocks.

xvii Trade receivables

A receivable is classified as a 'trade receivable' if it is in respect of the amount due on account of goods sold or services rendered in the normal course of business. Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the EIR method, less provision for impairment.

xviii Leases

Assets taken on lease by the Company in its capacity as lessee, where the Group has substantially all the risks and rewards of ownership are classified as finance lease. Such leases are capitalized at the inception of the lease at lower of fair value or the present value of the minimum lease payments and a liability is recognized for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost so as to obtain a constant rate of interest on the outstanding liability for each year.

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vests with the lessor, are recognized as operating lease. Lease rentals under operating lease are recognized in the Statement of Profit and Loss.

xix Trade payables

A payable is classified as a 'trade payable' if it is in respect of the amount due on account of goods purchased or services received in the normal course of business. These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year which are unpaid. These amounts are unsecured and are usually settled as per the payment terms stated in the contract. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the EIR method.

xx Earnings Per Share

Basic earnings per share is computed by dividing the net profit or loss for the period attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources.

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Waaree Energies Limited

Note 1: Significant Accounting Policies

Diluted earnings per share is computed by dividing the net profit or loss for the period attributable to the equity shareholders of the Company and 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).

xxi Provisions, Contingent Liabilities and Contingent Assets

A provision is recognised when the Company has a present obligation (legal or constructive) as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, in respect of which a reliable estimate can be made of the amount of obligation. Provisions (excluding gratuity and compensated absences) are determined based on management's estimate required to settle the obligation at the Balance Sheet date. In case the time value of money is material, provisions are discounted using a current pre-tax rate that reflects the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost. These are reviewed at each Balance Sheet date and adjusted to reflect the current management estimates.

Contingent assets are disclosed where an inflow of economic benefit is probable. The Company shall not recognize a contingent asset unless the recovery is virtually certain.

Contingent liabilities are disclosed in respect of possible obligations that arise from past events, whose existence would be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. A contingent liability also arises, in rare cases, where a liability cannot be recognised because it cannot be measured reliably.

xxii Exceptional Items

When items of income and expense within profit or loss from ordinary activities are of such size, nature or incidence that their disclosure is relevant to explain the performance of the enterprise for the period, the nature and amount of such material items are disclosed separately as exceptional items.

xxiii Recent accounting pronouncements

On 30th March 2019, the Ministry of Corporate Affairs (MCA) has notified Ind AS 116 Leases, under Companies (Indian Accounting Standards) Amendment Rules, 2019 which is applicable with effect from 1st April, 2019.

Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lease accounting model for lessee and requires the lessee to recognize right of use assets and lease liabilities for all leases with a term of more than twelve months, unless the underlying asset is low value in nature. Currently, operating lease expenses are charged to the statement of profit and loss. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

As per Ind AS 116, the lessee needs to recognise depreciation on rights of use assets and finance costs on lease liabilities in the statement of profit and loss. The lease payments made by the lessee under the lease arrangement will be adjusted against the lease liabilities.

The Company is currently evaluating the impact "on account of implementation of Ind AS 116 which might have significant impact on key profit & loss and balance sheet ratio i.e. Earnings before interest, tax, depreciation and amortisation (EBITDA), Asset coverage, debt equity, interest coverage, etc."

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Note 2 : Property, plant and equipment

(Rs. in Millions)

Particulars	Leasehold Land	Land - Freehold	Factory Building	Plant & Machinery	Electrical Installations	Computer & Printers	Office Equipments	Furniture & Fixture	Vehicles	Leasehold Improvements	Total	Capital Work in Progress*
Year Ended March 31, 2018												
Gross Carrying Amount												
Cost as at April 1, 2017	29.56	300.12	61.45	211.41	8.56	16.30	5.09	11.36	16.54	29.94	690.33	-
Additions	-	0.03	-	78.70	-	3.23	1.57	3.19	1.46	-	88.18	271.73
Disposals	-	-	-	(0.45)	-	0.00	-	-	-	-	(0.45)	-
Transfers	-	-	-	(8.40)	-	-	-	-	-	-	(8.40)	-
Closing Gross Carrying Amount	**29.56**	**300.16**	**61.45**	**281.25**	**8.56**	**19.53**	**6.66**	**14.56**	**17.99**	**29.94**	**769.66**	**271.73**
Accumulated Depreciation												
Accumulated Depreciation as at April 1, 2017	3.56	-	15.74	62.06	4.86	15.48	2.50	4.25	4.91	28.46	141.82	-
Depreciation charge during the year	0.36	-	2.00	61.68	1.13	0.94	1.06	1.30	2.18	1.41	72.06	-
Disposals	-	-	-	(0.35)	-	-	-	-	-	-	(0.35)	-
Closing Accumulated Depreciation	**3.92**	**-**	**17.74**	**123.40**	**5.99**	**16.42**	**3.56**	**5.54**	**7.09**	**29.87**	**213.53**	**-**
Net Carrying Amount	**25.64**	**300.16**	**43.71**	**157.85**	**2.57**	**3.11**	**3.10**	**9.01**	**10.90**	**0.07**	**556.13**	**271.73**
Year Ended March 31, 2019												
Gross Carrying Amount												
Opening Gross Carrying Amount	29.56	300.16	61.45	281.25	8.56	19.53	6.66	14.56	17.99	29.94	769.66	271.73
Additions	-	-	-	759.33	29.06	4.93	4.55	2.51	7.52	22.80	830.70	539.46
Disposals	-	-	-	(60.97)	-	-	-	-	-	-	(60.97)	-
Transfers	-	-	-	-	-	-	-	-	-	-	-	(811.18)
Less : Adjustment on account of sale of subsidiary	-	(297.17)	-	-	-	(0.08)	(1.07)	(0.11)	(0.03)	-	(298.46)	-
Closing Gross Carrying Amount	**29.56**	**2.99**	**61.45**	**979.61**	**37.62**	**24.38**	**10.14**	**16.96**	**25.48**	**52.74**	**1,240.93**	**-**
Accumulated Depreciation and Impairment												
Opening Accumulated Depreciation	3.92	-	17.74	123.40	5.99	16.42	3.56	5.54	7.09	29.87	213.53	-
Depreciation charge during the year	0.37	-	2.00	167.40	2.82	2.59	1.63	1.64	2.71	3.10	184.26	-
Disposals	-	-	-	(55.77)	-	-	-	-	-	-	(55.77)	-
Less : Adjustment on account of sale of subsidiary	-	-	-	-	-	(0.08)	(0.23)	(0.03)	(0.01)	-	(0.35)	-
Closing Accumulated Depreciation and Impairment	**4.29**	**-**	**19.74**	**235.03**	**8.81**	**18.93**	**4.96**	**7.15**	**9.79**	**32.97**	**341.67**	**-**
Net Carrying Amount	**25.27**	**2.99**	**41.71**	**744.58**	**28.81**	**5.45**	**5.18**	**9.81**	**15.69**	**19.77**	**899.26**	**-**

During the year the Holding Company has started 1 GW fully Automatic module manufacturing facility at Tumb Village, Umargaon Taluq, Valsad District of Gujarat State and capitalised an amount of Rs.806.07 Millions against setting up of the plant. The Commercial production has been commenced from August 1, 2018.

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Note 2 : Investment Property (Rs. in Millions)

Following are the changes in the carrying value of investment property for the year ended March 31, 2019:

Particulars	Land
Gross carrying value as at April 1, 2018	5.09
Additions	-
Deletion	-
Gross carrying value as at March 31, 2019	5.09
Accumulated depreciation as at April 1, 2018	-
Depreciation for the period	-
Accumulated depreciation as at March 31, 2019	-
Carrying value as at March 31, 2019	**5.09**

Following are the changes in the carrying value of investment property for the year ended March 31, 2018:

Particulars	Land
Gross carrying value as at April 1, 2017	5.09
Additions	-
Deletion	-
Gross carrying value as at March 31, 2018	5.09
Accumulated depreciation as at April 1, 2017	-
Depreciation for the period	-
Accumulated depreciation as at March 31, 2018	-
Carrying value as at March 31, 2018	**5.09**

Estimation of Fair value :

The fair value taken for the period ended March 31, 2019 is based on valuations performed by an accredited independent valuer. The fair value is arrived based on the prevailing rates. The valuation taken for the period ended March 31, 2018 is based on the guideline rates prescribed by the Government of Tamilnadu. The fair value measurement is categorised in level 2 fair value hierarchy.

Note 2 : Other Intangible assets

Particulars	Solar Power Plant *	Computer Software	Total	Intangible Asset under development **
Year Ended March 31, 2018				
Gross Carrying Amount				
Cost as at April 01, 2017	5,272.37	19.09	5,291.46	566.29
Additions	-	1.31	1.31	105.96
Write off				(144.09)
Closing Gross Carrying Amount	**5,272.37**	**20.40**	**5,292.77**	**528.16**
Accumulated Amortisation				
Accumulated Amortisation April 01, 2017	336.23	17.18	353.41	-
Amortisation charge for the year	208.30	1.37	209.67	
Closing Accumulated Amortisation	**544.53**	**18.55**	**563.08**	**-**
Closing Net Carrying Amount	**4,727.84**	**1.85**	**4,729.68**	**528.16**
Year Ended March 31, 2019				
Gross Carrying Amount				
Opening Gross Carrying Amount	5,272.37	20.40	5,292.77	528.16
Additions	1,275.98	-	1,275.98	749.96
Transfers	-	-	-	(1,275.98)
Less : Adjustment on account of sale of subsidiary	(6,505.77)	-	(6,505.77)	-
Closing Gross Carrying Amount	**42.58**	**20.40**	**62.98**	**2.14**
Accumulated Amortisation				
Opening Accumulated Amortisation	544.53	18.55	563.08	-
Amortisation Charge for the year	188.24	0.97	189.21	-
Less : Adjustment on account of sale of subsidiary	(726.42)	-	(726.42)	
Closing Accumulated Amortisation	**6.35**	**19.52**	**25.87**	**-**
Closing Net Carrying Amount	**36.23**	**0.88**	**37.11**	**2.14**

***The Solar Power Plants includes :-**

*The Solar Power Plants includes : 0.5 MW located in the state of Madhya pradesh awarded under tender and Power Purchase agreement (PPA) with State Electricity company.

**Intangible assets under development includes 400 KW Solar Roof top power plants at 16 different locations on Government Buildings / Institutions in the state of Delhi. The power purchase agreement (PPA) has been signed with various Government institutions.

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Notes to the Consolidated Financial Statements for the year ended March 31, 2019

(Rs. in Millions)

Note 3 : Investments

Particulars	As at March 31, 2019	As at March 31, 2018
I. Investments valued at deemed cost		
Investment in equity shares		
Investment in associate	0.08	-
	0.08	**-**
Investment in preference shares		
Investment In other companies	720.00	720.00
	720.00	**720.00**
Investment in debentures		
Investment In other companies	100.00	100.00
	100.00	**100.00**
	820.08	**820.00**

Note 3.1 Detailed list of non-current investments

Particulars	As at March 31, 2019		As at March 31, 2018	
	Number	(Rs. in Millions)	Number	(Rs. in Millions)
I. Investments valued at cost, fully paid up, unquoted, unless otherwise stated				
a) Investments in equity shares:				
i) In associate				
Shalibhadra Energies Private Limited	2,778	0.03	2,778	0.03
Share of Loss in Associate	-	(0.03)	-	(0.03)
	2,778	**-**	**2,778**	**-**
Waansang Solar Private Limited	2,600	0.03	-	-
Share of Loss in Associate	-	(0.00)	-	-
	2,600	**0.02**	**-**	**-**
Waansang Solar One Private Limited	4,900	0.05	-	-
Share of Loss in Associate	-	(0.00)	-	-
	4,900	**0.05**	**-**	**-**
b) Investments in preference shares:				
(i) Investment In other companies				
(Face value of ₹ 10 each)				
Csare Bonetti India Private Limited	9,000,000	720.00	9,000,000	720.00
	9,000,000	**720.00**	**9,000,000**	**720.00**
c) Investments in Compulsory Convertible Debentures:				
i) In other companies				
Taxus Infrastructure and Power Projects Private Limited	100,000	100.00	100,000	100.00
(Face value of ₹ 1000 each)	**100,000**	**100.00**	**100,000**	**100.00**

Particulars	As at March 31, 2019	As at March 31, 2018
Details:		
Aggregate of non-current investments:		
Aggregate amount of unquoted investments	820.08	820.00
Aggregate amount of impairment in value of investments	-	-

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(Rs. in Millions)

Note 4 : Trade receivables

Particulars	As at March 31, 2019	As at March 31, 2018
Secured, considered good	58.93	53.94
Unsecured, considered good	67.57	94.01
	126.50	**147.95**

Note 5 : Security deposits

Particulars	As at March 31, 2019	As at March 31, 2018
Security Deposits	31.79	30.11
	31.79	**30.11**

Security Deposits stated above include Deposits to :

Particulars	As at March 31, 2019	As at March 31, 2018
Relatives of director	19.00	19.00

Note 6 : Other financial assets

Particulars	As at March 31, 2019	As at March 31, 2018
Fixed Deposits	107.83	74.08
	107.83	**74.08**

Note 7 : Income tax assets (net)

Particulars	As at March 31, 2019	As at March 31, 2018
Advance Tax & TDS (Net of Provisions)	3.75	26.51
	3.75	**26.51**

Note 8 : Other non-current assets

Particulars	As at March 31, 2019	As at March 31, 2018
Capital Advances	-	60.76
Deferred portion of financial assets carried at amortized cost	14.19	15.10
Viability Gap Funding Receivable.	-	235.00
	14.19	**310.86**

Note 9 : Inventories

(Valued at Lower of Cost or Net Realisable Value)

Particulars	As at March 31, 2019	As at March 31, 2018
Raw Materials and components	647.77	552.82
Including goods-in-transit of Rs. 397.30 million (March 31, 2018 Rs.204.09 Mn)		
Packing Materials	7.68	3.65
Work-in-process	72.53	24.18
Finished goods	106.81	215.02
Stock-in-trade	164.53	189.58
	999.32	**985.26**

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WAAREE ENERGIES LIMITED

Accompanying notes to the consoidated financial statements for the Year Ended March 31, 2019

(Rs. in Millions)

Note 10 : Investments

Particulars	As at March 31, 2019	As at March 31, 2018
Investment valued at Fair Value		
Investment in mutual funds	-	144.36
Total Current investments	**-**	**144.36**

Note 10.1 Detailed list of Current investments

Particulars	As at March 31, 2019		As at March 31, 2018	
	Units	(Rs. in millions)	Units	(Rs. in millions)
I. Investments valued at fair value, fully paid up, unquoted, unless otherwise stated				
a) Investments in mutual fund				
UTI Short Term Income Fund	-	-	2,454,762	51.82
HDFC Regular Savings Fund-Growth	-	-	676,378	23.27
ICICI Prudential Regular Income	-	-	1,326,262	23.22
Kotak Floater ST - Reg	-	-	116	0.33
Kotak Income Oppurtulty Fund Growth	-	-	1,108,986	21.18
Reliance Regular Saving Fund Debt	-	-	1,014,520	24.53
Total Current Investments		**-**		**144.36**

Particulars	As at March 31, 2019	As at March 31, 2018
Aggregate of current investments:		
Aggregate amount of unquoted investments	-	144.36
Aggregate amount of impairment in value of investments	-	-

Note 11 : Trade receivables

Particulars	As at March 31, 2019	As at March 31, 2018
(Unsecured)		
Considered Good	2,190.98	841.36
Considered Doubtful	-	32.30
	2,190.98	**873.66**
Less: Allowance for doubtful debts	-	(32.30)
Less: Allowance for expected credit loss	(39.48)	(38.02)
	2,151.50	**803.34**

Trade Receivable stated above include:

Particulars	As at March 31, 2019	As at March 31, 2018
(Unsecured, considered good)		
Companies / LLP where directors are interested	201.44	6.17

Note 12 : Cash and cash equivalents

Particulars	As at March 31, 2019	As at March 31, 2018
Balances with banks		
-In current account	132.67	27.00
-In cash credit accounts	90.32	-
Cash on Hand	0.99	0.34
Fixed deposits with banks with original maturity of less than three months	-	34.43
	223.98	**61.77**

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Notes to consolidated financial statements for the Year Ended March 31, 2019

(Rs. in Millions)

Note 19 : Borrowings

Particulars	As at March 31, 2019	As at March 31, 2018
Secured		
Non Convertible Debentures		
14.00% Non Convertible Debentures - Tranche - I	-	435.01
Less: Current maturities of long term debt	-	(225.00)
	-	**210.01**
Non Convertible Debentures		
15.50% Non Convertible Debentures - Tranche - II	539.29	536.15
Less: Current maturities of long term debt	(316.00)	
	223.29	**536.15**
Hire Purchase Loans	7.51	4.58
Less: Current maturities of long term debt	(2.61)	(2.96)
	4.90	**1.62**
Term Loan from Banks	-	2,263.18
Less: Current maturities of long term debt	-	(117.03)
	-	**2,146.15**
Term Loan from others	508.06	209.35
Less: Current maturities of long term debt	(77.93)	-
	430.13	**209.35**
Unsecured		
Term Loan from others	-	1,088.12
Less: Current maturities of long term debt	-	(84.55)
	-	**1,003.57**
	668.32	**4,100.85**

Non Convertible Debentures includes(Secured)

Tranche - I, 14.00% Secured, Listed, Rated, Redeemable 450 Nos of Non-Covertible Debentures of face value Rs.1 million each aggregating to Rs.Nil million (PY Rs. 450 millions), are secured by way of :-

(i) First ranking pledge of over 95.46% shares of Waaree Energies Limited held by the Promoters and Promoters Group

(ii) First ranking pledge of over 49% shares held in Waaneep Solar Private Limited (wholly owned subsidiary) of Waaree Energies Limited along with its Nominees has been released on August 7, 2018

(iii) First ranking exclusive charge on the Designated Escrow Account and its sub-accounts, if any

(iv) First ranking exclusive charge on the permitted investments in Debt Service Reserve Account (DSRA)

(v) Residual charge on all the fixed and current assets

(vi) Joint and several personal guarantee provided by the guarantors, viz. Mr. Hitesh Doshi and Mr. Viren Doshi

(vii) First, sole and exclusive charge on all the immovable and movable properties and assets comprised in the under construction solar project situated at Village O.G. Kuppam, Nagari Mandal, Andhra Pradesh and owned by Waaneep Solar Private Limited (wholly owned subsidiary) has been released on August 7, 2018

The Debentures have been fully repaid on July 24, 2018.

Tranche - II, 15.50% Secured, Listed, Rated, Redeemable 550 Nos of Non-Covertible Debentures of face value Rs.1 million each aggregating to Rs.550 million (PY Rs. 550 millions), are secured by way of:

(i) First ranking pledge of over 95.46% shares of Waaree Energies Limited held by the Promoters and Promoters Group

(ii) First ranking pledge of over 49% shares held in Waaneep Solar Private Limited (wholly owned subsidiary) of Waaree Energies Limited along with its Nominees has been released on August 7, 2018

(iii) First ranking exclusive charge on the Designated Escrow Account and its sub-accounts, if any

(iv) First ranking exclusive charge on the permitted investments in Debt Serve Reserve Account (DSRA)

(v) Residual charge on all the fixed and current assets

(vi) Joint and several personal guarantee provided by the guarantors, viz. Mr. Hitesh Doshi and Mr. Viren Doshi

The Debentures are redeemable in 7 quarterly installments starting May 1, 2019.

During the year Company has issued 13.50% Secured, Unlisted, Unrated, Redeemable 500 Nos of Non-Covertible Debentures of face value Rs.1 million each aggregating to Rs.500 million on private placement basis on September, 11 2018 and same has been fully redeemed on January 2, 2019 along with interest.

(Rs. in Millions)

Hire Purchase Loans (Secured)

Hire purchase Loan from Banks amounting to Rs. 7.51 millions (PY Rs. 4.58 millions) which is secured by hypothecation of Vehicle financed. The said loan is repayable monthly in 36 to 60 equal instalments @ interest rate of 9.10 % p.a to 9.66 % p.a.

Term Loan from Bank include:

a) Term loan of Rs. NIL (March 31, 2018 - INR 2,263.18 mn) is secured by first pari-passu charge by way of equitable mortgage on Company's immovable properties and hypothecation of movable fixed assets both present and future, of the respective project of the Company. It was further secured by way of pledge in demat form representing 43.81% of issued and paid up share capital of the Company and Viability Gap Funding (VGF) receipt from SECI. Loan from Union Bank of India & Bank of Baroda was futher secured by Corporate Guarantee of the holding company and Mahavir Thermoequip Private Limited.

b) Term Loans from banks are repayable as under:
Term loan (i) sixty structured quarterly installments starting from July'2016 upto April'2031
Term loan (ii) five equal annual installments starting from June'2016 upto June'2020
Term loan (iii) sixty four structured quarterly installments starting from April'2017 upto January'2033

Term Loan from others includes (Secured)

Term loan of Rs. Nil (March 31, 2017 Rs. 1088.12 mn) was secured by first pari-passu charge by way of equitable mortgage on Company's immovable properties and hypothecation of movable fixed assets both present and future, of the project of the Company. Further it was also secured by way of pledge in demat form representing 17.20% of issued and paid up share capital of the holding Comapny and VGF receipt from SECI.

Term Loans from PTC India Financial Services Limited. (PFS) is repayable as under:
Term loan (i) sixty structured quarterly installments starting from July'2015 upto April'2031
Term loan (ii) five equal annual installments starting from June'2016 upto June'2020

Loan from Indian Renewable Energy Development Agency Limited (IREDA) amounting to Rs.514.65 million (PY Rs.218.20 millions). The loan has to be repaid in 20 quarterly instalments starting from September 30, 2019 and carries interest rate of 10.80% per annum. The loan is primarily secured by hypothecation of all Movable Assets of 1 GW Solar PV Module Manufacturing plant at Village-Tumb, Tal-Umbergaon, Dist-Valsad, Gujarat and second charge on existing movable and immovable assets of the company. The loan is also collaterally secured by fixed deposit of Rs.78.00 million(Rs.39.00 million till 31st March, 2018) and personal guarantee by one of the Director and his relative.

Note 20 : Long term provisions

Particulars	As at March 31, 2019	As at March 31, 2018
Provision for warranty	153.89	137.24
Provision for employee benefits:		
Leave entitlement	22.30	15.45
Gratuity	-	0.09
	176.19	**152.78**

In pursuance of Accounting Standard- Ind AS 37 'Provisions, Contingent Liabilities and Assets', the provisions required have been incorporated in the books of accounts in the following manner

Particulars	As at March 31, 2019	As at March 31, 2018
Opening Balance	137.24	111.87
Additions during the year	65.18	40.34
Less: Utilisation during the year	(48.53)	(14.97)
Closing Balance	**153.89**	**137.24**

The provision for warranty represents the expected outflow of resources against claims for performance shortfall expected in future over the life of the guarantee assured.

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(Rs. in Millions)

Note 21 : Tax expenses

(a) Amounts recognised in Statement of Profit and Loss

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
Current tax expense (A)		
Current year	181.55	168.22
Short/(Excess) provision of earlier years (B)		
Tax for earlier years	0.56	11.04
Deferred tax expense (C)		
Origination and reversal of temporary differences	45.54	(7.59)
Tax expense recognised in the income statement (A+B+C)	**227.65**	**171.67**

(b) Amounts recognised in other comprehensive Income

Particulars	Year Ended March 31, 2019			Year Ended March 31, 2018		
	Before tax	Tax (expense)/ benefit	Net of tax	Before tax	Tax (expense)/ benefit	Net of tax
Items that will not be reclassified to profit or loss						
Remeasurements of the defined benefit plans	(4.04)	1.41	(2.63)	(1.02)	0.35	(0.67)
Fair value changes on derivatives designated as cashflow hedge	(2.47)	0.86	(1.61)	-	-	-
	(6.51)	**2.27**	**(4.24)**	**(1.02)**	**0.35**	**(0.67)**

(c) Reconciliation of effective tax rate

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
Profit before tax	1,043.17	414.21
Tax using the Company's domestic tax rate (Current year 34.944% and Previous Year 34.608%)	364.53	143.35
Tax effect of :		
Tax effect on non-deductible expenses	(228.95)	10.86
Tax effect of Other Income	(3.48)	15.45
Others	94.99	(8.93)
Adjustments recognised in current year in relation to the current tax of prior years	0.56	10.95
Tax expense as per Statement of Profit & Loss	**227.65**	**171.67**
Effective tax rate	21.823%	41.447%

(d) Deferred tax assets (net)

Particulars	As at March 31, 2019	As at March 31, 2018
Deferred tax liabilities (Net)		
Property, Plant and Equipments	33.84	-
Excess of capital expenditure allowed in income tax over expenditure debited to Profit and Loss Account.	5.82	13.25
	39.66	**13.25**
Deferred tax asset		
Property, Plant and Equipments	-	17.65
Provision for doubtful debts/ advances	0.54	11.68
Provision for expected credit loss	13.80	13.16
Provision for Discount on Issue of Debentures	-	2.28
Provision for employee benefits	8.44	5.78
	22.78	**50.55**
Deferred tax asset (Net)	**16.88**	**(37.30)**

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Note 22 : Other non-current liabilities

Particulars	As at March 31, 2019	As at March 31, 2018
Government Grant	-	991.24
Deposits from dealer, franchisee etc.	2.40	25.10
	2.40	**1,016.34**

Note 23 : Borrowings

Particulars	As at March 31, 2019	As at March 31, 2018
Loans repayable on demand		
Secured		
From Banks:-		
Cash credit facility	-	252.08
Buyers credit	-	103.59
Unsecured		
Inter Corporate Deposits-Related Parties	11.25	-
Inter Corporate Deposits-Others	4.18	152.13
	15.43	**507.80**

Secured loans

Loan from Banks includes Cash credit facility and Buyers credit from State Bank of India amounting to Rs.Nil millions (PY Rs.252.08 millions) and Rs. Nil millions (PY Rs 103.59 millions) respectively are secured against:

i) hypothecation of the entire current assets of the Company.

ii) and collaterally secured by mortgage of factory land & building & hypothecation of plant & machinery of the Company.

The said facility is also secured by mortgage of personal property of relative of directors and personal guarantee of two directors of the

Unsecured loans

Intercorporate deposits amounting to Rs. 15.44 millions (PY Rs. 152.13 millions) are Repayable on demand and carries interest from 0% p.a. To 18% p.a.

Note 24 : Trade payables

Particulars	As at March 31, 2019	As at March 31, 2018
Total outstanding dues of micro enterprises and small enterprises	6.05	1.93
Total outstanding dues of creditors other than micro enterprises and small enterprises	3,071.87	2,085.23
	3,077.92	**2,087.16**

Note 25 : Other financial liabilities

Particulars	As at March 31, 2019	As at March 31, 2018
Current maturities of long term debt	396.54	424.61
Interest accrued	14.36	38.10
Payables for capital goods	7.01	302.58
Other Payables	167.50	-
	585.41	**765.29**

Note 26 : Provisions

Particulars	As at March 31, 2019	As at March 31, 2018
Provision for employee benefits:		
Leave entitlement	1.85	1.45
Others:		
Provision for taxation (net of advance tax)	35.07	57.84
	36.92	**59.29**

Note 27 : Other current liabilities

Particulars	As at March 31, 2019	As at March 31, 2018
Advances from customers	624.66	219.94
Statutory dues payable	24.77	20.76
Deposits from dealer, franchisee etc.	67.73	41.75
Advance received towards land aggregation	-	13.72
Government Grant	-	47.00
Others	0.85	0.47
	718.01	**343.63**

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(Rs. in Millions)

Note 28 : Revenue from operations

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
Sale of products and services		
Sale of Solar Power Products #	15,281.77	12,610.02
Sale of Services	34.68	24.15
Generation of Electricity from Renewal Sources	538.46	757.18
Other Operating revenue		
Sale of scrap	21.25	11.33
Franchisee Fees	34.19	7.41
	15,910.35	**13,410.09**

The above includes revenue from EPC contracts of Rs. 4,282.41 Millions (PY Rs. 2739.37 Millions). (Refer Note 44)

Note 29 : Other income

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
Interest Income	102.16	46.93
Interest received on financial assets carried at amortised cost	6.87	6.01
Gain on Foreign Exchange Fluctuation (net)	24.07	29.00
Profit on sale of property, plant and equipment	0.87	-
Profit on sale of current investment	3.06	5.67
Government grant	35.41	47.00
Fair value gain on financial assets measured at fair value through profit or loss	4.35	3.45
Miscellaneous Receipts	40.16	24.36
	216.95	**162.42**

Note 30 : Cost of materials consumed

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
Raw Materials		
Opening Stocks	552.82	465.25
Add: Purchases	11,497.70	8,402.49
Less: Closing Stocks	(647.77)	(552.82)
Less: Cost of Raw materials sold to Subsidiaries	(524.71)	(64.62)
	10,878.04	**8,250.30**

Note 31 : Purchases of stock-in-trade

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
Purchases	1,254.61	2,519.73
	1,254.61	**2,519.73**

Note 32 : Changes In inventories of finished goods (including stock-in-trade) and work-in-progress

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
Opening Inventory		
Traded Goods	192.35	31.38
Finished Goods	215.02	63.50
Work-In-Progress	24.18	28.94
	431.55	**123.82**
Closing Inventory		
Traded Goods	(164.53)	(188.37)
Finished Goods	(106.81)	(215.02)
Work-In-Progress	(72.53)	(24.18)
	(343.86)	**(427.57)**
	87.69	**(303.75)**

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Notes to consolidated financial statements for the Year Ended March 31, 2019

(Rs. in Millions)

Note 33 : Other manufacturing and EPC project expenses

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
Stores & Spares Consumption	26.55	20.21
Clearing & Forwarding Charges	41.05	41.53
Factory Rent Expenses	40.07	8.94
Electricity Charges	100.81	54.73
Labour Charges	216.64	129.99
Job Work Charges	5.97	28.65
Repairs & Maintenance:-		
Repairs to Machinery	6.10	5.72
Repairs to Building	0.42	2.16
EPC project expenses	260.83	290.49
	698.44	**582.42**

Note 34 : Employee benefits expense

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
Salaries and incentives	387.19	302.60
Directors Remuneration	39.95	38.91
Contribution to PF & Other Funds	13.43	10.27
Staff Welfare expenses	15.85	15.25
Less: Elimination of employee expense for subsidiaries	(25.42)	(5.41)
	431.00	**361.62**

Note 35 : Sales, administration, and other expenses

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
Rent	27.75	28.42
Amortisation of deferred portion of financial asset carried at amortized cost	4.99	4.00
Insurance	13.63	12.39
Rates and taxes	2.16	6.57
Legal and professional	64.72	23.03
Auditors remuneration	5.29	2.50
Travelling & conveyance	57.36	44.05
Warranty	65.18	40.34
Business promotion expenses	271.68	62.41
Commission	117.65	20.94
Packing materials expenses	147.04	124.63
Transportation freight & handling charges	339.92	226.89
Operation & maintenance expenses	4.27	7.69
Deviation mechanism charges	7.10	26.48
Provision for doubtful debts	-	29.08
Bad debts (Net reversal of provision for doubtful debts of Rs.29.08 million)	64.57	0.71
Provision for expected credit loss	1.46	9.28
Loss on sale/discard of property, plant and equipment	0.27	144.20
Corporate social responsibility expense	8.97	6.87
Miscellaneous expenses	84.95	94.02
Less: Elimination of other expense for subsidiaries	(108.70)	(20.04)
	1,180.28	**894.45**

Note 36 : Finance costs

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
Interest expense	531.22	519.88
Other borrowing costs	29.92	52.07
	561.14	**571.95**

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Notes to consolidated financial statements for the Year Ended March 31, 2019

(Rs. in Millions)

Note 37 : Depreciation and amortization expense

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
Depreciation on property, plant and equipment	184.42	72.05
Amortisation on intangible assets	178.99	209.51
	363.41	**281.56**

Note 38 : Exceptional Items

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
Gain on disposal of invenstment	370.51	-
	370.51	**-**

During the year investment in wholly owned subsidiary Waaneep Solar Private Limited and Waaree Japan KK (step down subsidiary) has been disposed off by its parent company Waaree Energies Limited and Rasila International Pte. Ltd. respectively. Rs.370.51 millions represent derecognition of carrying amount of the net assets, recognition of the fair value of the consideration received and recognition of the gain associated with the loss of control attributable to the controlling interest in subsidiaries.

Note 39 : Earnings per equity shares

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
Basic / Dilutive Earnings per Share		
Profit/(Loss) attributable to Equity shareholders	819.75	243.22
Weighted average number of equity shares	197.14	197.14
Basic Earnings Per Share	4.16	1.23
Face value per Share	10	10

Note 40 : Contingent Liabilities

a) Contingent liabilities

Particulars	As at March 31, 2019	As at March 31, 2018
Contingent liabilities not provided for:		
Claims against the Holding Company not acknowledged as debts	54.11	34.20
Disputed Statutory Liability of Holding Company	117.36	156.76
Guarantee given by Bank on behalf of the the Group	810.52	191.39
Guarantee given by Company on behalf of the Group Company		1,000.27
Guarantee given by Group to others	554.39	70.00
Letter of Credit Outstanding of Holding Company	126.21	92.68
Inland/Export Bill Discounting of Holding Company	1,506.20	1,098.90
TOTAL	**3,168.79**	**3,524.20**

b) Contingent assets

During the year the Parent company has entered into Share Purchase Agreement and its amendment for sale of the investment in its wholly owned subsidiary "Waaneep Solar Private Limited". As per terms of the agreement Rs. 420.57 millions is withheld by the buyers which will be remitted on closure of pending litigations and obligations in such subsidiary. The company has recognized Rs. 158.00 million during the year on the basis of certainty and balance amount of Rs. 262.57 million will be recognized as income on successful closure of such litigations and obligations which are contingent in nature.

c) Capital commitments

Particulars	As at March 31, 2019	As at March 31, 2018
Estimated amount of contracts remaining to be executed on Capital Account (Net of Advance) of the Group	32.25	412.97
Total	**32.25**	**412.97**

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(₹ in Millions)

Note 41: DISCLOSURE PURSUANT TO IND AS - 19-EMPLOYEE BENEFIT EXPENSE

[A] Post Employment Benefit Plans:

Defined Benefit Plans

The Company has the following Defined Benefit Plans

Gratuity: In accordance with the applicable laws, the Company provides for gratuity, a defined benefit retirement plan ("The Gratuity Plan") covering eligible employees. The Gratuity Plan provides for a lump sum payment to vested employees on retirement (subject to completion of five years of continuous employment), death, incapacitation or termination of employment that are based on last drawn salary and tenure of employment. Liabilities with regard to the Gratuity Plan are determined by actuarial valuation on the reporting date and the Company makes contribution to the gratuity fund administered by life Insurance Companies under their respective Group Gratuity Schemes.

The disclosure in respect of the defined Gratuity Plan are given below:

Particulars	Defined Benefit Plans	
	As at March 31, 2019	As at March 31, 2018
Present value of funded obligations	18.26	14.54
Fair Value of Plan Assets	19.83	16.01
Net (Asset)/Liability recognised	**(1.57)**	**(1.47)**

Movements in plan assets and plan liabilities

As at March 31, 2018

Particulars	Present value of obligations	Fair Value of plan assets
Present value of obligation as at the beginning of the year:	9.90	11.26
Transfer in/(out) obligation	1.67	-
Current service cost	2.82	-
Past service cost	1.72	-
Interest Cost/(Income)	0.69	0.89
Return on plan assets excluding amounts included in net finance income	-	(0.18)
Actuarial (gain)/loss arising from changes in financial assumptions	(0.57)	-
Actuarial (gain)/loss arising from experience adjustments	(1.00)	-
Employer contributions	-	4.74
Benefit payments	(0.70)	(0.70)
Total	**14.54**	**16.01**

As at March 31, 2019

Particulars	Present value of obligations	Fair Value of plan assets
Present value of obligation as at the beginning of the year:	14.54	16.01
Transfer in/(out) obligation	-	-
Current service cost	4.81	-
Past service cost	-	-
Interest Cost/(Income)	1.04	1.34
Return on plan assets excluding amounts included in net finance income/cost	-	(0.37)
Actuarial (gain)/loss arising from changes in financial assumptions	(0.31)	-
Actuarial (gain)/loss arising from experience adjustments	(0.28)	-
Employer contributions	-	4.39
Benefit payments	(1.53)	(1.53)
Total	**18.26**	**19.83**

Statement of Profit and Loss

Expenses recognised in the Statement of Profit and Loss

Employee benefit expenses :	Year Ended March 31, 2019	Year Ended March 31, 2018
Current Service cost	4.81	2.82
Interest cost/ (Income)	(0.29)	(0.20)
Expected return on plan assets	-	1.72
Total amount recognised in Statement of P&L	**4.52**	**4.34**

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Waaree Energies Limited

(₹ in Millions)

Remeasurement (gains)/ losses recognised in OCI

Remeasurement of the net defined benefit liability :	Year Ended March 31, 2019	Year Ended March 31, 2018
Return on plan assets excluding amounts included in net finance income/(cost)	0.37	0.18
Change in Financial Assumptions	(0.31)	(0.57)
Experience gains/(losses)	(0.28)	(1.00)
Total amount recognised in Other Comprehensive Income	**(0.22)**	**(1.38)**

Investment pattern for Fund as on

Category of Asset	As at March 31, 2019	As at March 31, 2018
Government of India Securities	0%	0%
State Government Securities	0%	0%
High quality corporate bonds	0%	0%
Equity shares of listed companies	0%	0%
Property	0%	0%
Special Deposit Scheme	0%	0%
Policy of insurance	100%	100%
Bank Balance	0%	0%
Other Investments	0%	0%
Total	**100%**	**100%**

Assumptions

With the objective of presenting the plan assets and plan liabilities of the defined benefits plans at their fair value on the balance sheet, assumptions under Ind AS 19 are set by reference to market conditions at the valuation date.

The significant actuarial assumptions were as follows:

Financial Assumptions	As at March 31, 2019	As at March 31, 2018
Discount rate	7.75%	7.60%
Salary escalation rate	6.00%	6.00%
Withdrawal Rates	5% at younger ages reducing to 1% at older ages	5% at younger ages reducing to 1% at older ages
Normal retirement age (In years)	58	58
Mortality rate	Indian assured lives mortality (2006-08) ultimate	Indian assured lives mortality (2006-08) ultimate

Sensitivity

The sensitivity of the overall plan liabilities to changes in the weighted key assumptions are:

Particulars	As at March 31, 2019	As at March 31, 2018
	Increase/Decrease in liability	Increase/Decrease in liability
Discount rate varied by 0.5%		
0.50%	17.27	13.78
-0.50%	19.34	15.36
Salary growth rate varied by 0.5%		
0.50%	19.13	15.23
-0.50%	17.42	13.87
Withdrawal rate (W.R.) varied by 10%		
W.R.* 110%	18.38	14.61
W.R.* 90%	18.13	14.46

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(₹ in Millions)

The sensitivity analyses above have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period and may not be representative of the actual change. It is based on a change in the key assumption while holding all other assumptions constant. When calculating the sensitivity to the assumption,the same method used to calculate the liability recognised in the balance sheet has been applied. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared with the previous period.

The expected future cash flows as at 31st March 2019 & as at 31st March 2018 were as follows:

Expected contribution	As at March 31, 2019	As at March 31, 2018
Projected benefits payable in future years from the date of reporting		
1st following year	0.53	1.68
2nd following year	0.62	0.45
3rd following year	0.79	0.57
4th following year	0.79	0.58
5th following year	1.99	1.57
Years 6 to 10	8.38	6.76

[B] Other Long term employee benefits

Leave Encashment:

Particulars	Defined Benefit Plans	
	As at March 31, 2019	As at March 31, 2018
Present value of unfunded obligations	24.16	16.71
Net (Asset)/Liability recognised	**24.16**	**16.71**

Reconciliation of balances of Defined Benefit Obligations.

Particulars	Leave Encashment - Unfunded	
	As at March 31, 2019	As at March 31, 2018
Defined Obligations at the beginning of the year	16.71	6.22
Transfer in/(out) obligation	-	2.02
Current Service Cost	15.10	10.68
Interest Cost	1.22	0.44
Actuarial loss/(gain) due to change in financial assumptions	(0.32)	(0.53)
Actuarial loss/(gain) due to change in demographic assumptions	1.08	-
Actuarial loss/ (gain) due to experience adjustments	(4.58)	0.89
Benefits paid	(5.06)	(3.00)
Defined Obligations at the end of the year	**24.16**	**16.71**

Amount recognised in Statement of Profit and Loss

Expenses recognised in the Statement of Profit and Loss :-

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
Current Service Cost	15.10	10.68
Net Interest Cost	1.22	0.44
Net value of remeasurements on the obligation and plan assets	(3.81)	0.36
Total amount recognised in Statement of P&L	**12.51**	**11.47**

Remeasurement (gains)/ losses recognised in OCI

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
Due to change in demographic assumptions	1.08	-
Change in Financial Assumptions	(0.32)	(0.53)
Experience gains/(losses)	(4.58)	0.89
Total amount recognised in Other Comprehensive Income	**(3.81)**	**0.36**

Major Actuarial Assumptions

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Notes to consolidated financial statements for the Year Ended March 31, 2019

(₹ in Millions)

Particulars	As at March 31, 2019	As at March 31, 2018
Discount Rate (%)	7.75%	7.60%
Salary Escalation/ Inflation (%)	6.00%	6.00%
Withdrawal Rates	5% at younger ages reducing to 1% at older ages	5% at younger ages reducing to 1% at older ages
Leave Availment Rate	3.00%	2.00%
Leave Encashment Rate	0.00%	0.00%

The expected future cash flows as at March 31, 2019 & as at March 31, 2018 were as follows:

Expected contribution	As at March 31, 2019	As at March 31, 2018
Projected benefits payable in future years from the date of reporting		
1st following year	1.85	1.38
2nd following year	1.89	1.08
3rd following year	1.90	1.15
4th following year	1.81	1.06
5th following year	3.22	2.45
Years 6 to 10	12.17	9.23

Sensitivity

The sensitivity of the overall plan liabilities to changes in the weighted key assumptions are:

Particulars	As at March 31, 2019	As at March 31, 2018
	Increase/Decrease in liability	Increase/Decrease in liability
Discount rate varied by 0.5%		
0.50%	23.15	16.00
-0.50%	25.24	17.47
Salary growth rate varied by 0.5%		
0.50%	25.25	17.48
-0.50%	23.13	15.99
Withdrawal rate (W.R.) varied by 10%		
W.R.* 110%	24.17	16.73
W.R.* 90%	24.14	16.69

The sensitivity analyses above have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period and may not be representative of the actual change. It is based on a change in the key assumption while holding all other assumptions constant. When calculating the sensitivity to the assumption,the same method used to calculate the liability recognised in the balance sheet has been applied. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared with the previous period.

[C] Current/ non-current classification

Particulars	As at March 31, 2019	As at March 31, 2018
Gratuity		
Current	(1.57)	(1.68)
Non-current	-	0.21
	(1.57)	**(1.47)**
Leave entitlement (including sick leave)		
Current	1.85	1.38
Non-current	22.30	15.33
	24.16	**16.71**

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Notes to consolidated financial statements for the Year Ended March 31, 2019

Note 42 : Segment Reporting

(i)The group has determined following reporting segments based on the information reviewed by Group's Chief Operating Decision Maker ("CODM"). As per CODM, the Company is engaged in the business of "Solar Photovoltaic Modules and EPC of Solar Power Plants". Based on the business activities during the financial year, the Company has identified the following business segments :

a) Solar Photovoltaic Modules and EPC of Solar Power Plants

b) Generation of Power.

(ii)The above business segment has been identified considering (a)the nature of products and services (b) the differing risk and returns (c) the internal organization and management structure, and (d) the internal financial reporting systems.

(Rs. in Millions)

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
A. Segment Revenue		
Solar Photovoltaic Modules and EPC of Solar Power Plants	15,371.89	12,606.50
Generation of Power	538.46	803.59
Total Revenue	**15,910.35**	**13,410.09**
B. Segment Results		
Solar Photovoltaic Modules and EPC of Solar Power Plants	864.59	725.14
Generation of Power	515.67	380.17
Less : Unallocable Expenses	-	-
Less : Depreciation	363.41	281.56
Operating Profit	**1,016.85**	**823.75**
Less : Finance Cost	561.14	571.95
Add : Other Income	216.95	162.42
Profit Before Tax & Exceptional Items	**672.66**	**414.22**
Add : Exceptional Expenses	370.51	-
Profit Before Tax	**1,043.17**	**414.22**
Less : Tax expense (Net)	227.65	171.67
Profit After Tax	**815.52**	**242.55**

Particulars	As at March 31, 2019	As at March 31, 2018
C. Segments Assets		
Solar Photovoltaic Modules and EPC of Solar Power Plants	7,829.00	4,285.76
Generation of Power	38.37	6,511.31
Total	**7,867.37**	**10,797.07**
D. Segments Liabilities		
Solar Photovoltaic Modules and EPC of Solar Power Plants	5,287.48	4,206.09
Generation of Power	-	4,833.04
Total	**5,287.48**	**9,039.13**

(iii) Revenue from external customer outside India and assets located outside India are not disclosed seperately as the internal monitoring is not done as per the CODM of the Company

(iv) Further, the Holding Company has total revenue of more than 10% from two of its customers. Revenue from customer one is Rs.2,696.93 Millions and second customer is Rs.2,036.61 Millions.

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Note 43 : Related Party disclosures

a. List of related parties

i) Key Managerial Persons

Mr. Hitesh Doshi	Chairman and Managing Director
Mr. Viren Doshi	Whole time Director
Mr. Hitesh Mehta	Whole time Director / CFO
Mrs. Binita Doshi	Non Executive Director
Mr. Samir Shah	Non Executive Director
Mr. Modesto Volpe	Non Executive Director
Mr. Jayesh Shah	Independent Director
Mr. Rajender Malla (from January 16, 2019)	Additional Director
Mr. Riazul Hasan Naqvi (Upto February 9, 2018)	Independent Director
Ms. Gayatri Borkar (Upto May 3, 2018)	Company Secretary
Mr. Kiran Jain (from May 30, 2018)	Company Secretary

ii) Relative of Directors

Mr. Chimanlal Doshi
Ms. Rasila Doshi
Mr. Pujan P. Doshi
Mr. Ankit H. Doshi (Upto October 31, 2017)
Mr. Manish Mehta (Upto June 30, 2018)

iii) Co Venture

North Eastern Electric Power Corporation Limited (upto December 11, 2017)

iv) Enterprises owned or significantly influenced by Key Management Personnel and / or their Relatives

Mahavir Thermoequip
Cesare Bonetti India Private Limited
Waaree PV Technologies Private Limited
Patan Solar Private Limited
Waaree MM Petrotech Private Limited
Dhaata Solar LLP
Omntec Waaree ATG Private Limited
Sattva Investment Advisors Private Limited
Waaree Solar Thermal LLP
Waaree Solar Thermal Pvt. Ltd.
Dhumketu Solar LLP
Sunmount Engineering LLP
Greentech Power Private Limited
Waa Mall LLP
Adidewa Solar LLP
Sangam Renewables Limited (Formerly Sangam Advisors Limited)
Sterling & Wilson-Waaree Pvt Ltd
8M Solar Fund Private Ltd.
Jain Education and Empowerment Trust (JEET)
Shri Chimanlal Tribhuvandas Doshi Charitable Trust

b. Transactions with Related Parties :

Name of Party	Nature of Transaction	Year Ended March 31, 2019	Year Ended March 31, 2018
Mr. Hitesh Doshi	Remuneration	12.75	12.75
Mr.Viren Doshi	Remuneration	10.20	10.20
Mr. Hitesh Mehta	Remuneration	17.00	12.00
Mr. Jayesh Shah	Director's sitting fees	0.40	0.40
Mr. Samir Shah	Director's sitting fees	0.35	0.35
Mr. Riazul Hasan Naqvi	Director's sitting fees	-	0.05
Mr. Rajender Malla	Director's sitting fees	0.05	-
Ms. Gayatri Borkar	Salary	0.10	1.21
Mr. Kiran Jain	Salary	0.93	-
Mr. Chimanlal Doshi	Rent paid	13.20	13.20

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Name of Party	Nature of Transaction	Year Ended March 31, 2019	Year Ended March 31, 2018
Ms. Rasila Doshi	Rent paid	6.60	6.60
Mr. Pujan Doshi	Salary	0.50	0.48
Mr. Ankit Doshi	Salary	-	0.15
Mr. Manish Mehta	Salary	0.41	0.22
Waacox Energy Private Limited	Sales	124.30	-
North Eastern Electric Power Corporation Limited	Purchase of Investments	-	838.75
Mahavir Thermoequip	Purchases	6.34	0.53
	Sales	0.01	-
Cesare Bonetti India Private Limited	Loan Taken	4.52	-
	Loan Repaid	4.52	1.50
	Loan Granted	238.48	539.67
	Loan Received back	328.19	256.94
	Other Receivables Received back	-	505.28
	Interest Income	4.54	1.32
	Capital Purchases	-	6.01
	Purchases	178.97	-
	Capital Sales	6.79	-
	Sales	112.77	-
Waaree PV Technologies Private Limited	Purchases	-	14.90
Patan Solar Private Limited	Purchases	-	78.63
	Loan Granted	0.00	23.40
	Loan Received back	0.00	73.91
	Loan Taken	-	0.00
	Loan Repaid	-	0.00
Waaree MM Petrotech Private Limited	Sundry Balance written off	-	0.03
Dhata Solar LLP	Sundry Balance written off	-	0.04
Omntec Waaree ATG Private Limited	Purchases	87.60	-
Sattva Investment Advisors Private Limited	Professional Fees	2.50	2.50
Waaree Solar Thermal LLP	Loan Granted	-	1.68
	Loan Received back	0.08	1.60
	Interest Income	-	0.09
Dhumketu Solar LLP	Loan Received back	-	1.50
	Interest Income	-	0.06
Sunmount Engineering LLP	Loan Granted	15.53	202.81
	Loan Received back	24.00	131.85
	Loan Taken	-	75.08
	Loan Repaid	-	75.08
	Interest Income	10.36	3.76
	Purchases	5.06	1.46
Greentech Power Private Limited	Loan Repaid	-	20.00
Waa Mall LLP	Loan Taken	0.25	10.49
	Loan Repaid	0.51	0.53
	Interest Paid	1.20	0.52
	Purchases	1.50	75.12
	Sales	10.60	-
Sangam Renewables Limited	Loan Granted	88.66	-
	Loan Received back	64.03	-
	Interest Income	1.24	-
	Sale of Investment	-	0.10
	Capital Purchases	0.16	-
	Project Expenses	44.67	12.04
	Sales	-	35.05
	Services	0.18	-
	Loan Taken	2.41	-
	Interest Paid	0.17	-

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Notes to consolidated financial statements for the Year Ended March 31, 2019

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Name of Party	Nature of Transaction	Year Ended March 31, 2019	Year Ended March 31, 2018
Sterling & Wilson-Waaree Pvt Ltd	Sales	1.25	230.14
8M Solar Fund Private Ltd.	Sales	83.54	31.18
	Sales Return	10.76	-
	Services	0.13	-
Jain Education and Empowerment Trust (JEET)	Corporate Social Responsibility Expense	3.91	4.35

c. Balance Outstanding of Related Parties :

Name of Party	Receivable / Payable	As at March 31, 2019	As at March 31, 2018
Mr. Hitesh Doshi	Salary and Reimbursements Payable	-	0.90
Mr. Viren Doshi	Salary and Reimbursements Payable	0.12	0.74
Mr. Hitesh Mehta	Salary and Reimbursements Payable	0.62	-
Ms. Gayatri Borkar	Salary and Reimbursements Payable	-	0.09
Mr. Kiran Jain	Salary and Reimbursements Payable	0.09	-
Mr. Chimanlal Doshi	Security Deposits	13.00	13.00
Ms. Rasila Doshi	Security Deposits	6.00	6.00
Mr. Pujan Doshi	Salary and Reimbursements Payable	0.05	0.04
Waacox Energy Private Limited	Advances from customers	418.33	-
Mahavir Thermoequip	Trade Payables	0.69	-
	Trade Receivables	-	2.58
Cesare Bonetti India Private Limited	Investment in Convertible Preference Shares	720.00	720.00
	Trade Receivables	114.24	-
	Capital Receivables	6.79	-
	Trade Payables	0.00	5.66
	Loan Receivables	496.58	582.12
	Advance to Suppliers	-	0.85
Waaree PV Technologies Private Limited	Trade Payables	3.11	3.31
Waaree Solar Thermal LLP	Trade Receivables	0.19	3.12
	Advance to Suppliers	0.15	-
	Loan Receivables	-	0.08
Waaree Solar Thermal Pvt. Ltd.	Trade Receivables	-	3.12
	Loan Receivables	-	0.08
Dhumketu Solar LLP	Advance to Suppliers	-	0.06
Sunmount Engineering LLP	Loan Receivables	83.19	82.33
Greentech Power Private Limited	Trade Receivables	0.48	0.48
Waa Mall LLP	Trade Payables	-	40.44
	Loan Payables	11.25	10.44
Sangam Renewables Limited	Loan Receivables	25.75	0.00
	Trade Receivables	3.06	13.72
	Trade Payables	28.83	3.10
	Loan Payables	2.56	0.00
8M Solar Fund Private Ltd.	Trade Receivables	69.74	32.74
Shri Chimanlal Tribhuvandas Doshi Charitable Trust	Trade Payables	1.32	1.32

(Rs in Millions)

Note 44 : Disclosure regarding income from Engineering, Procurement and Construction Contracts

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
i) The amount of contract revenue recognised as revenue during the year	57.27	1,904.79
ii) The aggregate amount of cost incurred and recognised profits upto the close of the year	51.10	1,664.20
iii) The amount of advances received	0.83	7.08
iv) Amount due from customer	42.14	661.94
v) Amount due to customer	-	-

Note 45 : Operating Lease

Future minimum lease payment under non-cancellable operating leases is as follows:

Particulars	Year Ended March 31, 2019	Year Ended March 31, 2018
Not later than one year	63.02	57.98
Later than one year and not later than five years	217.97	220.13
Later than five years	144.02	172.51
TOTAL	**425.01**	**450.62**

Note 46 : Disclosures with regards to section 186 of the Companies Act, 2013

For Investments, refer Note-3

For Corporate guarantees given, refer Note-40

For Loan given:

The Compay has granted Unsecured loan to certain parties for general corporate purpose

Particulars	Year ended March 31, 2019		Year ended March 31, 2018	
	Rate of Interest	Amount	Rate of Interest	Amount
Others	0 to 12%	636.76	Nil	82.42

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Note 47 : Financial instruments – Fair values and risk management

A. Accounting classification and fair values

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:
Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.
Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.
Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

Financial Asset & Liabilities as at 31st March 2019	Non Current	Current	Total	Routed through Profit & Loss				Routed through OCI				Carried at Amortised Cost	Total Amount
				Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total		
Financial assets													
Investments	820.08	-	820.08	-	-	-	-	-	-	-	-	820.08	820.08
Trade receivables	126.50	2,151.50	2,278.00									2,278.00	2,278.00
Security deposits	31.79	-	31.79	-	-	-	-	-	-	-	-	31.79	31.79
Other financial assets	107.83	221.93	329.76									329.76	329.76
Other Assets													
Cash and cash equivalents	-	223.98	223.98	-	-	-	-	-	-	-	-	223.98	223.98
Bank balances other than cash and cash equivalents	-	971.34	971.34	-	-	-	-	-	-	-	-	971.34	971.34
Loans	-	643.99	643.99	-	-	-	-	-	-	-	-	643.99	643.99
	1,086.20	**4,212.74**	**5,298.95**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**5,298.95**	**5,298.95**
Financial liabilities													
Borrowings	658.32	15.43	673.75	-	-	-	-	-	-	-	-	673.75	673.75
Trade payables	-	3,077.92	3,077.92	-	-	-	-	-	-	-	-	3,077.92	3,077.92
Other financial liabilities	-	585.41	585.41	-	-	-	-	-	-	-	-	585.41	585.41
	658.32	**3,678.76**	**4,337.08**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**4,337.08**	**4,337.08**

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Notes to consolidated financial statements for the Year Ended March 31, 2019

(Rs. in Millions)

Financial Asset & Liabilities as at 31st March 2018	Non Current	Current	Total	Routed through Profit & Loss				Routed through OCI				Carried at Amortised Cost	Total Amount
				Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total		
Financial assets													
Investments	820.00	144.36	964.36	-	-	-	-	-	-	-	-	820.00	820.00
Trade receivables	147.95	803.34	951.29	-	-	-	-	-	-	-	-	951.29	951.29
Security deposits	30.11	-	30.11									30.11	30.11
Other financial assets	74.08	13.31	87.40									87.40	87.40
Other Assets													
Cash and cash equivalents	-	61.77	61.77	-	-	-	-	-	-	-	-	61.77	61.77
Bank balances other than cash and cash equivalents	-	223.39	223.39	-	-	-	-	-	-	-	-	223.39	223.39
Loans	-	664.54	664.54	-	-	-	-	-	-	-	-	664.54	664.54
	1,072.14	**1,910.71**	**2,982.85**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**2,838.49**	**2,838.49**
Financial liabilities													
Borrowings	4,106.85	507.80	4,614.65									4,614.65	4,614.65
Trade payables	-	2,087.16	2,087.16	-	-	-	-	-	-	-	-	2,087.16	2,087.16
Other financial liabilities	-	765.29	765.29									765.29	765.29
	4,106.85	**3,360.25**	**7,467.10**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**7,467.10**	**7,467.10**

The Fair Value of the Financial Assets & Liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties,other than in a forced or liquidation sale. The management assessed that fair value of cash and cash equivalents, trade payables and other current financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

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Note 47 : Financial instruments – Fair values and risk management (continued)

B. Financial Risk Management

B.i. Risk management framework

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

B.ii. Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's trade and other receivables, cash and cash equivalents and other bank balances.The maximum exposure to credit risk in case of all the financial instruments covered below is restricted to their respective carrying amount.

(a) Trade and other receivables from customers

Credit risk in respect of trade and other receivables is managed through credit approvals, establishing credit limits and monitoring the creditworthiness of customers to which the Group grants credit terms in the normal course of business.

The Group measures the expected credit loss of trade receivables based on historical trend, industry practices and the business environment in which the entity operates. The Group uses a provision matrix to compute the expected credit loss allowance for trade receivables. The provision matrix takes into account available external and internal credit risk factors such as credit ratings from credit rating agencies, financial condition, ageing of accounts receivable and the Group's historical experience for customers.

Ageing of Accounts receivables :

Particulars	As at March 31, 2019	As at March 31, 2018
Not Due	872.63	154.09
0 - 6 months	1,240.03	430.43
6 - 12 months	92.68	366.78
Beyond 12 months	72.66	-
Total	**2,278.00**	**951.29**

Financial Assets are considered to be of good quality and there is no significant increase in credit risk

The movement of the allowance for lifetime expected credit loss is stated below:

Particulars	As at March 31, 2019	As at March 31, 2018
Opening provision	38.02	28.74
Add : Additional provision made	1.46	9.28
Less : Provision reversed	-	-
Closing provisions	**39.48**	**38.02**

(b) Cash and cash equivalents and Other Bank Balances

The Group held cash and cash equivalents and other bank balances of Rs. 223.98 million at 31st March 2019 (31st March 2018: Rs. 61.79 million). The cash and cash equivalents are held with bank with good credit ratings and financial institution counterparties with good market standing.

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Note 47 : Financial instruments – Fair values and risk management (continued)

B.iii. Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset.

Liquidity risk is managed by Group through effective fund management of the Group's short, medium and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves, banking facilities and other borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted.

Maturity Analysis of Significant Financial Liabilities

As at March 31, 2019	Total	On demand	Upto 6 Months	6-12 Months	More than 12 Months
Non-Current Borrowings	658.32	-	-	-	658.33
Borrowings	15.43	15.44	-	-	-
Trade payables	3,077.92	-	3,077.88	-	-
Other current financial liabilities	585.41	-	249.30	336.11	-

As at March 31, 2018	Total	On demand	Upto 6 Months	6-12 Months	More than 12 Months
Non-Current Borrowings	4,614.65	-	-	-	4,614.65
Other Non-Current financial liabilities	765.29	-	-	-	765.29
Borrowings	507.80	404.21	103.59	-	-
Trade payables	2,087.14	-	2,087.14	-	-
Other current financial liabilities	765.29	-	300.54	464.75	-

B.iv. Market risk

Market Risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk.

(Rs. in Millions)

Note 47 : Financial instruments – Fair values and risk management (continued)

B.iv.a Currency risk

The Group is exposed to currency risk on account of its operating and financing activities. The functional currency of the Group is Indian Rupee. Our exposure are mainly denominated in U.S. dollars and European dollars. The Group's business model incorporates assumptions on currency risks and ensures any exposure is covered through the normal business operations. This intent has been achieved in all years presented. The Group has put in place a Financial Risk Management Policy to identify the most effective and efficient ways of managing the currency risks.

Exposure to currency risk

The currency profile of financial assets and financial liabilities as at March 31, 2019 and March 31, 2018 are as below:

As at March 31, 2019	Rs. in Millions	EURO	Rs. in Millions	USD	Rs. in Millions	RMB
Financial assets						
Trade receivables	0.53	0.01	292.79	4.23	-	-
Loans	-	-	3.46	0.05	-	-
Cash and cash equivalents	0.00	0.00	0.00	0.00	-	-
Net exposure for assets	**0.53**	**0.01**	**296.25**	**4.28**	**-**	**-**
Financial liabilities						
Short Term Borrowings	-	-	4.18	0.06	-	-
Trade Payables	2.13	0.03	1,190.06	17.20	9.32	0.90
Other current liabilities	-	-	0.06	0.00	-	-
Net exposure for liabilities	**2.13**	**0.03**	**1,194.30**	**17.26**	**9.32**	**0.90**
Net exposure (Assets - Liabilities)	**(1.60)**	**(0.02)**	**(898.05)**	**(12.98)**	**(9.32)**	**(0.90)**

As at March 31, 2018	Rs. in Millions	EURO	Rs. in Millions	USD	Rs. in Millions	RMB
Financial assets						
Trade receivables	0.55	0.01	47.57	0.73	-	-
Cash and cash equivalents	0.03	0.00	2.41	0.04	-	-
Net exposure for assets	**0.58**	**0.01**	**49.99**	**0.77**	**-**	**-**
Financial liabilities						
Short Term Borrowings	-	-	103.59	1.59	-	-
Trade Payables	3.57	0.04	1,173.92	18.05	-	-
Net exposure for liabilities	**3.57**	**0.04**	**1,277.51**	**19.64**	**-**	**-**
Net exposure (Assets - Liabilities)	**(3.00)**	**(0.04)**	**(1,227.52)**	**(18.87)**	**-**	**-**

Sensitivity analysis

A reasonably possible strengthening / (weakening) of the Indian Rupee against US dollars and European dollars at 31st March would have affected the measurement of financial instruments denominated in US dollars and affected profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases. In cases where the related foreign exchange fluctuation is capitalised to fixed assets or recognised directly in reserves, the impact indicated below may affect the Group's income statement over the remaining life of the related fixed assets or the remaining tenure of the borrowing respectively.

Impact of movement on Profit or (loss) and Equity :

Effect in INR (before tax)	Profit or (loss) and Equity Strengthening	Profit or (loss) and Equity Weakening
For the year ended March 31, 2019		
1% movement		
USD	8.94	(8.94)
EUR	0.02	(0.02)
	8.96	(8.96)

Effect in INR (before tax)	Profit or (loss) and Equity Strengthening	Profit or (loss) and Equity Weakening
For the year ended March 31, 2018		
1% movement		
USD	12.28	(12.28)
EUR	0.03	(0.03)
	12.31	(12.31)

Derivative financial instruments

The Company holds derivative financial instruments such as foreign currency forward and option contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. The counter party for this contracts is generally a bank. This derivative financial instruments are valued based on quoted prices for similar assets and liabilities in active markets or inputs thar are directly or indirectly observable in the market place.

The details in respect of outstanding foreign currency forward and option contracts are as follows.

Particulars	As at March 31, 2019		As at March 31, 2018	
	USD	INR	USD	INR
Forward contracts	9.00	622.54	-	-
Option Contracts	4.50	311.27	-	-
	13.50	**933.81**	**-**	**-**

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Note 47 : Financial instruments – Fair values and risk management (continued)

B.iv.b Interest rate risk

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 Group is exposed to interest rate risk through the impact of rate changes on interest-bearing liabilities and assets. The Group manages its interest rate risk by monitoring the movements in the market interest rates closely.

Exposure to interest rate risk

Group's interest rate risk arises primarily from borrowings. The interest rate profile of the Group's interest-bearing financial instruments is as follows

Particulars	As at March 31, 2019	As at March 31, 2018
Total Borrowings	673.77	4,614.65
Total of Variable Rate Financial Liabilities	**673.77**	**4,614.65**

Cash flow sensitivity analysis for variable-rate instruments

The sensitivity analysis below have been determined based on the exposure to interest rates for financial instruments at the end of the reporting year and the stipulated change taking place at the beginning of the financial year and held constant throughout the reporting period in the case of instruments that have floating rates. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates :

Cash flow sensitivity (net)	Profit or loss	
INR	**50 bp Increase**	**50 bp decrease**
March 31, 2019		
Variable-rate loan Instruments	(3.37)	3.37
Cash flow sensitivity (net)	**(3.37)**	**3.37**
March 31, 2018		
Variable-rate loan instruments	(23.07)	23.07
Cash flow sensitivity (net)	**(23.07)**	**23.07**

B.iv.c Other price risk

The Group invests its surplus funds in various Equity and debt instruments . These comprise of mainly liquid schemes of mutual funds (liquid investments), Equity shares, Debentures and fixed deposits. This investments are susceptible to market price risk, mainly arising from changes in the interest rates or market yields which may impact the retum and value of such investments. However due to the very short tenor of the underlying portfolio in the liquid schemes, these do not pose any significant price risk.

Note 48 : Capital Management

The Group alms to manage its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise returns to its shareholders. Management monitors the return on capital as well as the debt equity ratio and make necessary adjustments in the capital structure for the development of the business. The capital structure of the Group is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day - to - day needs. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

Particulars	As at March 31, 2019	As at March 31, 2018
Total debts	1,070.29	5,039.26
Total equity	2,579.89	1,757.94
Total debts to equity ratio (Gearing ratio)	**0.41**	**2.87**

Note : For the purpose of computing debt to equity ratio, equity includes Equity share capital and Other Equity and Debt includes Long term borrowings, Short term borrowings and current maturities of long term borrowings.

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Waaree Energies Limited

WAAREE ENERGIES LIMITED

Notes to consolidated financial statements for the Year Ended March 31, 2019

(Rs. in Millions)

Note 49 : Additional Information, as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as

Name of the Enterprise	Net Assets i.e. total assets minus total liabilities		Share in Profit & Loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	(Rs. in Millions)	As % of consolidated profit & loss	(Rs. in Millions)	As % of consolidated profit & loss	(Rs. in Millions)	As % of consolidated profit & loss	(Rs. in Millions)
For the year ended March 31,2019								
Parent								
Waaree Energy Limited	56.69%	1,462.64	92.34%	731.47	100.00%	4.24	92.30%	735.71
Subsidiaries								
Indian								
Waaneep Solar Private Limited	0.00%	-	11.70%	92.67	0.00%	-	11.64%	92.67
Blue Rays Solar Private Limited	15.16%	391.02	-0.01%	(0.09)	0.00%	-	-0.01%	(0.09)
Waaree Solar Energy Private Limited	-0.32%	(8.35)	-1.23%	(9.74)	0.00%	-	-1.22%	(9.74)
Saswata Solar LLP	28.61%	738.19	0.00%	(0.02)	0.00%	-	0.00%	(0.02)
Waaneep Solar One Pvt. Ltd.	0.02%	0.64	-0.01%	(0.05)	0.00%	-	-0.01%	(0.05)
Foreign								
Rasila International Pte Limited	-0.16%	(4.25)	-0.07%	(0.59)	0.00%	-	-0.07%	(0.59)
Waaree Japan KK	0.00%	-	0.24%	1.87	0.00%	-	0.23%	1.87
Net Total		**2,579.89**		**815.50**		**4.24**		**819.76**
Minority Interest in all subsidiaries	0.00%	0.00	-2.95%	(23.35)	0.00%	-	-2.93%	(23.35)
Total	**100.00%**	**2,579.89**	**100.00%**	**792.15**	**100.00%**	**4.24**	**100.00%**	**796.41**
For the year ended March 31,2018								
Parent								
Waaree Energy Limited	-76.91%	(1,352.02)	72.76%	167.79	100%	0.67	72.84%	168.46
Subsidiaries								
Indian								
Waaneep Solar Private Limited	101.73%	1,788.44	6.96%	16.06	0.00%	-	6.94%	16.06
Blue Rays Solar Private Limited	32.10%	564.21	-0.03%	(0.07)	0.00%	-	-0.03%	(0.07)
Waaree Solar Energy Private Limited	1.05%	18.44	10.15%	23.41	0.00%	-	10.12%	23.40
Saswata Solar LLP	41.99%	738.23	-0.05%	(0.12)	0.00%	-	-0.05%	(0.12)
WaaCox Energy Private Limited	0.00%	-	0.00%			-		
Foreign	0.00%		0.00%					
Rasila International Pte Limited	-0.24%	(4.19)	-0.67%	(1.56)	0.00%	-	-0.67%	(1.56)
Waaree Japan KK	0.27%	4.83	16.06%	37.04	0.00%	-	16.01%	37.04
Net Total		**1,757.94**		**242.54**		**0.67**		243.21
Minority Interest in all subsidiaries	0.00%	0.00	-5.17%	(11.92)	0.00%	-	-5.15%	(11.92)
Total	**100.00%**	**1,757.94**	100.00%	230.62	**100.00%**	**0.67**	100.00%	231.29

SGCO & CO LLP Chartered Accountants MUMBAI

Waaree Energies Limited

Note 50 : The list of subsidiaries and associates in the consolidated financial statements are as under :

Name of the Enterprise	Country of Incorporation	Proportion of Ownership Interest	
		Year Ended March 31, 2019	Year Ended March 31, 2018
Subsidiaries			
Waaneep Solar Private Limited (upto 31st December, 18)	India	100.00%	100.00%
Blue Rays Solar Private Limited	India	100.00%	100.00%
Waaree Solar Energy Private Limited	India	100.00%	100.00%
Rasila International Pte Limited	Singapore	99.99%	99.99%
Saswata Solar LLP	India	99.99%	99.99%
Waaree Japan Kk (upto 30th June, 18)	Japan	100.00%	100.00%
Waaneep Solar One Private Limited (from 20th June, 18)	India	100.00%	-
Associate			
Shalibhadra Energies Private Limited	India	25.00%	25.00%
Waasang Solar Private Limited (from 18th July, 18)	India	26.00%	-
Waasang Solar One Private Limited (from 30th August, 18)	India	49.00%	-

Note 51 : During the year the Income tax authorities carried out search and seizure action u/s. 132 of the Income Tax Act,1961 on the premises of the Parent Company. The Parent Company co-operated with the authorities and has provided necessary details/information as and when asked for by the Tax authorities . The notices for Income Tax assessment pursuant to the search action are yet to be received from the Assessing officer.

Note 52 : Figures of the previous year have been regrouped, reclassified and/or rearranged wherever necessary.

In terms of our report of even date

For S G C O & Co. LLP
Chartered Accountants
Firm Registration No. 112081W/W100184

Suresh Murarka
Partner
Mem. No. 44739

Place: Mumbai
Date: 28th May 2019

For and on behalf of the Board

Chairman & Managing Director
(DIN 00203668)

Director & CFO
(DIN 00207506)

Company Secretary
Place: Mumbai
Date: 28th May 2019