INDEPENDENT AUDITOR'S REPORT

To the Members of D F Power Systems Private Limited

Report on Audit of the Standalone Financial Statements

Opinion:

We have audited the standalone Ind AS financial statements of D F Power Systems Private Limited ("the Company") which comprise of balance sheet as at March 31, 2020, the statement of profit & loss, statement of changes in equity and the cashflow statement for the year then ended, notes to Ind AS financial statements including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, profits, changes in equity and its cash flows for the year ended on that date.

Basis of Opinion:

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 ("the Act"). 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 Ind AS financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern:

We draw attention to note 20 in the financial statements, which indicates that the Company's net worth is completely eroded as at March 31, 2020 and the Company's current liabilities exceeded its total assets by Rs.796.56 lacs. These events or conditions, along with other matters stated in note 20, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as going concern. We are unable to express any independent opinion on this matter.

Key Audit Matters:

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Ind AS financial statements for the financial year ended March 31, 2020. These matters were addressed in the context of our audit of the Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

There were no key audit matter that need to be reported.

Other Information, ["Information Other than the Financial Statements and Auditor's Report Thereon"] :

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

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

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

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

Management's Responsibility for Standalone Ind AS Financial Statements:

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act, with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with6 the accounting principles generally accepted in India, including the accounting standards specified under section 133 of the Act. 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 implementation and maintenance of 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 Responsibilities for the Audit of the Standalone Ind AS Financial Statements:

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

As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional scepticism through the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company 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 standalone 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 consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Report on Other Legal and Regulatory Requirements:

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, 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

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

d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act.

e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure - B".

g) With respect to the other matters to be included in the Auditor's Report in accordance with requirement of Section 197 (16) of the Act, as amended:

   In our opinion and according to the information and explanation given to us, the Company has not paid any remuneration to its directors.

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, 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 as required under the applicable law or accounting standards, and also not entered into any derivative contracts, accordingly no provision is required to be made in respect of material foreseeable losses.

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

For B. K. RAMADHYANI & CO LLP
Chartered Accountants
Firm Registration No. 002878S/S200021

C R Deepak

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Date: 2020.06.02 20:09:57 +05'30'

(CA C R Deepak)
Partner
Membership No. 215398
UDIN:20215398AAAABU9252

Place: Bangalore
Date: June 2, 2020

ANNEXURE-A REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR REPORT TO THE MEMBERS OF D F POWER SYSTEMS PRIVATE LIMITED.

1. The Company doesn't have any property, plant & equipment during the year, hence clause 3 (i) of the Order is not applicable.

2. The Company doesn't have any Inventories during the year, hence clause 3 (ii) of the Order is not applicable.

3. The Company has not granted any loans to the parties covered in the register maintained under section 189 of the Act. Accordingly, clause 3(iii) of the Order is not applicable.

4. Based on the information and explanations given to us, the Company has not granted any loans, made any investments, given guarantees and securities as referred in the provisions of section 185 and 186 of the Act. Hence, clause 3(iv) of the Order is not applicable.

5. The Company has not accepted any deposits as applicable under the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other provisions of the Act and rules framed under. Accordingly, the provisions of clause 3(v) of the said Order are not applicable.

6. To the best of our knowledge and explanations given to us, the Central Government has not prescribed the maintenance of cost records under clause (d) of sub-section (1) of section 148 of the Act as the Company is not engaged in any manufacture of the goods. Accordingly, the provisions of clause 3(vi) of the said Order are not applicable.

7. a) According to the records of the Company, the Company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, Goods and Service Tax and any other statutory dues to the appropriate authorities as at March 31, 2020. There are no undisputed dues outstanding for a period of more than six months from the date they became payable.

   b) According to the records of the Company and according to the information and explanation given to us, there are no dues outstanding on account of any disputes in respect of income tax, service tax, customs duty or excise duty or value added tax or Goods and Service Tax.

8. In our opinion based on the information and explanation given to us, the Company has not borrowed any amount from banks, financial institution and government or has issued debentures. Accordingly, the provisions of clause 3(viii) is not applicable.

9. In our opinion based on the information and explanation given to us, the Company, it has not raised any moneys by way of initial public offer or further public offer (including debt instruments and term loans. Accordingly, the provisions of clause 3(ix) of the said Order are not applicable.

10. According to the information and explanation given to us, there are no frauds reported by the Company or any fraud on the Company by its officers or employees, has been noticed or reported during the year. Accordingly, the provisions of clause 3(x) of the said Order are not applicable.

11. According to the information and explanation given to us, the Company has not paid/provided for managerial remuneration. Accordingly, the provisions of clause 3 (xi) of the said Order is not applicable.

12. The Company is not a Nidhi Company. Accordingly, the provisions of clause 3(xii) of the said Order are not applicable.

13. In our opinion and according to the information and explanation given to us and as represented to us by the management, all transactions with the related parties are in compliance with section 177 and 188 of the Act and the details have been disclosed in the Ind AS financial statements as required by the applicable accounting standards.

14. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3(xiv) of the said Order are not applicable.

15. As represented to us by the management and according to the information and explanation given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3(xv) of the said Order are not applicable.

16. According to the information and explanation given, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi) of the Order is not applicable to the Company.

For B. K. RAMADHYANI & CO LLP
Chartered Accountants
Firm Registration No. 002878S/S200021

C R Deepak

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Date: 2020.06.02 20:10:50 +05'30'

(CA C R Deepak)
Partner
Membership No. 215398
UDIN:20215398AAAABU9252

Place: Bangalore
Date: June 2, 2020

ANNEXURE-B REFERRED TO IN PARAGRAPH 2 (f) UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR REPORT TO THE MEMBERS D F POWER SYSTEMS PRIVATE LIMITED.

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

We have audited the internal financial controls over financial reporting of D F Power Systems Private Limited ("the Company") as of March 31, 2020 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls:

The Company's management is responsible for establishing and maintaining internal financial controls based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India". These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 ("the Act").

Auditors' Responsibility:

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting 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, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

Meaning of Internal Financial Controls Over Financial Reporting:

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting:

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

Opinion:

In our opinion, the Company, in all material respects, has an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India".

For B. K. RAMADHYANI & CO LLP
Chartered Accountants
Firm Registration No. 002878S/S200021

C R Deepak

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Date: 2020.06.02 20:11:21 +05'30'

(CA C R Deepak)
Partner
Membership No. 215398
UDIN:20215398AAAABU9252

Place: Bangalore
Date: June 2, 2020

D F POWER SYSTEMS PRIVATE LIMITED

BALANCE SHEET

Amount in Lakhs

Particulars	Note No.	As at 31.03.2020 ₹	As at 31.03.2020 ₹	As at 31.03.2019 ₹	As at 31.03.2019 ₹
I ASSETS					
Current Assets:					
Financial assets:					
Cash and cash equivalents	2	10.21		144.93	
Other financial assets	3	740.39		739.25	
Other current assets	4	128.00	878.60	-	884.18
TOTAL			**878.60**		**884.18**
II EQUITY AND LIABILITIES					
Equity:					
Share Capital	5	600.00		600.00	
Other Equity	6	(1,396.05)	(796.05)	(2,519.00)	(1,919.00)
Liabilities:					
Current Liabilities					
Financial liablities:					
Trade payables	7	1,079.94		1,959.64	
Other financial liabilities	8	570.60		622.27	
Other current liabilites	9	-		198.71	
Provisions	10	24.11	1,674.65	22.56	2,803.18
TOTAL			**878.60**		**884.18**

The accompanying notes form an integral part of the financial statements

In Accordance with our Report attached

For B.K.RAMADHYANI & CO LLP.

Chartered Accountants

Firm Registration No. 002878S/S200021

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Date: 2020.06.02 20:14:15 +05'30'

C R Deepak

Partner

Membership No. 215398

Place : Bangalore

Date : 2nd June 2020

For and on behalf of Board of Directors of

DF Power Systems Private Limited

Mohib Nomanbhai Khericha

Digitally signed by Mohib Nomanbhai Khericha
Date: 2020.06.02 16:14:18 +05'30'

Mohib N Khericha

Director

DIN:00010365

NIKHIL KUMAR

Digitally signed by NIKHIL KUMAR
Date: 2020.06.02 16:35:58 +05'30'

Nikhil Kumar

Director

DIN: 00062243

NAGARAJ A SRIVATSA

Digitally signed by NAGARAJA SRIVATSA
Date: 2020.06.02 16:32:31 +05'30'

N Srivatsa

Company Secretary

D F POWER SYSTEMS PRIVATE LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE

Amount in Lakhs

	Particulars	Note No.	Year ended 31.03.2020 ₹	Year ended 31.03.2019 ₹
I	Revenue from Operations		-	-
II	Other Income	11	61.04	15.20
III	**Total Revenue (I+II)**		**61.04**	**15.20**
IV	**Expenses**			
	Employee benefits expense	12	6.62	6.94
	Other expenses	13	120.77	151.28
	TOTAL EXPENSES		**127.39**	**158.22**
V	**Profit/(loss)before exceptional items and tax (III-IV)**		**(66.35)**	**(143.02)**
VI	Exceptional Items	14	1,189.30	-
V	**Profit/(loss)before tax (III-IV)**		**1,122.95**	**(143.02)**
VI	**Tax expense:**			
	Current tax		-	-
	Deferred tax		-	-
VII	**Profit/(loss) for the year (V-VI)**		**1,122.95**	**(143.02)**
VIII	Other comprehensive income		-	-
IX	**Total comprehensive income for the year (VII+VIII)**		**1,122.95**	**(143.02)**
X	**Earnings per equity share of Rs. 10/- each:**			
	Basic and Diluted - Rs.	15	18.72	(2.38)

The accompanying notes form an integral part of the statement of profit and loss

In Accordance with our Report attached

For B.K. RAMADHYANI & CO LLP.

Chartered Accountants

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Date: 2020.06.02 20:15:53 +05'30'

C R Deepak

Partner

Membership No. 215398

Place : Bangalore

Date : 2nd June 2020

For and on behalf of Board of Directors of

DF Power Systems Private Limited

Mohib Nomanbhai Khericha

Digitally signed by Mohib Nomanbhai Khericha
Date: 2020.06.02 16:15:45 +05'30'

Mohib N Khericha

Director

DIN:00010365

NIKHIL KUMAR

Digitally signed by NIKHIL KUMAR
Date: 2020.06.02 16:36:40 +05'30'

Nikhil Kumar

Director

DIN: 00062243

NAGARAJA SRIVATSA

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Date: 2020.06.02 16:33:02 +05'30'

N Srivatsa

Company Secretary

D F POWER SYSTEMS PRIVATE LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2020

A. Equity Share Capital **Amount in Lakhs**

Particulars	Numbers	₹
Authorized:		
Equity shares of Rs.10/- each	75,00,000	750.00
	75,00,000	**750.00**
Issued, subscribed and fully paid up		
Equity shares of Rs.10/- each		
As at 1st April 2018	**60,00,000**	**600.00**
Issue of Share Capital	-	-
As at 31st March 2019	**60,00,000**	**600.00**
As at 1st April 2019	**60,00,000**	**600.00**
Issue of Share Capital	-	-
As at 31st March 2020	**60,00,000**	**600.00**

B. Other Equity: **Amount in Lakhs**

Particulars	General Reserve	Retained earnings	Total
	₹	₹	₹
Balance at on 1st April 2018	**454.03**	**(2,830.01)**	**(2,375.98)**
Profit for the period 1st April 2018 to 31st March 2019	-	(143.02)	(143.02)
Balance as at 31st March 2019	**454.03**	**(2,973.03)**	**(2,519.00)**
Balance at on 1st April 2019	**454.03**	**(2,973.03)**	**(2,519.00)**
Profit for the period 1st April 2019 to 31st March 2020	-	1,122.95	1,122.95
Balance as at 31st March 2020	**454.03**	**(1,850.08)**	**(1,396.05)**

In Accordance with our Report attached

For B.K. RAMADHYANI & CO LLP.

Chartered Accountants

Firm Registration No. 002878S/S200021

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Date: 2020.06.02 20:17:34 +05'30'

C R Deepak

Partner

Membership No. 215398

Place : Bangalore

Date : 2nd June 2020

For and on behalf of Board of Directors of

DF Power Systems Private Limited

Mohib Nomanbhai Khericha
Digitally signed by Mohib Nomanbhai Khericha
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Mohib N Khericha

Director

DIN:00010365

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Director

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N Srivatsa

Company Secretary

D F POWER SYSTEMS PRIVATE LIMITED

CASH FLOW STATEMENT FOR THE

Amount in Lakhs

Particulars	Year ended 31.03.2020		Year ended 31.03.2019	
	₹	₹	₹	₹
A *CASH FLOW FROM OPERATING ACTIVITIES*				
Net Profit before tax		**1,122.95**		**(143.02)**
Adjustments for:				
Interest Income		(5.98)		(6.13)
Operating profit before Working Capital Changes		**1,116.97**		**(149.15)**
Adjustments for				
Decrease/(Increase) Other Receivables	(129.14)		(1.28)	
(Decrease)/Increase in Other Payable	(248.83)		285.77	
(Decrease)/Increase in Trade Payable	(879.70)	(1,257.67)	(175.12)	109.37
Net Cash Flow from Operating Activities		**(140.70)**		**(39.78)**
B Cash flow from Investing Activities				
Interest Received		5.98		6.13
Net Cash used in investing activities		**5.98**		**6.13**
Net increase/decrease in cash and cash equivalents		**(134.72)**		**(33.65)**
Cash and cash equivalents at the beginning of the year		144.93		178.58
Cash and cash equivalents at the end of the period		**10.21**		**144.93**
Cash and cash equivalents at the end of the period - constitute				
Balances with banks				
In current accounts		10.19		14.14
In deposit accounts		-		130.76
Cash on hand		0.02		0.03
		10.21		**144.93**

NOTES : Cashflows are reported using the indirect method. Cash and cash equivalents is after adjusting translation gain/loss.

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

In Accordance with our Report attached

For B.K. RAMADHYANI & CO LLP.

Chartered Accountants

Firm Registration No. 002878S/S200021

C R Deepak

Digitally signed by C R Deepak
DN: c=IN, o=Personal, title=7486, pseudonym=2b273b09892c390fec4408fe47a1c0ad869a5744, 2.5.4.20=8eb2808e848996242fc0047db4cbec072ef787dc1e9eca9e4c93b33b4ceb2fb4, postalCode=560004, st=Karnataka, serialNumber=b8683e6b73034e7aaf3857bd913d46fc8efeccf05dd30661c7618660d6836161, cn=C R Deepak
Date: 2020.06.02 20:19:17 +05'30'

C R Deepak

Partner

Membership No. 215398

Place : Bangalore

Date : 2nd June 2020

For and on behalf of Board of Directors of

DF Power Systems Private Limited

Mohib Nomanbhai Khericha

Digitally signed by Mohib Nomanbhai Khericha
Date: 2020.06.02 16:16:47 +05'30'

Mohib N Khericha

Director

DIN:00010365

NIKHIL KUMAR

Digitally signed by NIKHIL KUMAR
Date: 2020.06.02 16:56:15 +05'30'

Nikhil Kumar

Director

DIN: 00062243

NAGARAJ A SRIVATSA

Digitally signed by NAGARAJA SRIVATSA
Date: 2020.06.02 16:34:04 +05'30'

N Srivatsa

Company Secretary

DF Power Systems Private Limited (the Company) is a wholly owned subsidiary of TD Power Systems Limited, engaged in the business of executing power plants and providing engineering, procurement and construction services (EPC).

The aforesaid financial statements have been approved by the Board of Directors of the Company at their meeting held on June 2, 2020.

Significant Accounting Policies

1.1 Basis of preparation of financial statements:

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

Certain financial assets and liabilities and

Defined benefit plans - plan assets

1.2 Use of estimates and judgments:

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed in 1.4. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

1.3 Current versus non-current classification:

The Company presents assets and liabilities in the balance sheet based on current/non-current classification.

a) An asset is treated as current when it is:

Expected to be realized or intended to be sold or consumed in normal operating cycle.

Held primarily for the purpose of trading

Expected to be realized within twelve months after the reporting period, or

Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

b) A liability is treated as current when:

It is expected to be settled in normal operating cycle

It is held primarily for the purpose of trading

It is due to be settled within twelve months after the reporting period, or

There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

1.4 Critical accounting estimates:

Property, Plant and Equipment:

Property, plant and equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of company's assets are determined by management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

1.5 Revenue recognition :

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are inclusive of excise duty and net of returns, trade allowances, rebates, value added taxes/GST.

The Company recognizes revenue from sale of goods when the following criteria have been satisfied:

The entity has transferred to the buyer the significant risks and rewards of ownership of the goods/services;

The entity retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;

The amount of revenue can be measured reliably;

It is probable that the economic benefits associated with the transaction will flow to the entity; and

The costs incurred or to be incurred in respect of the transaction can be measured reliably.

Timing of recognition:

Revenue from project business is recognized on shipment to customers or acceptance by the customers. On service contracts, revenue is recognized based on the estimates made on completion as at the end of the reporting period.

Measurement of revenue:

Estimates of revenues, costs or extent of progress toward completion are revised if circumstances change. Any resulting increases or decreases in estimated revenues or costs are reflected in profit or loss in the period in which the circumstances that give rise to the revision become known by management.

Dividends

Revenue is recognized when the Company's right to receive the payment is established.

Interest Income

Interest income is recognized using effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of financial asset.

1.6 Property, plant and equipment:

Initial Measurement:

Free hold land is carried at historical cost. All other items of Property, plant and equipment ("PPE") are carried at cost less accumulated depreciation / amortization and impairment losses, if any. The cost of PPE comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses and interest on borrowings attributable to acquisition of qualifying PPE up to the date the asset is ready for its intended use. Machinery spares which can be used only in connecting with an item of tangible assets and whose use is expected to be irregular are capitalized and depreciated over the useful life of the principal item of the relevant assets. Subsequent expenditure on tangible assets after its purchase/completion is capitalized only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

Capital work in progress:

Property, Plant and Equipment which are not yet ready for their intended use are carried at cost, comprising direct cost and related incidental expenses. Advances paid towards acquisition of PPE outstanding at each balance sheet date are classified as Capital advances under other non-current assets.

Deemed cost on transition to Ind AS:

On transition to Ind AS, the Company has elected to continue with the carrying value of all its PPE recognized as at April 1, 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the PPE.

Depreciation and amortization:

Depreciation is calculated over the estimated useful lives of the asset as prescribed in Schedule II to the Companies Act, 2013 ("the Act"), or actual useful life of the asset, whichever is lower. Assets costing below Rs. 5,000/- are depreciated fully. Depreciation is charged for complete quarter on addition / deletion.

Depreciation is not recorded on capital work-in-progress until construction and installation are complete and the asset is ready for its intended use.

The estimated useful lives are as mentioned below:

Type of Assets	Method	Useful lives
Building	Straight Line	30 Years
Plant & Machinery	Straight Line	10 Years
Office Equipment	Straight Line	5 Years
Furniture & Fixtures	Straight Line	10 Years
Computer	Straight Line	3 Years
Computer Software	Straight Line	6 Years
Communication Equipments	Straight Line	5 Years
Motor Vehicles	Straight Line	8 Years

De-recognition

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

1.7 Impairment of Assets:

a) Financial assets (other than at fair value):

The Company assesses at the end of each reporting period, whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognizes lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

b) Non-financial assets:

Tangible and intangible assets:

PPE and intangible assets with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognized in the statement of profit and loss.

1.8 Employee benefits::

Employee benefits include provident fund, pension fund, employee state insurance scheme, compensated absences, gratuity and leave encashment.

a) Short-term employee benefits:

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by the employees are recognized during the year when the employee render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related services.

b) Long-term employee benefits - Compensated absences:

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognized as a liability at the present value of the defined benefit obligation as at balance sheet date less the fair value of the plan assets out of which the obligations are expected to be settled.

c) For defined benefit plans in the form of Gratuity (funded) and Leave encashment, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at the end of each reporting period. The amount is funded to gratuity fund administered by the trustees and managed by Life Insurance Corporation of India.

Re-measurement of net defined benefit liability/ asset pertaining to gratuity comprise of actuarial gains/ losses (i.e. changes in the present value resulting from experience adjustments and effects of changes in actuarial assumptions) and is reflected immediately in the balance sheet with a charge or credit recognized in other comprehensive income in the period in which they occur. Re-measurement recognized in other comprehensive income is reflected immediately in retained earnings and is not reclassified to statement of profit or loss.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expenses in the statement of profit and loss.

Past service cost recognized immediately to the extent that the benefits are already vested and otherwise is amortized on a straight-line basis over the average period until the benefit become vested. The retirement benefits obligation recognized in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognized past service cost, plus present value of available refunds and reductions in future contributions to the schemes.

d) <u>Defined contribution plans:</u>

The Company has contributed to provident fund and employee state insurance scheme which is defined contribution plan. The contribution paid/payable under the scheme is charged to Statement of Profit & loss during the year in which an employee renders the related service. Company has no further obligation beyond making the payment.

e) Termination benefits are recognized as an expense as and when incurred.

1.9 Leases:

Company as a Lessee:

Contracts with third party, which give the company the right of use in respect of an Asset, are accounted in line with the provisions of Ind AS 116 – Leases, if the recognition criteria as specified in the Accounting standard are met.

Lease payments associated with Short terms leases and Leases in respect of Low value assets are charged off as expenses on straight line basis over lease term or other systematic basis, as applicable.

At commencement date, the value of "right of use" is capitalised at the present value of outstanding lease payments plus any initial direct cost and estimated cost, if any, of dismantling and removing the underlying asset and presented as part of Plant, property and equipment.

Liability for lease is created for an amount equivalent to the present value of outstanding lease payments and presented as Borrowing. Subsequent measurement, if any, is made using Cost model.

Each lease payment is allocated between the liability created and finance cost. The finance cost is charged to the Statement of Profit and loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

The lease payments are discounted using the interest rate implicit in the lease, if that rate can be determined, or the company's incremental borrowing rate.

Lease modifications, if any are accounted as a separate lease if the recognition criteria specified in the standard are met.

Company as a lessor:

Leases are classified as operating lease or a finance lease based on the recognition criteria specified in Ind AS 116 – Leases

a) Finance Lease:

At commencement date, amount equivalent to the "net investment in the lease" is presented as a Receivable. The implicit interest rate is used to measure the value of the "net investment in Lease".

Each lease payment is allocated between the Receivable created and finance income. The finance income is recognised in the Statement of Profit and loss over the lease period so as to reflect a constant periodic rate of return on the net investment in Lease.

The asset is tested for de-recognition and impairment requirements as per Ind AS 109 – Financial Instruments.

Lease modifications, if any are accounted as a separate lease if the recognition criteria specified in the standard are met.

b) Operating Lease:

The company recognises lease payments from operating leases as income on either a straight-line basis or another systematic basis, if required.

Lease modifications, if any are accounted as a separate lease if the recognition criteria specified in the standard are met.

1.10 Income taxes:

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred tax are recognized in statement of profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity, respectively.

a) <u>Current Income Taxes:</u>

The current income tax expense includes income taxes payable by the Company and its branches in India and overseas.

Advance taxes and provisions for current income taxes are presented in the balance sheet after off-setting advance tax paid and income tax provision arising in the same tax jurisdiction and where the relevant tax paying units intends to settle the asset and liability on a net basis or where it is legally enforceable right to set off the recognized amount.

b) <u>Deferred Income Taxes:</u>

Deferred income tax is recognized using the balance sheet approach. Deferred income tax assets and liabilities are recognized for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount.

Deferred income tax asset are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred income 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 income tax asset to be utilized.

Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled.

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

1.11 Foreign Currency:

a) Functional and presentation currency:

Items included in the financial statements of each of the Company 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 functional and presentation currency.

b) Initial recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency prevailing at the dates of the transactions.

c) Measurement of foreign currency monetary items and Non-monetary items at the balance sheet date

Foreign currency monetary items outstanding at the balance sheet date are restated using the year end rates. Non – monetary items which are carried in terms of historical cost denominated in a foreign currency are not restated and hence are reported using the exchange rate prevailing at the date of transactions.

d) Treatment of exchange differences on monetary items

Exchange differences arising on settlement / restatement of foreign currency assets and liabilities of the Company are recognized as income or expense in the statement of profit and loss in the period in which they arise.

e) In respect of overseas branch, which is integral foreign operation, financial statements are translated as if the transactions are those of the Company itself.

1.12 Financial instruments:

Financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

a) Cash & Cash equivalents:

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

b) Financial assets at amortized cost:

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

c) Financial liabilities:

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through profit or loss. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

d) De-recognition of financial instruments:

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for de-recognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized when the obligation specified in the contract is discharged or cancelled or expires.

e) Impairment of financial assets:

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortized cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. In respect of trade receivables, the Company applies simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognized from initial recognition of the receivables.

f) Fair value of financial instruments:

In determining the fair value of its financial instruments, the Company uses following hierarchy and assumptions that are based on market conditions and risks existing at each reporting date.

Fair value hierarchy:

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 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

► Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

► Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred 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) at the end of each reporting period.

1.13 Cash Flow statement

Cash flows are reported using Indirect method, whereby profit for the period is adjusted for the effects of transactions of non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from Operating, Financing and investing activity of the company are segregated.

1.14 Provision and contingencies

A Provision is recognized when an enterprise has a present (legal or constructive) obligation as a result of past event; and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made.

Provisions are measured at the present value of expenditure required to settle the present obligation at the end of reporting period. The discount rate used is pre tax rate that reflects current market assessment of the time value of money and the risk specific to the liability. The increase in the provision due to the passage of time is recognized as interest expense.

These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the notes.

Contingent Assets are not recognized in the financial statements.

1.15 Segment reporting:

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. Refer Note 16 for segment information presented.

1.16 Earnings per share:

Basic earnings/ (loss) per share are computed by dividing profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. The Company did not have any potentially dilutive securities in any of the periods presented.

The numbers of equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issued including for any changes effected prior to the approval of the financial statements by the board of Directors.

D F POWER SYSTEMS PRIVATE LIMITED

NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2020

Amount in Lakhs

Note No.	Particulars	As at 31.03.2020 ₹	As at 31.03.2019 ₹
2	**CASH AND CASH EQUIVALENT:**		
	Balances with banks		
	In current accounts	10.19	14.14
	In deposit accounts less than 3 months maturity	-	130.76
	Cash on hand	0.02	0.03
		10.21	**144.93**
3	**OTHER FINANCIAL ASSETS:**		
	Balance with Statutory/ Govt authorities	739.69	738.55
	Advance gratuity	0.54	0.54
	Other Deposits	0.16	0.16
		740.39	**739.25**
4	**OTHER CURRENT ASSETS:**		
	Trade Advance	128.00	-
		128.00	**-**

5 SHARE CAPITAL **Amount in Lakhs**

Particulars	As at 31.03.2020	As at 31.03.2019
Authorized		
Equity shares of Rs.10/- each:		
Number of Equity Shares	75,00,000	75,00,000
Amount of Equity Share Capital (in Rs.)	750.00	750.00
Issued, subscribed and fully paid up		
Equity shares of Rs.10/- each		
Number of Equity Shares		
At the beginning of the year	60,00,000	60,00,000
Issued during the year	-	-
At the close of the year	**60,00,000**	**60,00,000**
Amount of Equity Share Capital		
At the beginning of the year	600.00	600.00
Issued during the year	-	-
At the close of the year	**600.00**	**600.00**

Other Information:

I The Company has only one class of equity shares having par value of Rs.10/- each. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

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.

II

Particulars of equity share holders holding more than 5% of the total paid up equity share capital:	**As at 31.03.2020**		**As at 31.03.2019**	
	%	**No of shares**	**%**	**No of shares**
TD Power Systems Limited (Holding Company) **	100.00%	60,00,000	100.00%	60,00,000

** including beneficial Interest relating to 2 equity shares of Rs.10/- each being 0.01% of capital held by 2 directors of the company.

Amount in Lakhs

Note No.	Particulars	As at 31.03.2020 ₹	As at 31.03.2019 ₹
6	**RESERVES AND SURPLUS**		
	General Reserve		
	As at the beginning of the year	454.03	454.03
	Add: Transferred from Statement of Profit and Loss	-	-
	As at the end of the year - A	**454.03**	**454.03**
	Retained earnings		
	As at the beginning of the year	(2,973.03)	(2,830.01)
	Add: Transferred from Statement of Profit and Loss	1,122.95	(143.02)
	As at the end of the year - B	**(1,850.08)**	**(2,973.03)**
	Total (A+B)	**(1,396.05)**	**(2,519.00)**
	The Remeasurements gains in respect of employee benefits included under retained earnings are as under:		
	As at the beginning of the year	(2.91)	(2.91)
	Remeasurements gain/(loss) on defined benefit plans	-	-
	As at the end of the year	**(2.91)**	**(2.91)**
7	**TRADE PAYABLES**		
	Total outstanding dues of micro and small enterprises	-	-
	Total outstanding dues of creditors other than micro and small enterprises	1,079.94	1,959.64
		1,079.94	**1,959.64**
	Additional Information:		
	The details of amounts outstanding to Micro, Small and Medium Enterprises under Micro Small and Medium Enterprises Development Act, 2006 (MSMED Act), based on the available information with the Company are as under:		
	1. Principal amount due and remaining unpaid	-	-
	2. Interest due on (1) above and the unpaid interest	-	-
	3. Interest paid on all delayed payments under the MSMED Act	-	-
	4. Payment made beyond the appointed day during the year	-	-
	5. Interest due and payable for the period of delay other than (3) above	-	-
	6. Interest accrued and remaining unpaid	-	-
	7. Amount of further interest remaining due and payable in succeeding years	42.44	42.44
8	**OTHER FINANCIAL LIABILITIES**		
	Outstanding Liabilities	570.52	622.21
	Duties and taxes payable	0.08	0.06
		570.60	**622.27**

D F POWER SYSTEMS PRIVATE LIMITED

NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2020

Amount in Lakhs

Note No.	Particulars	As at 31.03.2020 ₹	As at 31.03.2019 ₹
9	**OTHER CURRENT LIABILITIES**		
	Trade advance received from customers	-	198.71
		-	**198.71**
10	**PROVISIONS**		
	Provision for tax (Net of advance tax)	22.83	21.78
	Provisions for employee benefits	1.28	0.78
		24.11	**22.56**

D F POWER SYSTEMS PRIVATE LIMITED

NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2020

Amount in Lakhs

Note No.	Particulars	Year ended 31.03.2020	Year ended 31.03.2019
		₹	₹
11	**OTHER INCOME**		
	Interest from Banks on deposits	5.98	6.13
	Provision no longer required	55.06	9.07
		61.04	**15.20**
12	**EMPLOYEE BENEFIT EXPENSES**		
	Salaries and wages	6.21	5.18
	Contribution to provident and other funds	0.31	0.33
	Staff welfare expenses	0.10	1.43
		6.62	**6.94**
13	**OTHER EXPENSES**		
	Repairs and Maintenance:		
	Machinery	0.38	0.11
	Rates and Taxes	0.10	7.82
	Auditors Remuneration		
	- as auditor	1.00	1.00
	- for taxation matters	0.50	0.50
	- for other services	0.75	0.75
	Legal and professional charges	2.51	7.96
	Director Sitting fees	2.40	2.00
	Travelling and Conveyance	-	0.24
	Bank Charges	0.01	0.29
	Foreing exchange loss	113.10	130.14
	Postage, Telegrams and Telephones	0.02	0.12
	Maintenance of Vehicles	-	0.35
		120.77	**151.28**
14	**Exceptional Item**		
	Creditors written back (Refer Note No.24)	1,189.30	-
		1,189.30	**-**
15	**EARNINGS PER SHARE**		
	Profit for the year after tax expense	1,122.95	(143.02)
	Weighted average number of equity shares	60,00,000	60,00,000
	Earning per share	18.72	(2.38)
	Face Value of Share (in ₹)	10.00	10.00
16	**CONTINGENT LIABILITIES**		
	(to the extent not provided for)		
	VAT, Chattisgarh demand disputed by the Company (Refer Note No.25)	129.54	-

16 SEGMENT REPORTING:

(i) Certain expenses, which are not allocable to any specific segment, are separately disclosed at the enterprise level. Cash and bank balances in India are reported at the enterprise level as the company operates common bank accounts. Property, plant and Equipments, Liabilities, Current assets and Current liabilities relating to specific business segments are identified and reported. Those that are not identifiable are reported as common items.

Secondary segment is reported based on the geographical location of the company, viz., India and Hongkong. Revenues in the secondary segment are based on the sales made by the branch office. Property, plant and Equipments, Current Assets including Cash and Bank accounts, and Current liabilities are identified to the branch office to which they relate and are reported accordingly.

Current Year

	Particulars	Primary Segment (Amount in Lakhs)		Total
		EPC	Common	
1	**Segment Revenues**			
	External Revenues	-	-	-
	Total Revenues	**-**	**-**	**-**
2	**Segment Results**			
	Profit Before Taxation and Interest	(127.39)	-	(127.39)
	Less: Interest	-	-	-
	Less: Depreciation & Amortizations	-	-	-
	Total	**(127.39)**	**-**	**(127.39)**
4	Unallocable & Other Income (including exceptional item)	-	1,250.34	1,250.34
	Less: Tax	-	-	-
	Total Profit	**(127.39)**	**1,250.34**	**1,122.95**

Previous Year

	Particulars	Primary Segment (Amount in Lakhs)		Total
		EPC	Common	
1	**Segment Revenues**			
	External Revenues	-	-	-
	Total Revenues	-	-	-
2	**Segment Results**			
	Profit Before Taxation and Interest	(158.22)	-	(158.22)
	Less: Interest	-	-	-
	Less: Depreciation & Amortizations	-	-	-
	TOTAL	**(158.22)**	**-**	**(158.22)**
3	Unallocable & Other Income	-	15.20	15.20
	Less: Tax	-	-	-
	Total Profit	**(158.22)**	**15.20**	**(143.02)**

	Particulars	Primary Segment (Amount in Lakhs)		Total
		EPC	Common	
4	Segment Assets - Current Year	128.70	749.90	878.60
	- Previous Year	0.70	883.48	884.18
5	Segment Liabilities - Current Year	1,650.54	24.11	1,674.65
	- Previous Year	2,780.62	22.56	2,803.18

(ii) Geographical Segment:

Particulars	Segment revenue by geographical Market (Amount in Lakhs)	
	Year ended 31.03.2020	Year ended 31.03.2019
Sales of India	-	-
Sales of overseas	-	-
Less: Inter-segmental sales	-	-
Total	-	-

Carrying amounts of geographical assets & additions to tangibl **Amount in Lakhs**

Particulars	Carrying amounts of segment assets (Amount in Lakhs)		Additions to property, plant and equipment & Intangible assets (Net)	
	As at 31.03.2020	As at 31.03.2019	As at 31.03.2020	As at 31.03.2019
Located in India	878.60	884.18	-	-
Located outside India	-	-	-	-
Total	**878.60**	**884.18**	**-**	**-**

17 RELATED PARTY DISCLOSURE

Related Party	Relationship
T D Power Systems Limited	Holding Company
Mohib Khericha Nikhil Kumar K G Prabhakar	Key management personnel

DETAILS OF TRANSACTIONS:

Nature of transactions	Amount in Lakhs
Key management personnel :	
Directors Sitting fees :	
Mohib Khericha	0.80
	(0.80)
Nikhil Kumar	0.80
	(0.60)
K G Prabhakar	0.80
	(0.60)
Holding Company	
Trade Advance paid to holding company	128.00
	-

18 Foreign currency risk exposure -: The company's exposure to foreign currency risk at the end of reporting year, are as follows:

Amount in Lakhs

Particulars	As at 31.03.2020		As at 31.03.2019	
	USD	INR	USD	INR
Assets/ Receivables	-	-	-	-
Liabilities	13.70	1,038.48	27.59	1,919.46

19 During the year, the Company has made provisions for Compensated Leave Absence, the details of same are as under:

Amount in Lakhs

Particulars	As at 31.03.2020	As at 31.03.2019
Balance outstanding at the beginning of the year	0.78	0.43
Provision for the year	0.50	0.35
Utilized during the year	-	-
Withdrawn and credited to Statement of Profit and Loss	-	-
Balance outstanding at the end of the year	1.28	0.78

20 During the year ended March 31, 2020, the net worth of the Company has been completely eroded. The Company is evaluating further business proposals to render engineering services to utilise the tax credits and is negotiating with trade creditors for final settlement with substantial remission/reduction in liability on account of product warranty supplied by them, which will reduce the negative networth. The Company is also aggresively negotiating with the trade creditors through legal or otherwise process towards settlement of the disputed liabilities and also recover substantial receivables by which management is hopeful of significantly improving the Company's ability to settle its liabilities. Accordingly, the management is of the opinion that the going concern assumption in preparation of the financial statements is appropriate.

21 Income Tax:

Pursuant to Taxation Laws (Amendment) Ordinance 2019, dated September 20, 2019, the Company intends to exercise the option permitted u/s 115BAA of the Income Tax Act, 1961 to compute Income Tax at the rate of 22% plus applicable surcharge and cess (i.e., effective tax rate of 25.168%) from the current financial year. No tax provision is made in the financial statements due to brought forward business loss available in the income tax. Also tax liabilities under MAT is not provided as the same is not applicable on opting to amended scheme of taxation.

22 Balance with government authorities :

The Company has accumulated Service tax and GST credit of Rs.739.69 lakhs. During the current financial year there was no operation, as a result there was no movement in the GST. However the accumulated credit in this account will be utilised on appropriate business opportunity.

23 Impact of COVID-19 on Business:

The management has considered the possible effects that may result from the Covid-19 pandemic on the carrying value of assets. In developing the assumptions relating to the possible future uncertainties in the economic conditions because of this pandemic, the Company, as at the date of approval of these financial statements has used internal and external sources of information to assess the expected future performance of the Company. The Company has internally assessed sensitivity of the assumptions used and based on the current estimates, the Company expects that the carrying amount of these assets, as reflected in the balance sheet as at March 31, 2020, are fully recoverable. The management has also estimated the future cash flows for the Company with the possible effects that may result from the COVID-19 pandemic and does not foresee any adverse impact on its ability to continue as going concern and in meeting its liabilities as and when they fall due. The actual impact of the Covid-19 pandemic may be different from that estimated as at the date of approval of these financial statements.

24 Creditors Written Back:

The Company has written back creditors amounting to Rs.1,189.30 lakhs being the amount outstanding for 3 to 5 years based on liquidated damages suffered by the Company against project supplies made by these creditors, counter claims of the Company in respect of performance guarantees and amount being unclaimed.

25 Consequent to an ex-parte order dated April 30 2019 passed by the Asst. Commissioner of Commercial Taxes , Chhattisgarh in respect of Assessment for the FY 2011-15, a claim has been received for Rs.1,10,01,251 towards VAT and for Rs.19,52,332 towards entry tax . The company has filed a remand application with the Commissioner of Commercial Taxes Chhattisgarh against the said ex-parte order. The Company is advised that as all the purchases were within the state of Chhattisgarh including VAT which if set off against the Output VAT, for which certain documents are to be provided by the Company to the assessing officer no VAT liability would arise. It is also advised that considering nature of purchases, entry tax is also not applicable. Thus the entire is contestable in an assessment proceeding. Further the applicable returns have been filed periodically.

26 Previous reporting year figures have been regrouped wherever required in conformity with the presentation for the current reporting year.