Independent Auditors' Report

To The Members of M/s. Punj Lloyd Solar Power Limited

Report on the Audit of the Standalone Ind AS Financial Statements

Opinion

We have audited the accompanying Standalone Ind AS financial statements of **M/s. Punj Lloyd Solar Power Limited ("the Company")**, which comprise the balance sheet as at 31st March, 2022 and the Statement of profit and loss (including other comprehensive income), the cash flow statement and statement of changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Standalone Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2022, and its loss including other comprehensive income, its cash flows and changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the Standalone Ind AS financial statement 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 Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Standalone Ind AS financial statements.

Emphasis of Matter

Attention is invited to Note no. 1 of Notes to Financial Statements related to the liquidation under going concern ordered by National Company Law Tribunal (NCLT) of the Ultimate Holding Company (Punj Lloyd Limited) dated 27th May,2022. The matter is not subject to qualification by the auditor.

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

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

Our opinion on the standalone Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent

MYMR & Associates FRN:-020685N New Delhi Chartered Accountants with the standalone Ind AS 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.

Responsibilities of Management and those charged with Governance for the financial statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance(including other comprehensive income), statement of changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibility for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

MYMR & Associates
FRN:-020685N
New Delhi
Chartered Accountants

- 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 company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the **Annexure "A"**, a statement on the matters Specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by section 143(3) of the Act, we report that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

MYMK & Associates Chartered Accountants FRN:-020685N New Delhi

c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended;

e) On the basis of written representations received from the directors as on 31st March, 2022, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164(2) of the Act.

f) With respect to adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in **"Annexure B".** Our report expresses an unmodified opinion on the accuracy and operating effectiveness of the Company's internal financial control over financial reporting.

g) In our opinion, nil managerial remuneration for the year ended 31st March, 2022, has been paid / provided by the Company to its directors.

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

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

ii) The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.

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

iv) a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding whether recorded in writing or otherwise, that the Intermediary shall:

• directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or

• provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(b) The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been

MYMK & Associates Chartered Accountants FRN:-0[illegible]685N New Delhi

received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:
• directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or
• provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries; and

(c) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under subclause (a) and (b) contain any material mis-statement.

v) The company has not declared or paid dividend during the year, therefore the provisions of Section 123 of the Act are not applicable.

For **MYMR & Associates**
Chartered Accountants
FRN 020685N

Manoj Yadav
Proprietor
M. No. 503079
Place: New Delhi
Date: July 19, 2022
UDIN: 22503079APVECH2297

MYMR & Associates
FRN:-020685N
New Delhi
Chartered Accountants

ANNEXURE `A' to Independent Auditor's Report

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

We report that:

1. a) The company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;

   b) The Fixed Assets have been physically verified by the management during the year and no material discrepancies have been noticed on such verification. In our opinion, the frequency of verification is reasonable.

   c) The title deeds of immovable properties are held in the name of the company.

   d) The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year.

   e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder

2. The Company does not hold any inventories; hence clause (ii) of paragraph 3 of the Order is not applicable.

3. According to the information and explanations given to us, the company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Therefore, clauses 3(iii)(a) to (f) of the Order are not applicable.

4. In our opinion and according to the information and explanations given to us, the company has not given any loan, investments, guarantee and security to and on behalf of any of its Directors as stipulated under section 185 and section 186 of the Act. Therefore, clause (iv) of paragraph 3 of the Order is not applicable.

5. The company has not accepted any deposits from the public and hence the directives issued by Reserve Bank of India and the provisions of Sections 73 to 76 of the Act and the Company's (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.

6. According to the information and explanations given to us, the maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013, for any of the activities of the company.

7. a) The company is regular in depositing with appropriate authorities undisputed statutory dues applicable to it.
   According to the information and explanations given to us, there are no undisputed statutory dues outstanding as at 31st March, 2022 for a period of more than six months from the date they became payable.

   b) According to the information and explanations given to us, there are no material statutory dues which have not been deposited on account of any dispute.

MYSB & Associates
FRN:-027685N
New Delhi
Chartered Accountants

8. According to information and explanations given to us there were no transactions that were not recorded in the books of account have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

9. In our opinion and according to the information and explanation given by the management, the company did not have any loan or borrowings from any financial institution, bank, government or debenture holders during the year. Therefore, clause (ix)(a) to (f) of paragraph 3 of the Orders not applicable.

   (a) The Company has not defaulted in the repayment of the dues to financial institutions/banks.

   (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

   (c) On an overall examination of the financial statements of the Company, the term loans were applied for the purpose for which the loans were obtained.

   (d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.

   (e) The Company does not have any subsidiary, hence reporting on clause 3(ix)(e) of the Order is not applicable

   (f) The Company has not raised any loans during the year and hence reporting on clause 3(ix)(f) of the Order is not applicable.

10. The company has not raised any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year, hence clause (x)(a) of paragraph 3 of the Orders not applicable. The company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year, hence clause (x)(b) of paragraph 3 of the Orders not applicable.

11. Based upon the audit procedures performed and information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year under audit. There was no report filed in Form ADT-4 by the auditors also there were complaints from whistle blower during the year.

12. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company hence clause (xii) (a) to (c) of paragraph 3 of the Order regarding default is not applicable.

13. In our Opinion and according to the information and explanations given to us the company's transactions with its related party are in compliance with Section 177 and 188 of the Companies Act,2013, where applicable and details of related party transactions have been disclosed in the standalone Ind AS financial statement etc as required by the applicable accounting standards.

14. According to the information and explanations given to us, the internal audit is not applicable in case of the company, hence clause 3(xiv) of the order is not applicable in case of the company.

15. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or

FRN:-010685N
New Delhi
Chartered Accountants

persons connected with him. Therefore, provisions of clause (xv) of paragraph 3 of the Order are not applicable.

16. (a) In our opinion and according to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.

(b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.

17. The company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial.

18. There has been no resignation of the statutory auditors of the Company during the year.

19. On According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

20. According to the information and explanations given to us and based on our examination of the records of the Company, Section 135 of the Companies Act,2013 for Corporate Social Responsibility is not applicable to the company. Therefore, provisions of clause (xx)(a) and (b) of paragraph 3 of the Order are not applicable.

21. Since this is report on standalone financial statements of the company, therefore, consideration of qualifications or adverse remarks by the respective auditors in the Companies (Auditor's Report) Order (CARO) reports of the companies included in the consolidated financial statements does not arise. The provisions of clause (xxi) of paragraph 3 of the Order is not applicable.

For MYMR & Associates
Chartered Accountants
FRN: 020685N

MYMR & Associates
FRN:-020685N
New Delhi
Chartered Accountants

Manoj Yadav
Proprietor
M.No.: 503079
Place: New Delhi
Date: July 19, 2022
UDIN: 22503079APVECH2297

ANNEXURE B 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")

We have audited the internal financial controls over financial reporting of **M/s. Punj Solar Power Limited** ("the Company") as of March 31, 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (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 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.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these Financial Statements were established and maintained and if such controls operated effectively in all material respects.

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

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

MYMR & Associates
FRN:-020685N
New Delhi
Chartered Accountants

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting with reference to these Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting with reference to these Financial Statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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 with reference to these Financial Statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting with reference to these Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting with reference to these Financial Statements and such internal financial controls over financial reporting with reference to these Financial Statements were operating effectively as at March 31, 2022, 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 ICAI.

For MYMR & Associates
Chartered Accountants
FRN: 020685N

Manoj Yadav
Proprietor
M.No.: 503079
Place: New Delhi
Date: July 19, 2022
UDIN: 22503079APVECH2297

MYMR & Associates
FRN:-020685N
New Delhi
Chartered Accountants

Punj Lloyd Solar Power Limited
Standalone Balance Sheet as at March 31, 2022
Cin no. U40106DL2010PLC211739
(All amounts in INR Thousands, unless otherwise stated)

Particulars	Notes	As at March 31, 2022	As at March 31, 2021
Assets			
Non-current assets			
Property Plant and Equipments and Intangible assets			
Property Plant and Equipments	3	146	154
Intangible - Concession Assets	4	431,620	460,395
Other non-current assets	5	500	500
Deferred tax assets (net)	11	-	68
Current assets			
Current tax assets (net)		3,474	3,915
Other assets	6	11,122	11,353
Financial Assets			
Cash and bank balances	7	60,281	41,726
Total Assets		**507,143**	**518,110**
Equity			
Shareholders' fund			
Equity Share Capital	8	151,000	151,000
Other Equity			
Retained Earnings	9	46,675	24,913
Total Equity		**197,675**	**175,913**
Non-current liabilities			
Financial Liabilities			
Borrowings	10	127,038	152,338
Deferred tax liabilities (net)	11	9,275	-
Current liabilities			
Financial Liabilites			
Borrowings	12	16,469	23,778
Trade payables	13		
-total outstanding dues of micro enterprises and small enterprises		-	-
-total outstanding dues of creditors other than micro enterprises and small enterprises		349	15,111
Other current liabilities	14	35,721	35,392
Other non financial liabilities	15	1,557	1,933
Provisions	16	119,060	113,646
Total Liabilities		**309,468**	**342,197**
Total equity and liabilities		**507,143**	**518,110**
Summary of significant accounting policies	2		

The accompanying notes are an integral part of the financial statements.

As per our report of even date

for **MYMR & ASSOCIATES**
Chartered Accountants
Firm registration number: 020685N

MANOJ YADAV
Proprietor
Membership no.: 503079
Place: Delhi
Date: July 19, 2022

UDIN: 22503079APVECH2297

(Shibu Joseph)
CFO

For and on behalf of Board of Directors of
Punj Lloyd Solar Power Limited

(Manoj Mamgaine)
Director
Din -09567941

(Chambayil Koppat Santosh Raj)
Director
Din - 09188304

MYMR & Associates Chartered Accountants FRN:-020685N New Delhi

Punj Lloyd Solar Power Limited New Delhi

Punj Lloyd Solar Power Limited
Standalone Statement of Profit and Loss for the year ended March 31, 2022
Cin no. U40106DL2010PLC211739
(All amounts in INR Thousands, unless otherwise stated)

	Notes	Year ended March 31, 2022	Year ended March 31, 2021
Income			
Revenue from operations		107,783	108,762
Other income	17	1,357	11,134
Total income (I)		**109,141**	**119,895**
Expenses			
Other expenses	18	43,358	69,298
Total expenses (II)		**43,358**	**69,298**
Earning before interest, tax, depreciation and amortization (EBITDA) (I-II)		**65,783**	**50,597**
Depreciation and amortization expense	3&4	28,783	28,782
Finance costs	19	7,117	10,924
Profit before tax		**29,882**	**10,891**
Tax expenses			
Current tax			
MAT credit entitlement		-	
Deferred tax		9,343	(3,222)
Total tax expense		**9,343**	**(3,222)**
Profit for the year		**20,539**	**14,113**
Earnings per equity share			
Basic and diluted earning per share	20	1.36	0.93
Summary of significant accounting policies	2		

The accompanying notes are an integral part of the financial statements.

As per our report of even date

for **MYMR & ASSOCIATES**
Chartered Accountants
Firm registration number: 020685N

For and on behalf of Board of Directors of
Punj Lloyd Solar Power Limited

MANOJ YADAV
Proprietor
Membership no.: 503079
Place: Delhi
Date: July 19, 2022

(Shibu Joseph)
CFO

(Manoj Mamgaine)
Director
Din -09567941

(Chambayil Koppat Santosh Raj)
Director
Din - 09188304

UDIN: 22503079APVECH2297

MYMR & ASSOCIATES FRN:-020685N New Delhi Chartered Accountants

PUNJ LLOYD SOLAR POWER LIMITED NEW DELHI

Punj Lloyd Solar Power Limited
Cash flow statements for the year ended March 31, 2022
Cin no. U40106DL2010PLC211739
(All amounts in INR Thousands, unless otherwise stated)

	Year ended March 31, 2022	Year ended March 31, 2021
Cash flow from/ (used in) operating activities		
(Loss)/ profit before tax	**29,883**	**10,891**
Adjustments for:		
Depreciation and amortization	28,782	28,782
Changes during the year	1,222	(2,864)
Forex fluctuation	-	(7,775)
Discount allowed	-	1,973
Interest expense	2,666	6,066
Interest income	(1,285)	(3,359)
Operating profit before changes in operating assets and liabilities	**61,268**	**33,714**
Movement in working capital:		
(Decrease)/ increase in trade payables	(14,763)	14,852
(Decrease)/ increase in provisions	5,414	233
Decrease in other current liabilities	(376)	598
Decrease/ (increase) in trade receivables	-	-
Decrease/ (increase) in loans and advances	672	7,692
Cash generated from/ (used in) operations	52,216	57,091
Direct taxes paid (net of refunds)	-	(1,746)
Net cash flow from/ (used in) operating activities (A)	**52,216**	**55,345**
Cash flow used in investing activities		
Interest received	1,285	9,202
Net cash flow used in investing activities (B)	**1,285**	**9,202**
Cash flow (used in)/ from financing activities		
Proceeds from long-term borrowings	(24,767)	(160,240)
(Repayment)/proceeds from short-term borrowings (net)	(7,309)	12,667
Interest paid	(2,869)	(7,796)
Net cash flow (used in)/from financing activities (C)	**(34,945)**	**(155,369)**
Net increase/(decrease) in cash and cash equivalents (A+B+C)	**18,556**	**(90,822)**
Cash and cash equivalents at the beginning of the year	41,726	132,548
Cash and cash equivalents at the end of the year	**60,281**	**41,726**
Components of cash and cash equivalents		
Cash on hand	81	82
Balances with banks:		
On current accounts	20,537	21,144
Deposits with Bank	39,662	20,500
Total cash and cash equivalents (also refer note 7)	**60,281**	**41,726**

As per our report of even date

for **MYMR & ASSOCIATES**
Chartered Accountants
Firm registration number: 020685N

For and on behalf of Board of Directors of
Punj Lloyd Solar Power Limited

MANOJ YADAV
Proprietor
Membership no.: 503079
Place: Delhi
Date: July 19, 2022

(Shibu Joseph)
CFO

(Manoj Mamgaine)
Director
Din -09567941

(Chambayil Koppat Santosh Raj)
Director
Din - 09188304

UDIN: 22503079APVECH2297

MYMR & Associates Chartered Accountants FRN:-020685N New Delhi

Punj Lloyd Solar Power Limited New Delhi

Punj Lloyd Solar Power Limited
Standalone Statement of Ratio for the year ended March 31, 2022
Cin no. U40106DL2010PLC211739
(All amounts in INR Thousands, unless otherwise stated)

The ratios for the years ended March 31, 2022 and March 31, 2021 are as follows:

Particulars	Numerator	Denominator	Year ended March 31, 2022	Year ended March 31, 2021	Variance (in %)	Reasons
Current Ratio	Current Assets	Current Liabilities	0.43	0.30	44%	Increase in bank deposits
Debt-Equity Ratio	Total Debts	Shareholder's Equity	0.82	1.06	-23%	
Debt Service Coverage Ratio	Earnings available for debts services	Debts paid during the year	1.55	1.11	40%	Earning Increase due to optimisation of operation cost
Return on Equity Ratio	Net profit after tax	Average shareholder's equity	0.10	0.08	30%	Profit Incraesae due to optimatisation of operational cost results in higher net profit
Trade payables turnover ratio	Purchase of services and other expenses	Average trade paybale	5.61	8.87	-37%	During the year higher payout of trade payable including the previous year liabilities
Net capital turnover ratio	Revenue	Working capital	(1.10)	(0.82)	34%	Due to efficiency in working capital
Net profit ratio	Net profit	Revenue	0.19	0.13	47%	Due to optimatisation of operational cost results in higher Net profit
Return on Capital employed	Earning before interest and taxes	Capital Employed	0.11	0.06	75%	Due to optimisation of operational cost and reduction of borrowing results in decreases capital employed

Note. Inventory turnover ratio and trade receivable turnover ratio Not applicable

MYMR & Associates, Chartered Accountants, FRN: 020685N, New Delhi

PUNJ LLOYD SOLAR POWER LIMITED, NEW DELHI

Punj Lloyd Solar Power Limited
Standalone Statement of Changes in Equity for the period ended December 31, 2021
(All amounts in INR Thousands, unless otherwise stated)

	Numbers	Amount
Equity share of Rs. 10 each issued, subscribed and fully paid		
At 31 March 2021	**15,100**	**151,000**
		-
At 31 December 2021	**15,100**	**151,000**

Other Equity

For the year ended March 31, 2021		
As at April 01, 2020	13,664	13,664
Changes during the year	(2,864)	(2,864)
Profit for the year	14,113	14,113
Add: Exchange difference during the year on net investment in non-integral operations	-	-
Other comprehensive Income	-	-
Total Comprehensive Income	**24,913**	**24,913**
As at March 31, 2021	**24,913**	**24,913**

For the year ended March 31, 2022		
As at April 01, 2021	24,913	24,913
Changes during the year	1,222	1,222
Profit for the year	20,540	20,540
Add: Exchange difference during the year on net investment in non-integral operations	-	-
Other comprehensive Income	-	-
Total Comprehensive Income	**45,453**	**46,675**
As at March 31, 2022	**45,453**	**46,675**

MYMR & Associates Chartered Accountants FRN:-020685N New Delhi

Punj Lloyd Solar Power Limited New Delhi

(All amounts in INR Thousands, unless otherwise stated)

3 Property Plant and Equipments and Intangible assets

Particulars	Office Equipments	Leasehold Land	Plant and equipment	Total
Cost				
At April 01, 2020	11	228	-	239
Additions during the year	-	-	-	-
Disposals during the year	-	-	-	-
At March 31, 2021	**11**	**228**	**-**	**239**
Additions during the year	-	-	-	-
Disposals during the year	-	-	-	-
As at March 31, 2022	**11**	**228**	**-**	**239**
Depreciation				
At April 01, 2020	11	67	-	77
Charge for the year	-	8	-	8
Disposal during the year	-	-	-	-
At March 31, 2021	**11**	**74**	**-**	**85**
Charge for the period	-	8	-	8
Disposal during the year	-	-	-	-
As at March 31, 2022	**11**	**82**	**-**	**92**
Net block				
At March 31, 2020	**-**	**154**	**-**	**154**
As at March 31, 2022	**-**	**146**	**-**	**146**

4 **Intangible Assets - Concession assets**

Particulars	Concession Asset - Solar Plant
Cost	
At April 01, 2020	719,367
Additions during the year	-
At March 31, 2021	**719,367**
Additions during the year	-
As at March 31, 2022	**719,367**
Depreciation	
At April 01, 2020	230,198
Amortization during the year	28,775
At March 31, 2021	**258,972**
Amortization during the year	28,775
As at March 31, 2022	**287,747**
Net block	
At March 31, 2021	**460,395**
As at March 31, 2022	**431,620**

5 **Other non-current assets**

Particulars	Long-term		Short-term	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Security deposit				
Unsecured, considered good	500	500	-	-
	500	500	-	-
			-	-
	500	**500**	**-**	**-**

6 **Other assets**

Particulars	Long-term		Short-term	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Other loans and advances				
Unearned Income	-	-	10,256	9,722
Amount Recoverable in cash or in kind	-	-	55	-
Prepaid expenses	-	-	672	674
Interest accrued but not received on Fixed Deposit	-	-	139	956
	-	**-**	**11,122**	**11,353**

7 **Cash and bank balances**

Particulars	As at March 31, 2022	As at March 31, 2021
Cash and cash equivalents		
Cash on hand	81	82
Balances with a bank:		
On current account	20,537	21,144
On Bank deposit with less than 3 months maturity	39,662	20,500
Deposits with maturity for more than three months		
	60,281	**41,726**
	60,281	**41,726**

(All amounts in INR Thousands, unless otherwise stated)

8 Equity Share Capital

Particulars	As at March 31, 2022	As at March 31, 2021
Authorised shares		
15,500 (previous year 15,500) equity shares of Rs. 10 each	**155,000**	**155,000**
Issued, subscribed and fully paid-up shares	151,000	151,000
15,100(previous year 15,100) equity shares of Rs. 10 each		
	151,000	**151,000**

List of Shares held by Promoters for the equity share capital of the Company at the beginning and at the end of the reporting year:

		As at March 31, 2022		As at March 31, 2021		
S.No	Promoter Name	No. Shares	% of total Shares	No. Shares	% of total Shares	% change during the year
1	Punj Lloyd Infrastructure Limited	15,100	100%	15,100	100%	-
	15,100 (previous year 15,100) equity shares of Rs. 10 each fully paid					
	Total	**15,100**	**100%**	**15,100**	**100%**	**-**

Terms and rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share.

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

Share capital held by its holding company

Out of equity shares issued, subscribed and fully paid up by the Company, shares held by its holding company and its nominees are as below:

Name of Shareholder	As at March 31, 2022	As at March 31, 2021
Punj Lloyd Infrastructure Limited, the holding company 15,100 (previous year 15,100) equity shares of Rs. 10 each fully paid	151,000	151,000

No bonus shares or shares issued for consideration other than cash or shares bought back during the current reporting period.

(All amounts in INR Thousands, unless otherwise stated)

9 Other Reserves

Particulars	As at March 31, 2022	As at March 31, 2021
Surplus in the statement of profit and loss		
Balance as per the last financial statements	24,913	13,664
Changes during the year	1,222	(2,864)
Profit for the year	20,540	14,113
Net deficit in the statement of profit and loss	46,675	24,913
Total reserves and surplus	46,675	24,913

10 Borrowings

Particulars	Non-current portion		Current maturities	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Term loan				
Foreign currency loan from a bank (secured) LIBOR + 1.25% loan repayable in 36 semi-annual installments, due and payable on each January 15 and July 15, beginning on July 15, 2012. The loan is secured against hypothecation over the assets of the Company.	127,038	152,338	35,241	34,709
	127,038	152,338	35,241	34,709
The above amount includes				
Secured borrowings	127,038	152,338	35,241	34,709
Amount disclosed under the head "other current liabilities" (note 14)	-	-	(35,241)	(34,709)
	127,038	152,338	-	-

11 Deferred tax liabilities (net)

Particulars	As at March 31, 2022	As at March 31, 2021
Deferred tax asset		
Unabsorbed losses/carried forward losses	52,787	62,234
Gross deferred tax asset	52,787	62,234
Deferred tax liability		
Fixed assets: Impact of difference between tax depreciation and depreciation/ amortization	62,062	62,166
Gross deferred tax liability	62,062	62,166
Deferred tax assets (net)	9,275	(68)

12 Financial Liabilities: Borrowings

Particulars	As at March 31, 2022	As at March 31, 2021
Interest free loan from Punj Lloyd Infrastructure Limited repayable on demand (unsecured)	16,469	23,778
	16,469	23,778

13 Trade payables

Particulars	Long-term		Short-term	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Total Outstanding dues of micro and small enterprise	-	-	-	-
Total Outstanding dues other than micro and small enterprise	-	-	349	15,111
	-	-	349	15,111

Trade payables ageing schedule

Particulars	Outstanding for the following periods from due date of payment					
	Less than 1 year	1-2 years	2-3 years	More than 3 years		Total
(I) MSME	-	-	-	-	-	-
(II) OTHERS	349	-	-	-	-	349
(III) Disputed dues- MSME	-	-	-	-	-	-
(IV) Disputed dues- OTHERS	-	-	-	-	-	-

14 Other current liabilities

Particulars	As at March 31, 2022	As at March 31, 2021
Other liabilities		
Current maturities of long-term borrowings (note 11)	35,241	34,709
Interest accrued but not due on borrowings	480	683
	35,721	35,392

15 Other non financial liabilities

Particulars	As at March 31, 2022	As at March 31, 2021
TDS payable	362	730
Other	1,195	1,203
	1,557	1,933

16 Financial Liabilities: Provisions

Particulars	As at March 31, 2022	As at March 31, 2021
Other provisions		
Provision for major maintenance	104,659	99,269
Provision for inverter maintenance	14,401	14,376
Provision for tax (net of advance tax)	-	-
	119,060	113,646

(All amounts in INR Thousands, unless otherwise stated)

17 Other income

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Interest income on Income Tax Refund	72	-
Interest income on bank deposits	1,285	3,359
Forex fluctuation	-	7,775
	1,357	**11,134**

18 Other expenses

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Consultancy and professional charges	455	1,177
Operation and Maintainence charges	25,172	47,848
Rent	63	63
Travelling and conveyance	64	90
Rates and taxes	85	734
Insurance	745	738
Payment to auditors (refer details below)	50	50
Provision for major maintenance	5,389	10,876
Provision for inverter maintenance	25	-
Management Fees	2,544	2,567
Discount Allowed	2,145	1,973
Forex fluctuation	6,622	-
Other expenses	-	3,182
	43,358	**69,298**

Payment to statutory auditors:		
As auditors:		
Audit fees	50	50
	50	50

19 Finance costs

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Interest expense	2,666	6,066
Bank charges	141	548
Deemed interest charges	4,310	4,310
	7,117	**10,924**

20 Earnings per share
Basic and diluted earnings

		As at March 31, 2022	As at March 31, 2021
a)	Calculation of weighted average number of equity shares of Rs. 10 each		
	Number of equity shares at the beginning of the year	15,100	15,100
	Equity shares at the end of the year	15,100	15,100
	Weighted average number of equity shares outstanding during the year	15,100	15,100
b)	Net (loss)/ profit after tax available for equity share holders (Rs.)	20,540	14,113
c)	Basic and diluted (loss)/earnings per share	1.36	0.93
d)	Nominal value of share (Rs.)	10	10

MYMR & Associates ★ FRN:-020685N ★ New Delhi Chartered Accountants

PUNJ LLOYD SOLAR POWER LIMITED ★ NEW DELHI

(All amounts in INR Thousands, unless otherwise stated)

21 Segment Reporting

Considering the nature of company's business and operations, there are no separate reportable segment (business or/and geographical) in accordance with the requirement of Ind AS 108 " Operating Segment" and hence there are no additional disclosure required.

22 Provisions

Provision for major repairs of module has been accounted for on the best estimate, considering multiple factors including that necessary economic benefits will flow to settle such an obligation. As at March 31, 2022 total provision stands as Rs.104,659/- (as at March 31, 2021 total provision stands as Rs.99,269/-)

23 Related party disclosures

A Names of related parties and related party relationship

Related parties where control exists irrespective of whether transactions have occurred or not

Holding company	Punj Lloyd Infrastructure Limited

B Related parties with whom transactions have taken place during the year

Holding company	Punj Lloyd Infrastructure Limited

C Key management personnel

Rahul Maheshwari	Director (upto November 01, 2021)
Swatantar Kumar Goyal	Director (upto March 16, 2022)
Gaurav Kapoor	Director (up to April 15, 2022)
Chambayil Koppat Santosh Raj	Director (from November 01, 2021)
Shibu Joseph	Director (from March 16, 2022)
Manoj Mamgaine	Director (from April 15, 2022)
Davinder Kaur	Company Secretary (upto March 11,2022)
Shibu Joseph	Chief Financial Officer

Related party transactions

Particulars	Holding company	
	March 31, 2022	March 31, 2021
Expenses		
Consultancy and professional charges	2,544	2,567
Balance outstaning at the end of the year Receivable/ (Payable)		
Punj Lloyd Infrastructure Limited	(16,469)	(23,778)

24 Intangible Assets

The Company has entered into a long term contract with National Thermal Power Corporation Vidyut Vyapar Nigam Limited for sale of electricity @ Rs. 12.73 per unit starting from financial year 2012 for a period of 25 years. During the financial year ending March 31, 2022 the Company has incurred Rs. 1,07,783/- (previuos year Rs. 1,08,762/-) as expenses and revenue of Rs. 1,07,783/- (previous year Rs.1,08,762/-) on routine maintenance of assets. Also upto the year the Company has accrued provision for Rs.1,04,659/- (previuos year Rs. 99,269/-) towards major maintenance for the project based on present value of major maintenance to be incurred in future years.

25 Financial risk management objectives and policies

Exposure to credit, interest rate, foreign currency risk and liquidity risk arises in the normal course of the Company's business. The Company has risk management policies which set out its overall business strategies, its tolerance or risk and its general risk management philosophy and has established processes to monitor and control the hedging of transactions in a timely and accurate manner. Such policies are reviewed by the management with sufficient regularity to ensure that the Company's policy guidelines are adhered to.
The management reviews and agrees policies for managing each of these risks, which are summarized below.

Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under financial instrument or customer contract, leading to financial loss. The company is exposed to credit risk mainly from its operating activities i.e. trade receivable.

With respect to credit risk arising from the other financial assets of the Group, which comprise cash and cash equivalents and other receivables (including related party balances), the Group's exposure to credit risk arises from default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments.

Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of change in the market price. The only financial instruments affected by market risk is non current investments.

Interest rate risk

Interest rate risk is the risk that the fair value of a financial instrument will fluctuate because of changes in the market interest rate. The Company's exposure to the risk of changes in market interest rates related primarily to the Companies long term debt obligation with floating interest rate. As on March 31, 2022 the Company does not have any bank borrowing at floating interest rate.

FRN:-020685N New Delhi Chartered Accountants

Punj Lloyd Solar Power Limited New Delhi

(All amounts in INR Thousands, unless otherwise stated)

26 Capital Management

For the purpose of the company's capital management, capital includes issued equity capital, and all other equity reserves attributable to the equity holders of the parent. The primary objective of the company's capital management is to maximise the shareholders value.

The company manages its capital structure and makes adjustment in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The company monitors capital using a gearing ratio, which is net debts divided by total capital plus net debt. The company includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents, excluding discontinued operations.

Particulars	Mar-22	Mar-21
Long term borrowings	127,038	152,338
Trade payables	349	15,111
Other Payables	171,249	172,815
Less:		
Cash and cash equivalents	(60,281)	(41,726)
Net Debts	**238,356**	**298,538**
Equity	197,675	175,913
Capital & net debts	**436,031**	**474,451**
Gearing Ratio	55%	63%

27 Company has taken land in BAP, Rajasthan on a lease rent of Rs. 63.23/- per annum for a period of 30 years considering the immaterial amount of rent company has treated it as operating lease and payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the period of lease i.e 30 years.

28 There are no contingent liabilities and capital commitments as at March 31, 2022 and (Previous Year Rs NIL).

29 The Micro and Small Enterprises have been identified by the Company from the available information, according to such identification, there were no dues to Micro and Small Enterprise that are reportable as per Micro, Small and Medium Enterprise Development Act, 2006 outstanding as at March 31, 2022.

30 The figures for the corresponding previous year have been regrouped/reclassified wherever necessary, to make them comparable

for **MYMR & ASSOCIATES**
Chartered Accountants
Firm registration number: 020685N

MANOJ YADAV
Proprietor
M. No. : 503079
Place: Delhi
Date: July 19, 2022

UDIN: 22503079APUECH2297

MYMR & Associates Chartered Accountants FRN:-020685N New Delhi

For and on behalf of Board of Directors of
Punj Lloyd Solar Power Limited

(Shibu Joseph)
CFO

(Manoj Mamgaine)
Director
Din -09567941

(Chambayil Koppat Santosh Raj)
Director
Din - 09188304

PUNJ LLOYD SOLAR POWER LIMITED NEW DELHI

Punj Lloyd Solar Power Limited
Standalone notes to financial statements for the year ended March 31, 2022

1. Corporate Information

Punj Lloyd Solar Power Limited was incorporated and registered on December 24, 2010 under the laws of India. The company was incorporated as a Special Purpose Vehicle (SPV) with the main object to act as developers, owners, engineers, operators, consultants, contractors and sub-contractors for engineering, procurement, construction, operation and maintenance of infrastructural projects involving generation, transmission, distribution and management of Solar Power. The company is a wholly owned subsidiary of Punj Lloyd Infrastructure Limited.

Corporate Insolvency Resolution Process (CIRP) for Punj Lloyd Limited (The Ultimate Holding Company) under the insolvency and bankruptcy code, 2016 (IBC) has commenced with effect from March 08, 2019. Mr. Gaurav Gupta, Interim Resolution Professional (IRP) was appointed by Hon'ble National Law Tribunal (NCLT), Principal Bench, New Delhi vide its order dated March 08, 2019. Subsequently NCLT vide its order CA-971(PB)/2019 dated May 22, 2019 has appointed Mr. Ashwini Mehra as Resolution Professional (RP) and have taken over from IRP on May 27, 2019. Under CIRP, the powers of the Board of Directors of ultimate holding Company stand suspended. During the COC meeting held on March 30, 2021 in terms of Regulation 19 of IBC, the RP informed that the resolution plan which was put to E-vote under Corporate Insolvency Resolution Process of the Holding Company has not been approved by the COC members. Accordingly, the Holding Company is headed towards liquidation, and the COC members have recommended liquidation of the Holding Company as a going concern and that they will also simultaneously consider a scheme of arrangement under section 230 of the Companies Act, 2013, if any is presented. Necessary application in this regard has been filed by the RP with Hon'ble NCLT which has been accepted by the NCLT. Accordingly vide order dated 27th May, 2022, NCLT has ordered for the liquidation of Punj Lloyd Limited as a going concern and appointed Mr. Ashwini Mehra as the Liquidator.

2. Significant accounting policies

(a). Basis of preparation

(i) Statement of Compliance

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

Accordingly, the Company has prepared these Standalone Financial Statements which comprise the Balance Sheet as at 31 March, 2022, the Statement of Profit and Loss for the year ended 31 March 2022, the Statement of Cash Flows for the year ended 31 March 2022 and the Statement of Changes in Equity for the year ended as on that date, and accounting policies and other explanatory information (together hereinafter referred to as 'Standalone Ind-AS Financial Statements').

These Standalone Ind AS Financial Statements are approved for issue by the Board of Directors on July 19, 2022.

(ii) Basis of preparation of financial statements

These Standalone Ind-AS Financial Statements have been prepared in accordance with Indian Accounting Standards (Ind AS), under the historical cost convention on an accrual basis as per provisions of the Companies Act, 2013 ("the Act"), except for:

- certain financial assets and liabilities (including derivative instruments) that are measured at fair value;
- certain items of property, plant and equipment which have been fair valued on the transition date

MYMR & Associates Chartered Accountants FRN:-020685N New Delhi

Punj Lloyd Solar Power Limited New Delhi

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The Standalone Ind-AS Financial Statements have been presented in Indian Rupees (INR), which is the Company's functional currency, unless otherwise stated.

b). Property, plant and equipment

Property, plant and equipment, excluding freehold land, but including capital work-in-progress are stated at cost, less accumulated depreciation and impairment losses, if any. Freehold land is carried at historical cost. The cost includes the purchase price and expenditure that is directly attributable to bringing the asset to its working condition for the intended use.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, 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. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repair and maintenance are charged to the statement of profit and loss during the reporting period in which they are incurred.

The Company adjusts exchange differences arising on translation/settlement of long-term foreign currency monetary items pertaining to the acquisition of a depreciable asset to the cost of the asset and depreciates the same over the remaining life of the asset. In accordance with Ministry of Corporate Affairs ("MCA") circular dated August 09, 2012, exchange differences adjusted to the cost of tangible assets are total differences, arising on long-term foreign currency monetary items pertaining to the acquisition of a depreciable asset, for the period. In other words, the Company does not differentiate between exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost and other exchange differences.

Depreciation method estimated useful lives and de-recognition

1. Depreciation on fair value less costs of disposal is calculated on a straight-line basis, at the rates prescribed under Schedule II to the Companies Act, 2013 except depreciation on the assets of the generation of electricity business is charged on straight line method following the rates and methodology notified by the CERC Tariff Regulations, 2003.

2. Amount added to assets on account of foreign exchange fluctuation is depreciated prospectively over the remaining useful lives of the respective assets.

(c) Intangible assets

Intangible assets are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and impairment losses, if any.

Development expenditures are recognized as an intangible asset when the Company is able to demonstrate:

- the technical feasibility of completing the intangible asset so that the asset will be available for use
- its intention to complete and its ability and intention to use or sell the asset
- how the asset will generate future economic benefits
- the availability of resources to complete the asset
- the ability to measure reliably the expenditure during development

MYMR & Associates Chartered Accountants FRN:-006885N New Delhi

PUNJ LLOYD SOLAR POWER LIMITED NEW DELHI

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

The amortization period and the method is reviewed at each financial year end and adjusted prospectively.

(d) Impairment of non-financial assets

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

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

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

Impairment losses of continuing operations, including impairment on inventories, are recognized in the statement of profit and loss.

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been, had no impairment loss been recognized. Such reversal is recognized in the statement of profit and loss.

(e) Leases

Where the Company is the lessee

Lease where the Company, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalized at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized in finance costs in the statement of profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Company's general policy on the borrowing costs.

FRN:-010685N
New Delhi
Chartered Accountants

PUNJ LLOYD SOLAR POWER LIMITED
NEW DELHI

A leased asset is depreciated on a straight-line basis over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain the ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life or the lease term of the asset.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee, are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increase.

Where the Company is the lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Lease income from operating lease is recognized in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are classified in the balance sheet based on their nature.

(f) Revenue recognition

The Company is engaged in generation and supply of electricity and revenue from operations are primarily from income from power generation.

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and 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, considering contractually defined terms of payment excluding discounts, rebates, and taxes or duty. When there is uncertainty as to measurement or ultimate collectability of revenue, recognition is postponed until such uncertainty is resolved.

Income from power generation

Income from generation and supply of power is recognised on the supply of net units generated from the plant to the Grid, as per the terms of the respective Power Purchase Agreements entered into with such user.

Unbilled receivables represent the gross unbilled amount expected to be realised from customers for power units supplied up to the reporting date and is measured and accounted as per the contractual terms under agreements entered with the customers. The Company has unconditional right to receive the cash, and only act of invoicing is pending as on balance sheet date, as per contractual terms.

Interest income

Interest income is recognised using the effective interest rate (EIR). It is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses.

Claims

Claims i.e. insurance claims are recognised on acceptance or actual receipt of the claim, whichever is earlier, considering the uncertainty as to measurement or ultimate collectability of revenue.

MYMR & Associates Chartered Accountants FRN:-0[illegible]0685N New Delhi

Punj Lloyd Solar Power Limited New Delhi

(g) Borrowing costs

Borrowing costs directly attributable to the acquisition or construction of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that are incurred in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

(h) Foreign currencies

i). Functional and presentation currency

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

ii). Transaction and balances

Transactions in foreign currencies are initially recorded in the functional currency using the exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences resulting from the settlement or translation of such transactions are generally recognized in profit or loss, except the following:

a. Exchange differences are deferred in equity if they are attributable to part of the net investment in a foreign operation. They are recognized initially in other comprehensive income (OCI) and reclassified to statement of profit and loss on disposal of the net investment, as part of gain or loss on disposal.

b. Exchange differences arising on long-term foreign currency monetary items (recognized upto 31 March 2016), related to acquisition of a depreciable asset are capitalized and depreciated over the remaining useful life of the asset.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the date of the transaction. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e. translation differences on items whose fair value gain or loss is recognized in OCI or profit or loss are also recognized in OCI or profit or loss, respectively).

(i) Financial instruments

Financial Instruments (assets and liabilities) are recognized when the Company becomes a party to a contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Initial recognition and measurement

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

MYMR & Associates FRN:-029685N New Delhi Chartered Accountants

Punj Lloyd Solar Power Limited New Delhi

a. Financial assets

(i). Subsequent measurement

Subsequent measurement depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its financial assets.

- **Amortised cost**: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost using the Effective Interest Rate (EIR) method. The EIR amortisation is included in other income in the statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss.

- **Fair value through other comprehensive income (FVTOCI)**: The Company has investments which are not held for trading. The Company has elected an irrevocable option to present the subsequent changes in fair values of such investments in other comprehensive income. Amounts recognized in OCI are not subsequently reclassified to the statement of profit and loss.

- **Fair value through profit and loss (FVTPL)**: FVTPL is a residual category for financial assets in the nature of debt instruments. Financial assets included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss. This category also includes derivative financial instruments, if any, entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109.

(ii). Impairment of financial assets

The Company applies Ind AS 109 for recognizing impairment losses using Expected Credit Loss (ECL) model. Impairment is recognized for all financial assets subsequent to initial recognition, other than financial assets in FVTPL category. The impairment losses and reversals are recognized in statement of profit and loss.

(iii). De-recognition

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or the same are transferred.

b. Financial liabilities

(i). Subsequent measurement

There are two measurement categories into which the Company classifies its financial liabilities.

- **Amortised cost**: After initial recognition, interest-bearing borrowings and other payables are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in statement of profit and loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

- **Financial liabilities at FVTPL**: Financial liabilities are classified as FVTPL when the financial liabilities are held for trading or are designated as FVTPL on initial recognition. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognised in the profit or loss.

FRN:-02/685N New Delhi Chartered Accountants

PUNJ LLOYD SOLAR POWER LIMITED NEW DELHI

(ii). De-recognition

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires.

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 or to realise the assets and settle the liabilities simultaneously.

(j) Fair value measurement

The fair value of an asset or liability is measured using the assumption that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interest.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

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

Level 1 – Where fair value is based on quoted prices from active market.
Level 2 – Where fair value is based on significant direct or indirect observable market inputs.
Level 3 – Where fair value is based on one or more significant input that is not based on observable market data.

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfer is required between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) (a) on the date of the event or change in circumstances or (b) at the end of each reporting period.

(k) Employee benefits

Gratuity and accumulated leave balance payable to the employees is provided on actual basis as at the close of the accounting year.

Others

The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the company towards Provident Fund and Gratuity. The Ministry of Labour and Employment had released draft rules for the Code on Social Security, 2020 on November 13, 2020, and invited suggestions from stakeholders which are under consideration by the Ministry. The Company will assess the impact and its evaluation once the subject rules are notified. The Company will give appropriate impact in its financial statements in the period in which the Code becomes effective and the related rules to determine the financial impact are published.

(l) Income taxes

Income tax comprises current income tax and deferred tax. The income tax expense or credit for the year is the tax payable on the current year's taxable income, based on the applicable income tax rate for each jurisdiction where the Company operates, adjusted by changes in deferred tax assets and liabilities attributed to temporary differences and to unused tax losses.

MYMR & Associates Chartered Accountants FRN: 020685N New Delhi

Punj Lloyd Solar Power Limited New Delhi

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

Deferred tax is provided using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax is determined using tax rates and tax laws that have been enacted or substantively enacted by the end of reporting period and are expected to apply when the related deferred tax asset is realized or the deferred tax liability is settled.

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

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are offset if a legally enforceable right exists to set-off current tax assets against liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority. 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 realize the asset and settle the liability simultaneously.

Current and deferred tax is recognized in the statement of profit or loss, except to the extent that it relates to items recognized in OCI or directly in equity. In this case, the tax is recognized in OCI or directly in equity, respectively.

(m) Segment reporting

Operating segments are defined as components of an enterprise for which discrete financial information is available that is evaluated regularly by the chief operating decision maker, in deciding how to allocate resources and assessing performance. Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

(n) Earnings per share

Basic earnings per share is calculated by dividing the profit or loss attributable to equity shareholders by the weighted average number of equity shares outstanding during the financial year, adjusted for the events such as bonus issue, share split or otherwise that have changed the number of equity shares outstanding without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the profit or loss attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

(o) Cash and cash equivalents

Cash and cash equivalents, for the purposes of cash flow statement, comprise cash on hand, demand deposits, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(p) Dividends

The Company recognized a liability for the amount of any dividend declared when the distribution is authorized and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorized when it is approved by the shareholders.

FRN:-0?685N New Delhi Chartered Accountants

Punj Lloyd Solar Power Limited New Delhi

(q) Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. A disclosure is made for a contingent liability when there is a:

a). possible obligation, the existence of which will be confirmed by the occurrence/non-occurrence of one or more uncertain events, not fully with in the control of the Company;
b). present obligation, where it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation;
c). present obligation, where a reliable estimate cannot be made.

(r) Provisions

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Where the effect of the time value of money is expected to be material, provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as interest expense.

(s) Operating cycle

The operating cycle is the time between the acquisition of assets for processing and their realization in cash or cash equivalents and the management considers this to be the project period.

(t) Measurement of EBITDA

As permitted by the Guidance Note on the Division II of Schedule III to the Companies Act, 2013, the Company has elected to present earnings before interest, tax, depreciation and amortization (EBITDA) as a separate line item on the face of the statement of profit and loss. In its measurement, the Company does not include depreciation and amortization expense, finance costs and tax expense.

(u) Current and Non-Current Classification:

The Company presents assets and liabilities in the Balance Sheet based on Current/Non-Current classification.

An Asset is classified as Current when it is –

- Expected to be realized or intended for sale or consumption in, the Company's normal operating cycle;
- Held primarily for the purpose of trading;

All other assets are classified as non-current.

A liability is classified as current when it is:
- Expected to be settled in normal operating cycle;
- Held primarily for the purpose of trading.
- It is due to be settled within 12 months after the reporting date; or the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reposting date.

All other liabilities are classified as non-current.

PUNJ LLOYD SOLAR POWER LIMITED DELHI

Chartered Accountants FRN:-0?0685N New Delhi

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

(aa) Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at their fair value and subsequently measured at amortised cost using the effective interest method.

Significant accounting judgements, estimates and assumptions:

The preparation of financial statements requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future period.

Critical estimates and judgements

In applying the accounting policies, following are the items/ areas that involved a higher degree of judgement or complexity and which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed.

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

Impairment of financial assets:

The Company basis the impairment provisions for financial assets on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculations, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

Impairment of non-financial assets:

Non-financial assets are reviewed for impairment, whenever events or changes in circumstances indicate that the carrying amount of such assets may not be recoverable. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). The recoverable amount is sensitive to inputs like discount rate, expected future cash-inflows and growth rate used for extrapolation purposes.

Taxes:

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

The Company neither has any taxable temporary difference nor any tax planning opportunities available that could support the recognition of unused tax losses and unabsorbed depreciation as deferred tax assets. On this basis, the Company has accounted for deferred tax assets on temporary differences, including unabsorbed depreciation and business losses, for which it is reasonably certain that future taxable income would be generated.

MYMK & Associates Chartered Accountants FRN:-020685N New Delhi

Punj Lloyd Solar Power Limited New Delhi

Recoverability of Trade Receivables:

Judgements are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

Allowance for credit losses on receivables and unbilled revenue

The Company determines the allowance for credit losses based on historical loss experience adjusted to reflect current and estimated future economic conditions. The Company considered current and anticipated future economic conditions relating to industries the Company deals with and the countries where it operates. In calculating expected credit loss, the Company has also considered credit reports and other related credit information for its customers to estimate the probability of default in future and has taken into account estimates of possible effect from the pandemic relating to COVID-19.

Impact of COVID – 19 (pandemic)

The Company has taken into account all the possible impacts of COVID-19 in preparation of these standalone financial statements, including but not limited to its assessment of, liquidity and going concern assumption, recoverable values of its financial and non-financial assets, impact on revenue recognition owing to changes in cost budgets of fixed price contracts. The Company has carried out this assessment based on available internal and external sources of information upto the date of approval of these standalone financial statements and believes that the impact of COVID-19 is not material to these standalone financial statements and expects to recover the carrying amount of its assets. The impact of COVID-19 on the standalone financial statements may differ from that estimated as at the date of approval of these standalone financial statements owing to the nature and duration of COVID-19.

Recent accounting pronouncements:

Ministry of Corporate Affairs ('MCA') notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 1, 2022 as below:

Ind AS 103 – Reference to Conceptual Framework

The amendments specify that no qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS16 – Proceeds before intended use

The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead an entity will recognize such sales proceeds and related cost in profit or loss. The Company does not expect the amendments to have any impact in its recognition of its property, plant and equipment in its financial statements.

FRN:-020685N
New Delhi
Chartered Accountants

Punj Lloyd Solar Power Limited
New Delhi

Ind AS 37 – Onerous Contracts – Costs of Fulfilling a Contract

The amendments specify that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification and the Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS-109 – Annual Improvements to Ind AS (2021)

The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognize a financial liability. The Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 116 – Annual Improvements to Ind AS (2021)

The amendments remove the illustration of the reimbursement of leasehold improvements by the lessor in order to resolved any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives were described in that illustration. The Company does not expect the amendments to have any significant impact in its financial statements.

MYMR & Associates
FRN:-0[illegible]685N
New Delhi
Chartered Accountants

Punj Lloyd Solar Power Limited
New Delhi