EESL

10th ANNUAL REPORT 2018-19

VISION

Universal access to sustainable energy solutions to enable a low carbon future, with significant economic and social impact.

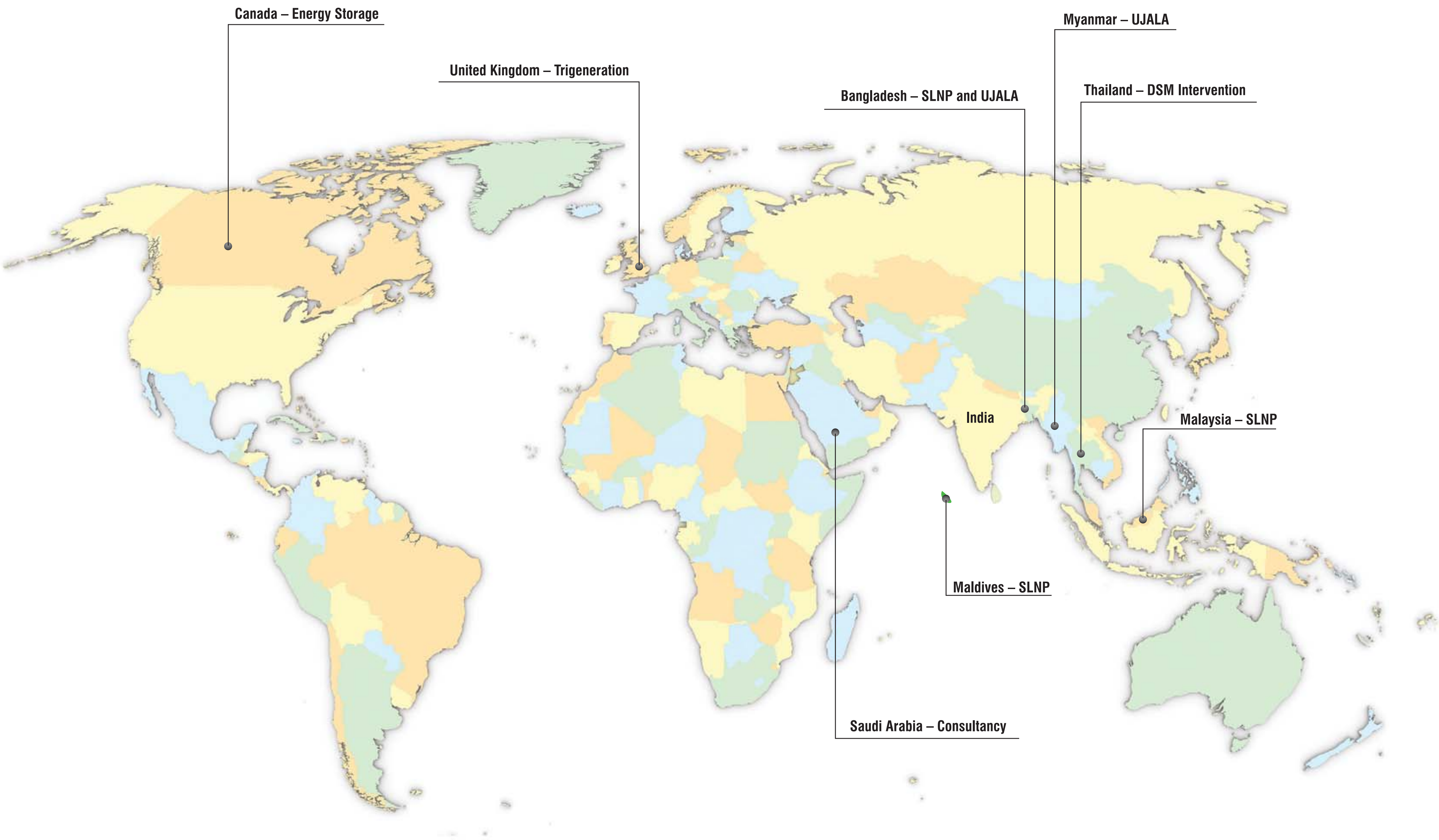
MISSION

To enable ecosystems for responsible energy adoption with innovations and market creation approaches.

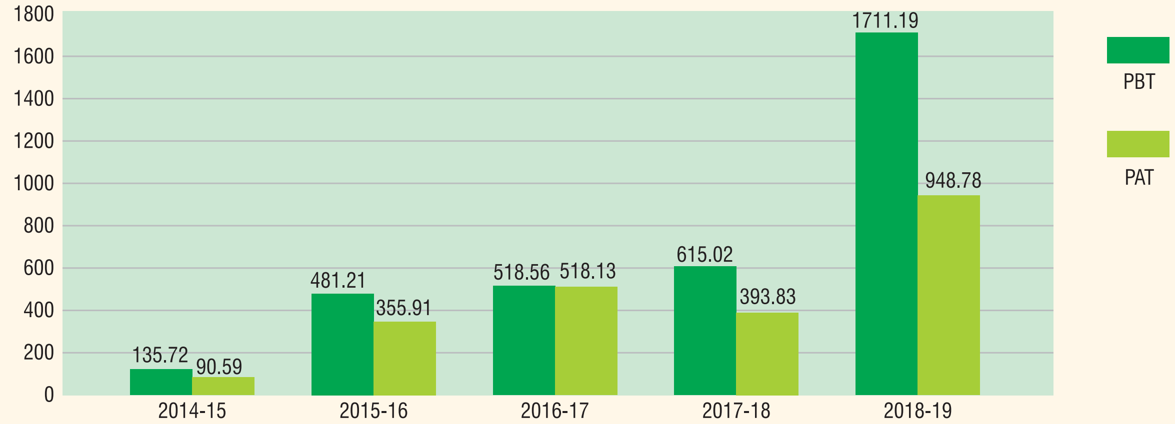

Launch of Smart Meters National Programme in NMDC Area

CONTENTS

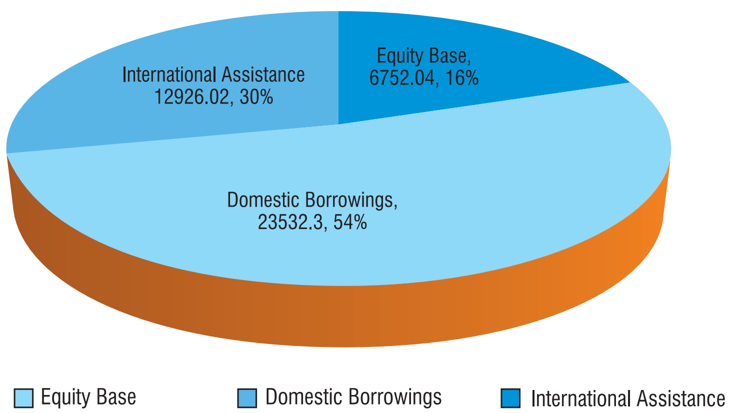
Global Presence



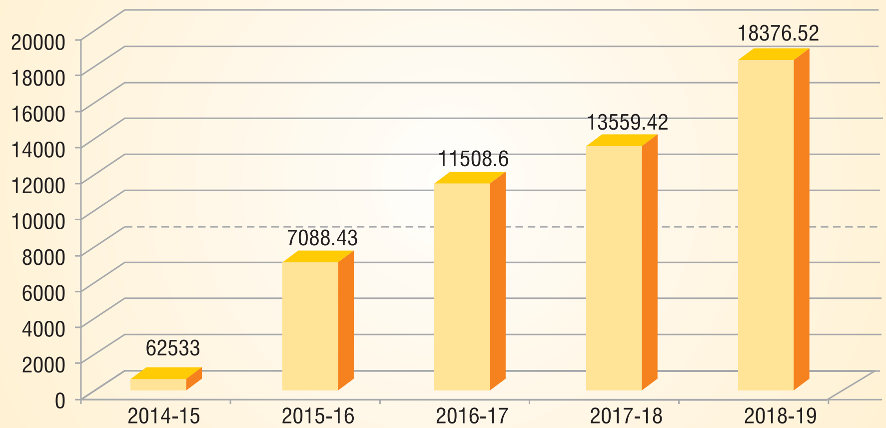
EESL's Working Results (₹ in Million)



EESL's Resource Base 2018-19 (₹ in Million)



Revenue from Operations (₹ in Million)



COMPANY INFORMATION

Chairman :	Shri Rajeev Sharma
Functional Directors :	Shri Saurabh Kumar, Managing Director Shri S. Gopal, Director (Finance) (w.e.f. 07th February, 2019) Shri Venkatesh Dwivedi, Director (Projects & Business Development) (w.e.f. 07th February, 2019) Smt. Renu Narang, Director (Finance) (upto 23rd January, 2019)
Nominee Directors :	Shri Raj Pal Shri Mohit Bhargava Shri Abhay Bakre (w.e.f. 08th May, 2018) Shri Sanjiv Garg (w.e.f 10th December, 2018) Shri V. K. Singh (upto 14th November, 2018)
Independent Directors:	Shri Seethapathy Chander Ms. Gauri Trivedi
Chief Financial Officer :	Shri S. Gopal (w.e.f. 07th February, 2019) Ms. Renu Narang (w.e.f. 06th April, 2018 to upto 23rd January, 2019) Shri S. Gopal (upto 05th April, 2018)
Company Secretary :	Ms. Pooja Shukla
CIN :	U40200DL2009PLC196789
Registered Office:	NFL Building, 5th & 6th Floor, Core - III, Scope Complex, Lodhi Road, New Delhi - 110003
Internal Auditors :	M/s Jain & Malhotra, Chartered Accountants, 42-B, Hanuman Lane, Near Hanuman Mandir, Connaught Place, New Delhi-110001
Statutory Auditors :	M/s K.K. Soni & Co., Chartered Accountants, 130, (FF), Sarojini Market, New Delhi - 110023
Bankers :	Axis Bank Canara Bank CTBC ICICI Bank HDFC Bank IDFC Bank Indusind Bank J&K Bank Punjab National Bank State Bank of India Union Bank Vijaya Bank Yes Bank
Stock Exchange :	BSE Limited
Depositories :	National Securities Depository Limited, 4th Floor, A Wing, Trade World, Kamla Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai - 400013 Central Depository Services Limited, Phiroze Jeejeebhoy Towers, 17th Floor, Dalal Street, Fort, Mumbai - 4000001
Registrar and Share Transfer Agent :	Karvy Fintech Private Limited (Formerly known as KCPL Advisory Services P Ltd), Karvy Selenium Tower B, Plot Nos. 31 & 32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad - 500032
Debenture Trustee :	Axis Trustee Services Limited, 2nd Floor E, Axis House, Bombay Dyeing Mills Compound, Pandurng Budhkar Marg, Worli, Mumbai - 400025

NOTICE OF 10TH ANNUAL GENERAL MEETING

Notice is hereby given that 10th Annual General Meeting of the Shareholders of Energy Efficiency Services Limited will be held on Monday, 30th day of September, 2019 at 04:00 P.M. at Power Finance Corporation Ltd. 'URJANIDHI', 1, Barakhamba Lane, Connaught Place, New Delhi -110001, to transact the following businesses:-

Ordinary Business:-

1. To consider and adopt:
    (a) the Audited Standalone Financial Statements of the Company for the financial year ended on 31st March 2019, the reports of Board of Directors and Auditors thereon; and
    (b) the Audited Consolidated Financial Statements of the Company for the financial year ended on 31st March 2019 and the report of the Auditors thereon.
2. To declare final dividend for FY 2018-19
3. To fix remuneration of Statutory Auditors for the year 2019 - 20.
4. To appoint a Director in place of **Shri Rajeev Sharma (DIN: 00973413)**, who retires by rotation and being eligible, offers himself for re - appointment.
5. To appoint a Director in place of **Shri Mohit Bhargava (DIN: 07941760)**, who retires by rotation and being eligible, offers himself for re - appointment.

Special Business:-

6. **To consider appointment of Shri Shankar Gopal (DIN: 08339439) as Whole - time Director (Commercial) and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:**

    "**RESOLVED THAT** pursuant to the recommendation of Nomination and Remuneration Committee and approval of Board of Directors and in accordance with the applicable provisions of Companies Act, 2013 ("the Act") read with Schedule V to the Act and Rules made thereunder (including any statutory modification(s) or re - enactment thereof, for the time being in force), relevant provisions of Articles of Association of the Company and all applicable guidelines issued by the Central Government from time to time, **Shri Shankar Gopal (DIN: 08339439)**, in respect of whom the Company has received a notice in writing proposing his candidature for the office of Director pursuant to Section 160 of the Act, be and is hereby appointed as the Whole - time Director, designated as Director (Commercial), liable to retire by rotation, for the period and upon the following terms and conditions including remuneration as stated hereunder:-

    - Period: 5 years w.e.f. 7th February, 2019 or upto the date of superannuation, whichever is earlier, as per terms & condition stated in Annexure - I.
    - Remuneration and Perquisites: As per terms & conditions stated in Annexure - I.

    RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds and things as may deem necessary, proper or desirable and to sign and execute all necessary documents, applications and returns for the purpose of giving effect to the aforesaid resolution."

7. **To consider appointment of Shri Venkatesh Dwivedi (DIN: 07847265) as Whole - time Director (Projects & Business Development) and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:**

    "**RESOLVED THAT** pursuant to the recommendation of Nomination and Remuneration Committee and approval of Board of Directors and in accordance with the applicable provisions of Companies Act, 2013 ("the Act") read with Schedule V to the Act and Rules made thereunder (including any statutory modification(s) or re - enactment thereof, for the time being in force), relevant provisions of Articles of Association of the Company and all applicable guidelines issued by the Central Government from time to time, **Shri Venkatesh Dwivedi (DIN: 07847265)**, in respect of whom the Company has received a notice in writing proposing his candidature for the office of Director pursuant to Section 160 of the Act, be and is hereby appointed as the Whole - time Director, designated as Director (Projects & Business Development), liable to retire by rotation, for the period and upon the following terms and conditions including remuneration as stated hereunder:-

    - Period: 5 years w.e.f. 7th February, 2019 or upto the date of superannuation, whichever is earlier, as per terms & condition stated in Annexure - II.
    - Remuneration and Perquisites: As per terms & conditions stated in Annexure - II.

    RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds and things as may deem necessary, proper or desirable and to sign and execute all necessary documents, applications and returns for the purpose of giving effect to the aforesaid resolution."

8. **To consider alteration of Objects Clause of Memorandum of Association of the Company and if thought fit, to pass with or without modification, the following resolution as a Special Resolution:**

    "**RESOLVED THAT** pursuant to the provisions of section 13 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) and rules made thereunder (including any statutory modification(s) or re - enactment thereof) for the time being in force, consent of the Company be and is hereby accorded to amend Object Clause of the Memorandum of Association of the Company (Clause III(A)) to include the following additional objects:

    (5) To carry on, manage, supervise and control the business of establishing, commissioning, setting up, operating and maintaining non-conventional Grid Connected Solar Photo-Voltaic (PV) based Solar Power Plants with maximum capacity up to 10MW per plant for Government/Private entities primarily for Solarisation of Agri. Feeders, Grid Connected Solar Photo-Voltaic (PV) based Roof top Programs, Grid Connected Solar Photo-Voltaic (PV) based Agricultural Pump Sets Programs in any manner including build, own and transfer (BOT), and/or build, own and operate (BOO) and/or build, own, lease and transfer (BOLT) and/or build, own, operate and transfer (BOOT) basis or otherwise and to design, develop and manufacture customized energy storage solutions in this connection and to do all the ancillary, related or connected activities as may be considered necessary or beneficial or desirable for or along with any or all of the aforesaid purposes which can be conveniently carried on these systems, networks or platforms.

RESOLVED FURTHER THAT Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

9. **To consider alteration of Articles of Association of the Company and if thought fit, to pass with or without modification, the following resolution as a Special Resolution:**

"**RESOLVED THAT** pursuant to the provisions of Section 14 and all other applicable provisions of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and any other applicable laws/rules under any statute for the time being in force, the proposed amendments in Articles of Association of Energy Efficiency Services Limited, as enclosed at **Annexure-III** be and are hereby approved by the shareholders, in substitution to the regulations contained in existing Articles of Association of the Company.

RESOLVED FURTHER THAT Board of Directors of the Company be and are hereby severally authorised to do all necessary acts, dead and things, which may be usual, expedient or proper to give effect to the above resolution."

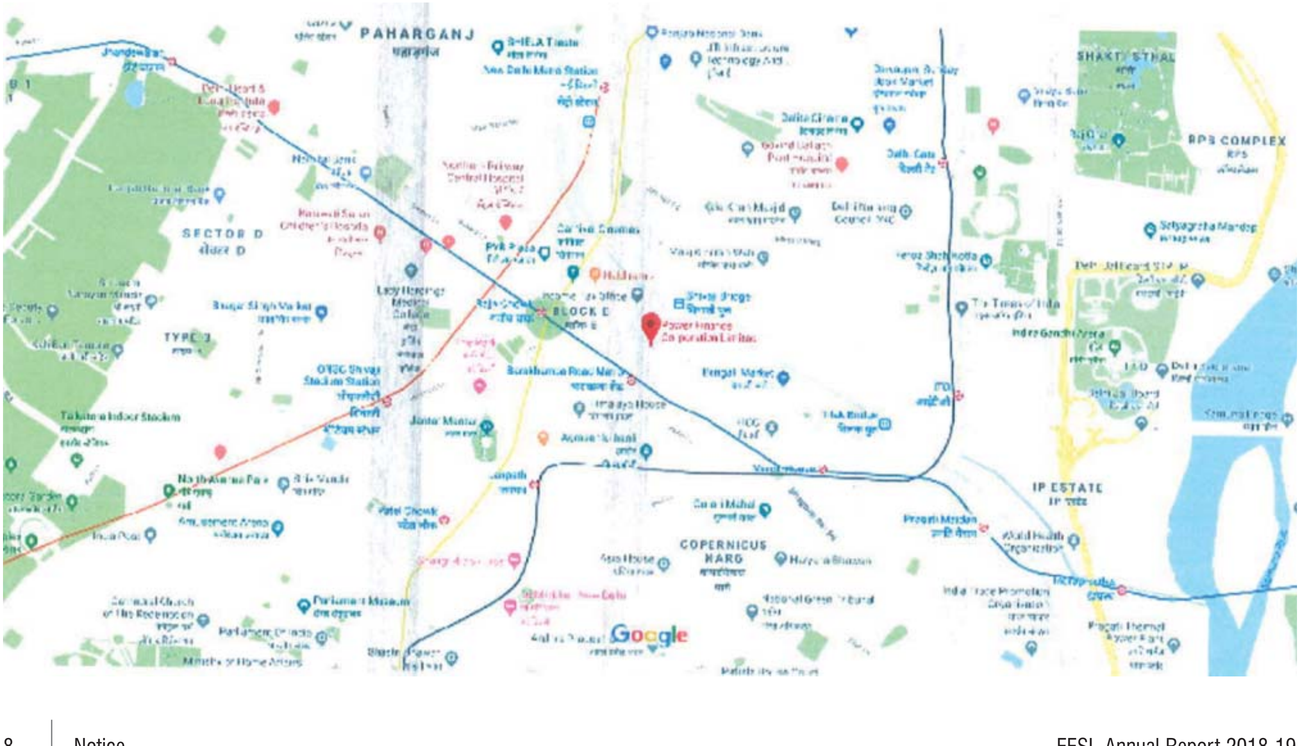
By the order of Board of Directors
For Energy Efficiency Services Limited

Pooja Shukla
Company Secretary
M.No.: ACS 18008

Place: New Delhi
Date: 27.09.2019

Notes:-

1. Pursuant to Section 139 of Companies Act, 2013, Statutory Auditors of the company are appointed by the Comptroller and Auditor General of India (C & AG) and in terms of Section 142, their remuneration has to be fixed by the Company in Annual General Meeting or in such manner as the Company in AGM may determine. C & AG in exercise of power conferred under Section 139 of Companies Act, 2013 has appointed M/s K K Soni & Co., Chartered Accountants (Firm Registration No. 000947N), New Delhi as Statutory Auditor of the Company for the Financial Year 2019 - 20. The members may kindly authorise the Board of Directors to fix appropriate remuneration of Statutory Auditors for Financial Year 2019-20 after taking into consideration the volume of work and prevailing inflation.
2. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself / herself and a proxy need not be a member of the company. Proxies in order to be effective, must be received by the company, duly filled, stamped and signed, at its Registered Office or at its Administrative Office not less than 48 hours before the Meeting. Blank Proxy form is enclosed.
3. The relevant Explanatory Statement pursuant to Section 102 of Companies Act, 2013 in respect of the Special Business in the notice is annexed thereto.
4. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified true copy of the Board resolution authorizing their representative to attend and vote on their behalf at the Meeting.
5. All relevant documents referred to in the Notice and accompanying statement shall be available for inspection at the Registered / Corporate Office of the Company between 11.00 A.M. to 2.00 P.M. on all working days and will also be available for inspection at the meeting.
6. The Notice of the AGM is being sent by electronic mode to all the Members, whose email addresses are available with the Company, unless any Member has requested for a physical copy of the same.
7. Route Map: Annexed



Explanatory Statement as required under Section 102 of the Companies Act, 2013

Item No. 6 & 7

Shri Venkatesh Dwivedi and Shri Shankar Gopal were selected as Director (Projects & Business Development) and Director (Commercial) of EESL, respectively, by the Selection Committee constituted under Article 102(iv) of Articles of Association of the Company (the AOA). Therefore, in terms of Section 161 of Companies Act, 2013 (the Act) and Article 103 of the AOA, they were appointed as Additional Directors designated as Director (Projects & Business Development) and Director (Commercial), respectively, in the 71st Board Meeting held on 7th February, 2019 to hold office upto the date of next Annual General Meeting.

Section 2(94) of the Act states that a director in the whole - time employment of the company is a whole - time director. As per Section 196 read with Schedule V to the Act, terms and conditions of appointment and remuneration payable to a whole - time director shall be approved by the Board of Directors at a meeting which shall be subject to approval of shareholders by a resolution at next general meeting of the Company. Section 178 of the Act requires Nomination and Remuneration Committee (NRC) to recommend appointment of persons qualified to become directors.

In view of the same, Nomination and Remuneration Committee of the company in its meeting held on 2nd July, 2019 recommended appointment of Shri S. Gopal and Shri Venkatesh Dwivedi as Whole - Time Directors in EESL designated as Director (Commercial) and Director (Projects & Business Development), respectively, on terms and conditions stated in the appointment letters, which was consequently approved by the Board in the Board Meeting held on 2nd July, 2019 and recommended to the shareholders for approval.

The company has also received a notice signifying their candidature as directors pursuant to Section 160 of the Act.

Their brief resume, inter - alia, giving their experience, shareholding in the Company, other Directorships and other particulars, forms part of this notice.

None of the Directors, Key Managerial Personnel of the Company or their relatives except Shri Shankar Gopal and Shri Venkatesh Dwivedi, is in any way, concerned or interested, financially or otherwise, in the resolution.

The Board recommends the resolution for your approval as an Ordinary Resolution.

Item No. 8

EESL has a strong pipeline of projects in the solar sector including Grid Connected Solar Photo - Voltaic (PV) based agriculture pump sets, solarization of agriculture feeders, solar PV rooftop program and Implementation of solar water pumping systems for International Solar Alliance (ISA) member countries.

The objects clause of Memorandum of Association of the Company does not specifically deal with the projects in Solar Sector. Therefore, it is proposed that the Objects Clause may be altered accordingly. In terms of the provisions of Section 13 of Companies Act, 2013, alteration in Objects Clause of Memorandum of Association of a company is carried out with the approval of shareholders of the company by way of Special Resolution passed in a general meeting.

None of the Directors and / or Key Managerial Personnel of the Company or their respective relatives are concerned or interested in the Resolution.

The Board recommends the resolution for your approval as Special Resolution.

Item No. 9

Articles of Association (AoA) of a Company contain regulations for management of the Company and is one of the most important documents of the Company. A Company is required to pursue all the actions/decisions to achieve its Objects, within the overall framework of its AoA. The provisions of AoA are binding on the Company and any action/decision beyond AoA is null and void.

Companies Act, 2013 (“the Act”), passed by the Parliament to replace erstwhile Companies Act, 1956, received assent of the President of India on August 29, 2013 and was published in the Official Gazette on August 30, 2013.

Present AoA of Energy Efficiency Services Limited (EESL) is in line with the provisions contained in erstwhile Companies Act, 1956 and the Rules made thereunder and the Joint Venture Agreement dated 19th November, 2009. It is pertinent to mention that the last amendment in AoA was approved by shareholders of the Company in 9th Annual General Meeting held on 28.12.2018. With coming into force of the provisions of Companies Act, 2013 and Rules made thereunder it is imperative that the entire Articles of Association of EESL may suitably by changed in line with the changes in regulatory provisions.

In view of above, new set of Articles of Association of EESL, with changes highlighted, is placed at Annexure-III. The aforementioned new set of Articles of Association has been prepared keeping the following into consideration:

a. To align the extant Articles of Association of EESL with the provisions of Companies Act, 2013, Rules made thereunder and the provisions contained in Joint Venture Agreement dated 19th November, 2009;

b. For better clarity of the existing Articles and making them self-explanatory;

Board of Directors in their 61st Board Meeting held on 16th February, 2018 accorded approval to amend the Articles of Association of the company to align the extant Articles with the provisions of Companies Act, 2013 (the Act). Section 14 of the Companies Act, 2013 inter-alia prescribes that the Company can alter its Articles of Association by obtaining approval of shareholders through a special resolution passed in a general meeting.

None of the Directors, Key Managerial Personnel or their relatives is concerned or interested in the resolution.

The Board recommends the resolution for your approval as Special Resolution.

By the order of Board of Directors
For Energy Efficiency Services Limited

Pooja Shukla
Company Secretary
M.No.: ACS 18008

Place: New Delhi
Date: 27.09.2019

PROXY FORM

(Form no. MGT-11)

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

Name: ……………………………………… **Folio No. …………….**

Registered Address: ………………………………… **No. of Shares held -………..Shares**

…………………………………

I, being the member(s) of ………… shares of the above named company, hereby appoint:

1.	Name of the proxy			
	Registered address		Signature	
	E-mail ID			
Or failing him				

2.	Name of the proxy			
	Registered address		Signature	
	E-mail ID			

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 10th Annual General Meeting of the company, to be held on Monday, 30th September, 2019 at 04:00 P.M. at Power Finance Corporation Ltd. 'URJANIDHI', 1, Barakhamba Lane, Connaught Place, New Delhi -110001 and at any adjournment thereof in respect of such resolutions as are indicated below:

Sr. No.	Resolution	For	Against
Ordinary Business			
1.	To consider and adopt: a. the Audited Standalone Financial Statements of the Company for the financial year ended on 31st March 2019, the reports of Board of Directors and Auditors thereon; and		
	b. the Audited Consolidated Financial Statements of the Company for the financial year ended on 31st March 2019 and the report of the Auditors thereon.		
2.	To declare final dividend for FY 2018-19		
3.	To fix remuneration of Statutory Auditors for the year 2019 - 20.		
4.	To appoint a Director in place of Shri Rajeev Sharma (DIN: 00973413), who retires by rotation and being eligible, offers himself for re - appointment.		
5.	To appoint a Director in place of Shri Mohit Bhargava (DIN: 07941760), who retires by rotation and being eligible, offers himself for re - appointment		
Special Business			
6.	To consider appointment of Shri Shankar Gopal (DIN: 08339439) as Whole - time Director (Commercial)		
7.	To consider appointment of Shri Venkatesh Dwivedi (DIN: 07847265) as Whole - time Director (Projects & Business Development)		
8.	To consider alteration of Objects Clause of Memorandum of Association of the Company		
9.	To consider alteration of Articles of Association of the Company		

Signed this…………day of ………20…..

Signature of Shareholders ______________________

Signature of proxy holder(s)

Affix Revenue Stamp of ₹ 1/0

Note:

1. This form of proxy in order to be effective should be duly completed and deposited at the registered office of the Company, not less than 48 hours before the commencement of the Meeting.
2. A Proxy need not be a member of the company.
3. Please put a √ in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.

ATTENDANCE SLIP

Venue of the Meeting: Power Finance Corporation Ltd. 'URJANIDHI', 1, Barakhamba Lane, Connaught Place, New Delhi - 110001 Date and Time: 30th September, 2019 at 04:00 p.m.

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING VENUE

I certify that I am a registered shareholder/proxy for the registered Shareholder of the Company and hereby record my presence at the 10th Annual General Meeting of the Company on Monday, 30th September, 2019 at 04:00 p.m. at Power Finance Corporation Ltd. 'URJANIDHI', 1, Barakhamba Lane, Connaught Place, New Delhi - 110001.

Brief Resume of the Directors seeking Appointment / Re - appointment:

Name	DOB / Age	Date of appointment	Qualification	Experience	Shareholding in the company	Number of Board Meetings attended during the year	Other Directorships
Shri Mohit Bhargava	2nd February, 1964 / 55 years	05/02/2018	Electrical Engineer by qualification and has undergone Leadership training at Harvard Business School and S P Jain Institute in Singapore.	He has a rich experience of over 30 years in commissioning of power plants, maintenance activities, procurement and planning. He has also overseen the development of the company's long term Corporate Plans involving setting the annual targets, preparing and pushing through the various strategic and growth initiatives.	Nil	8	Meja Urja Nigam Private Ltd
Shri Rajeev Sharma	1st June, 1960 / 59 years	05/02/2018	B.Tech (Electrical) from G B Pant University and Masters' Degree in Engineering from IIT Roorkee and MBA from FMS, Delhi University	He has more than 32 years of varied power sector experience. He has more than 20 years' experience of power sector policy making, initiating & implementing reform measures and project implementation at premier organizations like Central Electricity Authority (CEA), Ministry of Power (MoP) and Power Grid. He is considered the architect of Government's flagship schemes like Deen Dayal Upadhyaya Gram Jyoti Yojana, Rajiv Gandhi Grameen Vidyutikaran Yojana and Restructured Accelerated Power Development and Reforms Programme (R-APDRP). Further, he has more than 12 years' experience of financing power sector and implementing key power sector reforms, which includes almost 8 years of Board level experience at leading Navratna Companies i.e. Power Finance Corporation Limited and REC Limited.	Nil	9	1. Power Finance Corporation Limited 2. PFC Consulting Limited
Shri S. Gopal	8th July, 1967 / 52 years	07/02/2019	A Member of Institute of Cost and Work Accountant of India.	Mr. Shankar Gopal has a rich experience of more than 27 years in handling procurement and contracting, Project Execution, implementation of financial procedures and processes, resources mobilization through equity, Bonds, Banks and multilateral Agencies.	Nil	1	1. EESL Energy Pro Assets Limited, UK 2. Edina Power Services Limited 3. EPSL Trigeneration Private Limited
Shri Venkatesh Dwivedi	26th May, 1969 / 50 years	07/02/2019	An Electrical Engineer from Faculty of Engineering & Technology, Jamia Millia Islamia, New Delhi and Masters in Business Administration from IIM Calcutta. He is also a BEE Certified Energy Auditor.	With more than 26 years of rich experience, he has been earlier in the Oil and Energy Sector in India in various roles in Project Management, Business Development, Liaison with Government with Expertise in Business Strategy, Corporate Planning, Project Development, Business Liaisoning, Key Account Management, OEM Relations, Technical Services and Techno - commercial bidding.	Nil	1	NEESL Private Limited

Annexure - I

Ref No: EESL/0320/7844 14 January 2019

To,
S GOPAL
H.NO. 907, SECTOR 8,
FARIDABAD
HARYANA-121006

Sub: Offer of Appointment for the Post of Director (Commercial)

Dear Sir,

With reference to the interview you had with us, it gives us great pleasure to invite you to become a member of the EESL family. The terms and conditions of your offer of appointment are as under:

1.	Scale of Pay	-	₹ 150000-300000
2.	Basic Pay	-	₹ 150000
3.	Variable DA	-	As per rules
4.	Place of Posting	-	Corporate Office, Noida
5.	Duration of Appointment	-	5 (Five) years or upto the date of superannuation whichever is earlier

In addition, standard terms and conditions of appointment applicable to you and various benefits and allowances admissible are detailed in the annexure.

You may please let us know within 05 days from the date of issue of this letter about acceptance of our offer(in the format enclosed) by email to **recruitment@eesl.co.in**. Thereafter, you may report at the HR Department for completion of joining formalities at Corporate Office EESL -Scope Complex, Core-3, 5th Floor, Lodhi Road-110003 by 13th February, 2019. You will need to bring certain documents at the time of joining, which are also given in the annexure.

We look forward to your joining us and sharing a mutually beneficial relationship.

Thanking you,

Yours faithfully,
For and on behalf of EESL.

(Tathagat Chaturvedi)
AGM(HR)

Encl: As above.

Annexure

1. **House Rent Allowance OR Company Leased Residential Accommodation**

The Executive can avail either HRA or Company Leased Accommodation as below:-

- House Rent Allowance (HRA)

The rate of HRA is @ 24%* of Basic Pay (applicable in Delhi/ NCR Region).

- Company Leased Residential Accommodation

The monthly rental ceilings for hiring of Company Leased Residential Accommodation shall be ₹ 36000* /- (applicable for Delhi/ NCR Region). House Rent Recovery (HRR) amounting to 10% of pre-revised basic pay i.e (₹ 62000-80000) or the Actual Rent, whichever is lower will be recovered from the Executive per month.

*The rates for other locations would differ.

2. **Other Perquisites and Allowances**

(i) "Cafeteria approach" shall be adopted for other perquisites and allowances allowing the Executives to choose from a given set or cafeteria of perquisites and allowances subject to the condition that the sum total of these perquisites and allowances shall not exceed 35% of basic pay.

(ii) Medical Benefits:

OPD expenses:	Annual OPD expenses for medical treatment will be reimbursed to the Executive at actual subject to the maximum ceiling limit of the pre-revised scale i.e ₹ 80000 (₹ 62000-80000) on submission of bills/ vouchers / medical prescription.
IPD expenses:	Employees are allowed indoor medical treatments with an annual ceiling of ₹10 lac as per EESL Medical Policy. Additional Umbrella cover up to maximum ₹ 25 Lakhs.
Group Accidental: - Insurance	EESL employees are covered under accidental insurance upto ₹ 50 lacs.

Group Insurance scheme: Coverage of ₹ 7,00,000/-

3. **Other Benefits**

(i) **Contributory Provident Fund (CPF)**

(i) EPF @ 12% of the Basic Pay + DA of the Executive will be deducted towards contribution for Provident Fund.

(ii) EESL will contribute 12 % of the Basic Pay + DA of the Executive towards contribution for PF and Pension.

(iii) **Gratuity:** Gratuity will be payable as per Gratuity Act 1972.

(iii) **Employees Group Superannuation defined Contribution scheme**

(i) A pension scheme on which EESL contributes about 9% of Basic + DA towards Group superannuation fund, (as decided on year to year basis)

(i) Members can draw pension on superannuation/as described under the scheme.

(iv) **Mobile Handset /data card:**

Mobile Handset-Rs. 35000/-
Data card- As per actual

(v) **Official Vehicle**

Annexure - II

14 January 2019

Ref No: EESL/0320/7845

To,
VENKATESH DWIVEDI
002, ALEXANDRA D TWR,
GRAND OMAXE APTTS,
SECTOR 93B
NOIDA-201304

Sub: Offer of Appointment for the Post of Director (Projects and Business Development)

Dear Sir,

With reference to the interview you had with us, it gives us great pleasure to invite you to become a member of the EESL family. The terms and conditions of your offer of appointment are as under:

1.	Scale of Pay	-	₹ 150000-300000
2.	Basic Pay	-	₹ 150000
3.	Variable DA	-	As per rules
4.	Place of Posting	-	Corporate Office, Noida
5.	Duration of Appointment	-	5(Five) years or upto the date of superannuation whichever is earlier

In addition, standard terms and conditions of appointment applicable to you and various benefits and allowances admissible are detailed in the annexure.

You may please let us know within 05 days from the date of issue of this letter about acceptance of our offer (in the format enclosed) by email to **recruitment@eesl.co.in**. Thereafter, you may report at the HR Department for completion of joining formalities at Corporate Office EESL -Scope Complex, Core-3, 5th Floor, Lodhi Road-110003 by 13th February, 2019. You will need to bring certain documents at the time of joining, which are also given in the annexure.

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The monthly rental ceilings for hiring of Company Leased Residential Accommodation shall be ₹ 36000* /- (applicable for Delhi/ NCR Region). House Rent Recovery (HRR) amounting to 10% of pre-revised basic pay i.e (₹ 62000-80000) or the Actual Rent, whichever is lower will be recovered from the Executive per month.

*The rates for other locations would differ.

2. Other Perquisites and Allowances

(i) "Cafeteria approach" shall be adopted for other perquisites and allowances allowing the Executives to choose from a given set or cafeteria of perquisites and allowances subject to the condition that the sum total of these perquisites and allowances shall not exceed 35% of basic pay.

(ii) Medical Benefits:

OPD expenses:	Annual OPD expenses for medical treatment will be reimbursed to the Executive at actual subject to the maximum ceiling limit of the pre-revised scale i.e ₹ 80000 (₹ 62000-80000) on submission of bills/ vouchers / medical prescription.
IPD expenses:	Employees are allowed indoor medical treatments with an annual ceiling of ₹ 10 lac as per EESL Medical Policy. Additional Umbrella cover up to maximum ₹ 25 Lakhs.
Group Accidental: - Insurance	EESL employees are covered under accidental insurance upto ₹ 50 lacs.

Group Insurance scheme: Coverage of ₹ 7,00,000/-

3. Other Benefits

(i) Contributory Provident Fund (CPF)

(i) EPF @ 12% of the Basic Pay + DA of the Executive will be deducted towards contribution for Provident Fund.

(ii) EESL will contribute 12 % of the Basic Pay + DA of the Executive towards contribution for PF and Pension.

(iii) **Gratuity:** Gratuity will be payable as per Gratuity Act 1972.

(iii) Employees Group Superannuation defined Contribution scheme

(i) A pension scheme on which EESL contributes about 9% of Basic + DA towards Group superannuation fund, (as decided on year to year basis)

(i) Members can draw pension on superannuation/as described under the scheme.

(iv) Mobile Handset /data card:

Mobile Handset-Rs. 35000/-
Data card- As per actual

(v) Official Vehicle

Annexure - III

Comparison of Articles under Old and New Companies Act

OLD PROVISIONS UNDER COMPANIES ACT, 1956 [Column I]		NEW PROVISIONS UNDER COMPANIES. ACT, 2013 [Column II]	
1.	**Interpretation clause:** In these Articles, the following expressions shall, unless repugnant to the context or meaning thereof, have the meaning hereinafter assigned to them.	1.	**Interpretation clause:** No Change
	Act "Act" shall mean the Companies Act, 1956, or any statutory modifications or re-enactment thereof for the time being in force.	2	**Act** "Act" means the Companies Act, 2013, or any statutory modifications or re - enactment thereof for the time being in force and Rules made thereunder and the term shall be deemed to refer to the applicable section thereof which is relatable to the relevant Article in which the said term appears in these articles and any previous company law, so far as may be applicable.
	Affiliates / Associates "Affiliates" / "Associates" in relation to "NTPC", "PFC", "POWERGRID" and "REC' respectively shall mean person(s) / body corporate of which "NTPC", "PFC", "POWERGRID" and "REC", as the case may be, is owner or beneficial owner of not less than 50% of the paid-up share capital voting rights.		**Affiliates / Associates** No Change
	Agreement "Agreement" shall mean the Joint Venture Agreement among the promoters executed on 19th day of November 2009 at New Delhi and shall include any supplement(s) or amendment(s) to the Agreement.		**Agreement** No Change
	Agreed Proportion "Agreed Proportion" shall mean the proportion in which the Parties have agreed to subscribe to and hold the Shares in the Equity Share Capital of the Company.		**Agreed Proportion** No Change
	"Articles" "These Articles" or "Articles" means the Article of Association of the Company for the time being in force.		**"Articles"** No Change
	Auditors "Auditors" means a firm or firms of Chartered Accountants as may be appointed as statutory auditors of the Company by the Comptroller and Auditor General of India from time to time.		**Auditors** No Change
	Budget "Budget" shall mean the budget of the Company as approved in accordance with the provisions of Articles of the Company and the Agreement.		**Budget** No Change
	Beneficial Owner "Beneficial-Owner" means a person whose name is recorded as such with a Depository with respect to shares of the Company or in respect of whom the owner of shares makes a declaration to the Company in accordance with section 187C of the Act.		**Beneficial Owner** "Beneficial-Owner" means a person whose name is recorded as such with a Depository with respect to shares of the Company or in respect of whom the owner of shares makes a declaration to the Company in accordance with section 89 of the Act.
	Board "Board" or "Board of Directors' means the Board of Directors of the Company as constituted from time to time.		**Board** No Change
	BEE "BEE" shall mean Bureau of Energy Efficiency a quasi-regulatory authority established by Govt. of India for implementing or promoting Energy Efficiency initiatives in India.		**BEE** No Change
	Capital "Capital" means the capital for the time being raised or authorized to be raised for the purpose of the Company.		**Capital** No change
	Chairman "The Chairman" means the Chairman of the Board of Directors of the Company for the time being.		**Chairman** No change

	Company "The Company" shall mean Energy Efficiency Services Limited		**Company** No change
	MD "MD" shall mean Managing Director of the Company		**MD** No change
	Dematerialization "Dematerialization" is the process by which shareholder/ debenture holder can get physical share/debenture certificates converted into electronic balances in his account maintained with the participant of a Depository.		**Dematerialization** "Dematerialization" is the process by which shareholder/ debenture holder or other security holder can get physical share/ debenture/ security certificates converted into electronic holdings in his account maintained with a Depository Participant.
	Depositories Act "Depositories Act" means Depositories Act. 1996 or any statutory modification or re-enactment thereof.		**Depositories Act** No Change
	Depository "Depository" means a company formed and registered under the Companies Act, 1956 and which has been granted a certificate of registration to act as a depository under the Securities & Exchange Board of India Act, 1992		**Depository** "Depository" shall mean a Depository as defined in clause (e) sub-section (1) of section 2 of the Depositories Act, 1996 and includes a company formed and registered under the Companies Act, 1956 which has been granted a certificate of registration under sub-section (1A) of section 12 of the Securities and Exchange Board of India Act, 1992.
	Directors "Directors" mean the Directors for the time being of the Company and include any person occupying the position of Director by whatever name called.		**Directors** No Change
	Dividend "Dividend" includes interim dividend.		**Dividend** No Change
	ESCOs "ESCOs" shall mean Energy Service Companies engaged in the business of Energy Efficiency		**ESCOs** No Change
	Executor / Administrator "Executor" or "Administrator' means a person who has obtained probate or letter of administration, as the case may be, from the Competent Court.		**Executor / Administrator** No change
	Financial Institution "Financial Institution" shall mean the institutions specified by the Central Government, as such from time to time under the provisions of the Act.		**Financial Institution** No change
	Laws "Laws" shall mean all central, national, foreign, state, provincial, municipal and local laws, statutes and ordinances and all rules, regulations, directives, requirements (that have the force of law or regulation) and administrative codes of a governmental instrumentality.		**Laws** No Change
	Member(s) "Member" or "Members" shall mean the duly registered holder(s) from time to time of the shares of the Company and includes the subscribers of the Memorandum of Association and Beneficial Owner(s).		**Member(s)** No change
	MoA "MoA" shall mean the Memorandum of Association of the Company for the time being in force.		**MoA** No Change
	MoP "MoP" shall mean Ministry of Power, Govt. of India.		**MoP** No Change
	New investor(s) "New investor(s)" shall mean a person(s) other than Parties who are inducted as a Shareholder with the approval of the Board other than in case of an IPO.		**New investor(s)** No Change
	NTPC "NTPC" shall mean NTPC Limited, a company incorporated under the provisions of the Companies Act, 1956 having its		**NTPC** No Change

	registered office at NTPC Bhawan, SCOPE Complex 7, Institutional Area, Lodi Road New Delhi- 110003, which expression shall unless the context requires otherwise include its successors, authorized representatives and permitted assigns.		
	Office "The Office" means the Registered office of the Company for the time being.		**Office** No Change
	Person "Person" shall mean any individual, body corporate or other business entity or any statutory corporation, society, authority, trust, partnership firm or any other entity whether acting in an individual, fiduciary or other capacity.		**Person** No Change
	Party or Parties "Party" or "Parties" shall mean Individually as NTPC, PFC POWERGRID and REC and collectively as parties.		**Party or Parties** No Change
	Promoters or Promoter Shareholders "Promoters" or "Promoter Shareholders" shall mean the Parties to the Agreement namely NTPC, PFC, POWERGRID and REC who have jointly undertaken to incorporate the Company under the Act and to be shareholders thereof.		**Promoters or Promoter Shareholders** No Change
	Proxy "Proxy" means an instrument whereby any person is authorized to vote for a member at a General Meeting or poll.		**Proxy** No Change
	PFC "PFC" shall mean Power Finance Corporation Limited, a company incorporated under provisions of the Companies Act, 1956, having its Registered office at Urjanidhi, 1, Barakhamba Lane, Connaught Place, New Delhi-110001, which expression shall unless the context requires otherwise include its successors, authorized representatives and permitted assigns.		**PFC** No Change
	POWERGRID "POWERGRID" shall mean Power Grid Corporation of India Limited, a company incorporated under provisions of the Companies Act, 1956, having its Registered office at B-9, Qutab Institutional Area, Katwaria Sarai, New Delhi - 110016 which expression shall unless the context requires otherwise include its successors, authorized representatives and permitted assigns.		**POWERGRID** No Change
	REC "REC" shall mean Rural Electrification Corporation Limited, a company incorporated under the Companies Act 1956 and having its Registered office at Core-IV, SCOPE Complex, 7 Institutional Area, Lodi Road, New Delhi-110003 which expression shall unless the context requires otherwise include its successors, authorized representatives and permitted assigns.		**REC** No Change
	The Register "The Register" includes the Register of Members of the company required to be kept pursuant to the provisions of the Act.		**The Register** No Change
	Registered Owner "Registered Owner" means a Shareholder whose name is entered as such in the records of the Company.		**Registered Owner** No Change
	Rematerialization "Rematerialization" is the process of conversion of electronic holdings back into the physical form and issue of fresh share/debenture certificate(s) in favour of share/debenture holder(s).		**Rematerialization** No Change
	Seal "Seal" means the common seal of the Company for the time being.		**Seal** No Change

	Secretary "The Secretary" means the Secretary for the time being of the Company appointed by the Board in accordance with the provisions of the Act.		**Secretary** No Change
	Shares "Shares" shall mean the equity shares in the Equity Share Capital of the Company.		**Shares** No Change
	Shareholders "Shareholders" shall mean persons holding Shares for the time being in the Equity Share Capital of the Company.		**Shareholders** No Change
	Transfer "Transfer" means an instrument of transfer duly stamped and otherwise valid and does not include any instrument of transfer which the Company is for any reason entitled to refuse to Register and does not Register.		**Transfer** No Change
	Singular Number "Singular Number" - words importing the singular number shall include, where the context permits, the plural number and vice-versa, by the same token, words importing the masculine gender shall include where the context permits, the feminine gender and vice versa.		**Singular Number** No Change
	Written or in Writing "Written" or "in writing" shall include printing, lithographing and other males of representing or reproducing words in a visible form. Other words or expressions contained in these Articles shall bear the same meaning as are assigned to them in the Act or any statutory modification thereof.		**Written or in Writing** No Change Other words or expressions contained in these Articles shall bear the same meaning as are assigned to them in the Act or any statutory modification thereof.
	CONSTITUTION		
I	**Application of regulation in Table "A"** The regulations in Table 'A' in the first schedule to the Act, shall not apply to the Company except so far as the same are repeated or contained in, or expressly made applicable by these Articles or by the Act.	I	**Application of regulation in Table "F"** The regulations in Table 'F' in the First Schedule to the Act, shall not apply to the Company except so far as the same are repeated or contained in, or expressly made applicable by these Articles or by the Act
II	**Company to be governed by these Articles** The regulations for the management of the Company and for the observance of the members thereof and their representatives shall, subject as aforesaid and to any exercise of the statutory powers of the Company in reference to the repeal or alteration of or addition to its Articles of Association by Special Resolution, as prescribed or permitted by the Act, be such as are contained in these Articles	II	**Company to be governed by these Articles** No Change
III	**Company to be a Public Company** The Company is a Public Company within the meaning of Section 3 (1) (iv) of the Companies Act, 1956 and accordingly shall have a minimum paid-up Capital of ₹ 5,00,000 (Rupees Five Lakh) or such higher paid-up Capital as may be prescribed by the Act.	III	**Company to be a Public Company** The Company is a Public Company within the meaning of Section 2(71) of the Companies Act, 2013 and accordingly shall have a minimum paid-up Capital of ₹ 5,00,000 (Rupees Five Lakh) or such higher paid-up Capital as may be prescribed by the Act.
	1. Share Capital The Authorized Share Capital of the company is ₹ 3500,00,00,000 (Rupees Three thousand and Five hundred Crores) divided into 350,00,00,000 (Three Hundred Fifty Crores) equity shares of face of ₹ 10/- each with the power to increase and reduce the capital of the Company *(Amended by special resolution passed in the 11th Extraordinary General Meeting held on 17.07.2018)*		**1. Share Capital** No Change
	2. Initial paid-up capital The initial paid-up share capital of the Company shall be ₹ 250,00,000 (Rupees Two crore Fifty Lac only) consisting of 2500,000 (twenty five lac) equity shares of ₹10/- each, which shall be subscribed by the Parties in the following proportion: NTPC, PFC, POWERGRID and REC — 25% each		**2. Initial paid-up capital** No Change

	The Equity percentage as mentioned above shall also be inclusive of the Shares held by the Affiliates/ Associates of respective Parties. Unless otherwise mutually agreed Affiliates / Associates of respective Parties shall be regarded as single party for determining their rights under the Agreement.		
	3. Equity Shareholding in the Company Unless otherwise mutually agreed among the parties, no party or other shareholder, at any point of time, along with their respective Affiliates/Associates, shall hold more than 40% of the Paid up share Capital of the Company.		**3. Equity Shareholding in the Company** No Change
	4. Issue of Additional Shares If at any time the Company wishes to raise its subscribed share capital by issue of additional shares the Company shall do the same in accordance with the provisions of the Act		**4. Issue of Additional Shares** No Change
	5. Authorised Share Capital beyond ₹ 10 crore If at any time the Company decides to increase its Authorized Share Capital beyond ₹ 10 Crore, in accordance with these Articles, the Parties shall be under contractual obligation to subscribe to such increased Authorized Share Capital in the Agreed Proportion.		**5. Authorised Share Capital beyond ₹ 10 crore** No Change
	6. Equity Shares shall be of the same class All equity Shares shall be of the same class and shall be identical in all respects and subject to the provisions of the Act and the Agreement, the holders thereof shall be entitled to have identical rights and privileges including, without limitation, dividend, voting rights and distribution of assets in the event of voluntary or involuntary liquidation, dissolution or winding up of the Company.		**6. Equity Shares shall be of the same class** No Change
	7. Supplementary Agreement Any Shareholder, other than the Parties, entitled for and claiming any rights under the Agreement shall be required to enter into a supplementary Agreement with the Parties and the Company will confirm acceptance of and compliance with the provisions of the Agreement including lock-in period.		**7. Supplementary Agreement** No Change
	8. Buy Back of Shares The company may buy back its own shares subject to provisions of the sections 77A, 77AA and 77B of the Act as amended.		**8. Buy Back of Shares** Notwithstanding anything contained in these Articles but subject to the provisions of Section 68 to 70 and any other provisions of the Act, as may applicable, the Company may purchase its own shares.
	9. Financial Assistance to subscribe to shares Save as permitted by Section 77 of the Act, the funds of the company shall not be employed in the purchase of or lent on security, the shares of the Company and the Company shall not give directly or indirectly, any financial assistance, whether by way of loan, guarantee, the provisions of security or otherwise, for the purpose of, or in connection with any purchase of or subscription for Shares in the Company.		**9. Financial Assistance to subscribe to shares** Save as permitted by Section 67 of the Act, the funds of the company shall not be employed in the purchase of or lent on security, the shares of the Company and the Company shall not give directly or indirectly, any financial assistance, whether by way of loan, guarantee, the provisions of security or otherwise, for the purpose of, or in connection with any purchase of or subscription for Shares in the Company.
	10. Acceptance of Shares Any application signed by or on behalf of an applicant for shares in the Company, followed by an allotment of any shares therein, shall be an acceptance of shares within the meaning of these articles and every person who thus or otherwise accepts any shares and whose name is on the Register shall, for the purpose of these Articles, be a member.		**10. Acceptance of Shares** No Change
	11. Money due on allotment The money (if any) which the Board, on the allotment of any shares being made by them, require or direct to be paid by way of deposit, call or otherwise, in respect of any shares allotted by them, shall, immediately on the insertion of the name of the allottee in the Register of Members as the name of the holder of such shares, become a debt due to and recoverable by the Company, from the allotted thereof and, shall be paid by him accordingly.		**11. Money due on allotment** No Change

	12. Payment in Instalments If by the conditions of allotment of any share the whole or part of the amount or issue price thereof shall be payable by instalment, every such instalment shall, when due, be paid to the Company by the person who, for the time being and from time to lime, shall be the registered holder of the share or his legal representative.		**12. Payment in Instalments** No Change
	13. Company not bound to recognize any interest in shares other than that of the registered holders Save as herein otherwise provided, the Company shall be entitled to treat the person whose name appears in the Register of Members as the holder of any shares as the absolute owner thereof and accordingly shall not (except as ordered by a Court of Competent jurisdiction or as by law required) be bound to recognize any benami, trust or equity or equitable, contingent or other claim to or interest in such shares on the part of any other person whether or not it shall have express or implied notice thereof.		**13. Company not bound to recognize any interest in shares other than that of the registered holders** No Change
	14. Trust not recognized Except as ordered by a Court of Competent Jurisdiction or as provided by the Act, no notice of any trust, expressed or implied or constructive, shall be entered on the Register of Members or of Debenture-holders of the Company.		**14. Trust not recognized** No Change
	15. Register and Index of Members/ Debenture holders The Company shall cause to be kept at its Registered Office or at such other place as may be decided by the Board of Directors, the Register and Index of Members /Debenture holders in accordance with sections 150, 151 and 152 and other applicable provisions of the Companies Act, 1956 and the Depositories Act, 1996 with the details of Shares/Debentures held in physical and dematerialized form in any medium as may be permitted by law including in any form of electronic medium. The Register and Index of Beneficial Owner maintained by a Depository under section 11 of the Depositories Act, 1996 shall also deemed to be the Register and Index of Members / Debenture holders for the purpose of the Companies Act, 1956 and any amendment or re-enactment thereof. The Company shall have power to keep in any State or Country outside India, Register of Members/Debenture holders for the resident in that State or Country.		**15. Register and Index of Members/ Debenture holders** The Company shall cause to be kept at its Registered Office or at such other place as may be decided by the Board of Directors, the Register and Index of Members /Debenture holders in accordance with sections 88 and other applicable provisions of the Companies Act, 2013 and the Depositories Act, 1996 with the details of Shares/Debentures held in physical and dematerialized form in any medium as may be permitted by law including in any form of electronic medium. The Register and Index of Beneficial Owner maintained by a Depository under section 11 of the Depositories Act, 1996 shall also deemed to be the Register and Index of Members / Debenture holders for the purpose of the Companies Act, 2013 and any amendment or re-enactment thereof. The Company shall have power to keep in any State or Country outside India, Register of Members/Debenture holders for the resident in that State or Country.
	16. Register and Index of members open to inspection The Register and the Index of Members shall be open to inspection of any members without any payment and to inspection of any other persons on payment of Rupee Ten or such lesser sum as the Company may prescribe for each inspection Any such member or person may take extracts there from.		**16. Register and Index of members open to inspection** The Register and the Indices maintained pursuant to Section 88 and copies of returns prepared pursuant to Section 92 of the Act shall be open to inspection, during the business hours on every working day for two hours or more as the board of directors thinks reasonable, by any members, debenture holders, other security holder or beneficial owner without any payment and to inspection of any other persons on payment of Rupee Ten or such lesser sum as the Company may prescribe for each inspection. Any such member or person may take extracts there from.
	17. Extracts of the Register The Company shall send to any member on request extracts/ copy of the Register or of the list and summary required under the Act on payment of such sum as specified in the Act from time to time.		**17. Extracts of the Register** The Company shall provide to any members, debenture holders, other security holder or beneficial owner, on request, extracts/ copy of the Register or of the list and summary required under the Act on payment of such sum as specified in the Act from time to time.
DEMATERILIZATION OF SECURITIES			
	18(a) Company Dematerialize/ Rematerialize its Securities Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialize or rematerialize its		**18(a) Company Dematerialize/ Rematerialize its Securities** No change

	shares, debentures and other securities (both present and future) held by it with the Depository and to offer its shares, debentures and other securities for subscription in a dematerialized form pursuant to the Depositories Act, 1996 and the Rules framed there under, if any;		
	18 (b) Option for Investors Every person subscribing to securities offered by the Company shall have the option to receive the security certificates or to hold the securities with a Depository. Such a person who is the beneficial owner of securities can at any time opt out of a Depository, if permitted by law, in respect of any security and the Company shall, in the manner and within the time prescribed provided by the Depositories Act, 1996 issue to the beneficial owner the required Certificates of Securities. If a person opts to hold his security with a depository, then notwithstanding anything to the contrary contained in the Act or in these Articles, the Company shall intimate such Depository the details of allotment of the security and on receipt of the information, the Depository shall enter in its record the name of the allottee as the beneficial owner of the security.		**18 (b) Option for Investors** No Change
	18 (c) Securities in Depositories to be in fungible form All securities held by a Depository shall be dematerialized and shall be in fungible form. Nothing contained in Sections 153 of the Act shall apply to a Depository in respect of securities held by it on behalf of the beneficial owners.		**18 (c) Securities in Depositories to be in fungible form** All securities held by a Depository shall be dematerialized and shall be in fungible form. Nothing contained in Sections 88 of the Act shall apply to a Depository in respect of securities held by it on behalf of the beneficial owners.
	18 (d) Rights of Depositories and beneficial owners **(i)** Notwithstanding anything to the contrary contained in the Act or in these Articles, a Depository shall be deemed to be the registered owner for the purposes of effecting transfer of ownership of security on behalf of the beneficial owner; **(ii)** Save as otherwise provided in (i) above, the Depository as the registered owner of the securities shall not have any voting rights or any other rights in respect of the securities held by it, **(iii)** Every person holding securities of the company and whose name is entered as the beneficial owner in the records of the Depository shall be deemed to be a member/debenture holder, as the case may be, of the Company. The beneficial owner of securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his securities which are held by a Depository.		**18 (d) Rights of Depositories and beneficial owners** **(i)** No Change **(ii)** No Change **(iii)** Every person holding securities of the company and whose name is entered as the beneficial owner in the records of the Depository shall be deemed to be a member / debenture holder / security holder, as the case may be, of the Company. The beneficial owner of securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his securities which are held by a Depository.
	18(e) Service of Documents Notwithstanding anything to the contrary contained in the Act or in these Articles to the contrary, where securities are held in a Depository, the records of the beneficial ownership may be served by such Depository on the Company by means of electronic mode or by delivery of floppies or, discs or such other modes as may be prescribed.		**18(e) Service of Documents** No Change
	18(f) Transfer/ Transmission of Securities held in Demat form Nothing contained in the Act or in these Articles, shall apply to a transfer or transmission of Securities where the company has not issued any certificates and where such Shares or Debentures or Securities are being held in an electronic and fungible form in a Depository. In such cases the provisions of the Depositories Act, 1996 as amended from time to time shall apply.		**18(f) Transfer/ Transmission of Securities held in Demat form** No Change
	18(g) Allotment of Securities Dealt with in a Depository Notwithstanding anything to the contrary contained in the Act or these Articles, after any issue where the securities are dealt with by a Depository, the company shall intimate the details thereof to the depository immediately on allotment of such securities.		**18(g) Allotment of Securities Dealt with in a Depository** No Change
	18(h) Distinctive number of Securities held in Depository Nothing contained in the Act or in these Articles regarding the necessity of having distinctive numbers for securities issued by the Company shall apply to securities held by a Depository.		**18(h) Distinctive number of Securities held in Depository** No change

CERTIFICATES			
	19. Share Certificates Every person whose name is entered as a member or Debenture holder in the Register of Members or Register of Debenture holders shall without payment, be entitled to a Certificate under the common seal of the Company specifying share(s) or debenture(s) held by him and the amount paid thereon. Share/ Debenture Certificates shall be issued on application in marketable lots and where shares/debenture certificates are issued for either more or less than the marketable lots sub-division or consolidation into marketable lots shall be done free of charge within one month from the date of lodgment thereof. Any two or more allottees of a share/debenture shall for the purpose of this Article be treated as a Single Member and the share/debenture Certificate which may be subject to joint ownership may be delivered to any one of such joint owners on behalf of all of them. Provided that in case of securities held by the member / Bond / Debenture holder in dematerialized form, no Share/ Bond/ Debenture Certificate(s) shall be issued.		**19. Share Certificates** No Change
	20. Renewal of share Certificate (a) No certificate of any share or shares shall be issued either in exchange for those which are sub-divided or consolidated or in replacement of those which are defaced, torn or destroyed or where the pages on the reverse for recording transfers have been duly utilized, unless the certificate in lieu of which it is issued is surrendered to the Company and on payment of Rupee one per certificate. (b) When a new share certificate has been issued in pursuance of clause (a) of this Article, it shall state on the face of it and against the stub or counterfoil to the effect that it is 'Issued in lieu of Share Certificate No_______ subdivided/ replaced/ on consolidation of shares." (c) If a Share/Debenture Certificate is defaced, lost or destroyed it may be renewed on payment of such fee, if any, and on such terms, if any as to evidence and indemnity as the Board may think fit. (d) When a new share certificate has been issued in pursuance of clause (c) of this Article, it shall state on the face of it and against the stub or counterfoil to the effect that it is "Duplicate issued in lieu of Share Certificate No. ………..." The word "Duplicate" shall be stamped or punched in bold letters across the face of the share certificate. (e) Where a new share certificate has been issued in pursuance of clause (a) and clause (c) of this Article, particular of every such share certificate shall be entered in a Register of Renewed and Duplicate Certificate indicated against the name of the persons to whom the certificate is issued, the number and date of issue of the share certificate in lieu of which the new certificate is issued and necessary changes indicated in the Register of Members by suitable cross reference in the "Remarks" column. (f) All blank forms to be issued for issue of share certificates shall be printed and the printing shall be done only on the authority of a resolution of the Board. The blank forms shall be consecutively machine numbered and the forms and the blocks, engravings, facsimiles relating to the printing of such forms shall be kept in the custody of the Secretary or of such other person as the Board may appoint for the purpose and the		**20. Renewal of share Certificate** (a) No certificate of any share or shares shall be issued either in exchange for those which are sub-divided or consolidated or in replacement of those which are defaced, mutilated, torn or old, decrepit, worn out or where the pages on the reverse for recording transfers have been duly utilized, unless the certificate in lieu of which it is issued is surrendered to the Company and on payment of Rupee One per Certificate. (b) Where a new share certificate has been issued in pursuance of clause (a) of the Article, it shall state on the face of it and against the stub or counterfoil to the effect that it is "Issued in lieu of share certificate No. ………………… sub-divided/ replaced/ on consolidation" and also that no fee shall be payable pursuant to scheme of arrangement sanctioned by the High Court or Central Government. (c) If a Share/Debenture Certificate is defaced, lost or destroyed, it may be renewed with prior consent of the board of the Company and on payment of such fee, if any, not exceeding Rupees Fifty per Certificate and on such terms, if any as to evidence and indemnity as the Board may think fit and on the payment of out-of-pocket expenses incurred by the Company in investigating the evidence produced. (d) No Change (e) No Change (f) No Change

	Secretary or the other person aforesaid shall be responsible for rendering an account of these forms to the Board. (g) The Managing Director of the Company for the time being or, if the Company has no Managing Director, every Director of the Company shall be responsible for the maintenance, preservation and safe custody of all books and documents relating to the issue of share certificate except the blank forms of share certificate referred to in sub-Article (f). (h) All books referred to in sub-Article (g) shall be preserved in good order permanently.		(g) The Register of Renewed and Duplicate Share Certificate shall be kept in the custody of the Company Secretary or any other person authorised by the Board for the purpose. (h) No Change
CALLS			
	21. Call on Shares/ Debentures The Board may from time to time make such calls as they think fit upon the members or debenture holders in respect of all moneys unpaid on the Shares/debentures held by them respectively and not by the condition of allotment thereof made payable at fixed times and each member/debenture holder shall pay the amount of every call so made on him to the person and at the times and places appointed by the Board. A call may be made payable by instalments. Provided, however, that the Board may from time to time at the discretion extend the time fixed for the payment of any call.		**21. Call on Shares/ Debentures** No Change
	22. When call made A call shall deem to have been made after the resolution authorizing such call was passed at a meeting of the Board and demand notice is issued.		**22. When call made** No Change
	23. When Interest on calls payable If the sum payable in respect of any call be not paid on or before the day appointed for payment thereof the holder for the time being or allottee of the Share/debenture in respect of which a call shall have been made shall pay interest on the same at such rate as the Board shall fix, from the day appointed for the payment thereof to the time of actual payment, but the Board may waive payment of such interest wholly or in part.		**23. When Interest on calls payable** No Change
	24. Joint-holders liability to pay The joint holder of Share/debentures shall be jointly and severally liable to pay calls in respect thereof.		**24. Joint-holders liability to pay** No Change
	25. Payment of calls in advance The Board may, if they think fit, receive from any member willing to advance the same, all or any part of the money due upon the Share held by him beyond the sums actually called for and upon the money so paid or satisfied in advance, or so much thereof as from time to time exceeds the amount of the calls then made upon the Share in respect of which such advance has been made, the company may pay interest at such rate not exceeding 4% or such other rate as may be approved by Central Government and the Board may at any time repay the amount so advanced upon giving to such member not less than three months' notice in writing. Provided that moneys paid in advance of calls or any shares may carry interest but shall not confer any right of voting, Dividend or participate in profits.		**25. Payment of calls in advance** No Change
	26. Application of money of Shareholder/Debenture holder Any money due from the company to a Shareholder/ debenture holder may, without the consent of such Shareholder/debenture holder, be applied by the company in or towards payment of any money due from him to the company for calls or otherwise.		**26. Application of money of Shareholder / Debenture holder** No Change
	27. Revocation of call A call may be revoked or postponed at the discretion of the Board.		**27. Revocation of call** No Change

LIEN			
	28. Company to have lien on shares The Company shall have a first and paramount lien on every share or debentures (not being a fully paid share or debenture) for all moneys called or payable at affixed time in respect of that share but the Company shall have no general lien on such partly paid up shares/ debentures. The Board may at any time declare any share/ debenture to be wholly or in part exempt from the provisions of this Article.		**28. Company to have lien on shares** No Change
	29. As to enforcing lien by sale For the purpose of enforcing such lien the Board may sell the shares/debentures subject thereto in such manner as it shall think fit, and for that purpose may cause to be issued a duplicate certificate in respect of such shares/debentures and may authorize one of its member to execute a transfer thereof on behalf of and in the name of such Member or debenture holders. No sale shall be made until such period as aforesaid shall have arrived, and until notice in writing of the intention to sell shall have been served on such Member/debenture holder or his representatives and default shall have been made by him or them in payment, fulfilment, or discharge of such debts, liabilities or engagements for fourteen days after such notice.		**29. As to enforcing lien by sale** No Change
	30. Application of proceeds of sale The net proceeds of any such sale shall be received by the Company and applied in or towards payment of such part of the amount in respect of which the lien exists as is presently payable and the residue, if any, shall (subject to a lien for sums not presently payable as existed upon the shares before the sale) be paid to the person entitled to the shares at the date of the sale.		**30. Application of proceeds of sale** No Change
FORFEITURE OF SHARES / DEBENTURES			
	31. If money payable on shares/ debentures not paid notice to be given to members If any member/debenture holder fails to pay any call or instalment of a call on or before the day appointed for the payment of the same or any such extension thereof as aforesaid, the Board may at any time thereafter, during such time as the call or instalment remains unpaid, give notice to him to pay the same together with any interest that may have accrued and all expenses that may have been incurred by the company by reason of such non-payment.		**31. If money payable on shares / debentures not paid notice to be given to members** No Change
	32. Form of Notice The notice shall name a day (not being less than fourteen days from the date of the notice) and a place or places on and at which such call or instalment and such interest thereon at such rate not exceeding 10 percent per annum as the Board shall determine from the day on which such call or instalment ought to have been paid and expenses as aforesaid are to be paid. The notice shall also state that, in the event of non-payment of calls at or before the time and at the place appointed, the shares in respect of which the call was made or instalment is payable will be liable to be forfeited.		**32. Form of Notice** No Change
	33. If default of payment, share to be forfeited If the requirement of any such notice as aforesaid shall not be complied with, every or any share/debenture in respect of which such notice has been given may at any time thereafter before payment of all calls or instalments, interest and expenses due in respect thereof, be forfeited by a resolution of the Board. Such forfeiture shall include all dividends declared or any other moneys payable in respect of the forfeited share and not actually paid before the forfeiture.		**33. If default of payment, share to be forfeited** No Change

	34. Notice of forfeiture to a member/ debenture holder When any share/debenture shall have been so forfeited, notice of the forfeiture shall be given to the member/ debenture holder in whose name it stood immediately prior to the forfeiture, and an entry of the forfeiture with the date thereof, shall forthwith be made in the Register, but no forfeiture shall be in any manner be invalidated by any omission or neglect to give such notice or to make any such entry as aforesaid.		**34. Notice of forfeiture to a member/ debenture holder** No Change
	35. Forfeited shares to be property of the company and may be sold etc. Any share/debenture so forfeited shall be deemed to be the property of the company, and may be sold, re-allotted, or otherwise disposed of; either to the original holder thereof or to any other person upon such terms and in such manner as the Board shall think fit.		**35. Forfeited shares to be property of the company and may be sold etc.** No Change
	36. Member still liable to pay money at the time of forfeiture and interest Any member/ debenture holder whose shares/debentures have been forfeited shall, notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the company on demand all calls, instalments, interest and expenses owing upon or in respect of such shares or debentures at the time of the forfeiture, together with interest thereon from the time of forfeiture, until payment at such rate not exceeding 10 percent per annum as the Board may determine and the Board may enforce the payment thereof as it thinks fit.		**36. Member still liable to pay money at the time of forfeiture and interest** No Change
	37. Effect of forfeiture The forfeiture of a share/debenture shall involve, extinction at the time of forfeiture, of all interest in and all claims and demands against the company, in respect of the share and all other rights incidental to the share except only such of those rights as by these articles are expressly saved.		**37. Effect of forfeiture** No Change
	38. Evidence of forfeiture A declaration in writing that the declarant is a Director or Secretary of the company and that a share/ debenture in the company has been duly forfeited in accordance with these articles on a date stated in the declaration shall be conclusive evidence of the facts therein stated, as against all persons claiming to be entitled to the shares.		**38. Evidence of forfeiture** No Change
	39. Validity of sale Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers herein before given, the Board may appoint some person to execute an instrument of transfer of the shares/debenture sold and cause the purchaser's name to be entered in the Register in respect of the shares/debenture sold, and the purchaser shall not be bound to see to the regularity of the proceedings or to the application of the purchase money, and after his name has been entered in the Register in respect of such shares/ debenture, the validity of the sale shall not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the company exclusively.		**39. Validity of sale** No Change
	40. Cancellation of share certificate in respect of forfeited shares /debenture Upon any sale, re-allotment or other disposal under the provisions of the preceding Articles, the certificate or certificates originally issued in respect of the relative share/ debenture shall (unless the same shall on demand by the company have been previously surrendered to it by the defaulting member) stand cancelled and become null and void and of no effect, and the Directors shall be entitled to issue a new certificate or certificates in respect of the said shares/ debenture to the person or persons entitled thereto.		**40. Cancellation of share certificate in respect of forfeited shares / debenture** No Change

	41. Power to annul forfeiture The Board may at any time before any share / debenture so forfeited shall have been sold, re-allotted or otherwise disposed of, annul the forfeiture thereof upon such conditions as it thinks fit.		**41. Power to annul forfeiture** No Change
TRANSFER AND TRANSMISSION OF SHARES AND DEBENTURES			
	42. Register of Transfers The Company shall maintain a Register of Transfers and therein shall be fairly and distinctively entered the particulars of every transfer or transmission of any share/ debenture.		**42. Register of Transfers** No Change
	43. Transfer of debentures The provisions relating to transfer of shares shall apply mutatis mutandis to transfer of debentures/bonds.		**43. Transfer of debentures** No Change
	44. Form of transfer The instrument of transfer shall be in writing and in such form as may be prescribed. All the provisions of Section 108 of the Act shall be duly complied with in respect of all transfers and of the registration thereof. The Company shall not charge any fee for registration of a transfer of shares or debentures/bonds.		**44. Form of transfer** The instrument of transfer shall be in writing and in such form as may be prescribed. All the provisions of Section 56 of the Act shall be duly complied with in respect of all transfers and of the registration thereof. The Company shall not charge any fee for registration of a transfer of shares or debentures / bonds.
	45.Instrument of transfer to be completed presented to the company The instrument of transfer duly stamped and executed by the transferor and the transferee shall be delivered to the company in accordance with the provisions of the Act. The instrument of transfer shall be accompanied by the Share Certificate or such evidence as the Board may require to prove the title of transferor and his right to transfer the shares and every registered instrument of transfer shall remain in the custody of the company until destroyed by order of the Board. Any instrument of transfer which the Directors may decline to register shall be returned to the person depositing the same.		**45.Instrument of transfer to be completed presented to the company** No Change
	46. Lock-in period Unless otherwise mutually agreed among Parties, none of the Lock-in period Parties shall transfer, sell, assign, mortgage or otherwise encumber its Shareholdings/ voting rights in the Company for initial lock-in period of five years from the date of incorporation of the Company. The necessary endorsement with effect to lock-in-period shall be made on respective Share Certificates. In case of allotment of Shares in Demat mode, the Company shall inform the respective Depository Participant regarding restrictions on transferability of said shares of the Company held by Promoter Shareholders. The Parties recognize that if any Party is under the obligation of negative lien on all or any of its undertakings, assets present and future (including un-called capital) to its lenders, in the course of its business, the equity shareholding of the Parties in the Company pursuant to the provisions herein would necessarily be subject to such negative lien. This obligation of negative lien by the Parties on the Equity Shares to be subscribed pursuant to the provisions herein shall not be interpreted or construed as violation of this Article.		**46. Lock-in period** No Change
	47. No Party shall sell or otherwise transfer After the lock-in period as provided under Article 46 and subject to Article 2 to 8, no Party shall sell or otherwise transfer either all or any part of the Shares owned by it in the Company to any Person(s), not being their Affiliates/Associates, unless the said Shares have first been offered to remaining Parties hereto in proportion to their Shareholding, at the book value or fair value, whichever is higher, as certified by an independent and reputed Chartered Accountant as mutually agreed between the Parties, whichever is higher. Parties shall have eight weeks' time after		**47. No Party shall sell or otherwise transfer** After the lock-in period as provided under Article 46 and subject to Article 2 to 8, no Party shall sell or otherwise transfer either all or any part of the Shares owned by it in the Company to any Person(s), not being their Affiliates/Associates, unless the said Shares have first been offered to remaining Parties hereto in proportion to their Shareholding, at the book value or fair value, whichever is higher, as certified by an independent and reputed Chartered Accountant / Registered Valuer as mutually agreed between the Parties, whichever is higher. Parties shall have

	the receipt of the notice, to accept such offer or to request the Party making offer to sell the Shares so offered to any other Person(s) which are legally authorized and willing to acquire the said Shares. This will be subject to Parties obtaining all necessary approvals, and to pay in full, the purchase price of the Shares offered for sale, within eight weeks of acceptance of offer. If any Party does not accept such offer as stated above, the Party making offer will be entitled at its sole discretion to offer the said Shares to any Person(s) (hereinafter called "the Permitted Transferee"), provided that the price offered to third person is not less than as offered to other parties and terms and conditions on which such offer is made to such Person(s) shall not be more favourable compared to the offer made to the Parties and if the Party making the offer shall fail to sell the Shares so offered to any Permitted Transferee within 90 (ninety) days of it becoming entitled to sell the offered share to the Permitted Transferee, such Party shall not be entitled to sell the same to any Person without first offering the same again to the other Parties hereto and following the procedure set forth in this Article.		eight weeks' time after the receipt of the notice, to accept such offer or to request the Party making offer to sell the Shares so offered to any other Person(s) which are legally authorized and willing to acquire the said Shares. This will be subject to Parties obtaining all necessary approvals, and to pay in full, the purchase price of the Shares offered for sale, within eight weeks of acceptance of offer. If any Party does not accept such offer as stated above, the Party making offer will be entitled at its sole discretion to offer the said Shares to any Person(s) (hereinafter called "the Permitted Transferee"), provided that the price offered to third person is not less than as offered to other parties and terms and conditions on which such offer is made to such Person(s) shall not be more favourable compared to the offer made to the Parties and if the Party making the offer shall fail to sell the Shares so offered to any Permitted Transferee within 90 (ninety) days of it becoming entitled to sell the offered share to the Permitted Transferee, such Party shall not be entitled to sell the same to any Person without first offering the same again to the other Parties hereto and following the procedure set forth in this Article.
	48. Permitted Transferee shall have to sign an undertaking In any case the Permitted Transferee under Article 47, acquiring the said Shares shall have to sign an undertaking addressed to the non-selling Party(s) and to the Company thereby confirming to comply with the terms and conditions as may be prescribed.		**48. Permitted Transferee shall have to sign an undertaking** No Change
	49. Transfer except in accordance with these Articles Subject to provision of Act, no Shares of the Company shall be transferred except in accordance with these Articles or in such other manner as the Parties shall mutually agree in writing.		**49. Transfer except in accordance with these Articles** No Change
	50. Transferor deemed to be holder The transferor shall be deemed to be the holder of such shares until the name of the transferee has been entered in the Register of Members in respect thereof. Before the registration of a transfer, the certificate or certificates of the shares must be delivered to the Company along with Transfer Deed.		**50. Transferor deemed to be holder** No Change
	51. Closure of Register of Members or Debenture holders The Directors shall have power, on giving seven days' notice by advertisement as required by Section 154 of the Act, to close the transfer books, Register of Members or Register of Debenture holders of the company for such period of time not exceeding in the whole 45 days in each year (but not exceeding 30 days at a time) as they may determine.		**51. Closure of Register of Members or Debenture holders** The Directors shall have power, on giving seven days' notice by advertisement as required by Section 91 of the Act, to close the transfer books, Register of Members or Register of Debenture holders of the company for such period of time not exceeding in the whole 45 days in each year (but not exceeding 30 days at a time) as they may determine.
UNDERWRITING AND BROKERAGE			
	52. Payment of commission and brokerage Subject to the provisions of Section 76 of the Act, the Company may at any time pay a commission to any person in consideration of his subscribing or agreeing to subscribe for any shares in or debentures of the Company, or procuring, or agreeing to procure subscriptions for any shares in or debentures of the Company, but so that the commission shall not exceed in case of shares 5% (five percent) of the price at which the shares are issued, and in case of debentures. 2.5 % (two and half percent) of the price at which the debentures are issued. Such commission may be satisfied by payment in cash or by allotment of fully or partly paid shares or partly in one way and partly in other. The company may pay a reasonable and lawful sum as brokerage.		**52. Payment of commission and brokerage** Subject to the provisions of Section 40 (6) of the Act, the Company may at any time pay a commission to any person in consideration of his subscribing or agreeing to subscribe for any shares in or debentures of the Company, or procuring, or agreeing to procure subscriptions for any shares in or debentures of the Company, but so that the commission shall not exceed in case of shares 5% (five percent) of the price at which the shares are issued, and in case of debentures 2.5 % (two and half percent) of the price at which the debentures are issued. Such commission may be satisfied by payment in cash or by allotment of fully or partly paid shares or partly in one way and partly in other. The company may pay a reasonable and lawful sum as brokerage.
NOMINATION			
	53. (i) Every Share/ Bond/ Debenture holder and a Depositor under the Company's Public Deposit Scheme (Depositor) of		53. i) No change

	the Company may at any time, nominate in the prescribed manner, a person to whom his Shares/ Bonds/ Debentures or deposits in the company shall vest in the event of his death. (ii) Where the Shares or Bonds or Debentures or Deposits in the Company are held by more than one person jointly, the joint holder may together nominate, in the prescribed manner, a person to whom all the rights in the shares or bonds debentures or deposits in the company, as the case may be, shall vest in the event of death of all the joint holders. (iii) Pursuant to section 109A of the Act notwithstanding anything contained in any other law for the time being in force or in disposition, whether testamentary or otherwise, in respect of such Shares/ Bonds /Debentures or Deposits in the Company, where a nomination made in the prescribed manner purport to confer on any person the right to vest the Shares/Bonds/ Debentures or Deposits in the Company, the nominee shall on the death of the Share/Bond /Debenture holder or a Depositor as the case may be, on the death of the joint holders become entitled to all the rights in such Shares/Bonds/Debentures or deposits, as the case may be, all the joint holders in relation to such Shares/Bonds/Debentures, or Deposits, to the exclusion of all persons, unless the nomination is varied, cancelled in the prescribed manner. (iv) Where the nominee is a minor, it shall be lawful for the holder of the Shares/Bonds/Debentures or deposits, to make the nomination to appoint, in the prescribed manner, any person to become entitled to Shares/Bonds/Debentures or deposits in the Company, in the event of his death, during the minority		(ii) No Change (iii) Pursuant to section 72 of the Act notwithstanding anything contained in any other law for the time being in force or in disposition, whether testamentary or otherwise, in respect of the securities of a Company, where a nomination made in the prescribed manner purport to confer on any person the right to vest the securities of the Company, the nominee shall on the death of the holder of securities or, as the case may be, on the death of the joint holders become entitled to all the rights in the securities or , as the case may be, all the joint holders, in relation to such securities, to the exclusion of all persons, unless the nomination is varied, cancelled in the prescribed manner. (iv) No Change (v) A nomination may be cancelled, or varied by nominating any other person in place of the present nominee, by the holder of securities who has made the nomination, by giving a notice of such cancellation or variation, to the company in the prescribed manner. Such cancellation or variation shall take effect from the date on which the notice of such cancellation is received by the company
TRANSMISSION OF SECURITIES BY NOMINEE			
	54. A nominee, upon production of such evidence as may be required by the Board and subject as hereinafter provided, elect, either- (i) to be registered himself as holder of the share/Bond/ Debenture or Deposits, as the case may be; or (ii) to make such transfer of the Share/Bond/Debenture or deposits, as the case may be, as deceased Share/Bond/ Debenture holder or Depositor could have made; (iii) if the nominee elects to be registered as holder of the Share/ Bond/Debenture or Deposits, himself, as the case may be, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects and such notice shall be accompanied with the death certificate of the deceased Share/ Bond/Debenture holder or Depositor, as the case may be. (iv) A nominee shall be entitled to the same dividends and other advantages to which he would be entitled to, if he were the registered holder of the Share/Bond/Debenture or Deposits except that he shall not, before being registered as a member in respect of his Share/Bond/Debenture or Deposits be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company. Provided further that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the Share/Bond/Debenture or Deposits, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable or rights accruing in respect of the Share/ Bond/Debenture or deposits until the requirements of the notice have been complied with.		(i) No Change (ii) No Change (iii) No Change (iv) No Change

INCREASE, REDUCTION AND ALTERATION OF CAPITAL		
	55. Power to increase Capital The Board may with the sanction of the company in a General Meeting, increase the Share capital by the creation of new Shares of such amount, as the resolution shall prescribe, retaining the agreed shareholding ratio.	**55. Power to increase Capital** No Change
	56. How far new shares to rank with existing shares Except so far as otherwise provided by the conditions of issue or by these presents, any capital raised by the creation of new Shares shall be considered part of the then existing capital of the company and shall be subject to the provisions herein contained with reference to payment of Dividends, calls and instalments, transfer and transmission, forfeiture, lien, surrender voting and otherwise.	**56. How far new shares to rank with existing shares** No Change
	57. Reduction of Capital etc. Subject to the provisions of Section 100 to 105 of the Act the company may, from time to time, by Special Resolution reduce its Share capital (including the capital redemption reserve account, if any) in any way authorized by law and in particular by paying off capital or cancelling capital which has been lost or is unrepresented by available assets or is superfluous or by reducing the liability on the Shares or otherwise as may seem expedient, and capital may be paid off upon the footing that it may be called up again or otherwise; and the Directors may subject to the provisions of the Act, accept surrender of Shares.	**57. Reduction of Capital etc.** Subject to the provisions of Section 66 of the Act and other applicable laws, the company may, from time to time, by Special Resolution reduce its Share capital (including the capital redemption reserve account, if any) in any way authorized by law and in particular by paying off capital or cancelling capital which has been lost or is unrepresented by available assets or is superfluous or by reducing the liability on the Shares or otherwise as may seem expedient, and capital may be paid off upon the footing that it may be called up again or otherwise; and the Directors may subject to the provisions of the Act, accept surrender of Shares.
	58. Sub-division, consolidation and cancellation of shares The Company may in General Meeting by an Ordinary Resolution alter the conditions of its Memorandum as follows: (a) Consolidate and divide all or any of its Share capital into Shares of larger amounts than its existing Shares: (b) Sub-divide Shares or any of them into Shares of smaller amounts than originally fixed by the Memorandum of Association subject nevertheless to the provisions of the Act in that behalf; (c) Cancel Shares which at the date of such General Meeting have not been taken or agreed to be taken by any person and diminish the amount of its Share capital by the amount of the Shares so cancelled. Provided however that the provision relating to progressive numbering shall not apply to the Shares of the Company which have been dematerialized.	**58. Sub-division, consolidation and cancellation of shares** Subject to the provisions of the Act, the Company may, with the sanction of members in General Meeting: - (a) Consolidate and divide all or any of its Share capital into Shares of larger amounts than its existing Shares: Provided that If such consolidation and division which results in changes in the voting percentage of shareholders, the consolidation and subdivision shall not take effect unless approved by the Tribunal (b) Convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination. (c) Sub-divide Shares or any of them into Shares of smaller amounts than originally fixed by the Memorandum of Association subject nevertheless to the provisions of the Act in that behalf; (d) Cancel Shares which at the date of such General Meeting have not been taken or agreed to be taken by any person and diminish the amount of its Share capital by the amount of the Shares so cancelled. Provided however that the provision relating to progressive numbering shall not apply to the Shares of the Company which have been dematerialized.
BORROWING POWERS		
	59. Power to borrow Subject to the provisions of Section 292 and 293 of the Act, the Board may by means of a resolution passed at a meeting of the Board from time to time, borrow and/or secure the payment of any sum or sums of money for the purposes of the Company.	**59. Power to borrow** Subject to the provisions of Section 179 and 180 of the Act, the Board may by means of a resolution passed at a meeting of the Board from time to time, borrow and/or secure the payment of any sum or sums of money for the purposes of the Company.
	60. Conditions on which money may be borrowed Subject to the provisions of the Companies Act, 1956, Company may raise or secure the payment of such sum or sums in such manner and upon such terms and conditions in all respects as they think fit and in particular by the issue of Bonds, perpetual	**60. Conditions on which money may be borrowed** Subject to the provisions of the Companies Act, 2013, Company may raise or secure the payment of such sum or sums in such manner and upon such terms and conditions in all respects as they think fit and in particular by the issue of Bonds, perpetual

	or redeemable Debentures or Debenture Stocks or any mortgage or charge or other security on the property of the company (both present and future) including the uncalled capital for the time being.		or redeemable Debentures or Debenture Stocks or any mortgage or charge or other security on the property of the company (both present and future) including the uncalled capital for the time being.
	61. Debentures, Bonds etc. to be under control of the Board Any Bonds, Debentures, Debenture Stocks or other securities issued or to be issued by the company shall be under the control of the Board who may issue them upon such terms and conditions and in such manner and for such consideration as they shall consider to be for the benefit of the company.		**61. Debentures, Bonds etc. to be under control of the Board** No Change
	62. Issue of shares at discount etc. Subject to Sections 78, 79 and 117 of the Act, any Shares, Debentures, Debenture Stocks, Bonds or other securities may be issued at a discount, premium or otherwise and with any special privileges as to redemption, surrender, drawing, allotment of Shares, appointment of Directors and otherwise. Debentures, Debenture Stocks, Bonds and other securities may be made assignable free from any equities between the company and the person to whom the same may be issued.		**62. Prohibition to Issue of shares at discount** Except as provided in Section 54 of the Act, the company shall not issue shares at a discount.
	63. Person not to have priority over any prior charge Whenever any uncalled capital of the company is charged all persons taking any subsequent charge thereon shall take the same subject to such prior charge and shall not be entitled by notice to the Shareholders or otherwise, to obtain priority over such prior charge.		**63. Person not to have priority over any prior charge** No Change
	64. Register of Charges The Directors shall cause a proper Register of charges to be kept in accordance with the provisions of Section 143 of the Act.		**64. Register of Charges** The Directors shall cause a proper Register of charges to be kept in accordance with the provisions of Section 85 of the Act.
GENERAL MEETING			
	65. When general meeting to be held In addition to any other meeting, General Meetings of the company shall be held within such intervals as are specified in Section 166(1) of the Act and subject to the provisions of Section 166(2) of the Act, at such times and places as may be determined by the Board Such General Meetings shall be called "Annual General Meetings" and shall be specified as such in the notice convening the meeting. The Statutory Meeting shall be held within the period as specified in Section 165(1) of the Act Any other meeting of the company shall be called an "Extra-ordinary General Meeting".		**65. When general meeting to be held** Every year, in addition to any other meeting, a General Meeting of the company shall be held within such intervals as are specified in Section 96 of the Act, at such day, date, time and place as may be determined by the Board. Such General Meetings shall be called "Annual General Meetings" and shall be specified as such in the notice convening the meeting. Any other General Meeting of the company shall be called an "Extra-ordinary General Meeting". Nothing contained in the foregoing provisions shall be taken as affecting the right conferred upon the Registrar under the provisions of the Act to extend the time within which any Annual General Meeting may be held.
	66. Time and place for calling Annual General Meeting Every Annual General Meeting shall be called at such times during business hours and on such days (not being a public holiday) as the Board may from time to time determine, and it shall be held either at the Registered Office of the company or at such other place in the same city, town, village where the Registered office of the company is situated.		**66. Time and place for calling Annual General Meeting** Every Annual General Meeting shall be called on such date and time as may be prescribed in the Act from time to time and it shall be held either at the Registered Office of the company or at such other place in the same city, town, village where the Registered office of the company is situated.
	67. When other General Meeting to be held The Board may, whenever they think fit call an Extraordinary General Meeting and Extraordinary General Meeting shall also be called on such requisition, or in default may be called by such requisitionists, as provided by the Act. If at any time there are not within India sufficient Directors capable of acting to form a quorum of a Board meeting, any Director may call an Extraordinary General Meeting in the same manner as nearly as possible as that in which meetings may be called by the Board		**67. When other General Meeting to be held** No Change
	68. Circulation of member's resolution The company shall comply with the provisions of Section 188 of the Act so as to give notice of resolution and circulating statements on the requisition of members.		**68. Circulation of member's resolution** The company shall comply with the provisions of Section 111 of the Act so as to give notice of resolution and circulating statements on the requisition of members.

	69. Notice of a General Meeting Save as provided in sub-Section (2) of Section 171 of the Act, not less than twenty-one days' notice shall be given of every General Meeting of the company. Every notice of meeting shall specify the place and the day and hour of the meeting and shall contain a statement of the business to be transacted thereat Where any such business consists of -special business" as hereinafter defined there shall be annexed to the notice a statement complying with Section 173(2) and (3) of the Act.		**69. Notice of a General Meeting** Save as provided in Section 101 of the Act, not less than clear twenty - one days' notice shall be given of every General Meeting of the company. Every notice of meeting shall specify the place, date and the day and hour of the meeting and shall contain a statement of the business to be transacted thereat. Where any such business consists of "Special Business" as hereinafter defined, there shall be annexed to the notice a statement complying with Section 102 of the Act. Subject to the provisions of the Act, a General Meeting may be convened at a shorter notice.
	70. To whom notice is to be given Notice of every meeting of the company shall be given to every member of the company, to the Auditors of the company and to any person entitled to a Share in consequence of the death or insolvency of a member in any manner hereinafter authorized for the giving of notice to such persons.		**70. To whom notice is to be given** Notice of every General Meeting shall be served on every member of the company, legal representative of any deceased member or the assignee of an insolvent member, the Auditor or Auditors of the company, all Directors of the Company and any other person as be prescribed by the Act and Rules.
	71. Accidental omission to give notice The accidental omission to give any such notice to or its non-receipt by any member or other persons to whom it should be given shall not invalidate the proceedings of the meeting.		**71. Accidental omission to give notice** No Change
	72. Shorter notice by consent A general meeting may however be called after giving shorter notice than twenty-one days in terms of section 171(2) of the Act.		**72. Shorter notice by consent** A General Meeting may however be called after giving shorter notice in terms of Section 101 of the Act.
PROCEEDINGS AT GENERAL MEETING			
	73. Business of Meetings In the case of an Annual General Meeting, all business to be transacted at the meeting shall be deemed special with the exception of business relating to consideration of the Profit and Loss Account, the Balance Sheet and the Reports of the Directors and of the Auditors, appointment of Directors in place of those retiring, declaration of Dividend and fixation of remuneration of Auditors. All other business transacted at an Annual General Meeting and all business transacted at an Extraordinary General Meeting shall be deemed special.		**73. Business of Meetings** In the case of an Annual General Meeting, all business to be transacted at the meeting shall be deemed Special with the exception of business relating to consideration of Financial Statements and the Reports of the Board of Directors and Auditors; the appointment of Directors in place of those retiring; the declaration of any Dividend; and the appointment of, and fixation of remuneration of, Auditors and to transact any other business which under these Articles ought to be transacted an Annual General Meeting. All other business transacted at an Annual General Meeting and all business transacted at an Extraordinary General Meeting shall be deemed special.
	74. Quorum Five members present in person shall be the quorum for, a General Meeting of the company.		**74. Quorum of the General Meeting** Save as otherwise provided herein, the quorum for the general meetings shall be as provided in Section 103 of the Act.
	75. Rights of NTPC, PFC, POWERGRID and REC to appoint any person as its representative NTPC, PFC, POWERGRID and REC as Shareholders of the Company, may, from time to time appoint one or more person(s) as their respective representative in such a manner that only one representative of each shareholder will be authorized at a given time (who need not be a member(s) of the company) to represent it at all or any meeting(s) of the Company. A person appointed as above shall for the purpose of the Act deemed to be a member of the company and shall be entitled to exercise the same rights and powers (including the right to vote by proxy unless otherwise provided by the order of appointment) as NTPC, PFC, POWERGRID and REC as the case may be, could exercise as a member of the company. NTPC, PFC, POWERGRID and REC may from time to time cancel any appointment made as above and make further fresh appointments. The production at the meeting of a certified copy of resolution of the Board of Directors of NTPC, PFC, POWERGRID and REC shall be accepted by the Company as sufficient evidence of any such respective appointment or cancellation of aforesaid.		**75. Rights of NTPC, PFC, POWERGRID and REC to appoint any person as its representative** No change

	This Article shall mutatis mutandis applicable to any body corporate if inducted in future as shareholder.		
	76. Resolution to be passed by Company in General Meeting Any act or resolution which, under the provisions of these Articles or of the Act, is permitted or required to be done or passed by the company in General Meeting shall be sufficiently so done or passed if effected by an Ordinary Resolution as defined in Section 189(1) of the Act unless either the Act or these Articles specifically require such act to be done or resolution passed by a Special Resolution as defined in Section 189(2) of the Act.		**76. Resolution to be passed by Company in General Meeting** Any act or resolution which, under the provisions of these Articles or of the Act, is permitted or required to be done or passed by the company in General Meeting shall be sufficiently so done or passed if effected by an Ordinary Resolution as defined in Section 114(1) of the Act unless either the Act or these Articles specifically require such act to be done or resolution passed by a Special Resolution as defined in Section 114(2) of the Act.
	77. Chairman to be elected first if chair is vacant No business shall be discussed at any General Meeting except the election of a chairman whilst the chair is vacant. Further business will be discussed after the chair is occupied.		**77. Chairman to be elected first if chair is vacant** No Change
	78. Chairman of General Meeting The Chairman of the Board shall be entitled to take the chair at every General Meeting. If there be no such Chairman, or if at any meeting the Chairman shall not be present within fifteen minutes after the time appointed for holding such meeting or is unwilling to act, the members present shall choose another Director as Chairman, out of the Directors present, for the purpose of the meeting and he shall exercise all the rights and powers available to the Chairman.		**78. Chairman of General Meeting** No Change
	79. When quorum is not present, meeting to be dissolved and when to be adjourned If within half-hour from the time appointed for the meeting a quorum be not present, the meeting, if convened on requisition of Shareholders shall be dissolved, but in any other case it shall stand adjourned to the same day in the next week, at the same time and place, or to such other day and at such time and place as the Board may by notice to members appoint. If at such adjourned meeting a quorum be not present, those members who are present, subject to minimum of two members, shall be a quorum and may transact the business for which the meeting was called.		**79. When quorum is not present, meeting to be dissolved and when to be adjourned** No Change
	80. What to be evidence of the passing of a resolution where poll is not demanded At any General Meeting a resolution put to vote at the meeting shall be decided on a show of hands, unless a poll is (before or after the declaration of the result of the show of hands) demanded in accordance with provisions of the Act and unless a poll is so demanded, a declaration by Chairman that a resolution has on a show of hands been carried unanimously or by a particular majority or lost, and an entry to that effect in the books of proceedings of the company shall be conclusive evidence of the fact, without proof of the number or proportion of votes recorded in favour of or against that resolution.		**80. What to be evidence of the passing of a resolution where poll is not demanded** No Change
	81. When poll to be taken Subject to the provisions of Section 180 of the Act, any poll duly demanded on the election of a chairman of a meeting, or on any question of adjournment shall be taken at the meeting forthwith. In any other case poll shall be taken at such time not being later than 48 hours from the time when the demand was made, as the Chairman may direct.		**81. When poll to be taken** Subject to the provisions of Section 109 of the Act, any poll duly demanded on the election of a chairman of a meeting, or on any question of adjournment shall be taken at the meeting forthwith. In any other case poll shall be taken at such time not being later than 48 hours from the time when the demand was made, as the Chairman may direct.
	82. Business may proceed notwithstanding demand of poll The demand of a poll, except on the question of the election of the Chairman and of an adjournment shall not prevent the continuance of a meeting for transaction of any business other than the question on which a poll has been demanded.		**82. Business may proceed notwithstanding demand of poll** No change
	83. Chairman's decision conclusive The Chairman of any meeting shall be the sole judge of the validity of every vote tendered at such meeting. The chairman		**83. Chairman's decision conclusive** No Change

	present at the taking of a poll shall be the sole judge of the validity of every vote tendered by such poll, whose decision shall be final and conclusive.		
	84. A member need not use all his votes On a poll a member entitled to more than one vote, or his proxy or other person entitled to vote for him, as the case may be, need not, if he votes, use all his votes or cast in the same way all the votes he uses.		**84. A member need not use all his votes** No Change
	85. Power to adjourn General Meeting The Chairman of a General Meeting may, with the consent of the meeting, adjourn the same from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.		**85. Power to adjourn General Meeting** No Change
	86. Minutes of General Meeting Minutes of proceedings of General Meeting shall be kept in books in terms of Section 193 of the Act and any such minutes if signed by any person purporting to have been the Chairman of the meeting to which it relates or by the person who shall preside as Chairman at the next- succeeding meeting shall be deemed as evidence of the facts therein stated without further proof.		**86. Minutes of General Meeting** (i) Minutes of proceeding of the General Meeting shall be entered in the minute book with the date of such entry within thirty days of the conclusion of the meeting. (ii) All the pages of the minute book shall be consecutively numbered and initialled or signed, and last page of the record of proceeding of each General Meeting in minute book shall be dated and signed, by the Chairman of same General Meeting within the aforesaid period of thirty days or in the event of the death or inability of that Chairman within that period, by a director duly authorised by the Board for the purpose.
	87. Minutes to be kept at the Registered office The books containing Minutes of proceedings of General Meeting of the company shall be kept at the Registered Office of the Company and shall during business hours (subject to such reasonable restrictions as the Company in General Meeting, may from time to time impose so that not less than two hours in each day be allowed for inspection) be open to the member for inspection without any charge.		**87. Minutes to be kept at the Registered office** No Change
	88. Members right for a copy of minutes Any member shall be entitled to be furnished within seven days after he has made a request in that behalf to the Company with a copy of any minutes referred to above at a charge as may be provided in the Act.		**88. Members right for a copy of minutes** Any member shall be entitled to be furnished within seven days after he has made a request in that behalf to the Company with a copy of any minutes referred to above at a charge as the board may decide but not exceeding a sum of ₹ 10/- each pages or part of any page.
VOTE OF MEMBERS			
	89. Vote of Members Upon show of hands, every member present in person or by proxy or by duly authorized representative shall have one vote, and upon a poll, every member present in person or by proxy or by duly authorized representative, shall have one vote for every Share held by him.		**89. Vote of Members** No Change
	90. Postal Ballot Subject to the provisions of the Act a resolution may be passed by means of a postal ballot instead of transacting the business in General Meeting of the Company.		**90. Postal Ballot** No Change
	91. Procedure where a company is a member of the company Any member which is a body corporate may attend a General Meeting by a representative duly authorized by a resolution of the Board of such body corporate in accordance with the provisions of Section 187 of the Act and vote on a show of hands or on a poll and also by proxy. The production at the meeting of-a copy of such resolution duly authenticated by such body corporate shall be accepted by the company as sufficient evidence of the validity of his appointment.		**91. Procedure where a company is a member of the company** Any member which is a body corporate may attend a General Meeting by a representative duly authorized by a resolution of the Board of such body corporate in accordance with the provisions of Section 113 of the Act and vote on a show of hands or on a poll and also by proxy. The production at the meeting of a copy of such resolution duly authenticated by such body corporate shall be accepted by the company as sufficient evidence of the validity of his appointment.
	92. Votes in respect of deceased, insane and insolvent members Any person entitled to vote on devolving share under the		**92. Votes in respect of deceased, insane and insolvent members** No Change

	transmission may vote at any General Meeting in respect thereof in the same manner as if he were the Registered holder of such Shares provided that at least seventy two hours before the time of holding the meeting or adjourned meeting as the case may be at which he proposes to vote he shall satisfy the Board of his right to such Shares unless the Board shall have previously admitted his right to such Shares of his right to vote at such meeting in respect thereof.		
	93. Votes in respect of shares of members of unsound mind A member of unsound mind, or in respect of whom an order has been made by any Court having jurisdiction in lunacy, may vote, whether on a show of hands or on poll by his constituent or other legal guardian and any such constituent or guardian may on a poll, vote by proxy.		**93. Votes in respect of shares of members of unsound mind** No Change
	94. Joint holders Where there are joint Registered holders of any Share, any one of such persons may vote at any meeting either personally or by proxy in respect of such Shares as if he were solely entitled thereto; and if more than one such joint holders be present at any meeting either personally or by proxy, that one of the said persons so present whose name stands first on the Register in respect of such Share shall alone be entitled to vote in respect thereof. Several executors or administrators of a deceased member in whose name any Share is Registered shall for the purpose of this Article be deemed joint holders thereof.		**94. Joint holders** No Change
	95. Right to appoint proxy A member entitled to attend and vote at a meeting may appoint another person (whether a member or not) as his proxy to attend a meeting and vote on a show of hands or on a poll. No member shall appoint more than one proxy to attend the same occasion. A proxy shall not have the right to speak at a meeting. The instrument appointing a proxy shall be in writing and be signed by the appointer or his attorney duly authorized in writing.		**95. Right to appoint proxy** No Change
	96. Instrument appointing a proxy to be deposited at the office The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed, or a notary certified copy of that power of authority, shall be deposited at the Registered Office of the Company not less than forty-eight hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument purports to vote in respect thereof and in default the instrument of proxy shall not be treated as valid.		**96. Instrument appointing a proxy to be deposited at the office** No Change
	97. When vote by proxy valid though authority Revoked A vote given in accordance with the terms of an instrument appointing a proxy shall be valid notwithstanding the previous death or insanity of the principal, or revocation of the Instrument, or transfer of the Share in respect of which the vote is given, provided no intimation in writing of the death, insanity, revocation or transfer of the Share shall have been received by the company at the office before the vote is given. Provided nevertheless that the Chairman of any meeting shall be entitled to require such evidence as he may in his discretion think fit of the due execution of an instrument of proxy and that the same has not been revoked.		**97. When vote by proxy valid though authority Revoked** No Change
	98. Form of Proxy Every instrument of proxy for a specified meeting or otherwise shall, as nearly as circumstances will permit, be in the form or to the effect following:		**98. Form of Proxy** Every instrument of proxy for a specified meeting or otherwise shall be in the form as may be prescribed under the Act.
	99. Restrictions on voting Subject to the provisions of the Act, no member shall be entitled to be present or to vote on any question either personally or by proxy or as proxy for another, at any General Meeting or upon		**99. Restrictions on voting** No Change

	a poll or be reckoned in quorum whilst any call or other sum shall be due and payable to the company in respect of any of the share of such members.		
	100. Admission or rejection of votes Any objection as to the admission or rejection of a vote, either on a show of hands or on a poll, made in due time shall be referred to the Chairman who shall forthwith determine the same and such determination made in good faith shall be final and conclusive.		**100. Admission or rejection of votes** No Change
	101. Time for objection to vote No objection shall be raised as to the qualification of any voter except at the meeting or poll at which such vote is tendered and every vote not disallowed at such meeting or poll, shall be valid for all purposes.		**101. Time for objection to vote** No Change
MANAGEMENT STRUCTURE			
	102. (i) Management of the Company The Company shall have its own professional management team of Managing Director (MD) and Functional Directors. The Professional Management team will be headed by Managing Director. *(Amended by special resolution passed in the extra-ordinary general meetings of the company held on 17.01.2013 & 08.01.2016)* **(ii) Management of the Company** Subject to ultimate control by Shareholders, the Company shall be managed by Board of Directors. The Management of the day to day affairs of the Company shall, however, vest with Managing Director. **(iii) MD shall be selected and appointed by the Board** Subject to the provisions of the Act, the Managing Director shall be selected by the Search & Selection Committee comprising of Secretary (Power), CMD of the Parties and DG, BEE and appointed by the Board on such terms and conditions as the recruitment rules approved by the Board, to manage the affairs and business of the Company. **MD 's power** The MD shall, subject to control and supervision of the Board, exercise such powers as may be determined by the Board by way of specific authorization. *(Amended by special resolution passed in the 9th Annual General meeting held on 28.12.2018)* **(iv) Director (Finance) & Director (Projects & Business Development) to be selected by Selection Committee** Subject to the provisions of the Act and Clause 7.3 of Joint Venture and Supplementary Agreement dated 23rd October, 2018, the other Functional Directors of the Company except Managing Director shall be selected by Selection Committee comprising of Chairman, EESL; Managing Director, EESL; One representative each from promoter companies, Ministry of Power (Government of India), Bureau of Energy Efficiency, from the promoter companies for period upto 5 years or through Open Recruitment in case no suitable candidate could be selected from the Promoter Companies, on terms and conditions as approved by the Board from time to time. *(Amended vide special resolution passed in the 8th Annual General Meeting held on 29.09.2017 and further amended in the 9th Annual General Meeting held on 28.12.2018)* **(v) Functional Management** The functional management of the Company including sourcing, purchasing, personnel, finance and other commercial and managerial decisions shall vest with the MD, who shall have authority and responsibility for the management of day-to-day affairs of the Company for which appropriate power may be		**102. (i) Management of the Company** No Change **(ii) Management of the Company** No Change **(iii) MD shall be selected and appointed by the Board** No Change **(iv) Director (Finance) & Director (Projects & Business Development to be selected by Selection Committee** No Change **(v) Functional Management** No Change

	delegated to him by the Board. In like manner the Board may withdraw or annul any such power and authority as may be considered necessary. *(Amended by special resolution passed in the extra ordinary general meeting of the company held on 17.01.2013 & 08.01.2016)*		
	103. First Directors Subject to the provisions of the Companies Act, 2013 the number the Directors of the Company shall not be less than four and more than thirteen that includes nominee directors, part-time directors, Independent directors & functional directors. The first Directors of the Company shall be :- 1) Shri R. S. Sharma, Chairman, NTPC 2) Shri Rajeev Sharma, Director(Projects), PFC 3) Shri Rama Raman, ED(T&D), REC 4) Shri N. S. Sodha, GM, POWERGRID 5) Shri Devendra Singh, IAS, Joint Secretary, Ministry of Power 6) Shri Rakesh Jain, Joint Secretary(F&A), Ministry of Power One Director each shall be nominated by each of the Parties, who shall also determine the period for which their respective nominees shall hold office & functional Directors except MD, shall be nominated by each parties as per clause 102(iv) of AOA. Apart from Directors nominated by the Parties, two part-time Directors if nominated by MoP GOI, who shall be inducted on the Board. All the directors shall be appointed by the Board, subject to the provision of Companies Act, 2013 or as amended from time to time. There are 3 sanctioned posts of functional directors i.e. Managing Director, Director (Finance) and Director (Projects and Business Development). The Board shall have power to sanction 1 additional post of Functional Director out of total 13 directors, as and when required. The Board shall be responsible for overall functioning of the Company. The Business of JVC shall always be carried on in accordance with the policies laid down by the Board from time to time. *(Amended by Special Resolution passed in the extraordinary general meeting of the company held on 17.01.2013 & 08.01.2016 and further amended in the 9th Annual General Meeting held on 28.12.2018)*		**103. First Directors** No Change
	104. Qualification Shares A Director shall not be required to hold any shares in the Company as qualification Shares.		**104. Qualification Shares** No Change
	105. Chairman to be non- executive The Chairman of the Board shall be non-executive Director and amongst the Directors representing the Parties on the Board of the Company. The term of the Chairman shall be for a period of two years. The Chairman of the Board shall be rotated amongst the Parties. The first Chairman of the Company shall be nominated by NTPC and subsequent Chairman shall be nominated by PFC, REC and POWERGRID in order of sequence. The Chairman shall not be below the level of Director of the Parties. The Chairman shall preside over the meetings of the Board of Directors and the General Meetings of the Company. If the Chairman is not present at a meeting, Directors present in the meeting shall elect one of them to act as Chairman for the purpose of the meeting. *(Amended by special resolution, passed in the extra ordinary general meeting of the company held on 17.01.2013)*		**105. Chairman to be non- executive** No Change
	106. Company may increase the number of Directors Subject to Section 259 of the Act, the Company may subject to resolution in General Meeting and with the approval of Central		**106. Company may increase the number of Directors** Subject to Section 149 of the Act, the Company may by special resolution in General Meeting, increase the limit on maximum

	Government increase the maximum number of Directors, and may-alter their qualification. Further the Company may, subject to the provisions of Section 284 of the Act, remove any Director before the expiration of his period of office and appoint another person in his stead provided in case the Director removed is a nominee Director of a Shareholder or a Group of Shareholders, the person appointed in his stead shall also be a nominee proposed by the same Shareholder/Group of Shareholders. The person so appointed shall hold office for such time as the Director in whose place he is appointed would have held the same office if he had not been removed.		number of Directors and may alter their qualification. Further the Company may, subject to the provisions of Section 169 of the Act, remove any Director before the expiration of his period of office and appoint another person in his stead provided in case the Director removed is a nominee Director of a Shareholder or a Group of Shareholders, the person appointed in his stead shall also be a nominee proposed by the same Shareholder / Group of Shareholders. The person so appointed shall hold office for such time as the Director in whose place he is appointed would have held the same office if he had not been removed.
	107. Nominee Directors The Parties shall be entitled to nominate one nominee director each and functional directors as per clause 102 (iv) of the AOA not below the level of General Manager of the Parties on the Board of JVC provided that the shareholding of each such Party does not fall below 10% of the paid up share capital of the JVC. Apart from the Directors nominated by the Parties, two part-time Directors and independent directors will be nominated by MoP, GOI, one of whom would be from BEE. All the directors shall be non-executive except functional directors as may be appointed by the Board from time to time. *(Amended by special resolution passed in the extra ordinary general meetings of the company held on 17.01.2013 & 08.01.2016 and further amended in the 9th Annual General Meeting held on 28.12.2018)*		**107. Nominee Directors** No Change
	108. Appointment of Alternate Directors The alternate Directors shall be nominated by the respective parties in place of nominee Director (the "original Director") of a Party on the Board of Company during his absence for a period of not less than three months from the State in which the meetings of the Board are ordinarily held and shall always be a person proposed by such Party only and on such nomination, the Parties shall cause their respective nominee Directors to vote for and cause the Board of the Company to appoint him as alternate Director for such original Director. An alternate Director appointed under this Clause shall vacate office, as and when the original Director returns to that State. If the term of office of the original Director is determined before his return to that State, any provision in the Act or in Articles of the Company for the automatic re-appointment of retiring Directors shall apply to the original Director and not to the alternate Director. The alternate Director shall be entitled while holding his office as such to receive notices of meetings of the Board and any Committee of Board of which the original Director is a member and to attend and vote as a Director at any such meetings of the Board and any such Committee.		**108. Appointment of Alternate Directors** The alternate Directors shall be nominated by the respective parties in place of nominee Director (the "original Director") of a Party on the Board of Company during his absence for a period of not less than three months from India and shall always be a person proposed by such Party only and on such nomination, the Parties shall cause their respective nominee Directors to vote for and cause the Board of the Company to appoint him as alternate Director for such original Director. An alternate Director appointed under this Clause shall vacate office, as and when the original Director returns to India. If the term of office of the original Director is determined before his return to India, any provision in the Act or in Articles of the Company for the automatic re - appointment of retiring Directors shall apply to the original Director and not to the alternate Director. The alternate Director shall be entitled while holding his office as such to receive notices of meetings of the Board and any Committee of Board of which the original Director is a member and to attend and vote as a Director at any such meetings of the Board and any such Committee.
	109. Directors power to fill casual vacancies Subject to the approval of the respective Parties for their nominee Directors and subject to the provisions of Section 260, 262 and 284(6) of the Act, the Board of Directors shall have the power, at any time, and from time to time to appoint any person to be a Director, either as an additional Director or to fill a casual vacancy occurring on account of the office of any Director appointed by the Company in General Meeting being vacated before expiry of his term of office in the normal course, but such that the total number of Directors shall not at any time exceed the maximum fixed by the Articles of Association. Any person so appointed as an addition to the Board shall retain his office only upto the date of the next Annual General		**109. Directors power to fill casual vacancies** Subject to the approval of the respective Parties for their nominee Directors and subject to the provisions of Section 161 and 169(7) of the Act, the Board of Directors shall have the power, at any time, and from time to time to appoint any person to be a Director, either as an Additional Director or to fill a casual vacancy occurring on account of the office of any Director appointed by the Company in General Meeting being vacated before expiry of his term of office in the normal course, but such that the total number of Directors shall not at any time exceed the maximum fixed by the Articles of Association. Any person so appointed as an addition to the Board shall retain his office only upto the date of the next Annual General Meeting but shall be eligible for re - election at such meeting.

	Meeting but shall be eligible for re-election at such meeting. Any person appointed to fill a casual vacancy as aforesaid shall hold office only upto the date upto which the Director in whose place he is appointed would have held office if it had not been vacated as aforesaid.		Any person appointed to fill a casual vacancy as aforesaid shall hold office only upto the date upto which the Director in whose place he is appointed would have held office if it had not been vacated as aforesaid.
	110. Directors may act notwithstanding any vacancy The continuing Director may act notwithstanding any vacancy in their body, but if, and so long as their number is reduced below the minimum number fixed by Article 103 hereof, the continuing Directors may act for the purpose of increasing the number of Directors to that number, or of summoning a General Meeting for that purpose.		**110. Directors may act notwithstanding any vacancy** No Change
	111. Remuneration of the Director The remuneration/sitting fees payable to Directors, including Managing Director / Whole time Director shall, subject to the applicable provisions of the Act and of these Articles.		**111. Remuneration of the Director** No Change
	112. Special remuneration to Director for extra service, etc. If any Director being willing, be called upon to perform extra service or special exertions in going out or residing at particular place or otherwise for any of the purposes of the Company, the Company may remunerate such Director either by a fixed sum or otherwise as may be determined by the Board and such remuneration may be either in addition to or in substitution for his remuneration above provided.		**112. Special remuneration to Director for extra service, etc.** No Change
	113. Expenses Incurred by Director on Company's Business The Board may allow and pay to any Director who is not a resident of the place where the meeting of the Board is held and who shall come to such place for the purpose of attending a meeting such sum as the Board may consider fair compensation for his travel, and living and hotel expenses for attending such meeting; and if any Director be called upon to go and reside out of the ordinary place of his residence on the Company's business, he shall be entitled to be reimbursed for his travel, living and hotel expenses, reasonably incurred in connection with the business of the Company. The Board may also allow and pay to the Directors a fee to be determined from time to time for attending the meetings of the Board and of any Committee appointed by the Board of Directors; such fee shall not exceed an amount as prescribed in the Act or rules made there under.		**113. Expenses Incurred by Director on Company's Business** No Change
	114. Neither the Board nor a committee thereof (whether at a Board, Meeting or at a committee meeting) Neither the Board nor a committee thereof (whether at a Board Meeting or at a committee meeting or by circular resolution or otherwise) nor its MD nor any other person purporting to act on behalf of the Company shall take any action in respect of any of the following matters except with the affirmative vote of the majority of Directors, which majority shall include affirmative vote of at-least one Director each nominated by "NTPC, PFC, POWERGRID and REC". a) The annual revenue budget of the Company. b) The Five Year Annual Plans of development, the capital budget of the Company and processing of any modernization, expansion schemes including programme of capital expenditure or purchase of capital equipment which exceeds ₹ 10 Crore. c) Winding up of the Company d) Any matter relating to the transfer, sale, lease, exchange, mortgage and/or disposal otherwise of the whole or substantially the whole of the undertaking of the Company or pad thereof e) Increase or otherwise alter the authorized or the issued share capital of the Company.		**114. Neither the Board nor a committee thereof (whether at a Board, Meeting or at a committee meeting)** No Change

	f) Induction of new Investor g) Taking of any loan or other borrowing or issue of any debt or other instrument or security carrying the right or option to convert the whole or part thereof or any such instrument or security, as the case may be, or any accrued interest thereon into the Shares of the Company. h) Any matter relating to:- (i) the promotion of company /companies including formation of subsidiary company/companies. (ii) entering into Partnership and/or arrangement of sharing profits; (iii) taking or otherwise acquiring and holding shares in any other company; (iv) pledging or encumbering of any assets of the Company and the issuance of corporate guarantee (other than trade warranties) or incurring of usual liability, except as set forth in the annual operating and capital budgets or as required for the procurement of working capital needs, or as may be required by any government authorities or for any tax purposes (v) recommendations/approval of dividend by the Company (vi) arrangement involving foreign collaboration proposed to be entered into by the company i) Change in the name of the Company j) Entering into any profit sharing, or any share option or other similar schemes for the benefit of the officers and other employees of the Company. In the event of likely absence of nominee Directors of any Party including their duly appointed alternates, such Directors shall endeavour to convey their consent in respect of any such matter, by e-mail, fax or any other agreed mode of communication Provided, however that if due to the absence of the nominee Director of such Party hereto and in the absence of any consent of any nominee Director of such Party in respect of any such matter conveyed by e-mail, fax or any other agreed mode of communication to the Company, such matter cannot be considered, then such Board Meeting for consideration of such item shall be adjourned until such day, time and place as may be decided by the Chairman of the Meeting. If at such adjourned meeting also, no nominee Director of a Party hereto is present or no consent of any nominee Director of such Party in respect of any such matter is sent as agreed hereto, to the Company, in that event, if one- third of the Board be present, they shall notwithstanding anything to the contrary contained-herein above, be entitled to consider and decide all matters covered in the original agenda. *(Amended by special resolution, passed in the extra ordinary general meeting of the company held on 17.01.2013)*		
	115. Directors vacating office The office of a Director shall ipso-facto become vacant if:- (a) he is found to be of unsound Mind by a Court of competent jurisdiction, or (b) he is adjudged an insolvent; or (c) he applies to be adjudged an insolvent; or (d) any office or place of profit, under the company or under any subsidiary of the company, is held in contravention of Section 314 of the Act and by operation of that Section he is deemed to vacate office, or (e) he absents himself from three consecutive meetings of the Directors or from all meetings of the Directors for a continuous period of three months whichever is longer without leave of absence from the Board of Directors, or		**115. Directors vacating office** A person shall not be capable of being appointed as a Director of the Company if he suffers from any of the disqualifications enumerated in the Act, to the extent applicable to the Company. The office of a Director shall be vacated, if any of the conditions set out in the Act are satisfied.

	116. A Director in a Company can become Director in any of Company A Director of this company may be, or become a Director of any company promoted by this company or in which it may be		**116. A Director in a Company can become Director in any of Company** No Change
PROCEEDINGS OF THE BOARD			
	117. Meetings of the Board The Board shall meet at least once in every three calendar months and at least four such meetings shall be held in every year for the dispatch of business and the Board may adjourn or otherwise regulate its meeting and proceedings. Notice in writing of every meeting of the Board shall be given to every Director for the time being in India, and at his usual address in India to every other Director.		**117. Meetings of the Board** The Board shall meet at least once in every calendar quarter and at least four such meetings shall be held in every year and the gap between two such meetings shall not be more than 120 Days for the dispatch of business and board may adjourn or otherwise regulate its meeting and proceedings. Notice in writing of every meeting of the Board shall be sent by hand delivery or by post or by electronic means to every Director at their registered address with the company. **Meeting through Video Conferencing** The board of directors may attend the meeting through video conferencing or other audio visual means which are capable of recording and recognising the participation of directors.
	118. Director may summon meeting A Director may at any time and the Secretary shall upon the request of a Director made at any time, convene a meeting of the Board.		**118. Director may summon meeting** No Change
	119. Chairman of the meeting All meetings of the Board shall be presided over by the Chairman, if present, and if the Chairman is not present within five minutes after the time appointed for holding the meeting of the Board, the Directors present in the meeting shall elect one of them to act as the chairman for the purpose of the meeting.		**119. Chairman of the meeting** No Change
	120. Quorum of the meeting The quorum for a meeting shall be determined from time to time in accordance with the provisions of Section 287 of the Act, provided that there shall be no quorum in any meeting unless at least one nominee Director each from at least three Parties is present. If the meeting of the Board could not be held for want of quorum (quorum being not present within 15 minutes from the time appointed for holding the meeting) the meeting shall stand adjourned until such day, time and place as may be determined by the Chairman of the Meeting. In case quorum is not present at adjourned meeting also, members present not being less than two or one third of the Board, whichever is higher, shall form the quorum however no business other than the Agenda circulated for meeting so adjourned (but not the Agenda item out of Reserved Matters) shall be transacted, in adjourned meeting.		**120. Quorum of the meeting** The quorum for a meeting shall be determined from time to time in accordance with the provisions of Section 174 of the Act, provided that there shall be no quorum in any meeting unless at least one nominee Director each from at least three Parties is present. If the meeting of the Board could not be held for want of quorum (quorum being not present within 15 minutes from the time appointed for holding the meeting) the meeting shall stand adjourned until such day, time and place as may be determined by the Chairman of the Meeting. In case quorum is not present at adjourned meeting also, members present not being less than two or one third of the Board, whichever is higher, shall form the quorum however no business other than the Agenda circulated for meeting so adjourned (but not the Agenda item out of Reserved Matters) shall be transacted, in adjourned meeting. The directors participating through video conferencing or by other audio visual means shall also be counted for the purpose of quorum.
	121. Power of quorum A meeting of the Board at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretion for the time being vested in or exercisable by the Board generally by or under these Articles or the Act.		**121. Power of quorum** No Change
	122. Delegation of powers The Board may subject to the provisions of the Act from time to time entrust to and confer upon to MD or any of the officers of the company for the time being such of the powers as they may think fit and may confer such powers for such time and to be exercised for such objects and purposes and upon such terms and conditions and with such restrictions as they may think expedient and may from time to time revoke, withdraw, alter or vary all or any of such powers. *(Amended by special resolution, passed in the extra ordinary general meeting of the company held on 17.01.2013)*		**122. Delegation of powers** No Change

	Existing Article		Proposed Article
	123. Powers to appoint committee and to delegate The Board may subject to the provisions of the Act, from time to time and at any time delegate, any of its powers to a committee or committees consisting of such Director or Directors as they think fit and may from time to time revoke such delegation. Any committee so formed shall in the exercise of the powers so delegated, confirm to any regulations that may from time to time be imposed upon it by the Board. The proceedings of such a committee shall be placed before the Board at its next meeting.		**123. Powers to appoint committee and to delegate** No change
	124. Proceedings committee of Board The minutes and proceedings of any such committee shall be governed by the provisions herein contained for regulating the meeting and proceedings of the Board so far as the same are applicable thereto and are not superseded by any regulation made by the Board under the last preceding Article.		**124. Proceedings committee of Board** No Change
	125. When acts of a director valid notwithstanding defective appointment etc. The acts done by a person as a Director shall be valid notwithstanding, that it may afterwards be discovered that his appointment was invalid by reason of any defect or disqualification or had terminated by virtue of any provisions contained in the Act or in these Articles. Provided that nothing in this Article shall be deemed to give validity of acts done by a Director after his appointment has been shown to the company to be invalid or to have terminated.		**125. When acts of a director valid notwithstanding defective appointment etc.** No Change
	126. Resolution by circulation Save in those cases where a resolution is required by the provisions of the Act to be passed at a meeting of the Board, a resolution shall be as valid and effectual as if it had been passed at a meeting of the Board or a committee of the Board, as the case may be, duly called and constituted, if a draft thereof in writing is circulated together with the necessary papers, if any, to all the Directors, or to all the members of the committee of the Board, as the case may be, then in India (not being less than in number than the quorum fixed for a meeting of the Board or committee, as the case may be) and to all other Directors or members of the committee, at their usual addresses in India, and has been approved by such of them as are then in India or by a majority of such of them as are entitled to vote on the resolution.		**126. Resolution by circulation** No Change
	MINUTES		
	127. Minutes to be made (1) The Board shall in accordance with the provisions of Section 193 of the Act, cause minutes to be kept by making entries thereof in books provided for the purpose. The said books shall be maintained and, the entries therein made, dated and signed in the manner provided by Section 193 of the Act. (2) The minutes of each meeting shall contain a fair and correct summary of the proceedings thereat. Provided that no matter need be included in any such minutes which in the opinion of the Chairman of the meeting: - (I) is or could reasonably be regarded as defamatory of any person, (ii) is irrelevant or immaterial to the proceedings, or (iii) is detrimental to the interest of the Company (3) All such minutes shall be signed by the chairman of the meeting as recorded, or by the person who shall preside as the chairman at the next succeeding meeting and all minutes purported to be so signed shall for all purposes be evidence of the proceedings recorded therein.		**127. Minutes to be made** (1) The Board shall in accordance with the provisions of Section 118 of the Act, cause minutes to be kept by making entries thereof in books provided for the purpose.The said books shall be maintained and, the entries therein made, dated and signed in the manner provided by Section 118 of the Act. (2) No Change (3) All the pages of the minute book shall be consecutively numbered and initialled or signed, and last page of the record of proceeding of each meeting in minute book shall be dated and signed, by the Chairman of same meeting or of the next succeeding meeting. (4) The draft minutes of the meeting shall be circulated among

			all the Directors within fifteen days of the meeting either in writing or in Electronic Mode as may be decided by the Board and/or in accordance with Applicable Laws. (5) Every Director who attended the meeting, whether personally or through Electronic Mode, shall confirm or give his comments in writing, about the accuracy of recording of the proceedings of that particular meeting in the draft minutes, within seven days or some reasonable time as decided by the Board, after receipt of the draft minutes failing which his approval shall be presumed.
POWERS OF BOARD			
	128. General powers The business of the company shall be managed by the Board who may pay all expenses of getting the company registered and may exercise all such powers and do all such acts and things as the company is by its Memorandum of Association or otherwise authorized to exercise but shall not decide matters required to be exercised or done by the company in General Meeting, but subject nevertheless to the provisions of the Act and of the Memorandum of Association and these Articles and to any regulations not being inconsistent with the Memorandum of Association and these Articles from time to time made by the company in General Meeting provided that no such regulation shall invalidate any prior act of the Board which would have been valid if such regulation had been made.		**128. General powers** No Change
	129. Specific powers of the Board Without prejudice to the general powers conferred by the preceding Article, and the other powers conferred by these Articles, and subject to the provisions of the Act, the Board of Directors shall have the following powers, that is to say powers: 1 **To purchase take on lease or Property acquire:** To purchase, take on lease or otherwise acquire for the company, property, rights or privileges which the company is authorized to acquire at such price and generally on such terms and conditions as they think fit; 2 **To provide welfare of employees:** To provide for the welfare of employees and/or former employees of the company or of its predecessors in business and the wives, widows and families or the dependents or connections of such employees, or ex-employees by building or contributing to the building of houses, dwellings or quarters or by grant of money pension, superannuation, gratuities, compensation, allowances, bonuses, profit sharing bonuses or benefit of any other kind; or by creating and from time to time subscribing or contributing to provident and other funds and to establish or support other Associations, institutions funds, profit sharing or other scheme or trusts or by providing or subscribing or contributing towards places of instruction and recreation, hospitals and dispensaries, medical and other attendances and any other form of assistance welfare or relief as the Directors shall think fit. 3 **To insure and keep insured property of company:** To insure and keep insured against loss or damage by fire or otherwise for such period and to such extend as they may think proper all or any part of the buildings, machinery, goods, stores, produce and other movable property of the company either separately or jointly also to ensure all or any portion of the goods; produce, machinery and other Articles imported or exported by the company and to sell, assign, surrender or discontinue any policies of assurances affected in pursuance of this power. 4 **To open accounts:** To open accounts ordinarily with any Bank of India or any of their Subsidiaries and to pay money,		**129. Specific powers of the Board** No Change

	into and draw money from any such account from time to time as the Board may think fit. 5 **To pay for any property:** To pay for any property, rights or privileges acquired by, or services rendered to the company either wholly or partially in cash or in Shares, Bonds, Debentures, Debenture Stocks or other securities of the company, and any such Shares may be issued either as fully paid up or with such amount credited as paid up thereon as may be agreed upon, and any such Bonds, Debentures, Debenture Stocks or other securities may either specifically charged upon all or any part of the property of the company and its uncalled capital or not so charged. 6 **To secure fulfilment of any contract:** To secure the fulfilment of any contracts or arrangements entered into by the company by mortgage or charge of all or any of the property of the company and its uncalled capital for the time being or in such manner subject to Article 115(d). 7 **To create posts below Board level:** To create all posts below the Board level and to appoint and at their discretion, remove or suspend such Managers, secretaries, officers, clerks, workmen, employees, agents and servants, specialists and consultants for permanent or temporary or special services as they may, from time to time think fit, and to determine their powers and duties and fix their specific scales of pay and allowances and to acquire security in such instances and to such amount as they think fit. 8 **To subscribe or guarantee money to Charitable Funds:** To subscribe or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national, public or any other institutions or' objects, or for any exhibition to any individual or body. 9 **To provide for depreciation and reserves:** Subject to the provisions of the Act before recommending any Dividend to set aside out of the profits of the company such sums as they may think proper for depreciation or to depreciation fund reserve or to Reserve Fund, or to sinking fund, insurance fund or any special other fund to meeting contingencies or to repay redeemable Preference Shares Debentures or Debenture Stocks and for special Dividends and for equalizing Dividends and for retaining, improving, extending and maintaining any part of the property of the company, and for such other purposes (including the purposes referred to in the sub-clause (7) as the Directors may in their absolute discretion think conducive to the interest of the company; and to invest the several sums so set aside or so much thereof as required to be invested upon such investments subject to the restrictions imposed by the Act) as the Board may think fit; and from time to time deal with and vary such investments and dispose of and apply and expand all or any part thereof for the benefit of the company, in such manner and for such purposes as the Board, subject to any restrictions think conducive to the interest of the company notwithstanding that the matters to which the Directors apply or upon which the capital money of the company rightly be applied or expanded and to divide the Reserve Fund into such special funds as the Board may think fit and to employ the assets constituting all or any of the above funds, including the depreciation fund, in the business of the company or in the purchase or repayment of redeemable Preference Shares, Debentures, Debenture Stocks and that without being bound to keep the same separate from the other assets and without being bound to pay or allow interest on the same, with power however to the Board at their discretion to pay or allow to		

	the credit of such fund interest at such rate, as the Board may think proper. 10 **To comply local laws:** To comply with the requirements of any local laws. 11 **To bring and defend action:** To institute, conduct, defend, compound or abandon any legal proceeding by or against the company or its officers, or otherwise conducting the affairs of the company and also to compound and allow time for payment or satisfaction of any debt due or of any claim or demand by or against the company. 12 **To refer to arbitration:** To refer any claim or demand by or against the company to arbitration and observe and perform the award. 13 **To give receipt:** To make and give receipts, release and other discharges for money payable to the company, and for the claims and demands of the company. 14 **To authorize acceptances etc.:** To determine from time to time who shall be entitled to sign on the company's behalf bills, notes, receipts, acceptances, endorsements, cheques, releases, Dividend warrants, contracts and documents. 15 **To appoint attorneys:** To provide from time to time for the management of the affairs of the company at different places in such manner as they think fit, and in particular to appoint any person to be the attorneys or agents of the company with such powers (including power to sub-delegate) and upon such terms as may be thought fit. 16 **To invest moneys:** To invest in the Scheduled Bank or in such securities as may be approved by the Board and deal with any of the moneys of the company upon such investments authorized by the Memorandum of Association of the company (not being Shares in this company) and in such manner as they think fit, and from time to time to vary or realize such investment. 17 **To give security by way of indemnity:** To execute in the name and on behalf of the company in favour of any Director or other person who may incur or is about to incur any personal liability for the benefit of the company, such mortgages of the company's property (present and future) as they think fit and any such mortgage may contain a power of sale and such other powers, covenants and provisions as shall be agreed upon. 18 **To give award or allow any bonus:** To give award or allow any bonus, pension, superannuation, gratuity or compensation to any employee of the company, or his widow, children or dependents, that may appear to the Board just or proper, whether such employee, his widow, children or dependents has or have not a legal claim upon the company. 19 **To create Provident Fund:** Before declaring any Dividend, to set aside such proportions of the profits of the company as they may think fit, to form a fund to provide for such pensions, gratuities or compensation or to create any provident fund or benefit fund in such manner as the Board may deem fit. 20 **To enter into all such negotiations and contracts:** To enter into all such negotiations and contracts and vary all such contracts and execute and do all such acts, deeds and things in the name of and on behalf of the company as they may consider expedient for or in relation to any of the matters aforesaid or otherwise for the purposes of the company. 21 **To delegate powers:** Subject to the restrictions laid down in Section 292 of the Act, to delegate any of the powers, authorities and discretion for the time being vested in them, subject, however, to the ultimate control and authority being		21 **To delegate powers:** Subject to the restrictions laid down in Section 179 of the Act, to delegate any of the powers, authorities and discretion for the time being vested in them, subject, however, to the ultimate control and authority being

	retained by them. Any such delegate or attorney as aforesaid may be authorized by the Directors to sub delegate all or any of the powers, authorities and discretion for the time being vested in them.		retained by them. Any such delegate or attorney as aforesaid may be authorized by the Directors to sub delegate all or any of the powers, authorities and discretion for the time being vested in them.
	THE SECRETARY		
	130. Appointment and removal of Secretary The Board may from time to time appoint a secretary to perform any functions, which by the Act, are to be performed by the Secretary and to execute any other ministerial or administrative duties, which may from time to time be assigned to the secretary by the Directors and at their discretion remove any such Secretary. The Board may also at any time appoint any person or persons (who need not to be the Secretary) to keep the register required to be kept by the Company; provided that if the paid up capital of the Company shall exceed prescribed limits then in such event, the Company shall appoint a Whole time Secretary as provided in Section 383-A of the Act and he shall possess such qualifications as may be prescribed from time to time by the rules made under Section 2(45) of the Act.		**130. Appointment and removal of Secretary** The Board may from time to time appoint a secretary to perform any functions, which by the Act, are to be performed by the Secretary and to execute any other ministerial or administrative duties, which may from time to time be assigned to the secretary by the Directors and at their discretion remove any such Secretary. The Board may also at any time appoint any person or persons (who need not to be the Secretary) to keep the register required to be kept by the Company; provided that if the paid up capital of the Company shall exceed prescribed limits then in such event, the Company shall appoint a Whole time Secretary as provided in Section 203 of the Act and he shall possess such qualifications as may be prescribed from time to time by the rules made under Section 2(24) of the Act.
	THE SEAL		
	131. Seal and its custody (a) The Board shall provide a common seal for the purpose of the Company and shall have power from time to time to destroy the same and substitute a new seal in lieu thereof, and the Board shall provide for the safe custody of the seal. (b) The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a Committee of the Board authorized by it in that behalf and except in the presence of at -least two Director and of Secretary or such other person as the Board may appoint for the purpose and those two Director or such other person aforesaid shall sign every instrument to which the seal of the company is so affixed in his presence. Provided, however, the requirement of Companies (Issue of Share Certificates) Rules, 1960, shall be complied with for issue of share certificates.		**131. Seal and its custody** (a) No Change (b) The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a Committee of the Board authorized by it in that behalf and except in the presence of at -least two Director and of Secretary or such other person as the Board may appoint for the purpose and those two Director or such other person aforesaid shall sign every instrument to which the seal of the company is so affixed in his presence. In the case of share certificates (s), the seal be affixed in the presence of: a. Two Directors duly authorised by the Board of Directors of the Company for the purpose or the Committee of the Board, if so authorised by the Board; and b. The Secretary or any person authorised by the Board for the purpose.
	132. Seal Abroad The company may exercise the powers conferred by section 50 of the Act and such powers shall accordingly be vested in the Directors.		**132. Seal Abroad** The company may have official seal for use outside India and subject to Article 131, the board shall decide the manner and procedure to use and movement and safe custody of the seal shall be determined by the board.
	RESERVES		
	133. Power of Board to create Reserve fund Subject to the provisions of the Act, the Board may, before recommending any Dividend, set aside and / or create out of the profits of the company such sums as they think proper as a Reserve Fund, to meet the contingencies or for equalizing Dividends, or for special Dividends, or for repairing, improving and maintaining any of the property of the company and for such other purposes as the Directors shall in their absolute discretion think conducive to the interest of the company, and may invest the several sums so set aside upon such investments (other than Shares of the company) as they think fit from time to time, deal with and vary such investments and dispose of all or any part thereof for the benefit of the company, and may divide the Reserve Fund into such special funds as they think fit and employ the Reserve Fund or any part thereof in business of the company and that without being bound to keep the same separate from the other assets.		**133. Power of Board to create Reserve fund** No Change

	INTEREST OUT OF CAPITAL		
	134. Payment of interest on borrowing during construction period and its capitalization Where any Shares are issued for the purpose of raising money to defray the expenses of the construction of any works or buildings, or the provisions of any plant, which cannot be made profitable for a lengthened period, the company may pay interest on so much of that Share capital as is for the time being paid up for the period and subject to the conditions and restrictions provided by Section 208 of the Act and may charge the same to capital as part of the cost of construction of work or building or the provision of plant.		**134. Payment of interest on borrowing during construction period and its capitalization** No Change
	DIVIDEND		
	135. Dividend The profits of the company available for payment of dividend subject to any special rights relating thereto created or authorized to be created by these presents and subject to the provisions of these presents as to the Reserve Fund, shall be divisible amongst the members in proportion to the amount of capital held by them respectively provided always that (subject as aforesaid) any capital paid upon a Share during the period in respect of which a Dividend is declared shall only entitle the holder of such Share to an apportioned amount of such Dividend as from the date of payment.		**135. Dividend** No change
	136. Capital paid in advance Where capital is paid upon any Shares in advance of calls upon the footing that the same shall carry interest such capital shall not, whilst carrying interest, confer a right to participate in profit.		**136. Capital paid in advance** No Change
	137. Declaration of Dividend The company in General Meeting may declare a Dividend to be paid to the members according to their rights and interest in the profits, and may fix the time according to Section 207 of the Act for payment but no Dividend shall exceed the amount recommended by the Board.		**137. Declaration of Dividend** The company in General Meeting may declare a Dividend to be paid to the members according to their rights and interest in the profits, and may fix the time according to Section 123 of the Act for payment but no Dividend shall exceed the amount recommended by the Board.
	138. Dividend out of profits only and not to carry interest No Dividend shall be declared or paid in any financial year by the company except out of the profits of the Company for that year arrived at after providing for depreciation in accordance to the provisions of sub-Section (2) of Section 205-of the Act or out of the profits of the Company for any previous financial year or years arrived at after providing for the depreciation in accordance with those provisions remaining undistributed or out of both or out of moneys provided by the Government for the payment of Dividend in pursuance of a guarantee given by the Government. No Dividend shall carry any interest as against the company.		**138. Dividend out of profits only and not to carry interest** No Dividend shall be declared or paid in any financial year by the company except out of the profits of the Company for that year arrived at after providing for depreciation in accordance to the provisions of Sub-section (2) of Section 123 of the Act or out of the profits of the Company for any previous financial year or years arrived at after providing for the depreciation in accordance with those provisions remaining undistributed or out of both or out of moneys provided by the Government for the payment of Dividend in pursuance of a guarantee given by the Government. No Dividend shall carry any interest as against the company.
	139. When to be deemed net profits The declarations of the Directors as to the amount of the net profits of the Company shall be conclusive.		**139. When to be deemed net profits** No Change
	140. Interim Dividend Subject to the provisions of section 205, 205A & 207 of the Act, the Directors may, from time to time, pay to the members such interim Dividend as in their judgement, the position of the company justifies.		**140. Interim Dividend** Subject to the provisions of section 123 of the Act, the Directors may, from time to time, pay to the members such interim Dividend as in their judgement, the position of the company justifies.
	141. Debts may be deducted The Directors may retain any Dividend on which the company has lien and may apply the same in or towards satisfaction of the debts, liabilities or engagements in respect of which the lien exists.		**141. Debts may be deducted** No Change
	142. Provisions for investments before Dividend Subject to the provisions of the Act, no member shall be entitled		**142. Provisions for investments before Dividend** No Change

	to receive payment of any interest or Dividend in respect of his Share(s), whilst any money may be due or owing from him to the company in respect of such Share(s) or otherwise howsoever either alone or jointly with any other person(s); and the Directors may deduct from the interest or Dividend payable to any member all sums of money so due from him to the company.		
	143. Payment of Dividend The Directors may retain the Dividend payable upon Shares in respect of which any person is entitled to become a member or which any person is entitled to transfer until such person shall become member in respect of such Shares or shall duly transfer the same.		**143. Payment of Dividend** No Change
	144. Dividend payable in proportion to the amount paid The company shall pay Dividend in proportion to the amount paid up or credited as paid up on such Share where a larger amount is paid-up or credited as paid-up on some Share than paid-up or credited as paid-up on some Share than on others.		**144. Dividend payable in proportion to the amount paid** No Change
	145. Call not to exceed dividend payable Subject to the provisions of Section 205(A) of the Act, any General Meeting declaring a Dividend may make a call on the members for such amount as the meeting fixes, but so that the call on such member shall not exceed the Dividend payable to him so that the call be made payable at the same time as the Dividend, and the Dividend may, if so arranged between the company and the members, be set off against deemed ordinary business for an ordinary General Meeting which declares a Dividend.		**145. Call not to exceed dividend payable** Subject to the provisions of Section 123 of the Act, any General Meeting declaring a Dividend may make a call on the members for such amount as the meeting fixes, but so that the call on such member shall not exceed the Dividend payable to him so that the call be made payable at the same time as the Dividend, and the Dividend may, if so arranged between the company and the members, be set off against deemed ordinary business for an ordinary General Meeting which declares a Dividend.
	146. Distribution of Reserves etc. The company in General Meeting may resolve that any money investment, or other asset forming part of the undivided profits of the company standing to the credit of the reserves, or in the hands of the company, and available for distribution or representing premium received on the issue of Shares and standing to the credit of the Share premium account, be capitalized and distributed amongst the Shareholders in accordance with their rights and that all or any part of such capitalized fund be applied on behalf of the Shareholders in paying up in full any unissued Shares of the company and that such unissued Shares so fully paid be distributed accordingly amongst the Shareholders in the proportion in which they are entitled to receive Dividends, and shall be accepted by them in full satisfaction of their interest in the said capitalized sum. For the purpose of giving effect to any resolution under this Article, the Board may settle any difficulty which may arise in regard to the distribution as they think expedient and in particular may issue fractional Certificates and may fix the value for distribution of any specific assets and may determine that cash payments shall be made to any members upon the footing of the value so fixed or that fractions or less than one rupee may be disregarded in order to adjust the rights of all parties, and may vest any such cases of specific assets in Trustees upon such trusts for the person entitled to the dividend or capitalized fund as may seem expedient to the Board. Where necessary, a proper contract shall be entered into in accordance with Section 75 of the Act, and the Board may appoint any person to sign the contract on behalf of the person entitled to the dividend or capitalized fund, and such appointment shall be effective, provided that subject to the provisions contained in Section 205(3) of the Act no Dividend shall be payable except in cash		**146. Distribution of Reserves etc.** The company in General Meeting may resolve that any money investment, or other asset forming part of the undivided profits of the company standing to the credit of the reserves, or in the hands of the company, and available for distribution or representing premium received on the issue of Shares and standing to the credit of the Share premium account, be capitalized and distributed amongst the Shareholders in accordance with their rights and that all or any part of such capitalized fund be applied on behalf of the Shareholders in paying up in full any unissued Shares of the company and that such unissued Shares so fully paid be distributed accordingly amongst the Shareholders in the proportion in which they are entitled to receive Dividends, and shall be accepted by them in full satisfaction of their interest in the said capitalized sum. For the purpose of giving effect to any resolution under this Article, the Board may settle any difficulty which may arise in regard to the distribution as they think expedient and in particular may issue fractional Certificates and may fix the value for distribution of any specific assets and may determine that cash payments shall be made to any members upon the footing of the value so fixed or that fractions or less than one rupee may be disregarded in order to adjust the rights of all parties, and may vest any such cases of specific assets in Trustees upon such trusts for the person entitled to the dividend or capitalized fund as may seem expedient to the Board. Where necessary, a proper contract shall be entered into in accordance with Section 39 of the Act, and the Board may appoint any person to sign the contract on behalf of the person entitled to the dividend or capitalized fund, and such appointment shall be effective, provided that subject to the provisions contained in Section 123 of the Act no Dividend shall be payable except in cash.
	147. Dividend are to be paid in cash Subject to the provisions of Section 205 of the Act, no Dividend shall be payable except in cash.		**147. Dividend are to be paid in cash** Subject to the provisions of Section 123 of the Act, no Dividend shall be payable except in cash.

	148. Effect of transfer A transfer of Shares shall not pass the right to any Dividend declared thereon before the registration of the transfer.		**148. Effect of transfer** No Change
	149. Dividend to joint Holders Any one of the several persons, who are Registered as the joint holders of any Share may give effectual receipts for all Dividends and payment on account of Dividend in respect of such Shares.		**149. Dividend to joint Holders** No Change
	150. Dividend to be paid through cheque or warrant Unless otherwise directed, any Dividend may be paid by cheque' or warrant sent through post to the Registered address of the member or person entitled or in case of joint holders to that one of them first names in the Register in respect of the joint holding. Every such cheque shall be made payable to the order of the person to whom it is sent. The company shall not be liable or responsible for any cheque or warrant lost in transmission or for any Dividend lost to the member or person entitled thereto by the forged endorsement of any cheque or warrant or the fraudulent or improper recovery thereof by other means.		**150. Dividend to be paid through cheque or warrant** No Change
	151. Notice of warrant Notice of the declaration of any Dividend, whether interim or otherwise, shall be given to the holders of Shares in the manner hereinafter provided.		**151. Notice of warrant** No Change
	152. Unclaimed dividend All unclaimed Dividend will be dealt with in accordance with the relevant provisions of the Act		**152. Unclaimed dividend** No Change
BOOKS AND DOCUMENTS			
	153. Books of accounts to be kept The Board shall cause to be kept in accordance with Section 209 of the Act proper books of account with respect to: (a) All sums of money received and expended by the company and the matters in respect of which the receipt and expenditure take place (b) all sales and purchases of goods by the company, and (c) all assets and liabilities of the company. (d) such other matters as specified in the Act.		**153. Books of accounts to be kept** The Board shall cause to be kept in accordance with Section 128 of the Act proper books of account with respect to: (a) All sums of money received and expended by the company and the matters in respect of which the receipt and expenditure take place (b) all sales and purchases of goods by the company, and (c) all assets and liabilities of the company. (d) such other matters as specified in the Act.
	154. Where to be kept The books of Accounts shall be kept at such place or places as the Board may determine in accordance with the provisions of Section 209 of the Act.		**154. Where to be kept** The books of Accounts shall be kept at such place or places as the Board may determine in accordance with the provisions of Section 128 of the Act
	155. Inspection (1) The accounts shall be open to inspection by any Director during business hours. (2) The books of account shall also be open to inspection by the Registrar or by an officer of Govt. authorized by the Central Govt. in this behalf if in the opinion of the Registrar or such other officer sufficient cause exists for the inspection of the books of account. (3) The Board shall, from time to time. determine whether and to what extent, and at what times and places and under what conditions or regulations, the books of account and books and documents of the company or any of them, shall be open to inspection of the members not being Directors and no member (not being a Director) shall have any right of inspection of any books of account or book or document of the company except as conferred by law or authorized by the Board or by the company in General Meeting.		**155. Inspection** No Change

BALANCE SHEET AND ACCOUNTS			
	156. Balance sheet and Profit and Loss Account The Board shall at some date not later than 18 months after the incorporation of the company and subsequently once at least in every calendar year lay before the company in General Meeting a Balance Sheet and Profit and Loss Account made up in accordance with the provisions of Section 210 of the Act and such Balance Sheet and Profit and Loss account shall comply with the requirements of Sections 210, 211, 212, 215 and 216 and of schedule VI of the Act so far as they are applicable to the company.		**156. Balance sheet and Profit and Loss Account** The Board shall at some date not later than 18 months after the incorporation of the company and subsequently once at least in every year lay before the company in General Meeting a Balance Sheet and Profit and Loss Account made up in accordance with the provisions of Section 129 of the Act and such Balance Sheet and Profit and Loss account shall comply with the requirements of Sections 129, 134, Accounting Standards and of Schedule III of the Act so far as they are applicable to the company.
	157. Annual report of Directors There shall be attached to every Balance Sheet laid before the company a report by the Board of Directors complying with the provision of Section 217 of the Act. The report shall be signed in accordance with Section 217 of the Act		**157. Report of Board of Directors** There shall be attached to every Balance Sheet laid before the company a report by the Board of Directors, prepared and signed in compliance with the provision of Section 134 of the Act.
	158. Copies of Balance Sheet etc. to be filed The company shall comply with Section 220 of the Act as to filing of copies of the Balance Sheet and Profit and Loss account and documents required to be annexed or attached thereto with the Registrar.		**158. Copies of Balance Sheet etc. to be filed** The company shall comply with Section 137 of the Act as to filing of copies of the Balance Sheet and Profit and Loss account and documents required to be annexed or attached thereto with the Registrar.
AUDIT			
	159. Accounts to be audited annually Once at least in every financial year the accounts of the company shall be examined and the Profit & Loss Account and Balance Sheet shall be audited by one or more Auditors as provided in the Act.		**159. Accounts to be audited annually** No Change
	160. Appointment of Auditors The Auditor(s) of the company shall be appointed by Comptroller and Auditor General of India as per Section 619B of the Companies Act, 1956, and his/their remuneration, rights and duties shall be regulated as per the provisions of the Act.		**160. Appointment of Auditors** The Auditor(s) of the company shall be appointed by Comptroller and Auditor General of India as per Section 139(5) of the Act, and his/their remuneration, rights and duties shall be regulated as per the provisions of the Act.
	161. Auditor's right to attend meetings The Auditors of the company shall be entitled to receive notice of and to attend any General Meeting of the company at which any accounts which have been examined or reported on by them are to be laid down before the company and make any statement or explanation they desire with respect to the accounts.		**161. Auditor's right to attend meetings** No Change
	162. When accounts to be deemed finally settled Every Balance Sheet and Profit and Loss Account of the company when audited and adopted by the company in General Meeting shall be conclusive.		**162. When accounts to be deemed finally settled** No Change
SERVICE OF NOTICE AND DOCUMENTS			
	163. Service of Notice (1) Notice or other documents may be given by the company to any member either personally or by sending it by post to him to his Registered address or (if he has no Registered address in India) to the address if any, within India supplied by him to the company for the giving of notices to him. (2) Where a notice or other document is sent by post: (a) Service thereof shall be deemed to be effected by properly addressing, prepaying and posting a letter containing the notice or document, provided that where a member has intimated to the company in advance that notices or documents should be sent to him under a Certificate of posting or by Registered post with or without acknowledgment due and has deposited with the company sufficient sum to defray the expenses of doing so service of the notice or document shall not be deemed to be effected unless it is sent in the manner intimated by the member, and		**163. Service of Notice** (1) Notice or other documents may be given by the company to any member, in writing, either personally or by sending it by post to him to his Registered address or (if he has no Registered address in India) to the address if any, within India supplied by him to the company for the giving of notices to him or by electronic means. (2) No Change

	(b) such services shall be deemed to have been effected: (i) in the case of a notice of a meeting at the expiration of forty- eight hours after the letter containing the same is posted, and (ii) in any other case, at the time at which the letter would be delivered in the ordinary course of post.		
	164. Notice to members who have not supplied address in India A notice or other document advertised in a newspaper circulating in the neighbourhood area of the office shall be deemed to be duly served on the day on which the advertisement appears on or to every member of the company who has no Registered address in India for the giving of notice to him. Any member who has no Registered address in India shall, if so required to do by the-company, supply the company with an address in India for the giving of notices to him.		**164. Notice to members who have not supplied address in India** No Change
	165. Notice to joint holders A notice or other document may be served by the company on the joint holders of a Share by giving the notice to the joint holder named first in the Register in respect of the Share.		**165. Notice to joint holders** No change
	166. Notice to persons entitled by transmission A notice or other document may be served by the company on the persons entitled to a Share or debenture in consequence the death or insolvency of a member by sending it through the post in a prepaid letter addressed to them by name, or by the title of representatives of the deceased or assignee of the insolvent or by any like description, at the address in India supplied for the purposes by the persons claiming to be so entitled, or until such an address has been so supplied, by giving the notice in any manner in which the same might have been given if the death or insolvency had not occurred.		**166. Notice to persons entitled by transmission** No Change
	167. Entitlement of notice of General Meeting Notice of every General Meeting shall be given in the same manner herein before authorized to (a) every member of the company and also to (b) every person entitled to a Share in consequence of the death or insolvency of member who but for his death or insolvency would be entitled to receive notice of the meeting provided the company has been given due notice.		**167. Entitlement of notice of General Meeting** Notice of every General Meeting shall be given in the same manner herein before authorized to: a. every member of the company, legal representative of any deceased member or the assignee of an insolvent member; b. the Auditor or Auditors of the company; c. every director of the company.
	168. When notice may be given by advertisement Any notice required to be given by the company to members or any of them and not expressly provided for by these Articles or by the Act shall be sufficiently given if given by advertisement.		**168. When notice may be given by advertisement** No Change
	169. How to be advertised Any notice required to be or which may be given by advertisement shall be advertised once in one or more newspapers circulating in the neighbourhood of the office.		**169. How to be advertised** Any notice required to be or which may be given by advertisement shall be published in at least one English language national daily newspaper circulating in the whole or substantially the whole of India and in one daily newspaper published in the language of the region, where the registered office of the entity is situated.
	170. When notice by advertisement deemed to be served Any notice given by the advertisement-shall be deemed to have been given on the day on which the advertisement shall first appear.		**170. When notice by advertisement deemed to be served** No Change
	171. Transferee etc. bound by prior notice Every person who by operation of law, transfer or other means whatsoever shall become entitled to any Share shall be bound by every notice in respect of such Share which previous to his name and address being entered on the Register shall have been duly given to the person from whom he derives his title to such Shares.		**171. Transferee etc. bound by prior notice** No Change
	172. Notice valid though member deceased Subject to the provisions of the Article any notice or document		**172. Notice valid though member deceased** No Change

	delivered or sent by post or left at the Registered address of any member in pursuance of these Articles shall, notwithstanding such member being deceased and whether or not the company have notice of his death, be deemed to have been duly served in respect of any Registered Share, whether held solely or jointly with other persons by such members until some other person or persons be Registered instead of him as the holder or joint holders thereof and such service shall for all purposes of these presents be deemed a sufficient service of such notice or document on his or her heirs, executors or administrators and all persons, if any, jointly interested with him or her in any such Share.		
	173. Who shall sign the notice Any notice to be given by the company shall be signed by such Director or officers as the Board of Directors may appoint and such signature may be written, printed or lithographed.		**173. Who shall sign the notice** No Change
	SECRECY		
	174. Secrecy Every Director, Secretary, Trustee for the company, its members or Debenture holders, members of a committee, officer, servant, agent, accountant or other person employed in or about the business of the company shall, if so required by the Board before entering upon his duties, sign a declaration pledging himself to observe strict secrecy respecting all transactions of the company with its customers and the state of accounts with individuals and in matters relating thereto, and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of his duties except when required so to do by the Board or by any General Meeting or by a Court of Law except so far as may be necessary in order to comply with any of the provisions contained in these Articles.		**174. Secrecy** No Change
	175. No member to enter the premises of the Company without permission No member or other person (not being a Director) shall be entitled to enter upon the property of the company or to inspect or examine the premises or properties of the company without the permission of the Board to require discovery of or any information respecting any detail of the trading of the company or any matter which is or may be in the nature of a trade secret, mystery or trade or secret process or of any matter whatsoever which may relate to the conduct of the business of the company and which in the opinion of the Board will be inexpedient in the interest of the members of the company to communicate to the public.		**175. No member to enter the premises of the Company without permission** No Change
	WINDING UP		
	176. Distribution of asset in the case of Winding-up If the company shall be wound-up and the assets available for distribution among the members as such shall be insufficient to repay the whole of the paid up capital such assets shall be distributed so that as nearly as may be the losses shall be borne by the members in proportion to the capital paid up or which ought to have been paid up at the commencement of the winding up on the Shares held by them respectively. And if in a winding up the assets available for distribution among the members shall be more than sufficient to repay the whole of the capital paid up at the commencement of the winding-up, the excess shall be distributed amongst the members in proportion to the capital at the commencement of the winding-up paid up or which ought to have been paid up on the Shares held by them respectively. But this Article is to be without prejudice to the rights of the holders of Shares issued upon special terms and conditions.		**176. Distribution of asset in the case of Winding-up** No Change

	177. Distribution of asset in specie If the company shall be wound up, whether voluntarily or otherwise the Liquidators, may, with the sanction of a Special Resolution, divide among the contributors, in specie or in kind, any part of the assets of the company and may, with the like sanction, vest any part of the assets of the company in Trustees upon such trusts for the benefit of the contributories, or any of them as the Liquidator, with the like sanction, shall think fit.		**177. Distribution of asset in specie** No Change
INDEMNITY			
	178. Indemnity Subject to the provisions of Section 201 of the Act, every Director, Auditor, Secretary and other officer, servant or agent for the time being of the Company shall be indemnified by the company, against, and it shall be the duty of the Directors to pay out of the funds of the company, all costs, losses and expenses (including traveling expenses) which any such officer or servant may incur or become liable to by reason of any contract entered into, or act or things done by him as such officer or servant, or in any way in the discharge of his duties; and the amount for which such indemnity is provided shall immediately attach as a lien on the property of the company and have priority as between the members over all other claims. Subject as aforesaid every Director, or officer of the company shall be indemnified against any liability incurred by him or them in defending any proceedings whether civil or criminal in which judgement is given in his or their favour or in which he or they are acquitted or in connection with any application under Section 633 of the Act in which relief is given to him-or them by the Court.		**178. Indemnity** Subject to the provisions of Section 197 of the Act, every Director, Auditor, Secretary and other officer, servant or agent for the time being of the Company shall be indemnified by the company, against, and it shall be the duty of the Directors to pay out of the funds of the company, all costs, losses and expenses (including traveling expenses) which any such officer or servant may incur or become liable to by reason of any contract entered into, or act or things done by him as such officer or servant, or in any way in the discharge of his duties; and the amount for which such indemnity is provided shall immediately attach as a lien on the property of the company and have priority as between the members over all other claims. Subject as aforesaid every Director, or officer of the company shall be indemnified against any liability incurred by him or them in defending any proceedings whether civil or criminal in which judgement is given in his or their favour or in which he or they are acquitted or in connection with any application under Section 463 of the Act in which relief is given to him-or them by the Court.
	179. Directors or Managers etc. not responsible for acts of others Subject to the provisions of Section 201 of the Act, no Director other officer of the Company shall be liable for the acts, receipts neglects or defaults of any other Director or officer, or for joining in any receipt or other act for the sake of conformity or for any loss or expense happening to the Company through insufficiency or deficiency of title to any property acquired by order of the Directors for or on behalf of the Company or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested, or for any loss or damage arising from the bankruptcy, insolvency or tortuous act of any person, company or corporation with whom any moneys, securities or effects shall be entrusted or deposited or for any loss occasioned by an error of judgement or oversight on his or their part, or for any other loss or damage or misfortune whatever which shall happen in the execution of the duties of his or their office or in relation thereto unless the same happens through his own dishonesty.		**179. Directors or Managers etc. not responsible for acts of others** Subject to the provisions of Section 197 of the Act, no Director other officer of the Company shall be liable for the acts, receipts neglects or defaults of any other Director or officer, or for joining in any receipt or other act for the sake of conformity or for any loss or expense happening to the Company through insufficiency or deficiency of title to any property acquired by order of the Directors for or on behalf of the Company or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested, or for any loss or damage arising from the bankruptcy, insolvency or tortuous act of any person, company or corporation with whom any moneys, securities or effects shall be entrusted or deposited or for any loss occasioned by an error of judgement or oversight on his or their part, or for any other loss or damage or misfortune whatever which shall happen in the execution of the duties of his or their office or in relation thereto unless the same happens through his own dishonesty.
JOINT VENTURE AGREEMENT			
	180. Adoption of JVA After Incorporation, the Company shall adopt the Joint Venture Agreement executed among NTPC, PFC, POWERGRID and REC and in case of any inconsistency between this Articles of Association and Joint Venture Agreement the, provisions of latter will prevail, subject to provisions of the Act.		**180. Adoption of JVA** No Change

DIRECTORS' REPORT

To
The Members,
Energy Efficiency Services Limited

Your Directors are pleased to present the 10th Annual Report on business and operations of the company along with the Audited Financial Statements for the financial year ended on 31st March, 2019.

Revenue from operations for the financial year 2018 - 19 is ₹ 18376.50 million and total revenue for the period is ₹ 19356.74 million. Net profit of the Company in 2018 - 19 is ₹ 948.79 million.

A. FINANCIAL PERFORMANCE

1.1 Financial Highlights (Standalone):

Highlights of performance of the Company for the financial year 2018-19 are given as under with comparative position of previous year's performance:

(₹ in million)

Particulars	31st March, 2019	31st March, 2018
Paid up Share capital	**6752.04**	4620.00
Total Revenue (including Other Income)	**19356.74**	14107.03
Profit Before Depreciation & Taxes	**5113.33**	1947.79
Less: Depreciation	**3402.14**	1332.77
Profit/(Loss) Before Tax	**1711.19**	615.02
Less: Prior Period Adjustments (Net)	**0**	0
Less: Provision for Taxation		
-Current Year	**706.06**	160.65
-Earlier years	**0**	42.14
-Deferred Tax credit	**54.13**	17.61
Profit/(Loss) after Tax	**951.00**	394.62
Add : Other comprehensive income / (expense)	**(2.21)**	(.78)
Total Comprehensive income for the year	**948.79**	393.84

1.2 Transfer to free Reserves and Dividend

An amount of ₹ 47.8 million was transferred to free reserves of the company. The Board of Directors recommend the final dividend of ₹ 94.88 million (10% of PAT) for the financial year 2018-19 and Dividend Distribution Tax of ₹ 19.50 million is payable thereon.

1.3 Share Capital

During the financial year ended on 31st March, 2019:

a. The Company has allotted 21,32,04,350 Equity Shares of ₹ 10 each to NTPC Limited, Power Finance Corporation Limited and Power Grid Corporation of India Limited in 63rd Board Meeting held on 8th May, 2018.

b. The Authorised Share Capital of the company was increased from ₹ 15000 million divided into 150,00,00,000 equity shares of ₹ 10 each to ₹ 35000 million divided into 350,00,00,000 equity shares of ₹ 10 each.

c. The Board of Directors in their 71st Board Meeting held on 7th February, 2019, issued and offered equity shares amounting to ₹ 3300 million to all existing shareholders on rights basis in the proportion of their shareholding. Power Finance Corporation Limited did not subscribe to the offer. Consequently, equity shares amounting to ₹ 2100.10 million were allotted to NTPC Limited, REC Limited and Power Grid Corporation of India Limited on 8th June, 2019.

d. The Board of Directors in their 74th Board Meeting held on 22nd July, 2019, issued and offered equity shares amounting to ₹ 1279.20 million to all existing shareholders on rights basis in the proportion of their shareholding. The offer was subscribed by NTPC Limited only where Power Finance Corporation Limited and REC Limited renounced their offer in favour of NTPC Limited. Consequently, equity shares amounting to ₹ 981.20 million were allotted to NTPC Limited on 12th September, 2019.

Therefore, as on date, shareholding pattern of the company is as under:

S. No.	Name of Shareholders	No. of Shares Held @ ₹ 10 each	% of holding
1.	NTPC Limited and its Nominee	46,36,10,000	47.15
2.	REC Limited and its Nominee	21,81,10,000	22.18
3.	Power Finance Corporation Limited and its Nominee	24,55,00,000	24.97
4.	Power Grid Corporation of India Limited and its Nominee	5,61,18,350	5.71
	Total	**98,33,38,350**	**100**

Considering that the shareholding of Power Grid Corporation of India Limited stands below 10%, PGCIL does not have the right to nominate director on the Board of EESL, as provided in clause 7.3 of the JVA.

1.4 Net Worth and Earning per Share

Your Company's net worth as on 31st March, 2019 was ₹ 8399.70 million as against ₹6444.30 million in the previous year. EPS of the Company for the year ended 31st March, 2019 stands at ₹ 1.46 in comparison to ₹ 0.85 for the financial year ended 31st March, 2018.

1.5 Resource Mobilization

The Company mobilized ₹ 8187.70 million in foreign loans from Kreditanstalt für Wiederaufbau (KfW), Agence française de développement (AFD), Asian Development Bank (ADB) and International Bank for Reconstruction and Development (IBRD). The amount outstanding as on 31st March, 2019 in respect of Foreign Long term borrowings is ₹ 12885.70 million.

The Company has mobilised ₹ 4000 million in domestic loans from Punjab National Bank to meet the capex requirements of the company. The amount outstanding as on 31st March, 2019 in respect of Domestic Long Term Borrowings is ₹ 16749.50 million.

EESL has issued Secured / Unsecured, Redeemable, Taxable, Non - Cumulative, Non - Convertible Bonds amounting to ₹ 12750 million which are listed on BSE Limited. The details of outstanding bonds are as under:

	Bond Series - I STRPP A	Bond Series - I STRPP B	Bond Series - I STRPP C	Bond Series - II	Bond Series - III	Bond Series - IV
Securities Description	Secured, Redeemable, Taxable, Non - Cumulative, Non - Convertible Bonds	Secured, Redeemable, Taxable, Non-Cumulative, Non-Convertible Bonds	Secured, Redeemable, Taxable, Non-Cumulative, Non-Convertible Bonds	Unsecured, Redeemable, Taxable, Non-Cumulative, Non-Convertible Bonds	Unsecured, Redeemable, Taxable, Non-Cumulative, Non-Convertible Bonds	Unsecured, Redeemable, Taxable, Non - Cumulative, Non-Convertible Bonds
Mode of Issue	Private Placement basis	Private Placement basis	Private Placement basis	Private Placement basis	Private Placement basis	Private Placement basis
No. of Bonds	1250	1250	1250	4500	2000	1250
ISIN	INE688V07017	INE688V07025	INE688V07033	INE688V08015	INE688V08023	INE688V08031
Face Value / Issue Price	₹ 10,00,000/-	₹ 10,00,000/-	₹ 20,00,000/-	₹ 10,00,000/-	₹ 10,00,000/-	₹ 10,00,000/-
Total Amount raised	₹ 1250 million	₹ 1250 million	₹ 2500 million	₹ 4500 million	₹ 2000 million	₹ 1250 million
Date of Issue	20.09.2016	20.09.2016	20.09.2016	18.07.2017	10.01.2018	29.01.2018
Coupon Rate	8.07%	8.07%	8.07%	7.80%	8.15%	8.29%
Credit Rating	CARE - 'AA' ICRA - 'AA-'	CARE - 'AA' ICRA - 'AA-'	CARE - 'AA' ICRA - 'AA-'	CARE - 'AA' ICRA - 'AA-'	CARE - 'AA' ICRA - 'AA-'	CARE - AA ICRA - AA

1.6 Cash Credit/ Short-Term Facility

As on 31st March, 2019, Company has availed Short Term Loan amounting to ₹ 6267.90 million. The Company has been rated A1+ in respect of short term loans by credit rating agency namely CARE & ICRA.

B. OPERATIONAL HIGHLIGHTS

2. NATIONAL PROGRAMME

2.1 UJALA

Hon'ble Prime Minister launched the UJALA programme on 5th January, 2015 which aims to provide LED bulbs to domestic consumers with a target to replace 77 crore incandescent bulbs with LED bulbs. As on 31st March, 2019, EESL has distributed 34.74 crore LED bulbs covering all 36 States and Union Territories (UTs.) This has resulted in estimated energy savings of 45.11 billion kWh per year with avoided peak demand of 9,033 MW and GHG emission reduction of 36.54 million (ton) CO_2 per year. The procurement price of LED bulb has dropped significantly due to aggregation of demand from ₹ 310 (January, 2014) to ₹ 41.80 (February, 2019). The programme has been able to engage with common man in a significant scale and so far, more than 8 crore consumers in all 36 states and UTs have taken the benefit of using these LED bulbs, thus, making it the largest non - subsidy based LED lighting programme in the world. Information about the UJALA programme is disseminated through a website www.ujala.gov.in which monitors real time progress of the UJALA scheme. Under UJALA scheme EESL is also distributing LED Tube Lights and Energy Efficient Fans:

- **Energy Efficient LED Tube lights:** As on 31st March, 2019, EESL has distributed 69.41 lakh LED tube lights resulting in estimated energy savings of 303.93 million kWh per year with avoided peak demand of 139MW and GHG emission reduction of 2,49,226 (ton) CO_2 per year.
- **Energy Efficient Fans:** EESL provides BEE 5 Star rated ceiling fans which are energy efficient fans. As on 31st March, 2019, EESL has distributed 22.09 lakh energy efficient fans under this scheme which will result in an estimated energy savings of 205.36 million kWh per year with avoided peak demand of 55MW and GHG emission reduction of 1,68,396 (ton) CO_2 per year.

Gram Swaraj Abhiyan (GSA) and Extended Gram Swaraj Abhiyan (EGSA) - UJALA scheme was one of the seven schemes selected for the GSA where EESL has distributed 68 lakh LED bulbs covering 65,000 villages across India under Government of India's GSA and EGSA.

2.2 STREET LIGHTING NATIONAL PROGRAM (SLNP)

Hon'ble Prime Minister launched Street Lighting National Programme (SLNP) on 5th January, 2015 to replace conventional street lights with smart and energy efficient LED street lights. EESL replaces the conventional street lights with LED street lights at its own costs (without any need for municipalities to invest) and the consequent reduction in energy and maintenance cost of the municipality is used to repay EESL over a period. The contracts that EESL enters into with municipalities are typically of 7 years' duration where it not only guarantees a minimum energy saving (of-typically 50%) but also provides free replacements and maintenance of street lights at no additional cost to the municipalities. Till 31st March, 2019, EESL has installed **84.90 Lakh LED Street Lights** in 28 States/UTs across India. This has resulted in estimated energy savings of 5.66

billion kWh per year with avoided peak demand of 943.45MW and GHG emission reduction of 3.89 million (ton) CO_2 per year. This is the largest installation of LED street lights anywhere in the world. The programme has been enrolled in 1496 Urban Local Bodies for the installation of LED street lights out of which LED street lights installation work in 504 Urban Local Bodies has been completed. Information about the SLNP programme is disseminated through a website www.slnp.eeslindia.org which monitors progress of the SLNP scheme.

LED Street Lighting Project in Gram Panchayats: EESL is implementing LED Street lighting projects in Gram Panchayats on the same service model as the Street lighting National Programme for municipalities. EESL initiated this programme from the state of Andhra Pradesh, where EESL is replacing conventional street lights with LED street lights in all Gram Panchayats of Andhra Pradesh. The objectives of the scheme are to promote the use of efficient lighting in rural areas, reducing energy consumption in lighting which helps DISCOMs to manage peak demand and to increase security and safety in the streets and on the roads in rural areas. As on 31st March, 2019, 22.85 lacs LED Street lights have been installed in Andhra Pradesh, Andaman & Nicobar Islands, Goa and Telangana. EESL is in discussion with other states for implementation of LED street lighting project in Gram Panchayats.

2.3 SMART METER NATIONAL PROGRAMME (SMNP)

EESL has initiated Smart Meter National Programme (SMNP) to provide Smart Meters to utilities on rental basis for replacing conventional meters. This programme aims to replace 25 crore conventional meters with smart meters in India. As on 31st March, 2019, EESL was working with 12 DISCOMs and 1.68 lac smart meters have been installed in the state of Andhra Pradesh, Uttar Pradesh, Haryana, Bihar and NDMC - Delhi. By implementing SMNP, NDMC became the first utility to have all their consumers with smart meters without any upfront investment from NDMC.

2.4 NATIONAL E-MOBILITY PROGRAM

The National E - Mobility Programme was launched on 7th March, 2018 by Hon'ble Minister of Power, New and Renewable Energy. EESL has aggregated demand by procuring electric vehicles in bulk to get economies of scale. These electric vehicles are being provided to Government entities by EESL on lease / outright purchase basis to replace the existing petrol and diesel vehicles taken on lease by various Government organizations. As on 31st March, 2019, 1408 e - cars have been deployed and under registration / allocation. For charging e - cars, 286 AC & 142 DC chargers have also been commissioned. EESL has also signed MoU with various PSUs, Government departments, Government of Andhra Pradesh, Maharashtra and Telangana.

2.5 PUBLIC CHARGING INFRASTRUCTURE

To enable faster adoption of EVs in India, "The charging infrastructure for electric vehicles - guidelines and standards", released by the Ministry of Power (MoP) in December 2018, suggests development of at least one public charging station in 3km X 3km grid to promote confidence among users. Energy Efficiency Services Limited (EESL), in its endeavour to support this move, aims to install electric vehicle chargers across the country. EESL already extends its support to several State Governments in the transition by bringing in innovative business models and implementation wherewithal for accelerated roll-out of public charging infrastructure. Till 31st March, 2019, EESL has installed 25 public chargers of 15 kW DC 001 in North Delhi Municipal Council (NDMC) area in New Delhi.

2.6 SOLAR PROGRAMME

a. **Solar Roof Top Programme:** EESL has signed MoU with New Delhi Municipal Council (NDMC) for implementation of Solar PV based projects in buildings under NDMC jurisdiction.

b. **Small Solar Power Plant Programme:** EESL has initiated a first of its kind large scale programme wherein existing agricultural feeders is being solarized via implementation of small solar power plants at vacant / un-used lands at DISCOM substations. Power Purchase Agreement (PPA) has been signed between EESL & Maharashtra State Electricity Distribution Company Limited (MSEDCL) for 200MW solar power projects ranging from 0.5MW to 2MW in vacant / unutilized / spare lands of MSEDCL, Maharashtra. Feasibility Studies have been completed in all the substations sites for installation of Decentralized Solar Power Plants. Till 31st March, 2019, solar power plant of 18.2MWp cumulative capacity has been commissioned.

Decentralised Solar Power Plant of 509 KW at Wavi, Nasik, Maharashtra

2.7 AGRICULTURE DEMAND SIDE MANAGEMENT (AgDSM)

EESL is implementing the Energy Efficient Pump Programme to distribute BEE 5 - star energy efficient agricultural pumps. The programme was launched on 7th April, 2016 from Vijayawada in the state of Andhra Pradesh. Pilot projects has been completed in Maharashtra, Karnataka and Rajasthan. EESL is focusing on agriculture intensive states, namely Andhra Pradesh, Uttar Pradesh, Maharashtra, Gujarat, Haryana, Jammu & Kashmir, Madhya Pradesh, Punjab, Karnataka, Jharkhand and Rajasthan in Phase - 1 of the AgDSM project and rest of the states will be taken-up in next phase. The AgDSM project for replacement of 1 lakh old pumps with BEE 5 Star rated pumps has started in Andhra Pradesh in 1st week of September, 2017. As on 31st March, 2019, 63,100 no. of pumps have been installed in the state of Andhra Pradesh and Uttar Pradesh.

2.8 BUILDINGS ENERGY EFFICIENCY PROGRAMME (BEEP)

EESL is implementing the Buildings Energy Efficiency Programme to retrofit commercial buildings in India into energy efficient complexes. Through these future ready solutions, EESL is creating a market for clean energy in India. As on 31st March, 2019, EESL has completed building energy efficiency projects in 10,171 buildings including Railway stations and Airports. Energy Audits show energy saving potential to the tune of up to 30-50% in these buildings. The major interventions in these buildings are in area of lighting and air - conditioning systems.

2.9 ATAL JYOTI YOJANA (AJAY)

EESL has been appointed as implementing agency for Atal Jyoti Yojana (AJAY), a sub - scheme under Off - Grid and Decentralized Solar Application Scheme of Ministry of New and Renewable Energy (MNRE) where Solar LED Lights are to be installed in rural, semi - urban and urban areas which don't enjoy adequate coverage of power. The objective of the scheme is to provide 'Solar Street Lighting Systems' for public use, demonstration and replication which will help in popularizing solar energy in a big way. Till 31st March, 2019, EESL has installed 1.33 lakh Solar LED street lights under AJAY Phase - I in the states of Uttar Pradesh, Assam, Bihar, Odisha and Jharkhand. Under AJAY Phase - II of the scheme, EESL has carried out the tendering process and awarded the work for installation and maintenance of 3,04,500 Solar LED street lights in more than 15 states. Under AJAY Phase - II, installation has started in the states of Madhya Pradesh, Uttar Pradesh and Bihar.

2.10 SOLAR STUDY LAMP SCHEME(SoUL)

Solar Study Lamp is the scheme of Ministry of New & Renewable Energy, Government of India and is being implemented by Energy Efficiency Services Limited (EESL) and Indian Institute of Technology, Bombay (IITB) for distribution of 7 Million Solar Study lamps for school students (Class 1 to Class 12) in the states, namely Assam, Bihar, Jharkhand, Odisha and Uttar Pradesh where household grid connectivity is less than 50% as per 2011 census. As on 31st March 2019, 43.42 lakh Solar Study lamps have been distributed in 5 states i.e. Assam, Bihar, Jharkhand, Uttar Pradesh and Odisha. 4,018 women entrepreneurs have been trained at 130 Assembly-cum-distribution centres (ADC). The cumulative Progress under the Scheme as on 31.03.2019 are:

- No. of districts covered - 57
- No. of Blocks covered - 223
- Employment generated (in Nos) - 6151
- No. of women employed - 5933
- No. of ADCs Opened - 190

2.11 SUPER - EFFICIENT AC POGRAMME

EESL Launched the Super-efficient Air Conditioner (SEAC) program for deployment of 50,000 no.s ACs in Delhi - NCR area in July 2019. EESL signed MoUs with Tata Power, BSES Rajdhani and BSES Yamuna Power to deploy Super - Efficient ACs and other energy efficient Appliances to consumers under their jurisdiction. The pilot program shall target AC with new high EE technology i.e. 5.4 ISEER and environment friendly refrigerant. To cater consumer demand and increase the outreach, the programme is being launched in new cities in a phased manner. EESL will use ADB financing and EERF grant (to the tune of $5 million) under GEF-6 for this programme. Based on the success, the program will be replicated with 200,000 tender size in 2020.

2.12 TRI - GENERATION

Pursuant to the Edina acquisition in March 2018, EESL / EPAL is pursuing the business of Tri - generation (Electricity, Heating & Cooling) as Edina has the technological know - how of this business. Through this acquisition, EESL also intends to bring CHP technology to India, providing an integrated service offering to industries that would enable them to receive equipment maintenance, electricity, heat and power at no upfront costs for technology installation. In the month of December 2018, a new wholly owned subsidiary of Edina (named as EPSL Trigeneration Private Limited) was incorporated to cater the emerging CHP/ Trigeneration business in India.

Trigeneration is a technology where both heating and cooling is generated simultaneously along with power. EESL's unique Pay As You Save (PAYS) business model, wherein there is no upfront investment from the Client. Repayments to be done from the savings, which will play a vital role to shape adoption of CHP and Trigeneration on a large scale in India. EESL shall guarantee the performance with Service Level Agreements (SLAs). EESL shall offer an integrated turnkey solution - provide end to end service and maintenance. Till 31st March 2019:

- Service Level Agreements (SLAs) have been signed with Mahindra & Mahindra.
- MoU signed with Govt. of Maharashtra and Mahindra & Mahindra for implementing Trigeneration Projects.
- MoUs for availability of natural gas was signed with M/s GAIL Gas Ltd and various subsidiaries of GAIL like MGL (Mahanagar Gas Ltd.) and MNGL (Maharashtra Natural Gas Ltd.).

2.13 MUNICIPAL ENERGY EFFICIENCY PROGRAMME (MEEP)

To facilitate market transformation and replicate Municipal Energy Efficiency Programme (MEEP) on a large scale in India, EESL has signed MoU with the Ministry of Housing and Urban Affairs (erstwhile MoUD). As on 31st March, 2019, IGEA reports for 300 cities have been submitted. The ULBs/State Governments have shown keen interest in implementing the project for replacing the inefficient pumps with energy efficient pumps.

3 INTERNATIONAL OPERATIONS/PROGRAMMES

3.1 GLOBAL ENVIRONMENT FACILITY - 5 (GEF - 5) - PROMOTING MARKET TRANSFORMATION FOR ENERGY EFFICIENCY IN MICRO, SMALL & MEDIUM ENTERPRISES.

EESL is implanting this project in 10 MSME clusters (Surat, Ankaleswar, Jorhat, Vellore, Jalandhar & Batala, Varanashi, Sundargarh, Howrah, East Godavari, Muzafarnagar) in India in association with UNIDO, MSME, BEE and SIDBI. A GEF grant to the tune of $3 million has been allocated to EESL to execute various activities which are at different stages of execution. The following are the highlights of the project in 2018-19.

- $245,000 GEF grant was received through UNIDO.
- Project management unit (PMU) at EESL was established in June 2018 and the three Project management consultants (PMC) were hired in August 2018.
- The program was formally launched by Hon'ble Minister of MSME on 6th February, 2019.
- A dedicated web portal has been developed for this project for better and focused outreach to the stakeholders.
- EESL has signed MoUs with 5 Cluster Associations for implementation of GEF - 5 project.
- 13 technologies have been identified and approved (by Working Technical Group) for proof-of-concept and scaling up.
- Demonstrations of VFD based Screw compressor with PM Motor has been completed in two textile units of Surat Cluster. The Joint Secretary, MoMSME inaugurated the pilot demonstration.

- More than 200 workshops / surveys / brainstorming sessions /energy audits have been completed in 10 clusters.

With the above set of activities, EESL is on discussion with TERI, NABARD and Oxford University, UK to put up a concept proposal to utilize Green Climate Fund (GCF) on Carbon Credit Incentive to MSME units in at least 5 technologies.

3.2 GLOBAL ENVIRONMENT FACILITY - 6 (GEF - 6) - INDIA: "CREATING AND SUSTAINING MARKETS FOR ENERGY EFFICIENCY"

EESL is implementing this project on Pan - India basis in association with UNEP and ADB. The project was formally kicked - off after signing the agreement with UNEP on 15th September, 2017. EESL shall receive $18.855 million as GEF grant through UNEP and ADB to execute various activities. $13 million has been earmarked to establish and operationalize an "Energy Efficiency Revolving Fund" (EERF). The following are the highlights of the activities during FY 2018-19:

- Physical Progress under component 1 of the project as on March 31, 2019:

  1. LED Domestic Lights: 39,776,293 (Target in Nos), 65,205,863 (Achievement in Nos.), 163 (Achievement %)
  2. 5 - Star Ceiling Fans: 2,128,298 (Target in Nos), 736,979 (Achievement in Nos.), 27 (Achievement %)
  3. LED Street Lights: 1,505,942 (Target in Nos), 4,224,120 (Achievement in Nos.), 280 (Achievement %)
  4. 5 - Star Water Pumps (AgDSM): 229,532 (Target in Nos), 58,448 (Achievement in Nos.), 25.5 (Achievement %)

- A Market assessment and feasibility study on "Trigeneration" in India was conducted through M/s DESL. The report concluded that the overall unconstrained market potential for the building and industrial sector is around 15,000MW in near time growing up to 30,000MW in the next five years.

- A joint meeting of Project Advisory Committee (PAC) and Project Steering Committee (PSC) was held on 25th March, 2019 at New Delhi. Four new technologies like Super - Efficient AC, High Energy Efficient Motors, Public Charging Infrastructure for e - Vehicle and Trigeneration were finalized as new technologies to be covered under Component#2 of GEF - 6 program.

- PSC approved to utilize USD 13 million from EERF towards these four technologies.

- Super - Efficient AC program was announced by EESL on 22nd February, 2019 to deploy 50,000 ACs in Delhi and Thane. The project cost of this program is about $30 million out of which $5 million shall be mobilized from EERF i.e. GEF Grant.

- Project Management Unit (PMU) has been established at EESL.

- EESL engaged M/s Aureus through ADB's Technical Assistance support to study and advise the structure and operationalization of EERF.

3.3 VIETNAM:

EESL in collaboration with IIEC organized a study tour for about 15 senior official during the financial year 2018 - 19.

3.4 THAILAND:

- EESL signed a MoU with Energy Conservation Centre of Thailand (ECCT), Department of Energy during January, 2017 to support EESL in various initiatives in the country. EESL successfully conducted a study called "Thai Auto Parts Industries EE Program (TAPEE)" during 2018.

- EESL in association with ECCT completed the project and submitted the draft scheme to Provincial Electricity Authority (PEA) during May, 2018.

- EESL is supporting Chiang Mai University (CMU) to help them in setting up of the energy efficiency improvement targets for 6 industrial sectors under their Energy Performance Certificate (EPC) Scheme - an initiative under Partnership of Market Readiness (PMR) program of the World Bank.

3.5 CANADA

Deltro and Leclanche have entered into a limited partnership, Maple Leaf Energy Storage LP I ("Maple Leaf"), to develop a series of six Energy Storage Projects in Ontario Canada totalling 53 MWh in energy capacity (the "Projects"). Maple Leaf is seeking investment for the first two of six projects know as Basin 1 and Basin 2. Maple Leaf is a special purpose entity ("Project Company"), which has been established to develop the storage projects. Till 31st March,2019, the final testing of Basin 1 has begun. Both Project Basin 1 & 2 are expected to be fully commissioned by 15th August, 2019.

3.6 MYANMAR

Pilot projects on LED lighting (Domestic & Street) under financial assistance of MEA ($1.2 million) including for parliament building submitted to Embassy of India, Yangoon. EESL has received first overseas project to install 3,756 Energy Efficient LED street lights at Nay Pyi Taw in Myanmar.

3.7 SAUDI ARABIA

EESL has signed MoU with National Energy Service Company of Saudi Arabia for providing Consultancy services. EESL is sharing technical knowledge and experience with NESCO for rolling out LED Street Light projects in Saudi Arabia. Princess Al-Jawhara Street, Riyadh became the first lane to be lit with LEDs under the consultancy project.

3.8 MALAYSIA

EESL has signed an agreement with Green Growth Asia for supply of 3 million LED bulbs in the state of Melaka in Malaysia ($ 3.9m). EESL has commercially supplied 1200 No's, 20W LED Tube lights & 600 No's of 9W LED bulbs to the Indian High Commission in Malaysia in December, 2017.

3.9 BANGLADESH

- EESL has installed 519 LED Street Lights with CCMS under pilot project at Tungipara Municipal Corporation (TMC).
- EESL has supplied 52,500 LED bulbs (9W) to TMC under UJALA scheme.

3.10 MALDIVES

MoU has been signed between the Ministry of Environment, Government of Maldives and Energy Efficiency Services Limited (EESL) to collaborate in the field of energy efficiency and renewable energy. It is a strategic alliance to execute energy efficiency and demand - side management projects and technology solutions for both countries. EESL is aiding the Government of Maldives in replicating the successful model of India's Unnat Jyoti by Affordable LEDs for All (UJALA) and Street Light National Programme (SLNP). On 31st March, 2019, Hon'ble Minister of Environment and energy launched the street light programme in Maldives in presence of High Commissioner of India.

4 DETAILS OF SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

The detail of subsidiary / associate companies of EESL is as under:

a. EESL EnergyPro Assets Limited (EPAL)

EESL has a UK based subsidiary company, EESL EnergyPro Assets Limited (hereinafter referred to as "EPAL") in which it holds 84.55% Equity Shares. As on 31st March 2019, the paid - up share capital of EPAL was **GBP 35,182,100**. EPAL has signed 7 operating energy efficiency agreement with 7 clients in the education and leisure sectors (schools, district council, golf course) across the UK through two step - down subsidiaries namely Anesco Energy Services South Limited and Creighton Energy Limited. The tenure of these contracts ranges from 9 to 18 years. During the year 2018 - 19, EPAL has earned a profit of ₹ 50.40 million. EPAL has acquired Edina, a leading supplier, installer and maintenance provider for combined heat and power (CHP), gas, and diesel power generation solutions in the United Kingdom (UK). Through the acquisition of Edina group, EESL intended to bring CHP technology to India and the first step was to establish its presence in India. In the month of December 2018, a new wholly owned subsidiary of Edina (named as EPSL Trigeneration Private Limited) was incorporated to cater the emerging CHP/ Trigeneration business in India. List of companies under EPAL and name of the officers holding the position in EPAL and its subsidiaries are as under:-

a. EESL EnergyPro Assets Limited-> Saurabh Kumar - MD, EESL, Neelima Jain - Regional Head (UK & Europe), EESL, Steven Derrick Fawkes, Shankar Gopal - Director(Commercial), EESL

b. Anesco Energy Services South Ltd-> Neelima Jain - Regional Head (UK & Europe), EESL, Michael Anthony Tivey, Matthew William Pumfrey, Amit Kumar Bharadwaj - Senior Manager, EESL, Nitin Wadhwa - Senior Manager, EESL

c. Creighton Energy Limited-> Neelima Jain - Regional Head (UK & Europe), EESL, Michael Anthony Tivey, Matthew William Pumfrey, Amit Kumar Bharadwaj - Senior Manager, EESL, Nitin Wadhwa - Senior Manager, EESL

d. EPAL Holdings Limited-> Saurabh Kumar - MD, EESL, Neelima Jain - Regional Head (UK & Europe), EESL, Steven Derrick Fawkes

e. Edina Acquisition Limited-> Saurabh Kumar - MD, EESL, Neelima Jain - Regional Head (UK & Europe), EESL, Steven Derrick Fawkes

f. Edina Power Services Limited-> Saurabh Kumar - MD, EESL, Neelima Jain - Regional Head (UK & Europe), EESL, Steven Derrick Fawkes, Hugh Richmond, Shankar Gopal - Director(Commercial), EESL, Delvine Lane

g. Edina Limited-> Neelima Jain - Regional Head (UK & Europe), EESL, Hugh Kerr Richmond, Delvine Lane

h. Edina UK Limited-> Neelima Jain - Regional Head (UK & Europe), EESL, Hugh Kerr Richmond, Delvine Lane

i. Edina Australia Pty Limited-> Neelima Jain - Regional Head (UK & Europe), EESL, Hugh Kerr Richmond, Delvine Lane

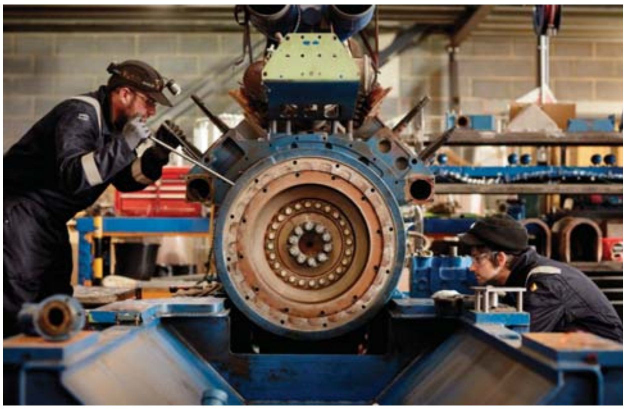
j. Armoura Holdings Limited-> Neelima Jain - Regional Head (UK & Europe), EESL, Hugh Kerr Richmond, Delvine Lane

k. Stanbeck Limited-> Neelima Jain - Regional Head (UK & Europe), EESL, Hugh Kerr Richmond, Delvine Lane

l. Edina Manufacturing Limited-> Neelima Jain - Regional Head (UK & Europe), EESL, Hugh Kerr Richmond, Delvine Lane

m. Edina Power Limited-> Neelima Jain - Regional Head (UK & Europe), EESL, Hugh Kerr Richmond, Delvine Lane

n. EPSL Trigeneration Pvt. Ltd. -> Saurabh Kumar - MD, EESL, Neelima Jain - Regional Head (UK & Europe), EESL, Shankar Gopal - Director(Commercial), EESL



Plant Facility in Edina

b. NEESL Private Limited

FFor the purpose of supply, installation, operation and maintenance of Public Street Lighting System in the state of Odisha on Public Private Partnership (PPP) basis, a SPV namely NEESL Private Limited was incorporated in July, 2017. EESL holds 26% equity shares in company. As on 31st March 2019, the paid - up share capital of NEESL was ₹ 0.1 million. During the year 2018 - 19, NEESL has earned a profit of ₹ 1.17 million.

A report on the financial position of subsidiary / associate companies, as per the Companies Act, 2013, has been provided as annexure to the consolidated financial statements and hence, the same is not repeated here for sake of brevity.

5 INFORMATION TECHNOLOGY INITIATIVES

EESL has robust information technology and communication infrastructure in place. Company has implemented Enterprise Resource Planning (ERP) application to integrate all its business functions to improve information availability, transparency and decision - making. Company is deploying a digital platform and a system to make sure the entire workflow from sourcing, assembly, delivery and servicing to cater the project objectives. Some of the highlights are as under:

a. We have enabled IT services, to our core business i.e. projects for the effective monitoring, operations, grievance and tracking to get the right information at right time to address the business problems and facilitate business stakeholders to enable more.

b. We empowered projects for various IoT based solutions like CCMS for SNLP & smart meters etc.

c. We are also exploring cutting edge technologies like Blockchain, AI, Drones, Big Data, Cloud computing, social responsibility and collaboration to empower more to our business in near future.

Based on mission of the company below IT initiatives are helping EESL business to enable more:

- **Adoption of SAP - ERP**
  - We have implemented world class leading SAP - ERP solution on HANA database which helps us to manage and optimise Man, Machine, Money and Material which in turn increases productivity, better inventory management, promotes quality, reduced material cost, effective human resources management, reduced overheads boosts profits. This has increased operational efficiency, productivity and transparency within and beyond organisation. We are continuously improving our systems to facilitate business needs at same speed of business.
- **Management Dashboards**
  - We have implemented complete IT based analytics solution for all the business schemes of EESL, a Management dashboard which helps our Management and customers to track the overall project progress, energy savings and CO2 reduction.
  - All the dashboards are public facing. We have maintained the complete transparency in public domain about each EESL business scheme using the dashboards which builds confidence. Hence, we are able to build highest level of trust with all the stakeholders including public.
- **CCMS (Central Control and Monitoring System) in LED Street Light**
  - The new trend of Intelligent Streetlight is concentrated on both, economic and environmental sensitive developments. CCMS is the first of its kind IoT based technology which is being used in monitoring the street lighting system of civic bodies in the country. We are the pioneer to implement CCMS based street lighting solution in the country which had addressed Remote Monitoring and Controlling of LED lights with following benefits:
  - Power consumption gets reduced due to improved control of street lights.
  - Increased security and safety in the streets and on the roads. Automatic SMS / Email alerts to all concerned officials.
  - Promotes Smart Governance, which is the way forward for the concept of Smart cities.
  - CCMS helps in Data Analytics which helps in load forecasting, DSM activities in the state.
  - Reduces the turnaround time for repair & maintenance jobs which will act as indirect saving for the municipality.
- **Smart Metering**
  - EESL is helping utilities to reduce billing inefficiencies by deploying smart meters through the Smart Meter National Programme (SMNP). We had setup a complete IoT and cloud based solution which will help to replace India's 250 million conventional meters with smart meters to increase billing efficiencies and reduce aggregate technical and commercial loss. Consumers can plan use of electricity via mobile apps to reduce the cost bill and in turn save the electricity.
- **Comprehensive IT solutions with Digitalisation of business processes**
  - EESL is growing rapidly not only in terms of business but also geographically. Considering the growth, we are designing and building comprehensive IT solution including business dynamics which will offer a common platform for all the existing and future business schemes with use of all latest trends and cutting edge technology to enable more. This solution would be very much configurable and flexible so that business users can enhance IT based business needs with minimum efforts and impact on existing setup. We had already deployed a Mobile App for Complaint handling for street light scheme as a pilot project for comprehensive solution. In order to provide a transparency, accountability and management of vendor bills, we have enabled stakeholders with a web based solution for submitting and tracking the bills online. More to be achieved for demands we have received so for building common Mobile application for all of our business schemes.
- **24x7x365 Customer Support Centre for all schemes**
  - Based on the business dynamics and quicker services to consumers we have a call centre based in Rajasthan which supports almost all regional languages for better customer interaction and increased throughput which leads to improve

customer service and gives the quick solution to consumer complaints and address the stake holders' grievance and have happy stakeholders.

- **Cloud Data Centre Setup**
  - We have deployed our IT applications on Tier-3 cloud data centre so that our stakeholder can access all the IT application from anywhere in secure and safe manner and it is highly available 24x7 in 365 days. We have adopted best enterprise practices for backups, IT security, disaster recovery, Storage space and Networking. All regional and CO offices are seamlessly connected with each other using MPLS and high speed internet connectivity.
- **Security**
  - Understanding security is need of the hour, EESL has implemented all the latest aspects of IT security. IT infra is enabled with Perimeter Security, Internal security end points etc. Monitoring of security logs has been setup for proper resolution of any incident. We are enabling our processes, people, Machines to tackle security issues at organisation level.
- **New Policy** - To make employees IT enabled, desktop computer and laptops have been provided to nearly 100%.
- **Paperless Communication** - Claims such as travel, telephone etc. were made paperless as Go Green initiatives.
- **e-Waste Management** - eWaste such as desktops, laptops, used cartridges, printers etc. are being disposed as per the guidelines of Ministry of Environment and Forest (MoEF).
- **Video Conferencing (VC) solution** - In order to improve internal efficiency and transparency, your company has implemented suitable Video Conferencing (VC) solution at corporate office and is in the process to implement the same across all offices of the Company. Major EESL office sites have been connected with more safe and secure network MPLS.
- **IT help desk** - We have deployed a IT help desk internally to facilitate our business user to use IT systems smoothly and efficiently.

6 INSTITUTIONAL STRENGTHENING

EESL is implementing the world's largest energy efficiency portfolio, and keeping this in view, institutional strengthening is being undertaken as a regular practice in EESL. EESL is associated with leading consulting organizations like McKinsey, E&Y, PwC, KPMG for providing technical assistance, Organizational restructuring, Capacity building, Standardization of process, Project execution and monitoring etc. EESL is also associated with various international financial institutions/ Multilateral Development Banks (MDBs) and leading environmental authorities such as World Bank, ADB, AfD, KfW, USAID, UNEP etc. for technical assistance, trainings, financing and scaling up the Energy Efficiency Programmes in India and across Globe.

7 OFFICIAL LANGUAGE IMPLEMENTATION

Various steps have been taken in the organisation to promote Rajbhasha. During the year, training was provided for Hindi language and Hindi typing / shorthand for doing work in Hindi on computer system. All the forms used in office and standard bids including company's annual report were made bilingual (Hindi / English). Bilingual telephone directory is available. Hindi translation of EESL's website is also in progress. In order to promote the official language, employees were made aware of the provisions of Official Languages Act, 1963 and they were encouraged to comply with Official Language Policy of Union Government. Hindi Pakhwada is also celebrated with great enthusiasm where a lot of Hindi competition have been conducted.

8 HUMAN RESOURCES MANAGEMENT

The focus of Human Resource Management is to build an enabling culture and ensure motivated work force with required skill sets. The year has seen EESL foraying into many new ventures and the focus has been on multiskilling to meet the challenges.

8.1 Manpower Strength

The total employee strength of the company is given as under:

Location	Number of employees			
	Regular	Fixed Tenure	Consul- tants	Third Party
India	253	135	33	523
United Kingdom	3	-	-	-
Maldives	1	1	-	-
Riyadh	1	-	-	-
Total	258	136	33	523

8.2 Industrial Relations

The thrust on participative culture and open communication channels continued during the year. The Industrial Relations Scenario has been peaceful and harmonious and no man - days were lost during the year.

8.3 Employee Welfare

The welfare and employee engagement activities in the company are designed in a manner to keep the employees oriented towards organizational goals with team building, work - Life balance and to retain employees in a competitive business scenario. Cashless health care facilities to the employees and their dependent family members, in our company are being provided through empaneled hospitals, PAN India. In addition, Group Insurance scheme and Group Personal Accident Insurance scheme are in place. To ensure long term financial security, your company has introduced Superannuation Fund for the employees. Employee annual health checkup has been introduced and OPD facilities provided in the office for health and wellbeing of the employees. Various cultural events, festival celebrations etc. were organized throughout the year. The Company also organized events like Women's day celebration with employees.

8.4 Human Resource Development

During the year, we have strengthened the In - house Learning Centre by organizing various training programmes. Also in collaboration with NISE, PMI, NPTI we have organized many non - residential / residential training programs, both at corporate office and regional offices. We also have achieved the training target of 3 man days per employee as per MOU 2018-19. Numerous technical trainings and general management programs were conducted to enhance technical, behavioral, managerial and cross functional competencies through programs like Solar, AgDSM, Advance Excel training, RTI & disciplinary procedure, health, lifestyle & stress management, Induction etc. Further, we are also organizing communication and time management programs across the Regions in a phased manner.

8.5 MOU Rating and Awards

The performance of your company in terms of MOU signed with promoter companies for the financial year 2017-18 has been rated as "Very Good".

8.6 Disclosure under the 'Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

In line with provisions of "Sexual Harassment of women at Work Place (Prevention, Prohibition & Redressal) Act, 2013 an "Internal Complaints Committee" has been constituted for redressal of complaints against sexual harassment of women employees. During the financial year 2018 - 19, the Company did not receive any compliant of sexual harassment. Our organization emphasizes on providing a safe working environment for women and in all the training programs, a special stress is given on gender sensitization.

8.7 Friendly policies for women empowerment

'The South Asia Gender and Energy Facility (SAGE) at the World Bank, in collaboration with multiple stakeholders, has established WePOWER, as a regional network. The objectives of WePOWER are to support workforce participation of women in energy projects and institutions, and promote normative change regarding women in Science, Technology, Engineering, and Mathematics (STEM) education. EESL has also agreed to become a Strategic Partner of the WePOWER Network by the World Bank and has formed a committee of 5 members to lead this initiative in the organisation. As a part of this endeavour, 4 participants from EESL attended the WePOWER conference, conducted in Kathmandu, Nepal from 20 - 22 February, 2019. Additionally, weekly calls are being arranged between various organisations from South Asia to learn about good practices. As a part of continuous learning to enable growth of EESL, a qualitative questionnaire for the women employees of EESL was developed and floated. This questionnaire helped the company to understand the needs and wants of women employees.

8.8 Right to Information Act, 2005 and Redressal of public grievances

Energy Efficiency Services Limited (EESL) has a dedicated Public Grievances and Right to Information (RTI) cell headed by Chief General Manager (Technical), who has also been designated as the Public Information Officer (PIO) of the organization.

All RTI requests are closed in less than the prescribed time as per the Act, while all Public Grievances are resolved in varying timelines, which is usually 30 days or less. This department continues to ensure higher degrees of accountability in the organization. Post alignment of manpower to form this cell, it is setting examples to become the core fabric of a self - regulating and ethically sensitized organization. It is highly pertinent to note that zero Right to Information applications and zero public grievances have left our desks unanswered and unaddressed.

Since January 2019, we have received and addressed about 140 Right to Information (RTI) requests received through the regular post and RTI MIS portal. This MIS portal is an efficient and responsive website to file online applications. The process of filing RTI at EESL is easy and simple. An applicant can log on to https://rtionline.gov.in/ to file their RTI requests directly with EESL. Also, the prescribed fee for filing can subsequently be paid on web portal electronic payment gateways. Grievances are usually received through emails, regular post or through the Department of Administrative Reforms and Public Grievances' highly responsive web portal operating under the name of Centralized Public Grievance Redress and Monitoring System (CPGRAMS). The web address of the same is https://pgportal.gov.in. This portal is open for all citizens to promptly report their concerns to EESL, under the scrutiny of higher authorities in the Government. Since the inception of this Cell, in the year 2017, about 350 public grievances have been addressed by this department.

Additionally, in January 2018, as required by Ministry of Power, EESL had also conducted a study to pinpoint the root cause and nature of public grievances submitted at EESL. This study's detailed findings were submitted to the Ministry for perusal and resolution enhancement considerations.

9 CORPORATE SOCIAL RESPONSIBILITY

The CSR Budget for the financial year 2018 - 19 was ₹ 12.89 million, duly approved by the Board. The company has undertaken the following projects: -

a. Under Swachh Bharat Abhiyan

- Investment of ₹ 4.53 million (estimated) for Construction of 125 Nos. of Toilet Blocks for deprived households of Pauri-Gharwal & Sitarganj Districts of Uttarakhand.
- Investment of ₹ 4.8 million for 10 Schools adopted in rural areas across India.
- Investment of ₹ 0.6 million for the purpose of cleanness of 100 Schools falling under the jurisdiction of SDMC.
- Investment of ₹ 0.2 million for the purpose of cleanness drive at SCOPE Complex, New Delhi (area nearby EESL HO) on 2nd October, 2018.

b. Under Skill Development: -

- Investment of ₹ 1,30,855 for purchase of equipment for use of differently abled children and young adults
- Investment of ₹ 1.2 million for providing Skill Training to the Students of identified ITI/Polytechnic Colleges under Skill Development.

c. As part of our Corporate Social Responsibility programme, Swachhta Pakhwada'19, EESL has implemented cleaning drive at two NGO - Orphanage Home for Girls: Khushi and Kilkari. These NGO's aim to protect, educate and empower Orphan children and providing them a safe environment to grow. EESL gave an opportunity to its employees to engage with the initiative, EESL has also organized a donation drive for clothes, shoes, books, toys and stationary for girl's up to 18 years, which was highly appreciated and received great response from employees.

Corporate Social Responsibility Policy of the Company as required under Section 135 of Companies Act, 2013 is available on our website (www.eeslindia.org). Information required as per Rule 8 of Companies (Corporate Social Responsibility) Rules, 2014 is given as per **Annexure - I**.

Training to Students under Skill Development Programme in Haryana

10 NOMINATION AND REMUNERATION POLICY

The Nomination and Remuneration Policy of the Company, as required under sub - section (3) of Section 178 of Companies Act, 2013 is available on our website (www.eeslindia.org).

11 FOREIGN EXCHANGE RISK MANAGEMENT POLICY

The Foreign Exchange Risk Management Policy of the Company, is duly approved by the Board of Directors and is available on our website (www.eeslindia.org).

12 CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION

There are no significant particulars relating to conservation of energy and technology absorption as required under the Companies (Accounts) Rules, 2014 as the company does not own any manufacturing facility.

13 FOREIGN EXCHANGE EARNINGS AND OUTGO

The details of foreign exchange earning & outgo are as follows:

(in ₹)

Particulars	Year ended 31.03.2019	Year ended 31.03.2018
Expenditure in Foreign currency	81,36,38,876	17,91,47,807
Earning in Foreign Exchange	2,57,49,161	2,76,00,820

14 KEY MANAGERIAL PERSONNEL

As per the provisions of Companies Act, 2013, the company has appointed Managing Director, Whole - Time Directors, Chief Financial Officer and Company Secretary as Key Managerial Personnel of the Company.

15 DIRECTORS, KEY MANAGERIAL PERSONNEL, BOARD & COMMITTEES OF THE BOARD

- Ministry of Power vide letter dated 15th March, 2018 nominated Director General, Bureau of Energy Efficiency (Shri Abhay Bakre) as Government Nominee Director in place of Secretary, Bureau of Energy Efficiency (Shri Pankaj Kumar). Shri Abhay Bakre was appointed w.e.f. 8th May, 2018.
- REC Limited vide its letter 14th November, 2018 nominated Shri Sanjiv Garg as nominee director in place of Shri V. K. Singh. Shri Sanjiv Garg was appointed w.e.f 10th December, 2018.
- Consequent to her resignation, Ms. Renu Narang, Whole - Time Director (Finance) & CFO ceased to hold the office w.e.f. 23rd January, 2019.
- Shri S. Gopal and Shri Venkatesh Dwivedi were appointed as Whole - Time Director (Commercial) and Whole - Time Director (Projects & Business Development), respectively, w.e.f. 7th February, 2019.

Board of Directors of the company duly met 9 times during the financial year 2018 - 19. The dates on which meetings were held are as follows: 8th May, 2018, 29th May, 2018, 17th July, 2018, 20th August, 2018, 19th September, 2018, 12th November, 2018, 10th December, 2018, 28th December, 2018 and 7th February, 2019.

Re-appointment of Directors:-

In terms of Section 152 of Companies Act, 2013, Shri Rajeev Sharma and Shri Mohit Bhargava shall retire by rotation at the ensuing Annual General Meeting of the company and being eligible, have offered themselves for re-appointment.

The Board of Directors have constituted following committees in order to effectively cater its duties towards diversified role under the Companies Act, 2013:-

A. Audit Committee:

Five (5) Audit Committee Meetings were held during the financial year on 28th May, 2018, 12th November, 2018, 10th December, 2018, 28th December, 2018 and 7th February, 2019. The composition of committee is as under:

Members:
Shri Seethapathy Chander, Independent Director
Ms. Gauri Trivedi, Independent Director
Shri Mohit Bhargava, Nominee Director

Special Invitee:
Director (Finance)
CFO

In attendance:
Company Secretary

B. Corporate Social Responsibility (CSR) Committee

One (1) CSR Committee Meeting was held during the financial year 2018 - 19 on 10th December, 2018. The composition of committee is as under:

Members:
Shri Seethapathy Chander, Independent Director
Ms. Gauri Trivedi, Independent Director
Shri Raj Pal, Director
Shri S. Gopal, Director (Commercial)

Special Invitee:
Head of CSR Cell

In attendance:
Company Secretary

C. Nomination and Remuneration Committee

Four (4) Nomination and Remuneration Committee meetings were held during the financial year on 8th May, 2018, 17th July, 2018, 10th December, 2018 and 7th February, 2019. The composition of committee is as under:

Members:

Shri Seethapathy Chander, Independent Director
Ms. Gauri Trivedi, Independent Director
Shri Mohit Bhargava, Nominee Director

Special Invitee:
Director (Finance)
CFO
Head (HR)

In attendance:
Company Secretary

D. Project Sub - Committee

No Project - Sub Committee Meetings were held during the financial year 2018 - 19. The composition of committee is as under:

Members:
Shri Saurabh Kumar, Managing Director
Shri Raj Pal, Nominee Director
Shri Venkatesh Dwivedi, Director (Projects & Business Development)
Shri S. Gopal, Director (Commercial)

In attendance:
Company Secretary

E. Business Development Committee

The Board of Directors constituted the Business Development Committee of the Board during the financial year 2018 - 19. No meetings of the committee were held during the year. The composition of the Committee is as under:

Members:
Shri Saurabh Kumar, Managing Director
Shri Seethapathy Chander, Independent Director
Ms. Gauri Trivedi, Independent Director
Shri Venkatesh Dwivedi, Director (Projects & Business Development)

Special Invitee:
Director (Commercial)

In attendance:
Company Secretary

Detail of number meetings attended by each Director during the financial year 2018 - 19 is as under:

Name of Director	No. of Board Meetings		No. of Audit Committee Meetings		No. of CSR Committee Meetings		No. of NRC Meetings	
	Entitled	Attended	Entitled	Attended	Entitled	Attended	Entitled	Attended
Shri Rajeev Sharma	9	9	0	0	0	0	0	0
Shri Saurabh Kumar	9	9	0	0	0	0	0	0
Shri Shankar Gopal	1	1	0	0	0	0	0	0
Shri Venkatesh Dwivedi	1	1	0	0	0	0	0	0
Ms. Renu Narang	8	8	0	0	1	1	0	0
Shri Raj Pal	9	4	0	0	1	1	0	0
Shri Abhay Bakre	9	7	1	1	0	0	0	0
Shri V. K. Singh	6	3	0	0	0	0	0	0
Shri Sanjiv Garg	3	2	0	0	0	0	0	0
Shri Mohit Bhargava	9	8	4	4	0	0	4	4
Shri Seethapathy Chander	9	6	5	4	1	1	4	4
Ms. Gauri Trivedi	9	6	5	2	1	1	4	3

16 DIRECTORS' RESPONSIBILITY STATEMENT:

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the internal, statutory, cost auditors, secretarial auditors and external consultants and the reviews performed by Management and the relevant Board Committees, including the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during the financial year 2018 - 19. Accordingly, pursuant to Section 134(5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, confirm that:

a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

b) They have, in the selection of accounting policies, consulted Statutory Auditors and have applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of state of affairs of the Company at the end of the financial year and of the profit of the Company for that period.

c) They have taken proper and sufficient care to the best of their knowledge and ability for maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding assets of the Company and for preventing and detecting fraud and other irregularities;

d) They have prepared the annual accounts on a going concern basis.

e) They have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.

f) They have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

17 DECLARATION OF INDEPENDENCE

The Company has received necessary declaration from each Independent Director under Section 149(7) of the Companies Act, 2013 that he/she meets the criteria of independence laid down in Section 149(6) of the Companies Act, 2013.

18 MAINTENANCE OF COST RECORDS

The Company is not required to maintain the cost records as specified by the Central Government under sub - section (1) of section 148 of the Companies Act, 2013.

19 REPORTING UNDER PUBLIC PROCUREMENT POLICY FOR MICRO & SMALL ENTERPRISES (MSE) ORDER, 2012

The Government of India has notified Public Procurement Policy on Micro & Small Enterprises (MSEs) Order, 2012 and subsequent amendments till date. In terms of the said policy, following are the required details:

Sl. No.	Particulars	Target for FY 2018 - 19	FY 2018 - 19
I	Total annual procurement (in value)	₹ 37000 million	₹ 44209.50 million
II	Total annual procurement (in value) through International Competitive bidding funded by Multilateral/ Bilateral Agencies	₹18000 million	₹ 581.20 million
III	Total annual procurement (in value) -Domestic Procurement	₹ 19000 million	₹ 43628.30 million
IV	Total value of goods and services procured from MSEs (including MSEs owned by SC / ST entrepreneurs)	₹ 3800 million	₹ 8081.60 million
V	Total value of goods and services procured from MSEs owned only by SC / ST	₹ 760 million	No Claim Received
VI	% age of procurement from MSEs (including MSEs owned by SC / ST entrepreneurs) out of total procurement	20%	18.54%
VII	% age of procurement from MSEs owned only by SC / ST entrepreneurs out of total procurement	4%	0%
VIII	Total number of Vendor development programmes for MSEs	Two	One
IX	Confirmation of uploading annual MSE procurement profile on website by hyperlink of the same	http://eeslindia.org/content/raj/eesl/en/Tenders/tenders.html?id=419	

20 VIGILANCE/WHISTLE BLOWER POLICY

Your Company ensures transparency, objectivity and quality decision making in its operation and to monitor the same, the Company has vigilance department. In compliance with requirement of Companies Act, 2013, the company has also formulated the Whistle Blower Policy which provides for the mechanism to report genuine concerns about unethical behaviour, actual or suspected fraud or violation of the company's code of conduct and adequate safeguards against victimisation. The said policy is also available on website of the company (www.eeslindia.org).

21 EXTRACT OF ANNUAL RETURN:

The Extract of Annual Return for financial year 2018 - 19 is attached with the Board report in Form No. MGT - 9 as **Annexure - II**.

22 PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

During the period under review, the Company has not entered into any material transaction with any of its related parties. All related party transactions were in the ordinary course of business and were negotiated on arm's length basis. Accordingly, the disclosure of related party Transactions as required under Section 134(3)(h) of Companies Act, 2013 in Form AOC - 2 is not applicable.

23 PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

Loan, guarantees and investment covered under Section 186 of the Companies Act 2013 form part of the notes to the Financial statements (Standalone) provided in the Annual Report.

24 SINGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

We have ongoing recovery issues against our DA's. Also, EESL has paid considerable amount of "VAT Demand and Penalty" in Andhra Pradesh. Regarding the company operations from legal perspective, no notice or judgment or order has been received, wherein operations and existence of EESL appears to be in immediate jeopardy / peril.

25 DEPOSITS

Till date, the company has not accepted any deposits and therefore, no deposits that are not in compliance with the provisions of Chapter V of the Act, exist.

26 PERFORMANCE EVALUATION OF DIRECTORS AND THE BOARD

As required under Companies Act, 2013, evaluation of performance of directors including that of the Independent Directors / Board / Committees is to be carried out either by the Board or by the Nomination and Remuneration Committee or by the Independent / Nominee Director.

27 AUDITORS

27.1 STATUTORY AUDITOR

The Comptroller and Auditor General of India (C&AG), in exercise of power conferred under Section 139 of the Companies Act, 2013 has vide letter dated 31st July, 2019 appointed **M/s K K Soni & Co, Chartered Accountants (Firm Reg. No. 000947N), New Delhi** as Statutory Auditor of the Company for financial year 2019 - 20. Approval of members of the Company will be obtained in ensuing Annual General Meeting to authorise Board of Directors, to fix auditor's remuneration for financial year 2019-20.

27.2 SECRETARIAL AUDITOR

M/s Astik Tripathi & Associates, practicing Company Secretaries was appointed as Secretarial Auditors of the Company to carry out Secretarial Audit for the Financial Year 2018 - 19. The Secretarial Audit Report for the same annexed as **Annexure - III** to this report.

27.3 INTERNAL AUDITORS

M/s Jain & Malhotra, Chartered Accountants were appointed as Internal Auditors of the Company for the financial year 2018 - 19.

27.4 COST AUDITORS

Cost Audit is not applicable to the Company.

28 MANAGEMENT REPLY:

The Management's Reply to the observation / advice of Statutory Auditors and Secretarial Auditors are submitted as per **Annexure - IV** and **Annexure - V** to this report, respectively.

29 STATUTORY DISCLOSURE

a) There was no change in nature of business of the Company during the financial year 2018 - 19.

b) The Company maintains an adequate system of Internal Controls including suitable monitoring procedures, which ensure accurate and timely financial reporting of various transactions, efficiency of operations and compliance with statutory laws, regulations and Company policies.

c) There are no material changes and commitments, affecting the financial position of the Company which has occurred between the end of the financial year i.e. March 31, 2019 and the date of this report.

d) The Company has not issued any stock options to the Directors or any employee of the Company.

e) The Company has complied with the applicable Secretarial Standards.

f) In terms of provisions of Companies Act, 2013, the consolidated financial statements are also being presented in addition to the standalone financial statements of the company.

30 MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis report forms part of the report and placed as per **Annexure - VI**.

31 PARTICULARS OF EMPLOYEES:

The information required under the provision of Section 197(12) of Companies Act, 2013 read with Rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is placed as per **Annexure - VII**.

32 ACKNOWLEDGEMENT:

The Directors are grateful to the Government of India particularly Ministry of Power, Ministry of Finance, Department of Economic Affairs for their continued co - operation and support. The Directors thank the state governments, state electricity boards, State Power Utilities and other borrowers for their continued supports and trust in the Company.

The Directors wish to place on record their appreciation of the commendable work done, dedication and sincerity by all employees of the Company at all levels during the year under review. The Company will make every effort to meet the aspirations of its shareholders and wish to sincerely thank them for their whole hearted co - operation and support at all times.

For and on Behalf of the Board of Directors
Energy Efficiency Services Limited

Shri Rajeev Sharma
Chairman
(DIN: 00973413)

Date: 26.09.2019
Place: New Delhi

Annexure - I

ANNUAL REPORT ON CSR ACTIVITIES DURING THE FINANCIAL YEAR 2018-19

1. **A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web - link to the CSR policy and projects or programs:**

   EESL's CSR policy focuses on activities relating to health sanitation, drinking, water, education, capacity building, women empowerment, social infrastructure development and activities contributing towards Environment towards Environment Sustainability, CSR Policy of the Company as required under Section 135 of Companies Act, 2013 is available on our website (www.eeslindia.org).

2. **The composition of the CSR Committee:**

   Members:
   Shri Seethapathy Chander (Independent Director)
   Ms. Gauri Trivedi (Independent Director)
   Shri Raj Pal (Government Nominee Director)
   Shri S. Gopal (Director - Commercial)

   Special Invitee:
   Head of CSR Cell

   In attendance:
   Company Secretary

3. **Average net profit of the company for last 3 financial years: ₹ 644.50 million**

4. **Prescribe CSR Expenditure (two per cent of the amount as in item 3 above): ₹ 12.89 million**

5. **Details of CSR spent during the financial year:**

   a. **Total amount to be spent for the financial year:** ₹ 12.89 million

   b. **Amount unspent:** ₹ 11.75 million

   c. **Manner in which the amount spent during the financial year is details below:**

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
S. No.	**CSR project or activity identified**	**Sector in which the project is covered**	**Projects or programs 1. Local area or other 2. specify the State and district where projects or Programs was undertaken**	**Amount outlay (budget) project or program-wise**	**Amount spent on the projects or programs Sub-heads: (1) Direct expenditure on projects or programs (2) Overheads**	**Cumulative expenditure upto the reporting period**	**Amount spent Direct or through implementing agency***
1	Financial assistant to support the education of deprived Students	Skill Development	Dist.- Kanpur State- UP	₹ 0.4 million	Nil	Nil	
2	Financial assistant to purchase the office equipment to support the education of students having multiple disabilities	Skill Development	Dist.- Jaipur State- Rajasthan	₹ 0.13 million	Nil	Nil	
3	Construction of Toilet Blocks	Swachh Bharat Abhiyan	Dist.- Pauri Gharwal & Udhamsingh Nagar State- Uttarakhand	₹ 5.35 million	Nil	Nil	

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
4	Swachhta action plan for Schools as a part of Swachhta Pakhwara	Swachh Bharat Abhiyan	Across India in/ around Regional offices of EESL	₹ 4.8 million	Direct Expenditure = ₹ 0.39 million	₹ 0.39 million	Through M/s Eazzycon
5	Cleanness Drive in 100 Schools falling under the jurisdiction of SDMC	Swachh Bharat Abhiyan	Dist.- New Delhi State- Delhi	₹ 0.6 million	Direct Expenditure = ₹ 0.48 million	₹ 0.48 million	Through M/s Sulabh International Social Service Organisation
6	Cleanness drive in SCOPE Complex (EESL-HO) on 2nd October 2018	Swachh Bharat Abhiyan	Dist.- New Delhi State- Delhi	₹ 0.2 million	Nil	Nil	
7	Providing Skill Training to the Students of identified ITI/ Polytechnic Colleges	Skill Development	Dist. - Districts of NCR State- Haryana	₹ 1.2 million	Direct Expenditure = ₹ 0.27 million	₹ 0.27 million	Through M/s Vistaara Management Solution Ltd
	Total			₹ 12.68 million	₹ 1.14 million**		

* Give details of implementing agency

**(The utilisation of CSR Expenditure during the financial year 2018 - 19 is ₹ 2.006 million out of which ₹ 1.14 million is towards the projects that have been awarded in 2018 - 19. However, expenditure of ₹ 0.87 million has also been incurred in case of projects which have been awarded before 2018 - 19.)

6. **In case the company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report:** Reasons specified in Annexure - A.

For Energy Efficiency Services Limited

Shri Saurabh Kumar
Managing Director
DIN: 06576793

Ms. Gauri Trivedi
Independent Director
Chairman, CSR Committee
DIN: 06502788

Annexure - A

S. No.	CSR Project or activity identified	Project Cost	Unspent CSR Amount	Reason / Clarification
1.	Financial assistance to support the education of deprived students	₹ 0.4 million	₹ 0.4 million	EESL has sent the fund sanction letter to DoRA, IIT Kanpur and the Agreement has also been finalised. EESL is in process to sign the agreement with DoRA, IIT Kanpur. Once the agreement is signed, the payment will be released to DoRA, IIT Kanpur.
2.	Financial assistance to purchase the office equipment to support the education of students having multiple disabilities	₹ 0.13 million	₹ 0.13 million	Agreement has been signed between EESL and M/s DISHA Foundation on 9th March, 2019. M/s DISHA Foundation is about to send the bills after compliance of T&C of the agreement. So, this payment immediately will be processed once EESL receives the bills of M/s DISHA Foundation
3.	Construction of 125 No.s of Toilet Blocks for use of Households	₹ 5.35 million	₹ 5.35 million	Agreement has been signed between EESL and M/s Gramin Vikas Trust (GVT) on 28th February, 2019. The construction of 100 Nos. of Toilet Blocks out of 125 Nos. has been completed and payment of ₹ 26.73 Lacs has been released to M/s GVT in the FY 2019 - 20. The balance work will be completed within coming 2 months. The project has been delayed due to the bad weather conditions. (Due to heavy rain in Uttarakhand)
4.	Swachhta Action Plan for schools as a part of Swachhta Pakhwara	₹ 4.8 million	₹ 4.41 million	The expenditure was for all the Regional Offices PAN India. Many states were not able to identify and tie up for the same.
5.	Cleanness Drive in 100 schools falling under the jurisdiction of SDMC	₹ 0.6 million	₹ 0.12 million	The cleaning drive in 96 schools were done. However, SDMC was not able to provide the details of rest 4 (four) schools.
6.	Cleanness Drive in SCOPE Complex (EESL - HO) on 2nd October, 2018	₹ 0.2 million	₹ 0.2 million	The cleanliness drive was done by the employees itself. Accordingly, no expenses were incurred.
7.	Providing Skill Training to students of identified ITI / Polytechnic Colleges	₹ 1.2 million	₹ 0.88 million	The skill development training was given in two government Polytechnic Institutes. We tried to do in other colleges but due to unavailability of students / venue due to elections, we could not do more colleges. However, this year we shall be covering 100 students under CSR, while meeting the MOU target.

Annexure - II

Form No. MGT-9
EXTRACT OF ANNUAL RETURN

As on the financial year ended on 31st March, 2019
[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i.	CIN	U40200DL2009PLC196789
ii.	REGISTRATION DATE	10/12/2009
iii.	NAME OF COMPANY	ENERGY EFFICIENCY SERVICES LIMITED
iv.	CATEGORY OF COMPANY	Company Limited by Shares
v.	SUB-CATEGORY OF COMPANY	Indian Non-Government Company
vi.	ADDRESS OF COMPANY	NFL Building, 5th & 6th Floor, Core - III, SCOPE Complex, Lodhi Road, New Delhi - 110003
vii.	LISTED/UNLISTED	Listed (Debentures of the company are listed)
viii.	NAME & ADDRESS OF REGISTRAR & TRANSFER AGENT	Karvy Fintech Private Limited (Formerly Karvy Computershare Private Limited) Karvy Selenium Tower B, Plot No. 31 - 32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad - 500032, India Tel No.: +91 (40) 6716 2222; Fax: +91 (040) 2343 1551

II. PRINCIPAL BUSINESS ACTIVTIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of main Products / Services	NIC Code of the Product / Service	% to total turnover of the Company
1.	Sale of Goods	47990	60.69 %
2.	Sale of Services	74909	39.31 %

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. N.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	%OF SHARES HELD	APPLICABLE SECTION
1.	EESL EnergyPro Assets Limited Address: Edina Unit 12 & 13, Rugby Park, Bletchley Road, Stockport, United Kingdom, SK4 3EJ	10568873	Subsidiary	84.55	2(87)
2.	Anesco Energy Services (South) Ltd. Address: Edina Unit 12 & 13, Rugby Park, Bletchley Road, Stockport, United Kingdom, SK4 3EJ	08112903	Subsidiary	84.55	2(87)
3.	Creighton Energy Limited Address: Edina Unit 12 & 13, Rugby Park, Bletchley Road, Stockport, United Kingdom, SK4 3EJ	07729268	Subsidiary	84.55	2(87)
4.	EPAL Holdings Limited Address: Edina Unit 12 & 13, Rugby Park, Bletchley Road, Stockport, United Kingdom, SK4 3EJ	11217655	Subsidiary	84.55	2(87)
5.	Edina Acquisition Limited Address: Edina Unit 12 & 13, Rugby Park, Bletchley Road, Stockport, United Kingdom, SK4 3EJ	11216307	Subsidiary	84.55	2(87)

6.	Edina Power Services Limited Address: Delaire House, Unit 4 Swords Business Park Swords Co. Dublin	151045	Subsidiary	84.55	2(87)
7.	Edina Limited Address: Delaire House, Unit 4 Swords Business Park Swords Co. Dublin	108087	Subsidiary	84.55	2(87)
8.	Edina UK Limited Address: 13 Rugby Park, Bletchley Road, Stockport, Cheshire, SK4 3EJ	05660595	Subsidiary	84.55	2(87)
9.	Edina Australia Pty Limited Address: Level 28, 10 Eagle Street, Brisbane QLD 4000 AUSTRALIA	ABN 77166334416	Subsidiary	84.55	2(87)
10.	Armoura Holdings Limited Address: Delaire House, Unit 4 Swords Business Park Swords Co. Dublin	197018	Subsidiary	84.55	2(87)
11.	Stanbeck Limited Address: Delaire House, Unit 4 Swords Business Park Swords Co. Dublin	343017	Subsidiary	84.55	2(87)
12.	Edina Manufacturing Limited Address: Lissue Industrial Estate West, Moira Road, Lisburn, County Antrim, BT28 2RE	NI029915	Subsidiary	84.55	2(87)
13.	Edina Power Limited Address: Rathdown Road, Lissue Industrial Estate West, Lisburn, County Antrim, BT28 2RE	NI048701	Subsidiary	84.55	2(87)
14.	EPSL Trigeneration Private Limited Reg. Office: CORE - III, 5th & 6th Floor, Scope Complex, Lodhi Road, New Delhi - 110003	U74999DL2018FT C343317	Subsidiary	84.55	2(87)
15.	NEESL Private Limited Reg. Office: D - 40, G/F, Okhla Phase - I, New Delhi - 110020, India	U74999DL2017FT C320579	Associate	26	2(6)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as Percentage of Total Equity)

i. Category-wise share Holding

Category of Shareholders	No. of shares held at the beginning of the year i.e. 01.04.2018				No. of shares held at the end of the year i.e. 31.03.2019				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. PROMOTORS									
1. Indian									
a) Individual/HUF	-	-	-	-	-	-	-	-	-
b) Central govt.	-	-	-	-	-	-	-	-	-
c) State Govt.(s)	-	-	-	-	-	-	-	-	-
d) Bodies corp.	292999800	169000200	462000000	100	407829082	267375268	675204350	100	46.15
e) Banks/FI	-	-	-	-	-	-	-	-	-
f) Any Others	-	-	-	-	-	-	-	-	-
Sub Total A (1):	**292999800**	**169000200**	**462000000**	**100**	**407829082**	**267375268**	**675204350**	**100**	**46.15**

2. Foreign									
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Other - Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks/FI	-	-	-	-	-	-	-	-	-
e) Any Others	-	-	-	-	-	-	-	-	-
Sub Total A (2):									
Total Shareholding of Promoter (A)=(A)(1)+ (A)(2)	**292999800**	**169000200**	**462000000**	**100**	**407829082**	**267375268**	**675204350**	**100**	**46.15**
B. Public Share holding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks/ FI	-	-	-	-	-	-	-	-	-
c) Central govt.	-	-	-	-	-	-	-	-	-
d) State Govt.(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
2. Non Institutions	-	-	-	-	-	-	-	-	-
a) Bodies Corp.	-	-	-	-	-	-	-	-	-
i. Indian	-	-	-	-	-	-	-	-	-
ii. Overseas	-	-	-	-	-	-	-	-	-
b) Individuals		-	-	-	-	-	-	-	- -
(i) Individual Shareholders Holding nominal share capital up to ₹ 1 lakh	-	-	-	-	-	-	-	-	-
ii) Individuals shareholders holding nominal share capital excess of ₹ 1 lakh	-	-	-	-	-	-	-	-	-
c) Others (Specify)	-	-	-	-	-	-	-	-	-
sub-total (B) (2):-	-	-	-	-	-	-	-	-	-
Total Public Shareholding (B)= (B) (2)	-	-	-	-	-	-	-	-	-
C. Share held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	**292999800**	**169000200**	**462000000**	**100**	**407829082**	**267375268**	**675204350**	**100**	**46.15**

ii. Share Holding of Promoters

Shareholder's Name	Shareholding at the beginning of the year i.e. 01/04/2018			Shareholding at the end of the year i.e. 31/03/2019			% change in shareholding during the year
	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	
NTPC Limited	14,65,00,000	31.7%	Nil	24,55,00,000	36.36%	Nil	67.58
Power Finance Corporation Limited	14,65,00,000	31.7%	Nil	24,55,00,000	36.36%	Nil	67.58
Power Grid Corporation of India Limited	2,25,00,000	4.87%	Nil	3,77,04,350	5.58%	Nil	67.57
REC Limited	14,65,00,000	31.7%	Nil	14,65,00,000	21.70%	Nil	Nil
TOTAL	**46,20,00,000**	**100%**	**-**	**67,52,04,350**	**100%**		**-**

iii. Change in Promoters shareholding:

PARTICULARS	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of Shares	% of Total of share of the company	No. of shares of the company	% of Total shares
At the beginning of the year	46,20,00,000	100	-	-
Date wise Increase / Decrease in Promoters' Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): Allotment of shares on Rights basis on 8th May, 2018	-	-	21,32,04,350	-
At the end of year	-	-	67,52,04,350	100

iv. Shareholding Pattern of top ten shareholders (other than Directors, Promoters and Holder of GDRs and ADRs)

	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
For Each of the Top 10 Shareholders	No. of Shares	% of Total of share of the company	No. of shares of the company	% of Total shares
At the beginning of the year	-	-	-	-
Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment/transfer /bonus/sweat equity etc.)	-	-	-	-
At the end of year (or on the date of separation during the year)				

v. Shareholding of Director and Key Managerial Personnel:

	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of Shares	% of Total of share of the company	No. of shares of the company	% of Total shares
At the beginning of the year	-	-	-	-
Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment/transfer /bonus/sweat equity etc.)	-	-	-	-
At the end of year	-	-	-	-

V. INDEBTEDNESS

Indebtedness of the company including interest outstanding/accrued but not due for payment (₹ In Millions):

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at beginning of the year (01.04.2018)				
(i) Principal Amount	10450.00	8650.00	-	19100.00
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	215.8	301.1	-	516.90
Total (i+ii+iii)	**10665.8**	**8951.1**	**-**	**19616.90**
Change in Indebtedness during the financial year				
• Addition	3881.45	5800.72	-	9682.17
• Reduction	5065.8	701.10	-	5766.90
Net Change	**-1184.35**	**5099.62**	**-**	**3915.27**
Indebtedness at end of the year (31.03.2019)				
(i) Principal Amount	9267.9	13749.7	-	23017.6
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	213.55	301.02	-	514.57
Total (i+ii+iii)	**9481.45**	**14050.72**	**-**	**23532.17**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and / or Manager: (Amount in ₹)

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager			
a.		Shri Saurabh Kumar (Managing Director)	Ms. Renu Narang (Whole - Time Director) (upto 23rd January, 2019)	Shri S. Gopal (Whole - time Director) (w.e.f. 7th February, 2019)	Shri Venkatesh Dwivedi (Whole - time Director) (w.e.f. 7th February, 2019)
1.	Gross Salary (a) Salary as per provisions contained in section 17(1) of the Income -tax Act,1961	58,46,357.71	34,46,338.84	7,38,744.39 (includes 1,69,992.29 as PRP for FY 18-19)	6,51,588.35 (includes 1,23,047.92 as PRP for FY 18-19)
	(b) Value of perquisites u/s 17(2) Income tax Act, 1961	0	0		
	(c) Profit in lieu of salary under section 17(3) Income tax Act,1961	-	-		
2.	Stock Option	-	-		
3.	Sweat Equity	-	-		
4.	Commission - As % of profit - Others, Specify…	-	-		
5.	Others, please specify	-	-		
	Total (A)	**58,46,357.71**	**34,46,338.84**	**7,38,744.39**	**6,51,588.35**
	Ceiling as per the Act	**As per Schedule V**	**As per Schedule V**		

B. Remuneration to other Directors: (Amount in ₹)

Particulars of Remuneration	Shri Seethapathy Chander (Independent Director)	Ms. Gauri Trivedi (Independent Director)	Total Amount
1. Independent Directors			
• Fee for attending board / committee meetings	300,000	240,000	540,000
• Commission	-	-	-
• Others, Please specify	-	-	-
Total (1)			
2. Other Non - Executive Directors			
• Fee for attending board / committee meetings	-	-	-
• Commission	-	-	-
• Others, please specify	-	-	-
Total (2)	-	-	-
Total (B) = (1+2)	**300,000**	**240,000**	**540,000**
Total Managerial Remuneration	**300,000**	**240,000**	**540,000**
Overall Ceiling as per the Act	As per Section 197	As per Section 197	

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/ MANAGER/WTD: (Amount in ₹)

Sl. No.	Particulars of Remuneration	Chief Financial Officer Ms. Renu Narang (w.e.f 6th April, 2018 upto 23rd January, 2019)	Chief Financial Officer Shri S. Gopal (w.e.f. 7th February, 2019)	Company Secretary Ms. Pooja Shukla	Chief Operating Officer Shri Venkatesh Dwivedi (w.e.f. 17th July, 2018 to 6th February, 2019)	Total
1.	Gross Salary					
	(a) Salary as per provisions contained in section 17(1) of the Income – Tax Act, 1961	33,88,514.36	7,38,744.39 (includes 1,69,992.29 as PRP for FY 18-19)	25,32,693.73	13,66,489.00	80,26,441.48
	(b) Value of perquisites u/s 17(2) Income Tax Act, 1961	-	-	-	1,91,454.00	1,91,454.00
	(c) Profit in lieu of salary under section 17(3) Income Tax Act, 1961	-	-	-	-	-
2.	Stock Option	-	-	-	-	-
3.	Sweat Equity	-	-	-	-	-
4.	Commission					
-	As % of profit					
-	Others specify…..	-	-	-	-	-
5.	Others, Please specify	-	-	-	-	-
	Total	**33,88,514.36**	**7,38,744.39**	**25,32,693.73**	**15,57,943.00**	**82,17,895.48**

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:

Type	Section of the companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give Details)

There were no penalties/punishment/compounding of offences for breach of any section of Companies Act against Company or its directors or other officers in default, if any, during the year.

For and on Behalf of the Board of Directors
Energy Efficiency Services Limited

Rajeev Sharma
Chairman
(DIN: 00973413)

Date: 26.09.2019
Place: New Delhi

Annexure - III

Form No. MR-3

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31.03.2019

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Energy Efficiency Services Limited,
NFL Building, 5th & 6th Floor, Core - III,
Scope Complex, Lodhi Road,
New Delhi -110003

Date of Incorporation: 10.12.2009
Authorized Share Capital: INR 3,50,00,000,000
Paid up Share Capital: INR 6,752,043,500

We have conducted the secretarial audit of the compliance of applicable statutory provisions on **Energy Efficiency Services Limited** hereinafter referred to as **("the company")**. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the **Energy Efficiency Services Limited** books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on **31st Day of March, 2019 ('Audit Period')** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by **Energy Efficiency Services Limited ('The Company')** for the financial year ended on **31st Day of March, 2019** according to the provisions of:

i. The Companies Act, 2013 (the Act) and the rules made thereunder;

ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder; **(Not applicable to the company during the audit period)**

iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder; **(Not applicable to the company during the audit period)**

iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Overseas Direct Investment. **(Company has made Overseas Direct Investment during the financial year and complied all the provision of Foreign Exchange Management Act, 1999 along with Companies Act 2013 as applicable)**

v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):

   a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **(Not applicable to the company during the audit period)**

   b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 **(Not applicable to the company during the audit period)**

   c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **(Not applicable to the company during the audit period)**

   d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; **(Not applicable to the company during the audit period)**

   e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Applicable to the company during the audit period as the debt securities of the company is listed on BSE Limited)**

   f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **(Not applicable to the company during the audit period)**

   g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and **(Not applicable to the company during the audit period)**

   h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **(Not applicable to the company during the audit period)**

   I/We have also examined compliance with applicable clause of the following:

   i. Secretarial Standards issued by The Institute of Company Secretaries of India.

   ii. The Listing Agreements entered into by the Company with Stock Exchange(s), if applicable; **(Applicable to the company during the audit period as the debt securities of the company is listed on USE Limited and company has complied all the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 w.r.t listed debt securities)**

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

a. The Company has not spent the minimum amount on the CSR activities as per the provisions of section 135 of the Companies Act, 2013 & its schedule VII read with the Companies (Corporate Social Responsibility Policy) Rules, 2014

b. The Company has not filed Annual Return on Foreign Liabilities and Assets (FLA Return) for the FY ended 31.03.2019

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non - Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

For Astik Tripathi and Associates
Company Secretaries

Astik Mani Tripathi
Proprietor
FCS No. 8670
C P No. 10384

Place: New Delhi
Date: 28.08.2019

This report is to be read with our letter of even date which is annexed as Annexure- A and forms an integral part of this report.

Annexure-A

To,
The Members,
Energy Efficiency Services Limited,
NFL Building, 5th & 6th Floor, Core - III,
Scope Complex, Lodhi Road,
New Delhi -110003

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records.
3. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
4. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
5. Where ever required, we have obtained the management representations about the compliance of laws, rules and regulations and happening of events etc.
6. The Compliance of provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedure.

For Astik Tripathi and Associates
Company Secretaries

Astik Mani Tripathi
Proprietor
FCS No. 8670
C P No. 10384

Place: New Delhi
Date: 28.08.2019

Annexure - IV

MANAGEMENT REPLY TO STATUTORY AUDITOR'S REPORT FOR THE FINANCIAL YEAR 2018 - 19

S. No.	Auditor's Qualified Opinion	Management's Reply
1	The company is in the process of compiling certain data and reconciling the amounts billable, receivable & payable under the various agreements entered into with various States, Urban Local Bodies (ULB's) and other organizations under its Energy Service Company (ESCO) model, verification of physical inventory and assets under the scheme & otherwise and reconciliation as to assets to be installed, assets installed pending capitalization, assets capitalized (including capitalization of related direct & indirect cost) and assets against which revenue is booked (as per applicable Indian Accounting Standards) as per the agreements. We are unable to comment upon the differences that may exist and their impact on various account heads such as Capital Work in Progress, Property Plant & Equipment, Inventories, Trade Receivable / Payable, revenue recognition and any other consequential impact on the statement if any, pending completion of such verification and reconciliation. (Refer Note No. 3 a)).	The company is in the process of reconciliation and does not expect any major differences that may arise post such reconciliation/ verification, and shall account for the differences, if any, post completion of the said exercise.
2.	Trade receivables are due from government-controlled entities and other customers. Significant amount of ₹ 60454.34 Lakhs is outstanding for the period of more than 360 days as on 31 March 2019 (₹ 52132.95 Lakhs for the previous year ended 31.03.2018). The company has represented that the Company earns its revenue mainly from government-controlled entities (both central and state government) and hence risks attached to such receivables are considered to be insignificant. For rest of the customers, the Company does an assessment/evaluation of credit risk based on factors such as ageing of dues, specific credit circumstances, nature and credit worthiness of the non-government-controlled ntities/customers. The company has not furnished any records or evidences to demonstrate that such an evaluation and assessment has been carried out. Therefore, we are unable to quantify the impact on the statement on account of any possible allowance on doubtful trade receivables due to expected credit loss once such evaluation is done. (Refer Note No. 36 (a)). This was also a subject matter of Qualification in the previous auditor's report on the standalone financial statements for the year ended 31st March 2018.	The company earns its revenue from Government institutions/ undertakings (both central & State) and from other Customers and has trade receivables from them which has generated from the normal course of business. The Government agencies account for about 88% of the total receivables. Based on the environment in which the Company operates the trade receivables are considered to be in default (credit impaired) when the possibility of recovery of receivables are deteriorating based on management evaluation of certain parameters such as age of dues, nature of customers, its credit worthiness, etc and are required to be provided for allowance on a systematic basis. In respect of the entities that are government controlled, the counter party risk attached to such receivables are insignificant. In respect of non-government controlled which are scattered across different states in India and are in very large number. The Company is still in the process of assessment / evaluation of credit risk based on the above parameters. The company does not expect any major credit impairment that may arise on such assessment and shall provide for allowances for credit impairment, if any, post completion of such assessment.
3.	For Financial assets for which loss allowance is measured using life time expected credit losses in the Financial Statements, the Company has represented that its customers have capacity to meet the obligations and therefore the risk of default is low. Further, management believes that the unimpaired amounts that are past due are still collectible in full, based on historical payment behavior. However, an allowance for doubtful receivables of ₹ 196.65 Lakhs was recognised during the year ended 31.03.2019 (₹ 196.64 Lakhs for the previous year ended on 31.03.2018) i.e., to the extent of 10% of the total outstanding of ₹ 1966.40 Lakhs, thereby making a total provision of ₹ 393.29 Lakhs i.e., 20% of total Outstanding as on 31.03.2019, in respect of cases which are under litigation for recovery. The Company has not been able to demonstrate and produce any evidence that such cases were actually assessed/evaluated for ascertaining credit risk based on factors such as ageing of	The counter party risk attached to the government entities (which account of nearly 88% of trade receivables) are insignificant. In respect of non-government controlled entities, the Company is in receipt of periodic payments even though there are delays in receipt in certain receivables. Therefore, in view of the management, these customers have the capacity to meet the obligations and the risk of default is low. The management believes that trade receivables that are past due are collectable in full based on historical payment behavior (except for certain cases which are in the various stages of litigation and for which the provision for doubtful debt is being made on a systematic basis). The agreement with the Customers provide for legal recourse in case of delays in payment. The Company has initiated litigation proceedings in respect of four customers for a total outstanding amount of ₹ 1966.40 Lakhs. As these cases are in the different stages at various Judicial Authorities, the final outcome of which is

S. No.	Auditor's Qualified Opinion	Management's Reply
	dues, specific credit circumstances, nature and credit worthiness of the customers as defined in the policy of the management for the purpose of creating allowance on such doubtful trade receivables due to expected credit loss in case of default. Therefore, we are unable to quantify the actual impact on the statement on account of further possible allowance on such doubtful trade receivables (which are under litigation for recovery) due to expected credit loss once such evaluation is done. (Refer Note 36 a) (ii)). This was also a subject matter of Qualification in the previous auditor's report on the standalone financial statements for the year ended 31st March 2018.	yet to be decided, as a precautionary measure, the Company has made provision for doubtful debts of ₹ 393.29 Lakhs (20% of the total outstanding of ₹ 1966.40 lakhs) till the current FY 2018-19. Based on the future outcome of the litigations, the company shall make the provisions of the balance of these receivables, if required, in the forthcoming years on a systematic basis.
4.	The company had deferred 'Advertisement Expenses' amounting to ₹ 4907.39 Lakhs in the previous years, from which it has charged an amount of ₹ 619.89 Lakhs in the Statement of Profit & Loss for the year ended 31.03.2019 as Media Expenses. The company continues to defer and carry the balance amount of ₹ 4287.50 Lakhs as Prepaid Expenditure shown under the head Other Current Assets in the Financial Statements contrary to the principles enunciated under Ind AS 38 on 'Intangible Assets', as per which such expenses should be charged to the Profit & Loss Account. (Refer Note 15 (b)). This was also a subject matter of Qualification in the previous auditor's report on the standalone financial statements for the year ended 31 March 2018.	EESL has a target to distribute 77 crores LED bulbs in entire country in 4 year commencing from the FY 2015-16 under the Energy Efficiency Programme (DELP/ UJALA) of Government of India. The programme cost per LED bulb is determined by regulatory commission and includes cost of procurement of LED bulbs, cost of distribution & awareness, return on equity, other financial cost and applicable taxes. EESL had incurred initially the substantial amount on advertisement/awareness of DELP/UJALA programme on national level as well as in the states to create awareness about the programme in the general public to encourage greater participation. The cost of awareness is approved by the regulatory commission and is part of the programme cost. As such the cost of awareness needs to be spread over the number of LED bulbs that are targeted to be distributed. Accordingly, in the annual accounts for FY 2018-19, only that part of awareness expenses which are in proportion to the actual numbers of bulb distributed for FY 201819 vis-a-vis the total targeted LED bulb distribution at the beginning of the year are accounted for charging in the Statement of Profit & Loss and the balance amount is carried over for charging in the Statement of Profit & Loss of subsequent years on the basis of bulbs distribution in the subsequent years. The treatment made by EESL for carry forward of awareness expenses is in order and is disclosed in details under the notes to the financial statements. Hence, Advertisement expenses shall not be deffered after financial year 2018-19 and the balance amount in total shall be written off in next financial year i.e. 2019-20.
5.	The company has entered into agreements with Municipal Corporation for replacement of old conventional streetlights with LED Energy efficient streetlights. The Company follows the practice to capitalize these assets in the books of accounts from the date of capitalization as indicated in the certificate issued by Municipal Corporation and the depreciation is charged accordingly from the date of capitalization which is inconsistent with the provisions of Ind AS 16 on Property Plant and Equipment wherein the projects need to be capitalized and depreciated when it is available for use. a) In the current year the company has received certain completion certificates from the municipal corporation(s), wherein the completion dates mentioned in the certificate falls in the previous year. The company has capitalized these assets in the books of accounts from the completion dates as indicated in the certificates and has charged depreciation of Rs 2135.02 Lakhs on these assets in the Statement of Profit & Loss in current financial year which pertain to the previous year, which is inconsistent with the provisions of Ind AS 8 on `Accounting Policies, Change in Accounting Estimates	*As per para 55 of Ind AS 16, 'Property, Plant & Equipment', depreciation of an asset begins when it is available for use, i.e. when it is in the location and condition necessary for it to be capable of operating in the manner intended by the Management.* The management through various agreements has undertaken to provide energy efficiency services by installation/replacement of a definite number of lights in respective Urban Local Bodies (ULBs). Though the installations/replacements are being done in a progressive manner over a period of time, the basic intent of realising Energy Efficiency is met only when a sizeable number of lights are installed in the ULB. The agreement with customers provides for issuance of Certificate for Completion prior to the billing of revenue for the lights installed which are normally done in batches. Accordingly, the assets are available for the intended use i.e. attaining desired energy efficiency only when a sizeable number of lights are installed, verified and accordingly declared completed by the respective ULBs. The Company capitalises the project on the basis of completion certificate as it clarifies that the project have been implemented and is capable of operating in the manner intended by the Management. Accordingly, the Company charges the depreciation from the date of capitalisation.

S. No.	Auditor's Qualified Opinion	Management's Reply
	and Errors', wherein the Prior Period error has to be corrected by restating the comparative amounts. This has resulted in the understatement of Profit for the current year and overstatement of the profit for the previous year to that extent. (Refer Note No. 3 b)). b) Further, in the current year, the CWIP carries amounts pertaining to various projects which are under various stages of completion and have not been capitalized in the books of accounts due to non - receipt of completion certificates from Municipal Corporation, irrespective of the fact that the asset may be available for use. The impact of this cannot be ascertained by the company as it needs to carry out an exercise to ascertain the various projects where the asset is available for use but the completion certificate from the Municipal Corporation is pending.	During the financial year 2018-19, EESL has received Completion Certificates issued by ULBs for certain lights declaring its completion from the dates falling in the previous financial years. *Ind AS 8, 'Accounting Policies, Changes in Accounting Estimates and Errors', defines prior period errors as omissions from, and misstatements in, the entity's financial statements for one or more prior periods arising from a failure to use, or misuse of, reliable information that was available when the financial statements for those 1 period were approved for issue and could reasonably be expected to have been obtained and taken into account in the presentation of those financial statements.* These completion certificates are issued by the Municipal Corporation after due satisfaction that work has completed in a timely and satisfactory manner. Since the completion certificates are issued by the Municipal Corporations in the current financial year, streetlights are capitalised during the current year with effect from date of completion declared in the certificate and depreciation of Rs 2135.02 Lakhs on these assets have been charged in the Statement of Profit & Loss in current financial year. Accordingly, for the projects which are under progress, the Company is in the process of obtaining completion certificates from the Municipal Corporation and the Company shall capitalise these projects from the date of completion declared in the completion certificates.

Annexure - V

MANAGEMENT REPLY TO SECRETARIAL AUDITOR'S REPORT FOR THE FINANCIAL YEAR 2018 - 19

S. No.	Secretarial Auditor's Observation	Management's Reply
1.	The Company has not spent the minimum amount on the CSR activities as per the provisions of section 135 of the Companies Act, 2013 & its schedule VII read with the Companies (Corporate Social Responsibility Policy) Rules, 2014.	As per Annexure
2.	The Company has not filed Annual Return on Foreign Liabilities and Assets (FLA Return) for the FY ended 31.03.2019.	The same could not be filed due to operational issues. Company is in the process of making necessary compliance.

Annexure

S. No.	CSR Project or activity identified	Project Cost	Unspent CSR Amount	Reason / Clarification
1.	Financial assistance to support the education of deprived students	₹ 0.4 million	₹ 0.4 million	EESL has sent the fund sanction letter to DoRA, IIT Kanpur and the Agreement has also been finalised. EESL is in process to sign the agreement with DoRA, IIT Kanpur. Once the agreement is signed, the payment will be released to DoRA, IIT Kanpur.
2.	Financial assistance to purchase the office equipment to support the education of students having multiple disabilities	₹ 0.13 million	₹ 0.13 million	Agreement has been signed between EESL and M/s DISHA Foundation on 9th March, 2019. M/s DISHA Foundation is about to send the bills after compliance of T&C of the agreement. So, this payment immediately will be processed once EESL receives the bills of M/s DISHA Foundation
3.	Construction of 125 No.s of Toilet Blocks for use of Households	₹ 5.35 million	₹ 5.35 million	Agreement has been signed between EESL and M/s Gramin Vikas Trust (GVT) on 28th February, 2019. The construction of 100 Nos. of Toilet Blocks out of 125 Nos. has been completed and payment of ₹ 26.73 Lacs has been released to M/s GVT in the FY 2019 - 20. The balance work will be completed within coming 2 months. The project has been delayed due to the bad weather conditions. (Due to heavy rain in Uttarakhand)
4.	Swachhta Action Plan for schools as a part of Swachhta Pakhwara	₹ 4.8 million	₹ 4.41 million	The expenditure was for all the Regional Offices PAN India. Many states were not able to identify and tie up for the same.
5.	Cleanness Drive in 100 schools falling under the jurisdiction of SDMC	₹ 0.6 million	₹ 0.12 million	The cleaning drive in 96 schools were done. However, SDMC was not able to provide the details of rest 4 (four) schools.
6.	Cleanness Drive in SCOPE Complex (EESL - HO) on 2nd October, 2018	₹ 0.2 million	₹ 0.2 million	The cleanliness drive was done by the employees itself. Accordingly, no expenses were incurred.
7.	Providing Skill Training to students of identified ITI / Polytechnic Colleges	₹ 1.2 million	₹ 0.88 million	The skill development training was given in two government Polytechnic Institutes. We tried to do in other colleges but due to unavailability of students / venue due to elections, we could not do more colleges. However, this year we shall be covering 100 students under CSR, while meeting the MOU target.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Industry structure and development

In 2010, the **'National Mission for Enhanced Energy Efficiency' (NMEEE)**, a policy by govt. of India, has indicated ₹ 740,000 million of investment potential for energy efficiency and conservation (EE&C) out of which ₹ 300,000 million of potential exists in energy intensive industries and remaining ₹ 440,000 million in the other key demand side economic sectors. World Bank's study report in November, 2016 indicates that India's Energy Efficiency Market is at ₹ 0.16 million Crores. The renewed Demand Side Management (DSM) market potential is estimated to be 178 billion kWh of energy savings per annum.

Demand for energy efficiency is rising. Energy efficiency improvements have led to an avoided energy use of 6% in 2017 against the baseline year 2000. These were largely achieved through interventions in the industry, service sectors and residential buildings (IEA, 2018). Energy efficiency improvements have led to avoided GHG emissions of around 145 MtCO2e and avoided imports of fossil fuels by 5% in 2017 (IEA,2018). Although India's primary energy demand has doubled from ~11 EJ in 2000 to ~22 EJ in 2017, IEA estimates that energy efficiency could limit demand growth by 82% from the current levels in 2040. This decrease is expected to save almost 10 EJ of final energy use and emissions reductions of around 985 MtCO2e.

Till date, less than 10% of the overall market has been tapped through ESCO mode mainly in the areas of lighting and some industrial applications. Large scale deployments have been constrained by a number of important regulatory, institutional and financing barriers. Energy Efficiency Services Limited (EESL), has been set-up as a Joint Venture of four Public Sector Units, under the administration of Ministry of Power, Government of India. EESL is a Super - Energy Service Company enabling consumers, industries and Governments to effectively manage their energy needs through energy efficient technologies and related solutions.

Smart metering is among the measures proposed by Government of India under both IPDS and UDAY schemes to improve the financial health of power DISCOMs. As per Power Ministry's strategy to roll out Advanced Metering Infrastructure (AMI), Smart Meters are to be installed in phases, aiming to cover a total consumer base of 250 million.

Electric Vehicles (EVs) are at the forefront of global agenda to move towards a sustainable future. The Government of India (GoI) is promoting EV adoption in India and has recently announced its target to reach 30% EVs adoption by 2030. Several state governments have set targets for EVs and working towards accelerating EV adoption in their respective states.

One of the major barriers in EV adoption is unavailability of public charging infrastructure. The Government of India has recently announced several initiatives to promote investments in EV Public Charging Stations (PCS). On 14th December 2018, the Ministry of Power (MoP) released guidelines for charging infrastructure for EVs. MoP also proposed to cover 70 cities and 20% of highways at a cost of INR 5,000 crores by 2025, for creating charging infrastructure. The Ministry of Housing and Urban Affairs (MoHUA) recently approved amendments to Model Building Bye - laws (MBBL), 2016 and Urban Regional Development Plans Formulation and Implementation (URDPFI) Guidelines, 2014. With these amendments, building premise will have to have an additional power load equivalent to power load for all charging points in a PCS to be operated simultaneously.

The Government has set a target of installing 100 GW of solar capacity by 2022 in the country. A target of installing 175 GW of renewable energy capacity by the year 2022 has been set, which includes 100 GW from solar, 60 GW from wind, 10 GW from bio-power and 5 GW from small hydro-power. The Government is promoting development of solar energy in the country by providing various fiscal and promotional incentives such as accelerated depreciation, waiver of Inter State Transmission System (ISTS) charges and losses, financing solar rooftop systems as part of home loan, and permitting Foreign Direct Investment up to 100 per cent under the automatic route.

The building sector in India is seeing an upward trend with high growth in energy demand. This is due to the ever - increasing demand for human comfort and rapid industrialization. There is a need to address this demand both from supply side and demand side. Trigeneration or Combined Cooling, Heating and Power (CCHP) addresses this by generating power and supplying at the local level. These systems can be implemented at a building level or industry level. Such systems when installed at district level called as District Energy Systems. The advantages of Trigeneration is not only high efficiency but also it is highly reliable and environment friendly.

In order to implement these projects, EESL is leveraging the concept of PAYS model which has been a successful business proposition for most of the projects of EESL.

Outlook

Energy Efficiency is a key plank of India's strategy to transition into a low carbon future which has potential to reduce 50% of India's country level emission; EE project implementation at a large scale and fast pace for new and emerging technologies is the need of the hour. To develop the ecosystem for successful implementation of energy efficiency projects in India, ESCO (Energy Services) industry in India is heading in the right direction. EESL has been setup as Super ESCO, which is implementing the world's largest non-subsidized energy efficiency portfolio across sectors like lighting, buildings, E-mobility, smart metering and agriculture at a scale which no organization has been able to achieve.

As per the analysis, EESL shall capture more than 16% of the total market potential of energy efficiency over the next 5 years. EESL focuses on solution-driven innovation with no subsidy or capital expenditure. It is able to do so using its Pay-As-You-Save (PAYS) model, which obviates the need for any upfront capital investment by the consumer. The entire investment by EESL is recovered through monetized energy savings over a scheduled project period. The cost reduction attributed to aggregation strategies adopted by EESL and the success of its business model has created a positive outlook for EESL in the coming years.

Riding on the success and investments of the last year, EESL would try to adopt the best practices from its matured programs to new programmes. EESL would strengthen its programs for Electric Vehicles, Charging Infrastructure, Smart Meters, Decentralized solar plants, Trigeneration, Industrial Energy efficiency and International Operations. EESL is also associated with various international financial institutions/ Multilateral Development Banks (MDBs) and leading environmental authorities such as World Bank, ADB, AfD, KfW, USAID, UNEP etc. for technical assistance, trainings, financing and scaling up the Energy Efficiency Programmes in India and across Globe.

EESL's Strengths

EESL has developed in house expertise in execution of energy efficiency and demand side management projects. The team has immense knowledge of the key innovation in energy efficient technologies. EESL has technical and financial support from its strong institutional promoters. EESL has demonstrated proven track record of delivering outcomes, strong brand and domain expertise. In the last few years, EESL has developed excellent relationship with their core customer base - distribution utilities and municipal utilities. EESL has pioneered the demand side aggregation methodology thereby driving down the prices of energy efficient appliances. EESL currently has access to economical financing options from multi and bilateral agencies. This plays an important role in delivering value and better returns to our customers. EESL is one the very few organizations which has successfully executed large scale energy efficiency projects in the country.

EESL's Weaknesses

EESL is projected to grow at a break neck pace in the coming future. Availability of sufficient resources is a key challenge for EESL. The current equity base is small to fuel EESL growth in future. The Promoters have been infusing equity into the company from time to time as needed. However, considering the growth trajectory, EESL would need to explore all options for raising additional equity including an IPO. Considering the growth of EESL, availability of experienced human resources is also a significant weakness for EESL. For which, EESL has already started systematic recruitment and has hired a professional consulting firm (M/s Mckinsey & Company) which is working towards the complete organization transformation in order to match the growth scenario of EESL.

Opportunities

EESL has excellent working relationship with distribution utilities. They also have a keen understanding of regulations and policies related to energy efficiency and demand side management. Their success in large scale deployment of energy efficient lighting technology makes them a prime candidate to develop and implementation project for other energy consuming technologies particularly fans and air conditioners. Apart from the distribution utilities, EESL has developed strong connection with Urban local bodies across India wherein most of the projects are being implemented to meet national targets and vision.

EESL can also work with funding agencies to develop viable business models for large scale deployment of other innovative EE technologies including smart grids, tri-generation, and industrial chillers among other.

Overseas Opportunities: EESL is in strong position to deliver its solutions outside India. EESL has made partnerships with various Govt. agencies and leading technology providers. EESL has successfully implemented the energy efficiency projects across the globe.

Threats, Risks and Concerns

EESL has showcased the success of Standard Offer Program and On-bill financing in implementation of energy efficient lighting programs. This has led to eagerness of utilities to execute of these programs independent of EESL. Further, the cost of debt for EESL should also be maintained at a sustainable level to ensure better returns for both EESL and their consumers.

The rapid deployment of these technologies can result in shortage in markets as the manufacturing capacity of the suppliers may not match EESL's requirement. This can also result in distribution of cheaper imports and low quality products in the market.

With growing business portfolio of EESL, receivables of EESL are also increasing. This is the serious concern, for which commercial wing in EESL is functioning proactively with strong monitoring mechanism. However, most of the outstanding are from states/govt. clients and EESL is getting a good support from states with the proactive approach of government of India.

Internal Control System and their Adequacy

The Company maintains an adequate system of Internal Control including suitable monitoring procedures which ensures accurate and timely financial reporting of various transactions, efficiency of operations and compliance with statutory laws, regulations and Company policies. Suitable delegations of power and guidelines for accounting have been issued for uniform compliance. In order to ensure that adequate checks and balances are in place and internal control systems are in order, regular and exhaustive Internal Audit are conducted internally by experienced firms of Chartered Accountants.

Further to complement the internal controls, EESL has already implemented an ERP system.

Material Developments in Human Resources/Industrial Relations

The Total manpower of the Company as on 31st March 2019 stands at 955 which includes 263 regular employees, 136 fixed term employees, 33 consultants, 523 third party employees. With this talent pool bearing a unique mix of experienced and fresh executives and staff, the project execution capabilities are enhanced manifold.

Discussion on Financial Performance

During the financial year, the Company registered an increase of ₹ 4817.10 million in revenue from operations which went up to ₹ 18376.50 million from ₹ 13559.40 million during the financial year 2017 - 18. Profit before tax was at ₹ 1711.20 million in 2018 - 19 in comparison to ₹ 615 million in 2017 - 18. Net profit of the Company in 2018 - 19 was ₹ 951 million. Net worth of the Company as on March 31, 2019 has increased by 30.34% (from ₹ 6444.30 million in 2017 - 18 to ₹ 8399.70 million in 2018 - 19).

During the financial year 2018 - 19, fixed assets increased to ₹ 30640.60 million in comparison to ₹ 21429.80 million in 2017 - 18. Increase in fixed asset was contributed by increase in implementation of projects.

Environmental Protection and Conservation

The projects executed by EESL till the end of last financial year i.e. 2018 - 19 saved over 50 billion kWh of energy per year, avoided peak demand of over 10,000 MW and over 39 million tonnes of CO_2 annually.

EESL has also takes proper care in destroying the old lighting inventory replaced during the projects to prevent mercury and lead contamination. This inventory is destroyed as per the guidelines set by the electricity regulatory commission and local pollution control committee.

Segment-Wise or Product-Wise Performance

Till financial year 2018 - 19, EESL has executed its projects across India. Till 31st March, 2019, EESL has completed the distribution of over 347.40 million LED bulbs, 2.21 million Energy Efficient Fans & 6.94 million LED Tube lights and installation of 8.49 million LED street lights.

Cautionary Note

Certain statements in "Management Discussion and Analysis" section may be forward looking and are stated as required by applicable laws and regulations. Many factors may affect the actual results, which could be different from what the Management envisages in terms of future performance and outlook.

Annexure - VII

Statement of Disclosure of Remuneration under Section 197 of the Companies Act, 2013 and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

(i) The ratio of remuneration of each director to the median remuneration of employees of the company for the financial year 2018 - 19 & percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Director, Company Secretary or Manager, if any, in the financial year.

S. N.	Name of Director / KMP and Designation	Remuneration of Director / KMP for F.Y. 2017 - 18 (₹ In million)	Remuneration of Director / KMP for F.Y. 2018-19 (₹ In million)	% increase in Remuneration in the F.Y. 2018 - 19	Median Remuneration (F.Y. 2018-19) * (₹ In million)	Ratio of remuneration of each Director to median remuneration of employees	Median Remuneration (F.Y. 2017 - 18) * (₹ In million)	% Increase in median
1	Shri Saurabh Kumar Managing Director	4.70	5.85	24	1.4	4.21	0.99	39.84
2	Ms. Renu Narang * Director (Finance)	4.19	4.25	1	1.4	3.06	0.99	39.84
3	Shri Shankar Gopal*** Director (Commercial)	3.63	5.11	41	1.4	3.68	0.99	39.84
4	Shri. Venkatesh Dwivedi**** Director (Projects & Business Development)	NIL	3.73	NA	1.4	2.68	0.99	39.84
5	Ms. Pooja Shukla	2.02	2.53	25	1.4	1.82	0.99	39.84

* Median Remuneration of permanent employees on rolls of the company.

** Ms. Renu Narang's remuneration is annualized for the full year for both FY i.e., 2017 - 18 and 2018 - 19 as she was appointed as Director (Finance) w.e.f. 1st March, 2018. She was also appointed as CFO w.e.f. 6th April, 2018 and resigned w.e.f. 23rd January, 2019 from the post of Director (Finance) as well as CFO.

*** Shri Shankar Gopal appointed as Director (Commercial) & CFO w.e.f. 7th February, 2019. However, he was CFO of the company during the financial year 2017 - 18.

**** Shri Venkatesh Dwivedi's remuneration is taken w.e.f. 7th February, 2019 as he was appointed as Director (Projects & Business Development) on the same day.

(ii)	**The percentage increase in the median remuneration of employees in the financial year.**	39.84%
(iii)	**Number of permanent employees on rolls of the company.**	As on 31st March, 2019: 258 As on 31st March, 2018 : 246
(iv)	**Average percentile increase already made in the salaries of employees of other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.**	There was average increase of 3% in the basic remuneration of employees of the company including managerial personnel
(v)	**Affirmation that the remuneration is as per the remuneration policy of the company**	Yes

(vi) Particulars of Top 10 Employees in terms of Remuneration drawn:

S. N.	Name & Designation	Nature of Employment (whether contractual or otherwise)	Remuneration Received (₹ In million)	Qualification	Date of Commencement of Employment	Age (DOB)	Last Employment	Number of Equity Shares held in the Company	If relative of any Director or Manager, name of such Director or Manager
1	Shri Saurabh Kumar (Managing Director)	Permanent	5.85	B. Tech (IIT Kanpur), Masters in Public Policy	06.05.2013	51 years (14.12.1967)	UNEP	Nil	NA
2	Shri Shankar Gopal (Director - Commercial)	Permanent	5.11	B.Com (hons), C.W.A (ICWAI)	08.06.2016	51 years (08.07.1967)	Power Grid Corporation of India Limited	Nil	NA
3	Shri Soumya Prasad Garnaik (CGM - Technical)	Permanent	3.99	PG (Plant Engg.)	01.07.2016	50 years (03.06.1969)	ICF International	Nil	NA
4	Shri Sameer Agarwal (AGM - Finance)	Permanent	3.89	B.Com (hons), CA (ICAI), C.W.A (ICWAI)	09.01.2014	50 years (07.07.1968)	RailTel	Nil	NA
5	Shri Deepak Garg (AGM - Finance)	Permanent	3.87	B.Com (hons), CA (ICAI), C.W.A (ICWAI)	27.12.2013	45 years (13.09.1973)	Indian Renewable Energy Development Agency Ltd.	Nil	NA
6	Shri Venkatesh Dwivedi (Director - Projects & Business Development)	Permanent	3.73	B.E., MBA (IIM Kolkata), Energy Auditor	07.10.2013	49 years (26.05.1969)	Take solutions Global LLP	Nil	NA
7	Shri Prakash Jha (AGM - Legal)	Permanent	3.69	LLB	09.12.2015	50 years (10.08.1969)	In Practice	Nil	NA
8	Shri Rajneesh Rana (GM - Contracts & BD)	Permanent	3.67	B. Com, MBA, PG Diploma in International Law	10.10.2013	42 years (25.03.1976)	Indian Potash Limited	Nil	NA
9	Shri Girja Shankar	Permanent	3.66	M.Tech	01.09.2016	49 years (15.11.1969)	BEE	Nil	NA
10	Shri Jaspal Singh Aujla (CGM - Technical)	Permanent	3.65	B.E., M. Tech., MBA	29.10.2013	52 years (27.06.1969)	Sant Longowal Institute of Engineering and Technology	Nil	NA

Note:

a. Remuneration is as per the Remuneration Policy of the Company.

b. The Remuneration for the purpose of above table is defined as Total Cost of the Company (TCC) which includes variable Performance related pay.

c. In terms of the provisions of Section 197(12) of the Companies Act,2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, no employee of the Company employed throughout the year who was in receipt of remuneration of Rupees one crore and two lacs or more in a year. Further, during the year under review, there was no employee of the Company employed for a part of year who was in receipt of remuneration of rupees eight lacs and fifty thousand or more per month.

For and on Behalf of the Board of Directors
Energy Efficiency Services Limited

Shri Rajeev Sharma
Chairman
(DIN: 00973413)

Date: 26.09.2019
Place: New Delhi

गोपनीय

संख्या/No.: MAB-III/Rep/01-102/A/cs-EESL/2019-20/ 613

भारतीय लेखापरीक्षा और लेखा विभाग
कार्यालय
प्रधान निदेशक, वाणिज्यिक लेखा परीक्षा
एवं पदेन सदस्य लेखा परीक्षा बोर्ड-III
नई दिल्ली

Indian Audit & Accounts Department
OFFICE OF THE
PRINCIPAL DIRECTOR OF COMMERCIAL AUDIT
& EX-OFFICIO MEMBER, AUDIT BOARD-III
NEW DELHI

सत्यमेव जयते

दिनांक/Dated: 30/09/2019

सेवा में,

प्रबंध निदेशक,
एनर्जी एफिशिएंसी सर्विसेज लिमिटेड,
नोएडा

महोदय,

विषय: 31 मार्च 2019 को समाप्त वर्ष के लिये एनर्जी एफिशिएंसी सर्विसेज लिमिटेड, नोएडा के वार्षिक लेखाओं पर कम्पनी अधिनियम 2013 की धारा 143(6)(b) के अन्तर्गत भारत के नियंत्रक एंव महालेखापरीक्षक की टिप्पणियाँ।

मै, एनर्जी एफिशिएंसी सर्विसेज लिमिटेड, नोएडा, के 31 मार्च 2019 को समाप्त वर्ष के लेखाओं पर कंपनी अधिनियम 2013 की धारा 143(6)(b) के अंतर्गत भारत के नियंत्रक एवं महालेखापरीक्षक की टिप्पणियाँ अग्रेषित कर रहा हूँ। कृपया इस पत्र की संलग्नकों सहित प्राप्ति की पावती भेजी जाए।

भवदीय,

संलग्न: यथोपरि

राजदीप

(राजदीप सिंह)
प्रधान निदेशक

छठा एवं सातवाँ तल, ऐनैक्सी बिल्डिंग, 10, बहादुरशाह ज़फर मार्ग, नई दिल्ली - 110002
6th & 7th floor, Annexe Building, 10 Bahadur Shah Zafar Marg, New Delhi -110002
Tel: 011-23239227, Fax: 011-23239211, E-mail: mabnewdelhi3@cag.gov.in

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6) (b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF ENERGY EFFICIENCY SERVICES LIMITED FOR THE YEAR ENDED 31 MARCH 2019

The preparation of financial statements of Energy Efficiency Services Limited for the year ended 31 March 2019 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditor appointed by the Comptroller and Auditor General of India under section 139 (5) of the Act is responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 27.05.2019.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of Energy Efficiency Services Limited for the year ended 31 March 2019 under section 143(6)(a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the statutory auditor and is limited primarily to inquiries of the statutory auditor and company personnel and a selective examination of some of the accounting records.

On the basis of my supplementary audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditor's report under section 143(6)(b) of the Act.

For and on behalf of the
Comptroller & Auditor General of India

(Rajdeep Singh)
Principal Director of Commercial Audit &
Ex-officio Member, Audit Board – III,
New Delhi

Place: New Delhi
Date: 30/09/2019

गोपनीय

संख्या/No.: MAB-III/Rep/03-12/A/cs-CFS-EESL/2019-20/ 615

सत्यमेव जयते

भारतीय लेखापरीक्षा और लेखा विभाग
कार्यालय
प्रधान निदेशक, वाणिज्यिक लेखा परीक्षा
एवं पदेन सदस्य लेखा परीक्षा बोर्ड-III
नई दिल्ली

Indian Audit & Accounts Department
OFFICE OF THE
PRINCIPAL DIRECTOR OF COMMERCIAL AUDIT
& EX-OFFICIO MEMBER, AUDIT BOARD-III
NEW DELHI

दिनांक/Dated: 30/09/2019

सेवा में,

प्रबंध निदेशक,
एनर्जी एफिशिएंसी सर्विसेज लिमिटेड,
नोएडा

महोदय,

विषय: **31 मार्च 2019 को समाप्त वर्ष के लिये एनर्जी एफिशिएंसी सर्विसेज लिमिटेड, नोएडा, के Consolidated Financial Statements (CFS) पर कम्पनी अधिनियम 2013 की धारा 143(6)(b) एवं धारा 129(4) के अन्तर्गत भारत के नियंत्रक-महालेखापरीक्षक की टिप्पणियाँ।**

मै एनर्जी एफिशिएंसी सर्विसेज लिमिटेड, नोएडा, के 31 मार्च 2019 को समाप्त वर्ष के Consolidated Financial Statements (CFS) पर कंपनी अधिनियम 2013 की धारा 143(6)(b) एवं धारा 129(4) के अंतर्गत भारत के नियंत्रक-महालेखापरीक्षक की टिप्पणियाँ अग्रेषित कर रहा हूँ। कृपया इस पत्र की संलग्नकों सहित प्राप्ति की पावती भेजी जाए ।

भवदीय,

संलग्न: यथोपरि

(राजदीप सिंह)
प्रधान निदेशक

छठा एवं सातवाँ तल, ऐनैक्सी बिल्डिंग, 10, बहादुरशाह ज़फर मार्ग, नई दिल्ली - 110002
6th & 7th floor, Annexe Building, 10 Bahadur Shah Zafar Marg, New Delhi -110002
Tel: 011-23239227, Fax: 011-23239211, E-mail: mabnewdelhi3@cag.gov.in

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6) (b) READ WITH SECTION 129 (4) OF THE COMPANIES ACT, 2013 ON THE CONSOLIDATED FINANCIAL STATEMENTS OF ENERGY EFFICIENCY SERVICES LIMITED FOR THE YEAR ENDED 31 MARCH 2019

The preparation of consolidated financial statements of Energy Efficiency Services Limited for the year ended 31 March 2019 in accordance with the financial reporting framework prescribed under the-Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditor appointed by the Comptroller and Auditor General of India under section 139 (5) read with section 129 (4) of the Act is responsible for expressing opinion on the financial statements under section 143 read with section 129 (4) of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 02.07.2019.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the consolidated financial statements of Energy Efficiency Services Limited for the year ended 31 March 2019 under section 143(6)(a) read with section 129(4) of the Act. We conducted a supplementary audit of the financial statements of Energy Efficiency Services Limited. Further, section 139(5) and 143 (6) (a) of the Act are not applicable to entities listed in Annexure being private entity(ies)/ entity(ies) incorporated in Foreign country(ies) under the respective laws, for appointment of their Statutory Auditor and for conduct of supplementary audit. Accordingly, Comptroller and Auditor General of India has neither appointed the Statutory Auditors nor conducted the supplementary audit of these companies. This supplementary audit has been carried out independently without access to the working papers of the statutory auditor and is limited primarily to inquiries of the statutory auditor and company personnel and a selective examination of some of the accounting records.

On the basis of my supplementary audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditor's report under section 143(6)(b) of the Act.

For and on behalf of the
Comptroller & Auditor General of India

(Rajdeep Singh)
Principal Director of Commercial Audit &
Ex-officio Member, Audit Board – III,
New Delhi

Place: New Delhi
Date: 30/09/2019

List of subsidiaries, associate companies and jointly controlled entities where section 139(5) and 143 (6) (b) of the Act are not applicable

A. **Subsidiaries Companies**

EESL Energy Pro Assets Limited
Anesco Energy Services South Limited
Creighton Energy Limited
EPAL Holdings Limited
Edina Acquisition Limited
Edina Power Services Limited
Edina Limited
Edina UK Limited
Edina Australia PTY Limited
Armoura Holdings Limited
Stanbeck Limited
Edina Manufacturing Limited
Edina Power Limited
EPL Trigeneration Private Limited

B. **Joint Ventures Companies**

NEESL Private Limited

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF ENERGY EFFICIENCY SERVICES LIMITED

Report on the Audit of the Standalone Financial Statements

Qualified Opinion

We have audited the accompanying standalone financial statements of Energy Efficiency Services Limited ("the Company"), which comprise the standalone balance sheet as at 31st March 2019, and the standalone statement of Profit and Loss (including Other Comprehensive Income), the standalone statement of changes in equity and the standalone statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, except for the effect of the matters described in Basis for Qualified Opinion section of our report, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, the profit (financial performance including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for Qualified Opinion

1. The company is in the process of compiling certain data and reconciling the amounts billable, receivable & payable under the various agreements entered into with various States, Urban Local Bodies (ULB's) and other organizations under its Energy Service Company (ESCO) model, verification of physical inventory and assets under the scheme & otherwise and reconciliation as to assets to be installed, assets installed pending capitalization, assets capitalized (including capitalization of related direct & indirect cost) and assets against which revenue is booked (as per applicable Indian Accounting Standards) as per the agreements. We are unable to comment upon the differences that may exist and their impact on various account heads such as Capital Work in Progress, Property Plant & Equipment, Inventories, Trade Receivable Payable, revenue recognition and any other consequential impact on the statement if any, pending completion of such verification and reconciliation. (Refer Note No. 3 a))

2. Trade receivables are due from government-controlled entities and other customers. Significant amount of Rs. 60454.34 Lakhs is outstanding for the period of more than 360 days as on 31 March 2019 (₹ 52132.95 Lakhs for the previous year ended 31.03.2018). The company has represented that the Company earns its revenue mainly from government-controlled entities (both central and state government) and hence risks attached to such receivables are considered to be insignificant. For rest of the customers, the Company does an assessment/ evaluation of credit risk based on factors such as ageing of dues, specific credit circumstances, nature and credit worthiness of the non-government-controlled entities/customers. The company has not furnished any records or evidences to demonstrate that such an evaluation and assessment has been carried out. Therefore, we are unable to quantify the impact on the statement on account of any possible allowance on doubtful trade receivables due to expected credit loss once such evaluation is done. (Refer Note No. 36 (a)). This was also a subject matter of Qualification in the previous auditor's report on the standalone financial statements for the year ended 31st March 2018.

3. For Financial assets for which loss allowance is measured using life time expected credit losses in the Financial Statements, the Company has represented that its customers have capacity to meet the obligations and therefore the risk of default is low. Further, management believes that the unimpaired amounts that are past due are still collectible in full, based on historical payment behaviour. However, an allowance for doubtful receivables of ₹ 196.65 Lakhs was recognised during the year ended 31.03.2019 (₹ 196.64 Lakhs for the previous year ended on 31.03.2018) i.e., to the extent of 10% of the total outstanding of ₹ 1966.40 Lakhs, thereby making a total provision of ₹ 393.29 Lakhs i.e., 20% of total Outstanding as on 31.03.2019, in respect of cases which are under litigation for recovery. The Company has not been able to demonstrate and produce any evidence that such cases were actually assessed/evaluated for ascertaining credit risk based on factors such as ageing of dues, specific credit circumstances, nature and credit worthiness of the customers as defined in the policy of the management for the purpose of creating allowance on such doubtful trade receivables due to expected credit loss in case of default. Therefore, we are unable to quantify the actual impact on the statement on account of further possible allowance on such doubtful trade receivables (which are under litigation for recovery) due to expected credit loss once such evaluation is done. (Refer Note 36 a) (ii)). This was also a subject matter of Qualification in the previous auditor's report on the standalone financial statements for the year ended 31st March 2018.

4. The company had deferred 'Advertisement Expenses' amounting to ₹ 4907.39 Lakhs in the previous years, from which it has charged an amount of ₹ 619.89 Lakhs in the Statement of Profit & Loss for the year ended 31.03.2019 as Media Expenses. The company continues to defer and carry the balance amount of ₹ 4287.50 Lakhs as Prepaid Expenditure shown under the head Other Current Assets in the Financial Statements contrary to the principles enunciated under Ind AS 38 on 'Intangible Assets', as per which such expenses should be charged to the Profit & Loss Account. (Refer Note 15 (b)). This was also a subject matter of Qualification in the previous auditor's report on the standalone financial statements for the year ended 31st March 2018.

5. The company has entered into agreements with Municipal Corporation for replacement of old conventional streetlights with LED Energy efficient streetlights. The Company follows the practice to capitalize these assets in the books of accounts from the date of capitalization as indicated in the certificate issued by Municipal Corporation and the depreciation is charged accordingly from the date of capitalization which is inconsistent with the provisions of Ind AS 16 on Property Plant and Equipment wherein the projects need to be capitalized and depreciated when it is available for use.

    a) In the current year the company has received certain completion certificates from the municipal corporation(s), wherein the completion dates mentioned in the certificate falls in the previous year. The company has capitalized these assets in the books of accounts from the completion dates as indicated in the certificates and has charged depreciation of ₹ 2135.02 Lakhs on these assets in the

Statement of Profit & Loss in current financial year which pertain to the previous year, which is inconsistent with the provisions of Ind AS 8 on 'Accounting Policies, Change in Accounting Estimates and Errors', wherein the Prior Period error has to be corrected by restating the comparative amounts. This has resulted in the understatement of Profit for the current year and overstatement of the profit for the previous year to that extent. (Refer Note No. 3 b)).

b) Further, in the current year, the CWIP carries amounts pertaining to various projects which are under various stages of completion and have not been capitalized in the books of accounts due to non - receipt of completion certificates from Municipal Corporation, irrespective of the fact that the asset may be available for use. The impact of this cannot be ascertained by the company as it needs to carry out an exercise to ascertain the various projects where the asset is available for use but the completion certificate from the Municipal Corporation is pending.

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone 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 ICAI 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 financial statements.

Emphasis of Matter

We draw attention to the following matters in the notes to the Standalone Financial Statements:

1. Note No. 29 b) which states that the company has recognized revenue under agreements with ULBs based on certain assumptions/ estimates for which it is seeking clarification from the respective ULBs.
2. Note no. 9 c) on Trade Receivables and Note no. 25 a) on Trade Payables which state that Trade Receivables and Trade Payables are subject to confirmations, reconciliation and consequential adjustments that may arise on reconciliation.
3. Note no. 15 a) and Note No. 27 a) which state that the sales, corresponding output tax liability and purchases along with corresponding input tax credit reported in GST and VAT returns, the net input tax credit receivable or the net output tax liability payable, as the case may be, are subject to reconciliation with the books of accounts. Differences which will be identified on reconciliation of GST/VAT returns will be addressed in annual GST/VAT statements/Revised returns to be filed in due course.
4. Note no. 36 a) (ii) on Financial Risk Management which states that the company has not made a provision of ₹ 1650 lakhs on account of subsidy not received from Delhi Government/DERC as per the recommendation made by the CAG of India in their report dated 18th October 2017 issued to company. However, the management is of the view that the recovery is being followed up with concerned authority, which is under review and the management is confident for recovery of their dues.

Our opinion is not modified in respect of these matters

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the Basis for Qualified Opinion section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	How our Audit addressed the Key Audit Matter
1.	**Classification of E-Vehicle given on Lease** The number of E-Vehicles given on lease by the company has increased significantly during the year and Management's judgment and assessment is required for classification of such leases as Operating Lease or finance lease. We identified this as a Key Audit Matter because classification of such leases involves significant management judgment and it may be subject to management bias. (Refer Note 43(b))	We have obtained an understanding and analysed the contracts for E-Vehicles given on lease to various parties w.r.t. to terms of the lease specified under the contract. Management's judgments and the conditions stipulated in the Ind AS 17 "Leases" for classification of lease as Operating Lease or Finance Lease were assessed w.r.t the terms of the lease specified in the contract. Based on the above procedures performed, the recognition of E-Vehicles as finance lease, are considered adequate and reasonable.
2.	**Recognition of revenue under agreements with Urban Local Bodies (ULBs).** The Company has recognised revenue under agreements with ULB 's based on certain assumptions / estimate in respect of Certain areas not specifically covered under the agreements.	An understanding of the agreements with ULBs was obtained in respect of the payments terms specified under the contract for recognition of revenue under the agreement and adopted the following audit procedures: - Evaluated and tested the effectiveness of the company's design of internal controls relating to recognition and measurement of revenue under the agreements with ULBs.

This is considered as Key Audit Matter due to its nature and extent of estimates made by the company, which leads to recognition and measurement of Revenue under the agreements with ULBs. (Refer Note No. 29 b))	- The reasonability of the assumptions / Estimates made by the company for the recognition of revenue under agreements with ULBs was assessed. - Verified the accounting of revenue under the agreements with ULBs based on the 1ND AS 115 "Revenue from Contracts with Customers" Based on the above procedures performed and based on the representation by the company that they are in the process of seeking clarification on such matters, the recognition of revenue under the agreements with ULBs is considered to be adequate and reasonable.

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report including annexures to the Board's Report, but does not include the standalone financial statements and our auditor's report thereon. The above Report is expected to be made available to us after the date of this Auditor's Report.

Our opinion on the standalone 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 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 standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the above identified reports, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate actions necessitated by the circumstances and the applicable laws and regulations.

Responsibility of Management for Standalone 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 financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rule, 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 standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone 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.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

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

Our objectives are to obtain reasonable assurance about whether the standalone 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 standalone 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 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 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 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone 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 standalone 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.

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

Other Matter

We did not audit the financial statements / information of one branch of the company in London, included in the standalone financial statements of the Company whose financial statement / information reflects total assets of Rs. 717.61 lakhs as at 31st March 2019 and total revenue of Rs. 561.02 lakhs for the year ended on that date, the financial statements / information of the said branch is certified by the management, and our opinion in so far as it relates to the amounts and disclosures included in respect of the said branch is based solely on the information certified by the management.

Our opinion is not modified in respect of these matters.

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 accounts of one foreign branch of the company situated in London that reflect total Assets of Rs. 717.61 lakhs as at 31st March 2019 and total Revenue Rs. 561.02 lakhs for the year ended on that date are unaudited and certified by the management.

   d) the Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement and the statement of changes in equity dealt with by this Report are in agreement with the relevant books of account;

   e) in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with relevant rule issued there under;

   f) on the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act. However, in the case of Gauri Trivedi, Ministry of Corporate Affairs (MCA) had freezed her Directors Identification Number (DIN) on the grounds that one of the companies in which she was a director had failed to file Annual Returns and Financial Statements for the years 2014-15 to 2016-17, which was reactivated by MCA after she procured a Stay Order from the Hon'ble High Court of Gujarat as on 26 December, 2018. Further, in the case of Sh Sanjiv Garg, one of the Companies in which he is a director has not filed Annual Returns and / or Financial Statements for past three Financial Years, reportedly due to reasons beyond the control of the Company and its Management and has been marked a Status of 'Management Dispute' by the Registrar of Companies ;

   g) 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"; and

h) with respect to the matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended: In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the company to its directors during the year is in accordance with the provisions of section 197 of the Act.

i) 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 has disclosed the impact of pending litigations on its financial position in its standalone financial statements - Refer Note 44 to the financial statements

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

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

3. Based on the verification of the books of accounts of the company and according to the information and explanations given to us, we give in the "Annexure C", a report on the directions and sub-directions, issued by the Comptroller and Auditors General of India in terms of Section 143(5) of the Act.

For KK Soni & Co.
Chartered Accountants
FRN: 000947N

CA. Sant Sujat Soni
Partner
Membership number: 094227

Place: New Delhi
Date: 27th May, 2019

Annexure - A to the Auditors' Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31 March 2019, we report that:

i. (a) The Company has represented that they are in the process to construct proper records showing full particulars, including quantitative details and situation of fixed assets for the project equipments and Capital work in progress (CWIP).

(b) The company has represented that it is in the process to construct proper records and subsequently shall formulate a regular programme to carry out the physical verification of its fixed assets. According to the explanation given by the management, the project equipments and CWIP are large in number and spread across the country hence the company was unable to complete the same and have assured that the physical verification shall be completed in the next financial year.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company. The Possession of 2nd floor at NBCC centre, Sahkar Marg, Jaipur was taken by the company on 19.03.2019 for which the registration is under process.

ii. The company has a system of physical verification of inventory during the year and as at year end, including physical verification at some places by third parties. The company has represented that they are in the process to reconcile and examine the reasons for the discrepancies noticed during such verification and post such examination they shall make appropriate entries in its books of accounts.

In our opinion, the system of such physical verification and subsequent recording / adjusting the differences noticed needs to be strengthened.

iii. The Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, paragraph 3(iii) of the Order is not applicable.

iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.

v. According to the information and explanation given to us, the Company has not accepted any deposits from the public within the meaning of Sections 73 to 76 or any other relevant provision of the Companies Act, 2013 and rules framed thereunder.

vi. The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company.

vii. (a) The Company is regular in depositing undisputed statutory dues including Provident fund, Employees State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty / Cess and other material statutory dues with appropriate authorities except WCT payable of Kerala which is unpaid for Rs 553,178, pertaining to Quarter ended June 2017 has not been deposited yet.

According to the information and explanations given to us, other than above, no undisputed amounts payable in respect of provident fund, income tax, sales tax, value added tax, duty of customs and other material statutory dues were in arrears as at 31 March 2019 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 dues of sales tax, Income Tax, duty of customs which have not been deposited with the appropriate authorities on account of any dispute except as follows:

Name of the statute	Nature of dues	Amount (₹ in Crores)	Period to which the amount relates	Forum where dispute is pending
Andhra Pradesh Value Added Tax Act, 2005	Value Added Tax	37.04 (Amount already paid under protest)	FY 2014-15	Sales Tax Appellate Tribunal, Andhra Pradesh
Andhra Pradesh Value Added Tax Act, 2005	Value Added Tax & Penalty	12.92 (VAT) 12.92 (Penalty)	FY 2015-16	CTO Visakhapatnam
Andhra Pradesh Value Added Tax Act, 2005	Value Added Tax Penalty	9.26 (out of which 1.15 Deposited for stay)	FY 2014-15	AP VAT Tribunal, Andhra Pradesh
Uttrakhand Value Added Tax	Value Added Tax	2.41 0.69	FY 2015-16 FY 2016-17	Dy Commissioner (CT), Dehradun
Delhi Value Added Tax	Value Added Tax	2.96	FY 2015-16	Asst. Commissioner, Dept of Trade & Taxes, Delhi
UP Value Added Tax	Value Added Tax	14.02	FY 2015-16	Dy Commissioner (CT), Noida
HP Value Added Tax	Value Added Tax	0.69	FY 2016-17	Asst. Commissioner, State Taxes, Shimla

viii. In our opinion and according to the information and explanation given to us, the Company has not defaulted in repayment of any loans or borrowings from any financial institution, banks, government or debenture holders during the year.

ix. In our opinion and according to the information and explanations given to us, the Company has utilized Rs. 307.63 crore out of Rs. 400 crores, raised by way of term loans during the year, for the purposes for which they were raised and balance Rs. 92.37 crores is unutilized as on 31.3.2019.

x. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during our audit.

xi. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

xii. In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards except that we could not verify whether consent of the Board of Directors given by a resolution at a meeting of the Board have been obtained for entering into transactions with related parties.

xiv. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has made offer for Right Issue under private placement of Equity shares to its existing shareholders proportionately and the company has complied with the requirements of Section 42 of the Companies Act, 2013 and the funds raised have been used for the purposes for which they were raised.

xv. 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 persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

xvi. As per the information and explanations provided by the Management, the Company does not undertake any activity which requires the Company to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For KK Soni & Co.
Chartered Accountants
FRN: 000947N

CA. Sant Sujat Soni
Partner
Membership number: 094227

Place: New Delhi
Date: 27th May, 2019

Annexure - B to the Independent Auditors' 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 in financial statements of Energy Efficiency Services Limited ("the Company") as of 31 March 2019 in conjunction with our audit of the standalone 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 over financial reporting in financial statements based on the internal control over financial reporting in financial statements 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 ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls over financial reporting in financial statements 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 in 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") issued by the Institute of Chartered Accountants of India 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 over financial reporting in financial statements. 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 in 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 in financial statements and their operating effectiveness.

Our audit of internal financial controls over financial reporting in financial statements included obtaining an understanding of internal financial controls over financial reporting in 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 standalone 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 in financial statements.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting in 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 in 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 authorisations 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 in 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 in financial statements to future periods are subject to the risk that the internal financial control over financial reporting in 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, to the best of our information and according to the explanations given to us, except for the effects of the Qualifications given under the paragraph -"Basis for Qualified Opinion" of the Independent Auditor's Report, the Company has, in all material respects, an adequate internal financial controls over financial reporting in financial statements and such internal financial controls over financial reporting in financial statements were operating effectively as at 31 March 2019, based on the internal control over financial reporting in financial statements 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.

Other Matters

Our aforesaid audit report under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in financial statements in so far as it relates to one foreign Branch Office (whose financial statements / financial information are unaudited) and our opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting in standalone financial statements is based solely on the information and explanations given by the management of the Company.

Our report is not modified in respect of above matter.

For KK Soni & Co.
Chartered Accountants
FRN: 000947N

CA. Sant Sujat Soni
Partner
Membership number: 094227

Place: New Delhi
Date: 27th May, 2019

Annexure - C to the Independent Auditors' Report

Directions under section 143(5) of the Companies Act 2013 for the year 2018-19.

S. No.	Directions u/s 143(5) of the Companies Act, 2013	Auditors' Reply on Action taken on the directions	Impact on Financial Statement
1	Whether the Company has system in place to process all the accounting Transactions through IT system? If Yes, the implication of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.	As per the information and explanations given to us, the company has a system in place to process all the accounting transactions through IT system. SAP-ERP has been implemented for the processes like Financial Accounting and Controlling (FICO), Sales and Distribution (S&D), Material Management (MM), Payroll / Human Capital Management (HCM). Based on the audit procedures carried out and as per the information and explanations given to us, all material accounting transaction have been processed / carried through the IT system. Accordingly, there are no implications on the integrity of the accounts.	Nil
2	Whether there is any restructuring of an existing loan or cases of waiver / write off of debts / loans / interest etc. made by a lender to the company due to company's inability to repay the loan? If yes, the financial impact may be stated.	Based on the audit procedures carried out and as per the information and explanations given to us, there was no restructuring of existing loans or cases of waiver / write off of debts/ loans/ interest etc. made by the lender to the company due to the company's inability to repay the loan.	Nil
3	Whether funds received / receivable for specific schemes from Central / State agencies were properly accounted for / utilized as per its term and conditions? List the cases of deviation.	Based on the audit procedures carried out and as per the information and explanations given to us, the funds received / receivable for specific schemes from the central / state agencies were properly accounted for / utilized as per the respective terms and conditions.	Nil

For KK Soni & Co.
Chartered Accountants
FRN: 000947N

CA. Sant Sujat Soni
Partner
Membership number: 094227

Place: New Delhi
Date: 27th May, 2019

ENERGY EFFICIENCY SERVICES LIMITED
STANDALONE BALANCE SHEET AS AT 31 MARCH 2019

₹ in Lakhs

Particulars	Note No.	As at 31 March, 2019	As at 31 March, 2018
ASSETS			
Non-current Assets			
Property, plant and equipment	2A	**1,83,288.82**	83,372.59
Capital work-in-progress	3	**1,21,606.23**	1,29,348.91
Intangible assets	2B	**1,510.48**	1,576.08
Investments in subsidiary and joint venture company	4	**27,131.13**	19,369.08
Financial assets			
Loans	5	**493.95**	465.93
Other financial assets	6	**4,579.81**	1,848.02
Other non-current assets	7	**1,350.64**	1,683.56
Total non-current assets		**3,39,961.06**	2,37,664.17
Current assets			
Inventories	8	**26,968.66**	29,993.41
Financial assets			
Trade receivables	9	**1,83,148.24**	1,16,182.54
Cash and cash equivalents	10	**42,482.84**	52,061.67
Bank balances other than cash and cash equivalents	11	**33,576.49**	5,437.22
Loans	12	**364.34**	153.34
Other financial assets	13	**8,263.18**	5,603.80
Current tax assets (net)	14	**3,815.83**	2,545.68
Other current assets	15	**43,563.29**	25,104.29
Total current assets		**3,42,182.87**	2,37,081.95
TOTAL ASSETS		**6,82,143.93**	4,74,746.12
EQUITY AND LIABILITIES			
Equity			
Equity share capital	16	**67,520.44**	46,200.00
Other equity	17	**16,476.09**	18,242.96
Total equity		**83,996.53**	64,442.96
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	18	**2,79,188.06**	1,75,420.16
Trade payables	19		
- total outstanding dues of micro enterprises and small enterprises		**1,277.49**	-
- total outstanding dues of creditors other than micro enterprises and small enterprises		**10,523.97**	-
Other financial liabilities	20	**40,680.09**	8,019.85
Provisions	21	**280.94**	410.39
Deferred tax liabilities (net)	22	**709.60**	180.29
Other non-current liabilities	23	**486.68**	624.93
Total non-current liabilities		**3,33,146.83**	1,84,655.62
Current liabilities			
Financial liabilities			
Borrowings	24	**62,678.99**	63,500.00
Trade payables	25		
- total outstanding dues of micro enterprises and small enterprises		**8,214.58**	-
- total outstanding dues of creditors other than micro enterprises and small enterprises		**1,25,750.06**	1,28,526.81
Other financial liabilities	26	**42,167.88**	26,934.59
Other current liabilities	27	**20,385.75**	6,119.98
Provisions	28	**11.66**	566.16
Current tax liabilities (net)		**5,791.65**	-
Total current liabilities		**2,65,000.57**	2,25,647.54
TOTAL EQUITY AND LIABILITIES		**6,82,143.93**	4,74,746.12
Significant Accounting Policies	1		
The accompanying notes 1 to 54 form an integral part of these financial statements.			

For and on behalf of the Board of Directors

As per our audit report of even date annexed.

For KK Soni & Co.
Chartered Accountants
(FRN 000947N)

Saurabh Kumar
Managing Director
DIN : 06576793

S. Gopal
Director Commercial and CFO
DIN : 08339439

Pooja Shukla
Company Secretary

Sant Sujat Soni
Partner
M. No. 094227

Place : New Delhi
Date : 27th May, 2019

ENERGY EFFICIENCY SERVICES LIMITED
STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2019

₹ in Lakhs

Particulars	Note No.	For the year ended 31 March 2019	For the year ended 31 March 2018
Income			
Revenue from operations	29	**1,83,765.24**	1,35,594.27
Other income	30	**9,802.16**	5,476.03
Total revenue		**1,93,567.40**	1,41,070.30
Expenses			
Purchase of stock-in-trade		**91,700.00**	1,01,153.80
Distribution expenses (Ujala)		**2,119.29**	4,901.04
Media expenses (Ujala)		**2,630.99**	861.04
(Increase)/Decrease in inventories	31	**3,024.75**	(14,528.44)
Employee benefits expense	32	**2,840.42**	3,922.75
Finance costs	33	**19,023.52**	13,305.45
Depreciation and amortisation expense		**34,021.44**	13,327.71
Other expenses	34	**21,095.09**	11,976.72
Total expenses		**1,76,455.50**	1,34,920.07
Profit before tax		**17,111.90**	6,150.23
Tax expense			
Current tax			
Current year		**7,060.62**	1,606.52
Earlier years		**-**	421.41
Deferred tax expense		**541.30**	176.06
Total tax expense		**7,601.92**	2,203.99
Profit for the year		**9,509.98**	3,946.24
Other comprehensive income/(expense)			
Items that will not be reclassified to profit or loss (net of tax)			
- Net actuarial gains/(losses) on defined benefit plans		**(34.03)**	(12.00)
- Less: Income tax relating to above item		**(11.89)**	(4.15)
Other comprehensive income/(expense) for the year, net of income tax		**(22.14)**	(7.85)
Total comprehensive income for the year		**9,487.84**	3,938.39
Earnings per equity share (Par value ₹ 10/- each)	42		
Basic (₹)		**1.46**	0.85
Diluted (₹)		**1.11**	0.85
The accompanying notes 1 to 54 form an integral part of these financial statements.			

For and on behalf of the Board of Directors

As per our audit report of even date annexed.

For KK Soni & Co.
Chartered Accountants
(FRN 000947N)

Saurabh Kumar
Managing Director
DIN : 06576793

S. Gopal
Director Commercial and CFO
DIN : 08339439

Pooja Shukla
Company Secretary

Sant Sujat Soni
Partner
M. No. 094227

Place : New Delhi
Date : 27th May, 2019

ENERGY EFFICIENCY SERVICES LIMITED

STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2019

₹ in Lakhs

	Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
A.	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Profit before tax	**17,111.90**	6,150.23
	Adjustment for:-		
	Depreciation and amortization expense	**34,021.44**	13,327.71
	Interest income	**(4,770.40)**	(1,422.01)
	Net (gain)/loss on foreign currency transactions and translation	**(2,696.02)**	3,975.85
	Deferred rent expense	**(15.97)**	29.03
	Grant income	**(397.64)**	-
	Net loss on sale of property, plant and equipment	**142.54**	-
	Allowance for doubtful receivables	**196.65**	196.64
	Finance costs	**18,905.27**	9,837.73
	Operating profit before working capital changes	**62,497.77**	32,095.18
	Adjustment for:		
	(Increase) in Trade receivables	**(65,830.21)**	(36,238.42)
	(Increase)/ Decrease in Inventories	**3,024.75**	(14,528.44)
	(Increase) in loans, other financial assets and other assets	**(22,877.16)**	(1,636.92)
	Increase in trade payables, other financial liabilities and other liabilities	**31,655.05**	88,677.44
	Increase/(Decrease) in provisions	**(717.98)**	730.57
	Cash generated from operations	**7,752.22**	69,099.40
	Less: Income tax paid	**2,539.22**	4,275.16
	Net cash from operating activities (A)	**5,213.00**	64,824.25
B	**Cash flow from investing activities**		
	Acquisition of property, plant and equipment and intangible assets	**(89,020.17)**	(1,27,496.87)
	Interest income	**3,396.76**	1,422.01
	Investment in subsidiary and joint venture company	**(7,762.05)**	(19,180.04)
	Net investment in bank balances other than cash and cash equivalents	**(28,152.11)**	329.82
	Net cash used in investing activities (B)	**(1,21,537.57)**	(1,44,925.08)
C	**Cash flow from financing activities**		
	Proceeds from non-current borrowings	**1,23,223.48**	91,756.40
	(Repayment) of non-current borrowings	**(4,700.06)**	(10,000.00)
	Net (repayments) / proceeds of current borrowings	**(821.01)**	28,495.90
	Finance costs	**(20,758.05)**	(9,527.65)
	Share application money received	**11,420.44**	9,900.00
	Share issue costs	**(25.00)**	(25.01)
	Dividend paid	**(1,102.99)**	(4,074.67)
	Tax on dividend	**(491.07)**	(829.54)
	Net cash from financing activities (C)	**1,06,745.74**	1,05,695.43
	Net (decrease) / increase in cash and cash equivalents (A+B+C)	**(9,578.83)**	25,594.59
	Cash and cash equivalents at the beginning of the year	**52,061.67**	26,467.08
	Cash and cash equivalents at the end of the period	**42,482.84**	52,061.67

a) Cash and cash equivalents consists of balances with banks.

b) Reconciliation of cash and cash equivalents:

₹ in Lakhs

Particulars	As at 31 March, 2019	As at 31 March, 2018
Balances with banks - Current accounts	**42,482.84**	52,061.67
Cash and cash equivalents as per note-10	**42,482.84**	52,061.67

c) Reconciliation between the opening and closing balances of the balance sheet for liabilities arising from financing activities:

₹ in Lakhs

Particulars	Non-current borrowings*	Current borrowings	Interest on borrowings
For the year ended 31 March 2019			
Opening balance as at 1 April 2018	1,79,978.93	63,500.00	5,445.06
Cash flow during the year	1,18,523.42	(821.01)	(20,758.05)
Non-cash changes due to:			
- Variation in exchange rates	(2,243.77)	-	-
- Interest accrued	-	-	20,132.43
- Transaction cost on borrowings	(0.06)	-	-
Closing balance as at 31 March 2019	**2,96,258.52**	**62,678.99**	**4,819.44**
For the year ended 31 March 2018			
Opening balance as at 1 April 2017	92,623.86	35,000.00	2,411.06
Cash flow during the year	81,756.40	28,500.00	(9,527.65)
Non-cash changes due to:			
- Variation in exchange rates	5,598.67	-	-
- Interest accrued	-	-	12,561.65
Closing balance as at 31 March 2018	**1,79,978.93**	**63,500.00**	**5,445.06**

* includes current maturities of non-current borrowings, refer note 26.

d) Refer note 36 for details of undrawn borrowing facilities that may be available for future operating activities and to settle capital commitments.

For and on behalf of the Board of Directors

As per our audit report of even date annexed.

For KK Soni & Co.
Chartered Accountants
(FRN 000947N)

Saurabh Kumar
Managing Director
DIN : 06576793

S. Gopal
Director Commercial and CFO
DIN : 08339439

Pooja Shukla
Company Secretary

Sant Sujat Soni
Partner
M. No. 094227

Place : New Delhi
Date : 27th May, 2019

ENERGY EFFICIENCY SERVICES LIMITED
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2019

A. Equity share capital

₹ in Lakhs

Particulars	As at 31 March, 2019	As at 31 March, 2018
Outstanding as at the beginning of the year	**46,200.00**	46,200.00
Shares issued during the year	**21,320.44**	-
Outstanding as at the end of the year	**67,520.44**	46,200.00

B. Other equity

For the year ended 31 March 2019

₹ in Lakhs

Particulars	Reserves & surplus			Total
	Share application money pending allotment	Debenture redemption reserve	Retained earnings	
Balance as at 1 April 2018	**9,900.00**	**6,515.21**	**1,827.75**	**18,242.96**
Profit for the year	-	-	9,509.98	**9,509.98**
Other comprehensive income for the year	-	-	(22.14)	**(22.14)**
Total comprehensive income for the year	**-**	**-**	**9,487.84**	**9,487.84**
Share application money received	11,420.44	-	-	**11,420.44**
Shares allotted against share application money	(21,320.44)	-	-	**(21,320.44)**
Transfer to/(from) retained earnings	-	8,611.23	(8,611.23)	**-**
Transaction cost arising on account of increase in authorised share capital	-	-	(25.00)	**(25.00)**
Final dividend (including tax) for FY 2017-18	-	-	(1,329.71)	**(1,329.71)**
Balance as at 31 March 2019	**-**	**15,126.44**	**1,349.65**	**16,476.09**

B. Other equity

For the year ended 31 March 2018

₹ in Lakhs

Particulars	Reserves & surplus			Total
	Share application money pending allotment	Debenture redemption reserve	Retained earnings	
Balance as at 1 April 2017	**-**	**1,452.99**	**7,880.80**	**9,333.79**
Profit for the year	-	-	3,946.24	**3,946.24**
Other comprehensive income for the year	-	-	(7.85)	**(7.85)**
Total comprehensive income for the year	**-**	**-**	**3,938.39**	**3,938.39**
Share application money received	9,900.00	-	-	**9,900.00**
Transfer to/(from) retained earnings	-	5,062.22	(5,062.22)	**(0.00)**
Transaction cost arising on account of increase in authorised share capital	-	-	(25.01)	**(25.01)**
Final dividend (including tax) for FY 2016-17	-	-	(3,341.45)	**(3,341.45)**
Interim dividend (including tax) for FY 2017-18	-	-	(1,562.76)	**(1,562.76)**
Balance as at 31 March 2018	**9,900.00**	**6,515.21**	**1,827.75**	**18,242.96**

For and on behalf of the Board of Directors

As per our audit report of even date annexed.

For KK Soni & Co.
Chartered Accountants
(FRN 000947N)

Saurabh Kumar
Managing Director
DIN : 06576793

S. Gopal
Director Commercial and CFO
DIN : 08339439

Pooja Shukla
Company Secretary

Sant Sujat Soni
Partner
M. No. 094227

Place : New Delhi
Date : 27th May, 2019

Notes to Standlone financial statements

1. Company Information and Significant Accounting Policies

A. Reporting entity

Energy Efficiency Services Limited (the "Company") is a Company domiciled in India and limited by shares (CIN: U40200DL2009PLC196789). The Company has its debt securities listed on BSE Limited. The address of the Company's registered office is 4th Floor, Sewa Bhawan, R.K. Puram, New Delhi - 110066. The registered office of the company has been shifted to NFL Building, 5th & 6th Floor, Core III, SCOPE Complex, Lodhi Road, New Delhi - 110003 with effect from 16 April 2019.

The Company is a Joint Venture of NTPC Limited, Power Finance Corporation Limited, Rural Electrification Corporation Limited and Power Grid Corporation of India Limited and is engaged in implementation of energy efficiency projects as an Energy Saving Company (ESCO). It acts as the resource center for capacity building for State Distribution Companies (DISCOMs), Energy Regulatory Commissions (ERCs), State Development Authorities (SDAs), upcoming ESCOs, financial institutions, etc.

B. Basis of preparation

1 Statement of Compliance

These standalone financial statements are prepared on going concern basis following accrual system of accounting and comply with the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and subsequent amendments thereto, the Companies Act, 2013 (to the extent notified and applicable) and applicable provisions of the Companies Act, 1956. These financial statements were authorised for issue by Board of Directors on 27 May 2019.

2 Basis of measurement

The financial statements have been prepared on a historical cost basis except for:

- Certain financial assets and liabilities (including derivative instruments) that are measured at fair value (refer accounting policy regarding financial instruments); and
- Plan assets in the case of employees defined benefit plans that are measured at fair value.

The methods used to measure fair values are discussed in notes to the financial statements. Historical cost is the amount of cash or cash equivalents paid or the fair value of the consideration given to acquire assets at the time of their acquisition or the amount of proceeds received in exchange for the obligation, or at the amounts of cash or cash equivalents expected to be paid to satisfy the liability in the normal course of business.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

3 Functional and presentation currency

These financial statements are presented in Indian Rupees (₹), which is the Company's functional currency. All financial information presented in ₹ has been rounded to the nearest lakhs (upto two decimals), except as stated otherwise.

4 Current and non-current classification

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

An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchange or used to settle a liability for at least twelve months after the reporting period.

  All other assets are classified as non-current.

  A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer settlement of the liability for at least twelve months after the reporting period. All other liabilities are classified as non-current. Deferred tax assets/liabilities are classified as non-current.

C. Significant accounting policies

A summary of the significant accounting policies applied in the preparation of the financial statements are as given below. These accounting policies have been applied consistently to all periods presented in the financial statements.

The Company has elected to utilize the option under Ind AS 101 by not applying the provisions of Ind AS 16 and Ind AS 38 retrospectively and continue to use the previous GAAP carrying amount as a deemed cost under Ind AS at the date of transition to Ind AS. Therefore, the carrying amount of property, plant and equipment and intangible assets as per the previous GAAP as at 1 April 2015, i.e. the Company's date of transition to Ind AS, were maintained on transition to Ind AS.

1 Property, plant and equipment

1.1. Initial recognition and measurement

An item of property, plant and equipment is recognized as an asset if and only if 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.

Items of property, plant and equipment are initially recognized at cost. Subsequent measurement is done at cost less accumulated depreciation/ amortization and accumulated impairment losses. Cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Project Development Cost incurred on ESCO Model Energy Efficiency Projects other than LED projects undertaken by the Company are recognised as property, plant and equipment. Project Development Cost includes purchase price, taxes and duties, labour cost and any other cost directly attributable to the implementation of the project or acquisition of property, plant and equipment are allocated on systematic basis on implementation of projects, incurred up to the date when the asset is ready for its intended use.

When parts of an item of property, plant and equipment have different useful lives, they are recognised separately.

In the case of assets put to use, where final settlement of bills with contractors is yet to be effected, capitalisation is done on a provisional basis subject to necessary adjustment in the year of final settlement.

1.2. Subsequent costs

Subsequent expenditure is recognised as an increase in the carrying amount of the asset when it is probable that future economic benefits deriving from the cost incurred will flow to the Company and the cost of the item can be measured reliably.

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

1.3. Decommissioning costs

The present value of expected cost for the decommissioning of the asset its use in included in the cost of the respective assets if the recognition criteria for the provision are met.

1.4. Derecognition

Property, plant and equipment is derecognised when no future economic benefits are expected from their use or upon their disposal. Gains and losses on derecognition of an item of property, plant and equipment are determined by comparing the proceeds from disposal, if any, with the carrying amount of property, plant and equipment, and are recognised in the statement of profit and loss.

1.5. Depreciation

Depreciation is recognised in the statement of profit and loss on pro rata basis on Straight Line Method using the rate arrived on useful lives of assets, specified in part C of Schdule H thereto of the Companies Act 2013 (the 'Act').

Freehold land is not depreciated.

Estimated useful lives of the assets, based on technical assessment, which are different in certain cases from those prescribed in Schedule II to the Act, are as follows:

Nature of assets	Life of property, plant and equipment
Cell phones	2 years
ESCO projects other than LED projects	Project period
Lease hold improvement	Lease period
Residential assets	3 years

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate. Based on technical evaluation and consequent advice, the management believes that its estimates of useful lives as given above best represent the period over which management expects to use these assets.

Depreciation on additions to/deductions from property, plant and equipment during the year is charged on pro-rata basis from/up to the month in which the asset is available for use/disposed off.

Where the cost of depreciable assets has undergone a change during the year due to increase/decrease in long term liabilities on account of exchange fluctuation, the unamortised balance of such asset is charged off prospectively over the remaining useful life determined following the applicable accounting policies relating to depreciation/ amortisation.

Where it is probable that future economic benefits deriving from the cost incurred will flow to the enterprise and the cost of the item can be measured reliably, subsequent expenditure on a PPE along-with its unamortised depreciable amount is charged off prospectively over the revised useful life determined by technical assessment.

The residual values, useful lives and method of depreciation of assets are reviewed at each financial year end and adjusted prospectively, wherever required.

2 Capital work-in-progress

The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the manner intended by management and borrowing costs.

Expenses directly attributable to construction of property, plant and equipment incurred till they are ready for their intended use are identified and allocated on a systematic basis on the cost of related assets. If the ESCO Model Energy Efficiency project doesn't materialise, then the expenditure incurred in respect of the same will be charged to Statement of Profit and Loss in that year.

3. Intangible assets

3.1. Initial recognition and measurement

An intangible asset is recognized if and only if it is probable that the expected future economic benefits that are attributable to the asset will flow to the Company and the cost of the asset can be measured reliably.

Intangible assets that are acquired by the Company, which have finite useful lives, are recognized at cost. Subsequent measurement is done at cost less accumulated amortisation and accumulated impairment losses. Cost includes any directly attributable incidental expenses necessary to make the assets ready for their intended use.

3.2. Subsequent costs

Subsequent expenditure is recognized as an increase in the carrying amount of the asset when it is probable that future economic benefits deriving from the cost incurred will flow to the enterprise and the cost of the item can be measured reliably.

3.3. Derecognition

An intangible asset is derecognised when no future economic benefits are expected from their use or upon their disposal. Gains and losses on derecognition of an item of intangible assets are determined by comparing the proceeds from disposal, if any, with the carrying amount of intangible assets and are recognised in the statement of profit and loss.

3.4. Amortisation

Cost of software recognised as intangible asset, is amortised on a straight line basis over the period of legal right to use or 3 years, whichever is less. The amortization period and the amortization method of intangible assets with finite useful lives is reviewed at each financial year end and adjusted prospectively, wherever required.

4 Borrowing costs

Borrowing costs consist of (a) interest expense calculated using the effective interest method as described in Ind AS 109 - 'Financial Instruments'; (b) finance charges in respect of finance leases recognized in accordance with Ind AS 17 - 'Leases' and (c) exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs. Borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalised as part of cost of such asset until such time the assets are substantially ready for their intended use. Qualifying assets are assets which take a substantial period of time to get ready for their intended use or sale.

When the Company borrows funds specifically for the purpose of obtaining a qualifying asset, the borrowing costs incurred are capitalised. When Company borrows funds generally and uses them for the purpose of obtaining a qualifying asset, the capitalisation of the borrowing costs is computed based on the weighted average cost of general borrowings that are outstanding during the period and used for the acquisition or construction of the qualifying asset.

Income earned on temporary investment of the borrowings pending their expenditure on the qualifying assets Is deducted from the borrowing costs eligible for capitalisation. Capitalisation of borrowing costs ceases when substantially all the activities necessary to prepare the qualifying assets for their intended uses are complete.

Other borrowing costs are recognised as an expense in the year in which they are incurred.

The borrowing cost proportionate to the unutilised amount of borrowings are being kept for utilization of qualifying assets being carried forward for capitalization in the subsequent year of utilization.

5 Inventories

Inventories are valued at the lower of cost and net realisable value. Cost includes cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on a FIFO basis. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale. The diminution in the value of obsolete, unserviceable, surplus and non-moving items of stores and spares is ascertained on review and provided for.

6 Cash and cash equivalents

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

7 Government grants

Government grants related to assets are recognized initially as deferred income when there is reasonable assurance that they will be received and the Company will comply with the conditions associated with the grant. Grants that compensate the Company for the cost of an asset are recognized in profit or loss on a systematic basis over the useful life of the related asset. Grants that compensate the Company for expenses incurred are recognized over the period in which the related costs are incurred and deducted from the related expenses.

8 Provisions, contingent liabilities and contingent assets

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at 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 recognised as a finance cost.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

Contingent liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events not wholly within the control of the Company. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Contingent liabilities are disclosed on the basis of judgment of the management/ independent experts. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate.

Contingent assets are possible assets that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Contingent assets are disclosed in the financial statements when inflow of economic benefits is probable on the basis of judgment of management. These are assessed continually to ensure that developments are appropriately reflected in the financial statements.

9 Foreign currency transactions and translations

Transactions in foreign currencies are initially recorded at the prevailing exchange rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated by applying the RBI reference rate at the reporting date. Exchange differences arising on settlement or translation of monetary/ items are recognised in profit or loss in the year in which it arises with the exception that exchange differences on long term monetary items related to acquisition of property, plant and equipment recognised upto 31 March 2016 and still outstanding are adjusted to carrying cost of property, plant and equipment.

Non-monetary items are measured in terms of historical cost in a foreign currency and are translated using the exchange rate at the date of the transaction. In case of advance consideration received or paid in a foreign currency, the date of transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income (or part of it), is when the Company initially recognizes the non-monetary asset or non-monetary liability arising from the payment or receipt of advance consideration.

10 Revenue

Company's revenues arise from sale of goods, rendering of services and other income. Revenue from other income comprises interest from banks, employees, customers, other miscellaneous income, etc.

Effective 1 April 2018, the Company has adopted Ind AS 115 "Revenue from Contracts with Customers" using the cumulative effect method, applied to the contracts that were not completed as of 1 April 2018 and therefore the comparatives have not been restated and continues to be reported as per Ind AS 18 "Revenue". The details of accounting policies as per Ind AS 18 are disclosed separately if they are different from those under Ind AS 115.

10.1. Revenue from sale of goods

Revenue is measured based on the consideration that is specified in a contract with a customer or is expected to be received in exchange for the products or services and excludes amounts collected on behalf of third parties. The Company recognizes revenue when (or as) the performance obligation is satisfied, which typically occurs when (or as) control over the products or services is transferred to a customer.

In the comparative period, revenue from sale of goods was measured at the fair value of the consideration received or receivable, net of returns, trade discounts and volume rebates. This inter alia involved discounting of the consideration to present value if payment extends beyond normal credit terms. Revenue was recognised when the significant risks and rewards of ownership had been transferred to the buyer, recovery of the consideration was probable, the associated costs and possible return of goods could be estimated reliably, there was no continuing effective control over, or managerial involvement with, the goods, and the amount of revenue could be measured reliably.

10.2. Revenue from rendering of services

Revenue from rendering of services is measured based on the consideration that is specified in a contract with a customer or is expected to be received in exchange for the services and excludes amounts collected on behalf of third parties. The Company recognizes revenue when (or as) the performance obligation is satisfied, which typically occurs when (or as) control over the services is transferred to a customer.

In the comparative period, revenue from services rendered was generally recognized in proportion to the stage of completion of the transaction at the reporting date. Revenue was recognized when the following conditions are met:

- the amount of revenue could be measured reliably;
- it was probable that the economic benefits associated with the transaction will flow to the entity;
- the stage of completion of the transaction at the end of the reporting period could be measured reliably; and
- the costs incurred for the transaction and the costs to complete the transaction could be measured reliably.

The revenue recognition in respect of the various stream of revenue is described as follows:

Energy efficiency services:

Revenue from rendering of energy efficiency services by supply and installation of street lights, agricultural pumps and other equipment is recognised over time as the the customers simultaneously receive and consume the benefits provided by the Company.

In the comparative period, revenue from above services was recognised in the statement of profit and loss based on the agreement with the customer on accrual basis.

Consultancy services:

Revenue from consultancy services rendered is recognised over time based on satisfaction of performance obligations over time as the customers simultaneously receive and consume the benefits provided by the Company. Revenue from consultancy services rendered was recognised in the statement of profit and loss in proportion to the stage of completion of the transaction at the reporting date. The stage of completion was assessed by reference to actual progress/technical assessment of work executed, in line with the terms of the respective contracts. Income on consultancy contracts are accounted in proportion to expenses incurred based on the progress of service rendered on that contract.

Contract modifications

Contract modifications are accounted for when additions, deletions or changes are approved either to the contract scope or contract price. The accounting for modifications of contracts involves assessing whether the services added to an existing contract are distinct and whether the pricing is at the standalone selling price. Services added that are not distinct are accounted for on a cumulative catchup basis, while those that are distinct are accounted for prospectively, either as a separate contract, if the additional services are priced at the standalone selling price, or as a termination of the existing contract and creation of a new contract if not priced at the standalone selling price.

E-vehicles leases:

Revenue from leases of e-vehicles is recognised as per policy no. C.13.2.

10.3. Other income

Interest income is recognised, when no significant uncertainty as to measurability or collectability exists, on a time proportion basis taking into account the amount outstanding and the applicable interest rate, using the effective interest rate method (EIR).

For debt instruments measured at amortised cost, interest income is recorded using the EIR. EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the EIR, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in other income in the statement of profit and loss.

The interest/surcharge on late payment/overdue trade receivables for sale of energy is recognized when no significant uncertainty as to measurability or collectability exists.

10.4. Expenses related to awareness on UJALA programme

Expenses incurred on advertisement / awareness on DELP / UJALA programme in the state is charged to statement of profit and loss in proportion to LED bulbs distributed in current year vis-a-vis the total targeted LED bulbs distribution for that respective state at the begining of year and balance amount is carried forward for charging to the statement of profit and Loss in subsequent years. Similary expenses incurred on National Media Campaining for DELP / UJALA programme is charged to the statement of profit and loss in proportion to the total LED bulbs distributed in current financial year vis-a-vis the overall targeted LED bulbs distribution under DELP/ UJALA programme at the begining of the year and balance amount is carried forward for charging to statement of Profit and Loss in subsequent years.

11 Employee benefits

11.1. Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into separate entities and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognised as an employee benefits expense in the statement of profit and loss in the period during which services are rendered by employees. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

Contributions to a defined contribution plan that are due after more than 12 months after the end of the period in which the employees render the service are discounted to their present value. The Company pays fixed contribution to Provident Fund at the predetermined rates to regional provident fund commissioner.

The company has a trust for Contributory Superannuation Scheme which provides pension benefits and company pays a fixed contribution to the trust.

The contributions to both the funds for the year are recognised as expense and are charged to the statement of profit and loss.

11.2. Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's liability towards gratuity are in the nature of defined benefit plans. The Company contributes to (Life Insurance Corporation of India) a fund set up by the Company and administered by a board of trustees with respect to its gratuity obligation.

The Company's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. Any unrecognised past service costs and the fair value of any plan assets are deducted. The discount rate is based on the prevailing market yields of Indian government securities as at the reporting date that have maturity dates approximating the terms of the Company's obligations and that are denominated in the same currency in which the benefits are expected to be paid.

The calculation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a benefit to the Company, the recognised asset is limited to the total of any unrecognised past service costs and the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. An economic benefit is available to the Company if it is realizable during the life of the plan, or on settlement of the plan liabilities. Any actuarial gains or losses are recognised in other comprehensive income (OCI) in the period in which they arise.

When the benefits of a plan are improved, the portion of the increased benefit relating to past service by employees is recognized in profit or loss on a straight-line basis over the average period until the benefits become vested. To the extent that the benefits vest immediately, the expense is recognized immediately in statement of profit and loss.

11.3. Other long-term employee benefits

Benefits under the Company's leave encashment constitute other long term employee benefit. The Company's net obligation in respect of leave encashment is the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. The discount rate is based on the prevailing market yields of Indian government securities as at the reporting date that have maturity dates approximating the terms of the Company's obligations. The calculation is performed using the projected unit credit method. Any actuarial gains or losses are recognised in the statement of profit and loss in the period in which they arise.

11.4. Short-term benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

A liability is recognised for the amount expected to be paid under performance related pay if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

12 Income tax

Income tax expense comprises current and deferred tax. Current tax expense is recognised in the statement of profit and loss except to the extent that it relates to items recognised directly in OCI or equity, in which case it is recognised in OCI or equity respectively.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted and as applicable at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax is recognised in the statement of profit and loss except to the extent that it relates to items recognised directly in OCI or equity, in which case it is recognised in OCI or equity respectively.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax 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 realise the asset and settle the liability simultaneously.

Additional income taxes that arise from the distribution of dividends are recognised at the same time that the liability to pay the related dividend is recognised.

13 Leases

13.1 Accounting for operating leases- As lessee

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 are recognized as an expense on a straight-line basis over the lease term unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. Lease incentives received are recognized as an integral part of the total lease expense, over the term of the lease.

13.2 Accounting for operating leases- As lessor

Lease income from operating leases where the Company is a lessor is recognised as 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 included in the balance sheet based on their nature.

13.3 Accounting for finance leases- As lessor

Leases are classified as finance lease when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables ('Finance lease receivable') at the Company's net investment in the leases. Finance leases income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

14 Impairment of non-financial assets

The carrying amounts of the Company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment considering the provisions of Ind AS 36 'Impairment of Assets'. If any such indication exists, then the asset's recoverable amount is estimated. The recoverable amount of an asset or cash-generating unit is the higher of its fair value less costs to disposal and its value in use. 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. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash. inflow's from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit", or "CGU").

An impairment loss is recognised if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognised in statement of profit and loss. Impairment losses recognised in respect of CGUs are reduced from the carrying amounts of the assets of the CGU. Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

15 Operating segments

In accordance with Ind AS 108, Operating Segments, the operating segments used to present segment information are identified on the basis of internal reports used by the Company's Management to allocate resources to the segments and assess their performance. The Board of Directors is collectively the Company's `Chief Operating Decision Maker' or `CODM' within the meaning of Ind AS 108.

Segment results that are reported to the CODM include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly corporate expenses, finance expenses and income tax expenses.

Revenue directly attributable to the segments is considered as segment revenue. Expenses directly attributable to the segments and common expenses allocated on a reasonable basis are considered as segment expenses. Segment capital expenditure is the total cost incurred during the period to acquire property, plant and equipment, and intangible assets other than goodwill.

Segment assets comprise property, plant and equipment, intangible assets, trade and other receivables, inventories and other assets that can be directly or reasonably allocated to segments. For the purpose of segment reporting, property, plant and equipment have been allocated to segments based on the extent of usage of assets for operations attributable to the respective segments. Segment assets do not include investments, income tax assets, capital work in progress, capital advances, corporate assets and other current assets that cannot reasonably be allocated to segments.

Segment liabilities include all operating liabilities in respect of a segment and consist principally of trade and other payables, employee benefits and provisions. Segment liabilities do not include equity, income tax liabilities, loans and borrowings and other liabilities and provisions that cannot reasonably be allocated to segments.

16 Dividends

Dividends and interim dividends payable to the Company's shareholders are recognized as changes in equity in the period in which they are approved by the shareholders and the Board of Directors respectively.

17 Material prior period errors

Material prior period errors are corrected retrospectively by restating the comparative amounts for the prior periods presented in which the error occurred. If the error occurred before the earliest period presented, the opening balances of assets, liabilities and equity for the earliest period presented, are restated.

18 Earnings per share

Basic earnings per equity share is computed by dividing the net profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the financial year.

Diluted earnings per equity share is computed by dividing the net profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

19 Statement of cash flows

Statement of cash flows is prepared in accordance with the indirect method prescribed in Ind AS 7 'Statement of cash flows'.

20 Financial instruments

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

20.1. Financial assets

Initial recognition and measurement

The Company recognizes financial assets when it becomes a party to the contractual provisions of the instrument. All financial assets are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition of financial assets, which are not at fair value through profit or loss, are added to the fair value on initial recognition.

Subsequent measurement

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortized cost if both the following conditions are met:

(a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

(b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the EIR method. 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 in finance income in the statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss. This category generally applies to trade and other receivables.

Debt instrument at FVTOCI (Fair Value through OCI)

A 'debt instrument' is classified as at FVTOCI if both of the following criteria are met:

(a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

(b) The asset's contractual cash flows represent SPPI

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the OCI. However, the Company recognises interest income, impairment losses and reversals and foreign exchange gain or loss in the statement of profit and loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to statement of profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt instrument at FVTPL (Fair value through profit or loss)

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorisation as at amortised cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to classify a debt instrument, which otherwise meets amortised cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). Debt instruments included within the FVTPL category are measured at fair value with all changes recognised in the statement of profit and loss.

Equity Investments

Equity investments in subsidiary and joint venture companies are measured at cost, less impairment if any. Other equity investments are measured at fair value. The Group decides to classify the equity investments either as at FVTOCI or FVTPL. The Group makes such election on an instrument by instrument basis. The classification is made on initial recognition and is irrevocable.

If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss.

Derecognition

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

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

Impairment of financial assets

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

(a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits and bank balance.

(b) Trade receivables, unbilled revenue and contract assets under Ind AS 115. For trade receivables and unbilled revenue, the Company applies the simplified approach required by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

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

20.2. Financial liabilities

Initial recognition and measurement

All financial liabilities are recognised initially at fair value and in the case of borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables, borrowings and retention money.

Subsequent measurement

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

Financial liabilities at amortised cost

After initial measurement, such financial liabilities are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in the 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 in finance costs in the statement of profit and loss. This category generally applies to borrowings, trade payables and other contractual liabilities.

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. 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.

Gains or losses on liabilities held for trading are recognised in the statement of profit and loss. Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/losses attributable to changes in own credit risk are recognised in OCI. These gains/losses are not subsequently transferred to the statement of profit and loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

Derecognition

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

20.3 Offsetting of financial assets and financial liabilities

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

21 Other expenses

Expenses on annual maintenance, legal & professional consultancy, training & recruitment etc. are charged to statement of profit and loss in the year incurred.

22 Related party transactions

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions.

D. Use of estimates and management judgments

The preparation of financial statements requires management to make judgments, estimates and assumptions that may impact the application of accounting policies and the reported value of assets, liabilities, income, expenses and related disclosures concerning the items involved as well as contingent assets and liabilities at the balance sheet date. The estimates and management's judgments are based on previous experience and other factors considered reasonable and prudent in the circumstances. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. In order to enhance understanding of the financial statements, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is as under:

1 Useful life of property, plant and equipment and intangible assets

The estimated useful life of property, plant and equipment and intangible assets is based on a number of factors including the effects of obsolescence, demand, competition and other economic factors (such as the stability of the industry and known technological advances) and the level of maintenance expenditures required to obtain the expected future cash flows from the asset. The Company reviews at the end of each reporting date the useful life of property, plant and equipment and are adjusted prospectively, if appropriate.

2 Recoverable amount of property, plant and equipment and intangible assets

The recoverable amount of property, plant and equipment and intangible assets is based on estimates and assumptions regarding in particular the expected market outlook and future cash flows. Any changes in these assumptions may have a material impact on the measurement of the recoverable amount and could result in impairment.

3 Post-employment benefit plans

Employee benefit obligations are measured on the basis of actuarial assumptions which include mortality and withdrawal rates as well as assumptions concerning future developments in discount rates, the rate of salary increases and the discount rate. The Company considers that the assumptions used to measure its obligations are appropriate and documented. However, any changes in these assumptions may have a material impact on the resulting calculations.

4 Revenues

The Company applies judgment to determine whether each product or service promised to a customer are capable of being distinct, and are distinct in the context of the contract, if not, the promised product or services are combined and accounted as a single performance obligation. The Company allocates the arrangement consideration to separately identifiable performance obligation deliverables based on their relative stand-alone selling price. Rebates and discounts, if any, are recognised as a reduction from revenue on the basis of management estimates. Refer note 49 for detailed disclosure.

5 Provisions and contingencies

The assessments undertaken in recognising provisions and contingencies have been made in accordance with Ind AS 37, 'Provisions, Contingent Liabilities and Contingent Assets'. The evaluation of the likelihood of the contingent events has required best judgment by management regarding the probability of exposure to potential loss. Should circumstances change following unforeseeable developments, this likelihood could alter.

6 Income taxes

Significant estimates are involved in determining the provision for income taxes and deferred taxes, including amount expected to be paid/ recovered for uncertain tax positions.

7 Impairment of non-financial assets

The recoverable amount of investment in subsidiary and joint venture companies is based on estimates and assumptions regarding in particular the future cash flows associated with the operations of the investee Company. Any changes in these assumptions may have a material impact on the measurement of the recoverable amount and could result in impairment.

8 Leases not in legal form of lease

Significant judgment is required to apply lease accounting rules under Appendix C to Ind AS 17 'Determining whether an arrangement contains a lease'. In assessing the applicability to arrangements entered into by the Company, management has exercised judgment to evaluate the right to use the underlying asset, substance of the transactions including legally enforceable agreements and other significant terms and conditions of the arrangements to conclude whether the arrangement needs the criteria under Appendix C to Ind AS 17.

2A Property, plant & equipment

₹ in Lakhs

Particulars	Gross block				Accumulated depreciation				Net block
	As 1 April 2018	Additions	Deductions/ adjustments	As at 31 March 2019	As at 1 April 2018	For the year	Deductions/ Adjustments	As at 31 March 2019	As at 31 March 2019
Freehold land	743.64	-	-	743.64	-	-	-	-	743.64
Leasehold improvements	195.48	-	192.65	2.83	64.15	22.33	84.90	1.58	1.25
Project equipment	1,00,883.62	1,32,283.45	650.98	2,32,516.09	20,094.08	33,086.46	-	53,180.54	1,79,335.55
Cell phones	60.63	12.03	0.62	72.04	35.50	20.81	0.25	56.06	15.98
Office equipment	261.66	10.06	1.34	270.38	67.48	52.01	-	119.49	150.89
Furniture and fittings	349.91	26.32	41.36	334.87	91.92	33.93	5.55	120.30	214.57
Computers	402.64	85.29	23.51	464.42	199.23	112.70	22.89	289.04	175.38
E-Vehicles	956.45	22.79	904.73	74.51	12.22	(2.94)	-	9.28	65.23
Residential assets	84.17	0.25	1.73	82.69	1.03	37.91	0.22	38.72	43.97
Solar plant	-	2,102.64	-	2,102.64	-	31.72	-	31.72	2,070.92
Building	-	472.01	-	472.01	-	0.57	-	0.57	471.44
Total	**1,03,938.20**	**1,35,014.84**	**1,816.92**	**2,37,136.12**	**20,565.61**	**33,395.50**	**113.81**	**53,847.30**	**1,83,288.82**

₹ in Lakhs

Particulars	Gross block				Accumulated depreciation				Net block
	As 1 April 2017	Additions	Deductions/ adjustments	As at 31 March 2018	As at 1 April 2017	For the year	Deductions/ Adjustments	As at 31 March 2018	As at 31 March 2018
Freehold land	743.64	-	-	743.64	-	-	-	-	743.64
Leasehold improvements	195.48	-	-	195.48	35.31	28.84	-	64.15	131.33
Project equipment	65,615.68	35,267.94	-	1,00,883.62	7,028.07	13,066.01	-	20,094.08	80,789.54
Cell phones	37.46	23.66	0.49	60.63	13.89	21.80	0.19	35.50	25.13
Office equipment	168.82	92.84	-	261.66	32.51	34.97	-	67.48	194.18
Furniture and fittings	323.06	26.85	-	349.91	58.06	33.86	-	91.92	257.99
Computers	294.45	109.23	1.04	402.64	100.85	98.75	0.37	199.23	203.41
E-Vehicles	-	956.45	-	956.45	-	12.22	-	12.22	944.23
Residential assets	-	85.67	1.50	84.17	-	1.13	0.10	1.03	83.14
Total	**67,378.59**	**36,562.64**	**3.03**	**1,03,938.20**	**7,268.69**	**13,297.58**	**0.66**	**20,565.61**	**83,372.59**

2B Intangible assets

₹ in Lakhs

Particulars	Gross block				Accumulated depreciation				Net block
	As 1 April 2018	Additions	Deductions/ adjustments	As at 31 March 2019	As at 1 April 2018	For the year	Deductions/ Adjustments	As at 31 March 2019	As at 31 March 2019
Software	1,634.64	560.34	-	2,194.98	58.56	625.94	-	684.50	1,510.48
Total	**1,634.64**	**560.34**	**-**	**2,194.98**	**58.56**	**625.94**	**-**	**684.50**	**1,510.48**

₹ in Lakhs

Particulars	Gross block				Accumulated depreciation				Net block
	As 1 April 2017	Additions	Deductions/ adjustments	As at 31 March 2018	As at 1 April 2017	For the year	Deductions/ Adjustments	As at 31 March 2018	As at 31 March 2018
Software	101.22	1,533.42	-	1,634.64	28.44	30.12	-	58.56	1,576.08
Total	**101.22**	**1,533.42**	**-**	**1,634.64**	**28.44**	**30.12**	**-**	**58.56**	**1,576.08**

2C Notes to PPE and intangible assets

a) Exchange differences capitalised are disclosed in the 'Addition' column of capital work-in-progress (CWIP) and allocated to various heads of CWIP in the year of capitalisation through 'Deductions/ Adjustments' column of CWIP. Exchange differences in respect of assets already capitalised are disclosed in the 'Deductions/Adjustments' column of property, plant and equipment (PPE). Asset-wise details of exchange differences and borrowing costs included in the cost of major heads of PPE and CWIP are given below:

₹ in Lakhs

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Project Equipment		
Exchange differences included in PPE/CWIP	(233.56)	1,518.42
Borrowing costs included in PPE/CWIP	3,582.44	2,449.16

b) Refer note 18 and 24 for information on property, plant and equipment pledged as security by the company.

c) Refer note 43 for disclosure on assets given under operating leases.

d) Refer note 44 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

3. Capital work-in-progress

As at 31 March 2019

₹ in Lakhs

Particulars	As at 01 April 2018	Additions	Deductions/ adjustments/capitalised	As at 31 March 2019
Project equipments				
Street lights	1,20,188.18	58,902.72	89,448.15	**89,642.75**
Building	5,368.18	6,166.04	2,865.27	**8,668.95**
Smart Meter	1,937.95	8,324.73	-	**10,262.68**
Agricultural Demand Side Management (AgDSM)	12.26	-	12.26	**-**
Software	7.55	-	-	**7.55**
Solar rooftop	9.04	-	9.04	**-**
Ujala project	0.54	-	0.54	**-**
National Motor Replacement Program Project	-	22.69	-	**22.69**
	1,27,523.70	**73,416.18**	**92,335.26**	**1,08,604.62**
Land and property	1,671.68	110.71	1,760.56	**21.83**
E-Vehicle	151.19	66.78	150.84	**67.13**
Solar plant	-	12,776.39	-	**12,776.39**
Others	2.34	136.25	2.33	**136.26**
Total	**1,29,348.91**	**86,506.31**	**94,248.99**	**1,21,606.23**

As at 31 March 2018

₹ in Lakhs

Particulars	As at 01 April 2017	Additions	Deductions/ adjustments/capitalised	As at 31 March 2018
Street lights				
CWIP - SL LED Rajasthan	8,082.24	14,481.61	12,736.85	9,827.00
CWIP - SL LED Andhra Pradesh	6,936.03	14,502.60	9,521.93	11,916.70
Chhattisgarh Project	464.69	7,187.34	1,058.78	6,593.25
Kerala LED Street Lighting	492.96	94.67	407.32	180.31
Marine Drive Mumbai LED SL	2,797.98	1,736.52	1,839.37	2,695.13
CWIP - SL LED Punjab	236.78	2,588.12	0.93	2,823.97
CWIP- Puducherry LED Street Lighting	-	2.12	0.51	1.61
South Delhi LED Street Light	2,861.77	6,200.64	466.20	8,596.21
CWIP - SL LED - GHMC	52.68	11,927.06	102.84	11,876.90
Goa Street Light Project	3,792.90	9,729.80	3,121.79	10,400.91
CWIP - SL LED Gujarat	3,820.71	18,607.07	13,621.58	8,806.20
Guwahati Street Lighting	437.38	189.73	235.97	391.14
H.P LED Street Light	915.19	1,566.23	2,242.94	238.48
CWIP - SL LED - Agartala MC	-	32.94	13.55	19.39
CWIP - SL LED - Jharkhand	688.87	4,188.55	1,704.39	3,173.03
CWIP - SL LED -Andman & Nicobar	-	49.39	-	49.39
CWIP - SL LED J&K	40.16	111.17	2.56	148.77
CWIP - SL LED Telangana	302.58	13,303.64	6,806.23	6,799.99
CWIP SL LED Bihar	-	2,094.00	4.82	2,089.18
CWIP SL LED Chandigarh	-	88.85	-	88.85
Varanasi LED Street Lighting	2,846.53	23,336.64	897.39	25,285.78
CWIP SL LED Haryana	-	348.61	-	348.61
CWIP - SL LED - Karnataka	-	29.72	-	29.72
CWIP - SL LED - Madhya Pradesh	-	456.66	5.02	451.64

3. Capital work-in-progress

As at 31 March 2018

₹ in Lakhs

Particulars	As at 01 April 2017	Additions	Deductions/ adjustments/capitalised	As at 31 March 2018
CWIP - SL LED - Odisha	-	1,422.71	1.29	1,421.42
CWIP - SL LED - PortBlair	-	343.52	4.38	339.14
CWIP SL LED Sikkim	-	0.49	-	0.49
CWIP SL LED Tamilnadu	-	87.83	-	87.83
CWIP - SL LED -Tripura	-	18.09	-	18.09
CWIP SL LED Uttarakhand	-	992.19	-	992.19
CWIP - SL LED -West Bengal	-	431.37	-	431.37
CWIP - West Bengal	-	0.68	-	0.68
CWIP – SL LED Tripura	-	67.27	-	67.27
CWIP -Kolkata	-	12.07	-	12.07
CWIP- GHMC (Hyderabad)	-	1,562.71	-	1,562.71
CWIP- Andhra Pradesh (Hyderabad)	-	890.50	-	890.50
CWIP- SL- Maharashtra (Mumbai)	24.49	188.28	2.29	210.48
CWIP unallocated Expenses	-	690.94	100.04	590.90
CWIP- Interest on Bond (unallocated) *	53.32	849.10	171.54	730.88
Sub total	**34,847.26**	**1,40,411.43**	**55,070.51**	**1,20,188.18**
Building				
Capital Work in Progress - Building J&K	108.15	44.70	49.52	103.33
Capital Work in Progress - CGO 12 Building	-	242.06	2.34	239.72
CWIP- Building - Delhi	-	14.42	-	14.42
CWIP- Building - Gujurat	-	0.22	-	0.22
CWIP- Building - Madhya Pradesh	-	3.90	-	3.90
CWIP- Building- PAN INDIA	-	267.70	-	267.70
CWIP- Building - Uttar Pradesh	-	19.77	-	19.77
CWIP- Building - West Bengal	-	16.04	-	16.04
CWIP- CPWD BUILDINGS DELHI (Direct Expenses)	4.81	20.66	20.66	4.81
CWIP - CPWD - IP Bhawan Delhi	623.58	313.98	314.20	623.36
CWIP - Indian Railways	-	46.63	-	46.63
CWIP - UPSC - Delhi	4.56	-	-	4.56
CWIP BEEP AP	-	31.69	-	31.69
CWIP - Building Bond Interest	-	13.72	-	13.72
CWIP- CPWD CGO Building, New Delhi	-	19.89	-	19.89
CWIP-CPWD CGO Complex Faridabad	-	7.97	-	7.97
CWIP - CPWD CGO/GPO /Training Center Bhawan Ghaziabad (Direct Expenses)	-	24.48	2.24	22.24
CPWD - IP Bhawan DELHI	89.21	25.57	2.42	112.36
CWIP- CPWD Jaipur (Direct Expenses)	-	18.94	-	18.94
CWIP-CPWD Trikoot I & II Bhawan New Delhi (Direct Expenses)	-	0.32	-	0.32
CWIP- DMRC Rajeev Chowk (Direct Expenses)	53.22	45.61	53.22	45.61
CWIP- DMRC Rajeev Chowk (Indirect Expenses)	2.25	9.71	-	11.96
CWIP Maharashtra Sadan (Direct Expenses)	-	13.09	-	13.09
CWIP- Niti Aayog CPWD Ph-II Building (Direct Expenses)	26.89	70.17	2.50	94.56
CWIP (UJALA stock to BEEP)	-	3,636.67	5.30	3,631.37
Sub total	**912.67**	**4,907.91**	**452.40**	**5,368.18**

3. Capital work-in-progress

As at 31 March 2018

₹ in Lakhs

Particulars	As at 01 April 2017	Additions	Deductions/ adjustments/capitalised	As at 31 March 2018
Land and property				
CWIP - Jaipur Property	334.56	89.22	-	423.78
CWIP - Kolkata Property	55.29	88.89	-	144.18
CWIP - Delhi Property (NBCC - Nauroji Nagar)	-	1,103.72	-	1,103.72
Sub total	**389.85**	**1,281.83**	**-**	**1,671.68**
Smart Meter				
CWIP Smart Meter	-	1,937.95	-	1,937.95
Sub total	**-**	**1,937.95**	**-**	**1,937.95**
E-Vehicle				
CWIP E Vehicle Project	-	151.19	-	151.19
Sub total	**-**	**151.19**	**-**	**151.19**
Agricultural Demand Side Management (AgDSM)				
CWIP - AgDSM - Maharashtra	13.97	-	13.97	-
CWIP - AgDSM - Rajasthan	16.74	0.08	16.82	-
CWIP - AgDSM - Andhra Pradesh	-	12.50	0.24	12.26
Sub total	**30.71**	**12.58**	**31.03**	**12.26**
Software				
CWIP-SAP	437.11	174.36	611.47	-
CWIP Software	-	1,218.68	1,211.13	7.55
Sub total	**437.11**	**1,393.04**	**1,822.60**	**7.55**
Solar Rooftop				
CWIP Solar Rooftop Delhi	-	9.04	-	9.04
Sub total	**-**	**9.04**	**-**	**9.04**
Ujala project				
Capital Work in Progress-(DELP Hyderabad)-Indirect	-	0.54	-	0.54
Sub total	**-**	**0.54**	**-**	**0.54**
Others				
Capital Work in Progress	-	1.57	-	1.57
CWIP - Trade Mark	0.77	-	-	0.77
Sub total	**0.77**	**1.57**	**-**	**2.34**
Total	**36,618.37**	**1,50,107.08**	**57,376.54**	**1,29,348.91**

* The borrowing cost proportionate to the unutilised amount of borrowings are being kept for utilization for acquisition or construction of qualifying assets being carried forward for capitalization in the subsequent year of utilization. However, income earned on temporary investment of the borrowings pending their expenditure on the qualifying assets is deducted from the borrowing costs eligible for capitalisation, as stated in Note No. C 4 of Accounting Policies i.r.t. 'Borrowing Costs'.

Notes to capital work-in-progress

a) The company has entered into agreements with various states, Urban Local Bodies (ULB's) and other organisations under its Energy Service Company (ESCO) model, wherein the company undertakes upfront investments for projects (along with maintenance and warranty obligations, covered back to back with agreements with various suppliers) which are recovered through mutually agreed periodic installments under the agreements. The company is in the process to compile certain data and reconciling the amounts billable, receivable and payable under the various agreements, verification of physical inventory and assets under the scheme & otherwise and reconciliation as to assets to be installed, assets installed pending capitalisation, assets capitalised (including capitalisation of related direct & indirect cost) and assets against which revenue is booked (as per applicable Indian Accounting Standards). The company does not expect any major differences that may arise post such verification, and shall account for the differences, if any, post completion of the said exercise.

b) The company has entered into agreement with Municipal Corporation for replacement of old conventional streetlights with LED energy efficient streetlights. The assets are capitalised in the books of accounts from the date of capitalization as indicated in the certificate issued by respective Municipal Corporation and the depreciation is charged accordingly from the date of capitalization. During the current financial year, the company has received certain completion certificates from the municipal corporation(s), wherein the completion dates mentioned in the certificates falls in the previous year. The company has capitalised these assets in the books of accounts from the completion dates as indicated in the certificates and has accordingly charged depreciation of ₹ 2,135.03 Lakhs on these assets in the statement of profit ot loss in current financial year from the said respective dates.

4 Investments in subsidiary and joint venture company

₹ in Lakhs

Particulars	As at 31 March 2019	As at 31 March 2018
Equity instruments - Unquoted (fully paid up - unless otherwise stated, at cost)		
Subsidiary company EESL EnergyPro Assets Limited 29,745,680 (31 March 2018: 21,745,680) equity shares of £1 each	**27,130.87**	19,368.82
Joint venture company NEESL Private Limited 2,600 (31 March 2018: 2,600) equity shares of ₹10 each	**0.26**	0.26
Total	**27,131.13**	**19,369.08**
Aggregate amount of unquoted investments	**27,131.13**	19,369.08
Aggregate amount of impairment in value of investments	-	-

a) Investments have been valued as per accounting policy no. C.20.1 (Note 1). Equity investment in subsidiary and joint venture company are measured at cost as per the provisions of Ind AS 27 on 'Separate Financial Statements'.

b) During the year, the Company has invested ₹ 7,762.05 Lakhs (£ 8 Million) in EESL EnergyPro Assets Limited (EPAL).

c) Disclosure as per Ind AS 27 'Separate financial statements'

Particulars	Proportion of ownership interest (%)	
	As at 31 March 2019	As at 31 March 2018
Investment in subsidiary company: EESL EnergyPro Assets Limited (incorporated in United Kingdom)	**84.55%**	80.00%
Investment in joint venture company: NEESL Private Limited (incorporated in India)	**26.00%**	26.00%

5 Non-current loans

₹ in Lakhs

Particulars	As at 31 March 2019	As at 31 March 2018
Unsecured, considered good		
Loan to employees (including interest accrued)	**120.39**	101.77
Security deposits	**373.56**	364.16
Total	**493.95**	465.93

6 Other non-current financial assets

₹ in Lakhs

Particulars	As at 31 March 2019	As at 31 March 2018
Unbilled revenue	662.62	1,843.40
Finance lease receivables (refer note 43(b))	3,900.81	-
Deposits with banks maturing after twelve months		
Deposits under lien (refer note a below)	3.54	4.62
Other deposits	12.84	-
Total	**4,579.81**	1,848.02

a) Deposits with banks under lien includes fixed deposits for CST & VAT amounting to ₹ 3.54 Lakhs (31 March 2018: ₹ 4.62 Lakhs).

7 Other non-current assets

₹ in Lakhs

Particulars	As at 31 March 2019	As at 31 March 2018
Capital advances	1,336.78	1,576.38
Advances other than capital advances		
Security deposits	-	27.70
Deferred rent	13.86	79.48
Total	1,350.64	1,683.56

8 Inventories

₹ in Lakhs

Particulars	As at 31 March 2019	As at 31 March 2018
Stock in trade	26,968.66	29,993.41
Total	26,968.66	29,993.41

a) Inventory items have been valued as per accounting policy no. C.5 (Note 1).

b) Stock in trade includes goods in transit of ₹ 1,396.43 Lakhs (31 March 2018: ₹ 93.72 Lakhs) valued at cost.

c) The cost of inventories recognised as expense for the year ended 31 March 2019 is ₹ 94,775.91 Lakhs (including ₹ 51.16 Lakhs as Business promotion) (31 March 2018: ₹ 86,672.50 Lakhs (including ₹ 47.14 Lakhs as Business Promotion)).

d) Loans are secured on first pari-passu charge on stock and book debts. (Refer note 18 and 24).

9 Trade receivables

₹ in Lakhs

Particulars	As at 31 March 2019	As at 31 March 2018
Trade receivables		
Unsecured, considered good	1,83,148.24	1,16,182.54
Credit impaired	393.29	196.64
	1,83,541.53	1,16,379.18
Less: Provision for credit impaired trade receivables	393.29	196.64
Total	1,83,148.24	1,16,182.54

a) Refer note 36 for details with respect to credit risk.

b) Amounts receivables from related parties are disclosed in note 48.

c) Trade receivables are subject to confirmations, reconciliation and consequential adjustments that may arise on reconciliation.

d) Loans are secured on first pari-passu charge on stock and book debts. (Refer note 18 and 24).

e) The carrying amounts of the trade receivables include receivables which are subject to a factoring arrangement. Under this arrangement, the Company has transferred the relevant receivables to the bank in exchange for cash and is prevented from selling or pledging the receivables. However, the Company has retained late payment and credit risk. The Company therefore continues to recognise the transferred assets in their entirety in its balance sheet. The amount repayable under the factoring agreement is presented as secured borrowing.

10 Cash and cash equivalents

₹ in Lakhs

Particulars	As at 31 March 2019	As at 31 March 2018
Balances with banks- Current accounts	42,482.84	52,061.67
Total	42,482.84	52,061.67

11 Bank balances other than cash and cash equivalents

₹ in Lakhs

Particulars	As at 31 March 2019	As at 31 March 2018
Deposits with original maturity of more than three months and maturing within one year (including interest accrued)	33,269.28	-
Deposits with banks under lien (refer note a below)	307.21	5,437.22
Total	33,576.49	5,437.22

a) Deposits with banks under lien includes fixed deposit with ICICI Bank against standby letter of credit issued by ICICI Bank to ICICI Bank UK Plc with respect to term loan facility availed by EPAL amounting to ₹ Nil (31 March 2018: ₹ 5,418.19 Lakhs), fixed deposits for CST & VAT amounting to ₹ 3.01 Lakhs (31 March 2018: ₹ 19.03 Lakhs) and fixed deposits held as margin money for letter of credit and bank guarantees of ₹ 304.20 Lakhs (31 March 2018: ₹ Nil).

12 Current loans

₹ in Lakhs

Particulars	As at 31 March 2019	As at 31 March 2018
Unsecured, considered good		
Loan to employees (including interest accrued)	113.56	81.14
Security deposits	250.78	72.20
Total	364.34	153.34

13 Other current financial assets

₹ in Lakhs

Particulars	As at 31 March 2019	As at 31 March 2018
Unbilled revenue	2,234.05	4,782.86
Finance lease receivables (refer note 43(b))	812.22	-
Others (refer note a below)	5,216.91	820.94
Total	8,263.18	5,603.80

a) Others includes expenses incurred on behalf of third parties which are recoverable.

14 Current tax assets (Net)

₹ in Lakhs

Particulars	As at 31 March 2019	As at 31 March 2018
Advance tax	894.72	1,298.48
Self assessment refund	2,360.41	591.48
TCS recoverable	39.49	11.04
TDS recoverable	521.21	644.68
Total	3,815.83	2,545.68

15 Other current assets

₹ in Lakhs

Particulars	As at 31 March 2019	As at 31 March 2018
Receivable from statutory authorities (refer note a below)	29,157.12	14,124.45
Deposits paid under protest	4,327.95	3,844.28
Prepaid expenditure (refer note b below)	6,594.43	5,168.57
Advance to suppliers	2,812.01	729.78
Deferred rent	65.44	39.33
Imprest to employees	13.40	5.30
Others (refer note c below)	592.94	1,192.58
Total	43,563.29	25,104.29

a) The sales, corresponding output tax liability and purchases along with the corresponding input tax credit reported in GST and VAT returns, the net input tax credit receivable or the net output tax liability payable as the case may be are subject to reconciliation with the books of accounts. Differences which will be identified on reconciliation of GST/ VAT returns will be addressed in annual GST/ VAT statements/ revised returns to be filed in due course.

b) Expenses incurred on advertisement / awareness on DELP / UJALA programme in a State are charged to statement of profit and loss in proportion to LED bulbs distributed in current year vis-a-vis the total targeted LED bulbs distribution for that respective State at the beginning of the year and balance amount is carried forward for charging to statement of profit and loss in subsequent years. Similarly expenses incurred on national media campaigning for DELP / UJALA programme are charged to statement of profit & loss in proportionate to the total LED bulbs distributed in current financial year vis-a-vis the overall targeted LED bulbs distribution under DELP/ UJALA programme at the beginning of the year and balance amount is carried forward for charging to statement of profit and loss in subsequent years. Accordingly, out of total expenditure ₹ 4907.39 Lakhs balance brought forward from previous year 2017-18, ₹ 619.89 has been charged in Media /advertisement expenses till the year 2018-19, ₹ 4287.50 Lakhs has been carried forward as prepaid expenditure under the head, "Other Current Assets".

c) Others include advances given to vendors and to employees.

16 Share capital

₹ in Lakhs

Particulars	As at 31 March 2019 No. of shares	Amount	As at 31 March 2018 No. of shares	Amount
Authorised				
Equity shares of par value ₹10/- each	**350,00,00,000**	**3,50,000.00**	1,50,00,00,000	1,50,000.00
Issued, subscribed and fully paid up				
Equity shares of par value ₹10/- each	**67,52,04,350**	**67,520.44**	46,20,00,000	46,200.00

a) Movements in equity share capital:

Particulars	As at 31 March 2019 No. of shares	Amount	As at 31 March 2018 No. of shares	Amount
Outstanding at the beginning of the year	**46,20,00,000**	**46,200.00**	46,20,00,000	46,200.00
Add: Shares issued during the financial year	**21,32,04,350**	**21,320.44**	-	-
Outstanding at the end of the year	**67,52,04,350**	**67,520.44**	46,20,00,000	46,200.00

The Company made an offer for right issue under private placement of equity shares to existing shareholders. An amount of ₹9,900.00 Lakhs was received from NTPC Limited on 31 March 2018 and subsequently ₹ 9,900.00 Lakhs and ₹ 1,520.44 Lakhs were received from Power Finance Corporation Limited and Power Grid Corporation of India Limited respectively on 27 April 2018. The Company issued 213,204,350 shares of ₹ 21,320.44 Lakhs during the year.

The Company made an offer for right issue under private placement of equity shares to existing shareholders on 11 March 2019. An amount of ₹ 11,998.80 Lakhs was received from NTPC Limited, ₹ 7,161.00 Lakhs from REC Limited and ₹ 1,841.40 Lakhs received from Power Grid Corporation of India Limited post 31 March 2019. The total share application money of ₹ 21,001.20 Lakhs received is pending for allotment as on the date of approval of financial statements.

b) Terms and rights attached to equity shares:

The Company has only one class of equity shares having a par value ₹ 10/- per share. The holders of the equity shares are entitled to receive dividends as declared from time to time and are entitled to voting rights proportionate to their share holding at the meetings of shareholders.

c) Dividends:

₹ in Lakhs

Particulars	Paid during the year 2018-19 Per share	Amount	Paid during the year 2017-18 Per share	Amount
Equity shares				
Final dividend	**0.16**	**1,102.99**	0.60	2,776.27
Interim dividend	**-**	**-**	0.28	1,298.40

d) Details of shareholders holding more than 5% shares in the Company:

Particulars	As at 31 March 2019		As at 31 March 2018	
	No. of shares	%age holding	No. of shares	%age holding
Power Finance Corporation Limited	**24,55,00,000**	**36.36%**	14,65,00,000	31.71%
NTPC Limited	**24,55,00,000**	**36.36%**	14,65,00,000	31.71%
REC Limited	**14,65,00,000**	**21.70%**	14,65,00,000	31.71%
Powergrid Corporation of India Limited	**3,77,04,350**	**5.58%**	2,25,00,000	4.87%
Total	**67,52,04,350**		46,20,00,000	

The promoters initially subscribed to 25% shares each of the Company. Over the years, the Company has made an offer for right issue under private placement of equity shares to existing shareholders. REC Limited and Powergrid Corporation of India Limited have not subscribed to the offered shares and accordingly there shareholding percentage has declined.

17 Other equity

₹ in Lakhs

Particulars	As at 31 March 2019	As at 31 March 2018
Share application money pending allotment	**-**	9,900.00
Debenture redemption reserve	**15,126.44**	6,515.21
Retained earnings	**1,349.65**	1,827.75
Total	**16,476.09**	18,242.96

a) Share application money pending allotment

₹ in Lakhs

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Opening balance	**9,900.00**	-
Share application money received	**11,420.44**	9,900.00
Equity shares issued	**(21,320.44)**	-
Closing balance	**-**	9,900.00

b) Debenture redemption reserve

The company is required to create a debenture redemption reserve out of the profits which is available for payment of dividend for the purpose of redemption of debentures.

Movement in reserves is as follows

₹ in Lakhs

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Opening balance	**6,515.21**	1,452.99
Add: Transfer from retained earnings	**8,611.23**	5,062.22
Closing balance	**15,126.44**	6,515.21

c) Retained earnings

Retained earning represents the amount of accumulated earnings of the company and re-measurement differences on defined benefit plans and gains. Movement in reserves is as follows:

₹ in Lakhs

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Opening balance	**1,827.75**	7,880.80
Profit for the year as per statement of profit and loss	**9,509.98**	3,946.24
Dividend paid	**(1,102.99)**	(4,074.67)
Tax on dividend paid	**(226.72)**	(829.54)
Transfer to debenture redemption reserve	**(8,611.23)**	(5,062.22)
Transaction cost arising on issue of equity shares, net of tax	**(25.00)**	(25.01)
	1,371.79	1,835.60
Items of OCI recognised directly in retained earnings:		
Net actuarial gains/(losses) on defined benefit plans	**(22.14)**	(7.85)
Closing balance	**1,349.65**	1,827.75

18 Non-current borrowings

₹ in Lakhs

Particulars	As at 31 March 2019	As at 31 March 2018
Debentures/Bonds		
Secured		
(i) 8.07% Debentures (Domestic bonds)- Secured by pari passu charge on the movable fixed assets both present and future (8.07% p.a. secured non-cumulative non-convertible redeemable taxable bonds with three unequal separately transferable redeemable principal parts (STRPP) of ₹12,500.00 Lakhs, ₹12,500.00 Lakhs and ₹25,000.00 Lakhs redeemable at par on 20 March 2020, 20 September 2021 and 20 September 2023, respectively (First Issue - Private Placement))	**52,133.58**	52,133.59
Unsecured		
(i) 7.80% Debentures (Domestic bonds) (7.80% p.a. unsecured non-cumulative non-convertible redeemable taxable bonds repayable as bullet payment in the month of July 2022 amounting ₹45,000.00 Lakhs (Second Issue - Private Placement))	**47,471.42**	47,471.42
(ii) 8.15% Debentures (Domestic bonds) (8.15% p.a. unsecured non-cumulative non-convertible redeemable taxable bonds repayable as bullet payment in the month of Feb 2021 amounting ₹20,000.00 Lakhs (Third Issue - Private Placement))	**20,361.73**	20,361.72
(iii) 8.29% Debentures (Domestic bonds) (8.29 % p.a. unsecured non-cumulative non-convertible redeemable taxable bonds repayable as bullet payment in the month of May 2021 amounting ₹12,500.00 Lakhs (Fourth Issue - Private Placement))	**12,676.02**	12,676.02
Term loan from banks		
Unsecured rupee term loan		
(i) Punjab National Bank ROI: 8.45% p.a. (linked to 6 months MCLR) repayable in 10 equated instalments starting from June 2021 and ending in December 2025.	**39,997.59**	-
Term loan from other than banks		
Unsecured foreign currency loans		
(i) KFW Loan -Guaranteed by Government of India (1.96% p.a. loan repayable on half yearly basis starting from 30 June 2018 in 14 instalments of Euro 2,941,000 each and 3 instalments of Euro 2,942,000 each)	**34,455.63**	38,938.98
(ii) AFD Loan -Guaranteed by Government of India (1.87% p.a. for Euro 3,719,016.59, 2.20% p.a. for Euro 1,205,674.41, 2.19% p.a. for Euro 8460156.73 and 2.22% p.a. for Euro 3112936.93 loan repayable in half yearly basis starting from 31 October 2020 in 20 equal instalments of Euro 2,500,000 each)	**12,929.37**	3,997.83
(iii) ADB Loan - Guaranteed by Government of India (3.166% p.a. (Method: 6 month LIBOR+ 60 Basis point +/- rebate/surcharge, if any) loan repayable on half yearly basis starting from 15 March 2022 in 30 equal instalments of USD 6,666,667 each)	**43,391.19**	9,768.69
(iv) IBRD Loan -Guaranteed by Government of India (3.55% p.a. (Method: 6 month LIBOR+66 Basis point, if any) loan repayable on half yearly basis starting from 15 May 2023 in 27 equal instalments of USD 7854000 each and one installment of 7942000)	**38,484.04**	-
	3,01,900.57	1,85,348.25
Less: Current maturities of long term borrowings	**17,070.46**	4,558.77
Less: Interest accrued but not due on borrowings	**5,642.05**	5,369.32
Total	**2,79,188.06**	1,75,420.16

There has been no default in repayment of the loans/ interest thereon as at the end of the year.

19 Non-current trade payable

₹ in Lakhs

Particulars	As at 31 March 2019	As at 31 March 2018
Trade payable for goods and services		
Total outstanding dues of micro enterprises and small enterprises	1,277.49	-
Total outstanding dues of creditors other than micro and small enterprises	10,523.97	-
Total	**11,801.46**	-

a) Trade payable are subject to confirmations, reconciliation and consequential adjustments that may arise on reconciliation.

b) Amounts payable to related parties are disclosed in note 48.

c) Refer note 50 for disclosures as required under Companies Act, 2013/Micro, Small and Medium Enterprises Development Act, 2006.

20 Other non-current financial liabilities

₹ in Lakhs

Particulars	As at 31 March 2019	As at 31 March 2018
Retention money	40,680.09	8,019.85
Total	**40,680.09**	8,019.85

21 Non-current provisions

₹ in Lakhs

Particulars	As at 31 March 2019	As at 31 March 2018
Provision for employee benefits		
Gratuity	136.73	140.88
Leave encashment	144.21	269.51
Total	**280.94**	410.39

a) Refer note 38 for disclosure as per Ind AS 19 on 'Employee Benefits'.

22 Deferred tax liabilities (net)

₹ in Lakhs

Particulars	As at 31 March 2019	As at 31 March 2018
Deferred tax liability		
Revenue measured at fair value	931.57	2,322.68
Financial assets and liabilities measured at amortised cost	3,007.11	1,181.23
Difference in book depreciation and tax depreciation	8.00	-
	3,946.68	3,503.91
Less: Deferred tax assets		
Difference in book depreciation and tax depreciation	2,848.29	2,972.24
Leave encashment	50.39	98.38
Provisions for gratuity	47.78	55.69
Provisions for bonus	113.07	0.88
Allowance for credit impaired receivables	137.43	68.05
Operating lease liabilities	37.84	25.95
Revenue measured at fair value	-	60.11
Financial assets and liabilities measured at amortised cost	2.28	42.32
	3,237.08	3,323.62
Total deferred tax liabilities (net)	**709.60**	180.29

a) Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority.

b) Movement in deferred tax balances

31 March 2019

₹ in Lakhs

Particulars	Net Balance 1 April 2018	Recognised in profit or loss	Recognised in OCI	Net Balance 31 March 2019
Deferred tax liability				
Revenue measured at fair value	2,322.68	(1,391.11)	-	**931.57**
Financial assets and liabilities measured at amortised cost	1,181.23	1,825.88	-	**3,007.11**
	3,503.91	434.77	-	**3,938.68**
Less: Deferred tax assets				
Difference in book depreciation and tax depreciation	2,972.24	(131.95)	-	**2,840.29**
Leave encashment	98.38	(47.99)	-	**50.39**
Provisions for gratuity	55.69	(19.80)	11.89	**47.78**
Provisions for bonus	0.88	112.19	-	**113.07**
Allowance for credit impaired receivables	68.05	69.38	-	**137.43**
Operating lease liabilities	25.94	11.90	-	**37.84**
Revenue measured at fair value	60.11	(60.11)	-	**-**
Financial assets and liabilities measured at amortised cost	42.32	(40.04)	-	**2.28**
	3,323.61	(106.42)	11.89	**3,229.08**
Deferred tax liabilities (net)	**180.30**	**541.19**	**(11.89)**	**709.60**

31 March 2018

₹ in Lakhs

Particulars	Net Balance 1 April 2017	Recognised in profit or loss	Recognised in OCI	Net Balance 31 March 2018
Deferred tax liability				
Revenue measured at fair value	4,197.71	(1,875.03)	-	2,322.68
Financial assets and liabilities measured at amortised cost	709.47	471.76	-	1,181.23
	4,907.18	(1,403.27)	-	3,503.91
Less: Deferred tax assets				
Difference in book depreciation and tax depreciation	4,576.68	(1,604.44)	-	2,972.24
Leave encashment	59.55	38.83	-	98.38
Provisions for gratuity	21.43	30.11	4.15	55.69
Provisions for bonus	0.88	-	-	0.88
Allowance for credit impaired receivables		68.05	-	68.05
Operating lease liabilities	15.90	10.05	-	25.94
Revenue measured at fair value	211.78	(151.67)	-	60.11
Financial assets and liabilities measured at amortised cost	12.58	29.74	-	42.32
	4,898.80	(1,579.34)	4.15	3,323.61
Deferred tax liabilities (net)	**8.38**	**176.07**	**(4.15)**	**180.30**

23 Other non-current liabilities

₹ in Lakhs

Particulars	As at 31 March 2019	As at 31 March 2018
Operating lease liabilities	**59.00**	74.77
Deferred income on account of government grants (refer notes a and b below)	**427.68**	550.16
Total	**486.68**	624.93

a) Deferred income on account of government grants have been accounted in line with Accounting policy no. C.7 (Note 1).

b) International Bank for Reconstruction and Development ("World Bank") acting as an implementation agency of the Global Environment Facility ("GEF") had sanctioned a grant of USD 1,500,000 for implemention of SAP. Total grant amounting to ₹ 1,062.56 Lakhs has been received out of the sanctioned amount. There are no unfulfilled conditions or other contingencies attached to above grant."During the year, the Company has received ₹ 290.73 Lakhs (31 March 2018: ₹ 611.37 Lakhs) as grant from World Bank and has recognised ₹ 397.64 Lakhs (31 March 2018: ₹ 0.17 Lakhs) as grant income (refer note 30).

24 Current borrowings

₹ in Lakhs

Particulars	As at 31 March 2019	As at 31 March 2018
Loans from banks		
Secured		
(i) ICICI Bank - Secured by first pari passu charge on the stock and receivables both present and future (ROI varying between 8.20% p.a.(linked to 1 year MCLR) to 8.90% p.a. (linked to 3 months MCLR + 30 bps) depending on the date of disbursement of the respective tranches repaid/ repayable as bullet payment of the respective tranche starting from Sep 2018 to June 2019 in the range of ₹ 2,000.00 Lakhs to ₹ 8,000.00 Lakhs)	**15,600.00**	15,000.00
(ii) HDFC - Secured by first pari passu charge on the stock and debtors both present and future (ROI varying between 7.85% p.a.(linked to 3 months MCLR) to 8.45% p.a. (linked to 3 months MCLR) depending on the date of disbursement of the respective tranches repayable as Bullet payment of the respective tranche starting from June 2019 to Feb 2020 in the range of of ₹ 1,000.00 Lakhs to ₹ 5,000.00 Lakhs)	**7,500.00**	11,000.00
(iii) SBI - Secured by first pari passu charge on the stock and receivables both present and future (ROI varying between 7.85% p.a.(linked to 3 months MCLR) to 8.25% p.a. (linked to 3 months MCLR) depending on the date of disbursement of the respective tranches repaid as Bullet payment in the month of March 2019 in the range of ₹ 5,000.00 Lakhs to ₹ 23,500.00 Lakhs)	-	28,525.59
(iv) IndusInd Bank - Secured by pari passu charge on stock and book debts of the Company (ROI varying between 9.13% p.a. to 9.25% p.a. (linked to 3 months MIBOR + 169 bps) repayable as Bullet in the month of Nov 2019 amounting to ₹ 10,000.00 Lakhs)	**10,000.00**	-
(v) IndusInd Bank (factored receivables)- Secured by pari passu charge on stock and book debts of the Company (ROI be at 9.00% p.a. (linked to 364 days T-bill plus 258 basis point), repayable after 120 days from the discounting date in the event of default/ delay in receipt of proceeds from the companies (whose bills are discounted) in the month of July 2019 amounting to ₹ 9,579.08 Lakhs)	**9,579.08**	-
Unsecured		
(i) IndusInd Bank (ROI varying between 8.30% p.a. to 8.75% p.a. (linked to 3 months MIBOR + 121 bps) repayable as Bullet in the month of Sep 2019 amounting to ₹ 5,000.00 Lakhs)	**5,003.69**	5,001.14
(ii) J&K Bank (Borrowing-1: ROI varying between 8.15% p.a. to 8.30% p.a. (linked to 1 month MCLR) repayable as Bullet in the month of June 2019 amounting to ₹ 5,000 lakhs) (Borrowing-2: ROI varying between 8.35% p.a. to 8.45% p.a. (linked to 3 months MCLR) repayable as Bullet in the month of Sep 2019 amounting to ₹ 10,000 lakhs)	**14,999.91**	-
(iii) CTBC Bank (ROI varying between 7.96% p.a. (linked to 1 months MIBOR + 75 bps) to 8.42% p.a. (linked to 3 months MIBOR + 82 bps) repaid as Bullet in the month of Feb 2019 amounting to ₹ 4,000.00 Lakhs)	**-**	4,000.88
Total	**62,682.68**	63,527.61
Less: Interest accrued on current borrowings	**3.69**	27.61
Total	**62,678.99**	63,500.00

25 Trade payables

₹ in Lakhs

Particulars	As at 31 March 2019	As at 31 March 2018
Trade payable for goods and services		
Total outstanding dues of micro enterprises and small enterprises	**8,214.58**	-
Total outstanding dues of creditors other than micro and small enterprises	**1,25,750.06**	1,28,526.81
Total	**1,33,964.64**	1,28,526.81

a) Trade payable are subject to confirmations, reconciliation and consequential adjustments that may arise on reconciliation.

b) Amounts payable to related parties are disclosed in note 48.

c) Refer note 50 for disclosures as required under Companies Act, 2013/Micro, Small and Medium Enterprises Development Act, 2006.

26 Other current financial liabilities

₹ in Lakhs

Particulars	As at 31 March 2019	As at 31 March 2018
Current maturities of non-current borrowings (refer note 18)	**17,070.46**	4,558.77
Interest accrued on borrowings	**5,645.74**	5,396.93
Unclaimed interest on debentures/bonds	**1.61**	-
Liabilities for expenses	**2,333.37**	2,184.77
Retention money	**15,546.09**	13,703.52
Earnest money deposits	**430.81**	700.16
Security deposits	**138.94**	72.85
Payable to employees	**762.79**	5.11
Commitment fee payable	**238.07**	48.13
Tax on dividend payable	**-**	264.35
Total	**42,167.88**	26,934.59

27 Other current liabilities

₹ in Lakhs

Particulars	As at 31 March 2019	As at 31 March 2018
Statutory dues (refer note a below)	**18,574.62**	5,660.23
Liquidated damages	**93.25**	314.64
Advance from customers	**1,308.50**	5.87
Unearned income	**172.20**	77.90
Operating lease liabilities	**-**	0.19
Deferred income on account of government grants (refer note 23)	**237.18**	61.15
Total	**20,385.75**	6,119.98

a) The sales, corresponding output tax liability and purchases along with the corresponding input tax credit reported in GST and VAT returns, the net input tax credit receivable or the net output tax liability payable as the case may be are subject to reconciliation with the books of accounts. Differences which will be identified on reconciliation of GST/ VAT returns will be addressed in annual GST/ VAT statements/ revised returns to be filed in due course.

28 Current provisions

₹ in Lakhs

Particulars	As at 31 March 2019	As at 31 March 2018
Provision for employee benefits		
Gratuity	3.29	1.39
Leave encashment	8.37	14.77
Pay revision (refer note 32(b))	-	550.00
Total	**11.66**	566.16

a) Refer note 38 for disclosure as per Ind AS 19 on 'Employee Benefits'.

29 Revenue from operations

₹ in Lakhs

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Sale of goods	**1,11,527.89**	1,04,788.27
Rendering of services	**72,237.35**	30,806.00
Total	**1,83,765.24**	1,35,594.27

a) Refer note 49 for disclosure in respect of Ind AS 115, 'Revenue from contracts with customers'.

b) The Company has recognised revenue under agreements with ULB's based on certain assumptions / estimate like the start date of the project period is taken as the date of completion specified in the first Completion Certificate received from the ULB, the actual expenses towards PMC, AMC and interest (including indirect finance costs) are more than the percentage specified in the agreement, the billing commences from next month of the month of completion mentioned in the completion certificate except in the case where the date of completion is the first day of the month, in which case the billing is done for the same month. The company is seeking necessary clarifications on such and other matters.

30 Other income

₹ in Lakhs

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Interest income from financial assets measured at amortised cost		
Bank deposits	**3,229.49**	1,233.99
Trade receivables/unbilled revenue	**1,332.14**	2,166.34
Loans to employees	**4.85**	3.49
Security deposit	**41.50**	14.50
Others	**162.42**	1,422.01
Other non-operating income		
Tender document fees	**38.63**	59.37
E- Tendering registration fee	**11.10**	15.49
Net gain on foreign currency transactions and translation	**2,580.71**	-
EMD forfeited	**1,424.00**	-
Deferred rent income	**15.97**	-
Grant income	**397.64**	0.17
Miscellaneous income	**563.71**	560.67
Total	**9,802.16**	5,476.03

31 (Increase)/ Decrease in inventories

₹ in Lakhs

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Opening stock	**29,993.41**	15,464.97
Closing stock	**26,968.66**	29,993.41
Total	**3,024.75**	(14,528.44)

32 Employee benefits expense

₹ in Lakhs

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Salaries and wages	**2,712.61**	3,368.56
Leave encashment	**(100.11)**	148.31
Contribution to provident and other funds	**79.49**	178.85
Staff welfare expenses	**148.43**	227.03
Total	**2,840.42**	3,922.75

a) Refer note 38 for disclosure as per Ind AS 19 on 'Employee Benefits'.

b) The pay revision of the employees of the company was due with effect from 1 January 2017. The Department of Public Enterprises, Ministry of Heavy Industries and Public Enterprises, Government of India vide office memorandums No. W-02/0028/2017-DPE(WC)-GL-XIII/17 dated 3 August 2017 had revised scales of pay in respect of Board level and below Board level executives and Non-unionised Supervisors of Central Public Sector Enterprises with effect from 1 January 2017. Since the pay scales of regular employees in EESL have been formulated in accordance with NTPC pay scales of the regular employees, in terms of the guidelines issued by the Department of Public Enterprises applicable to NTPC, a provision was made on an estimated basis in respect of regular employees on account of pay revision. Movement in provision is as follows:

₹ in Lakhs

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Opening balance	**550.00**	-
Addition during the year	**-**	550.00
Amounts used during the year	**(550.00)**	-
Total	**-**	550.00

33 Finance costs

₹ in Lakhs

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Finance charges on financial liabilities measured at amortised cost		
Debentures/Bonds	**8,237.85**	4,595.01
Cash credit	**6,308.69**	4,102.52
Foreign currency term loans	**1,260.61**	733.64
Rupee term loans	**246.23**	-
Unwinding of discount on retention money	**1,067.48**	604.38
Unwinding of discount on trade payables	**1,048.69**	-
Others	**-**	176.30
Net loss on foreign currency transactions and translation	**118.25**	2,687.04
Other borrowing costs		
Commitment fees for foreign currency term loans	**188.02**	11.05
Guarantee fees	**547.70**	395.51
Total	**19,023.52**	13,305.45

a) Interest on loans amounting to ₹ 4,836.16 Lakhs for the comparative period has been bifurcated between interest on foreign currency term loans (₹ 733.64 Lakhs) and cash credit (₹ 4,102.52 Lakhs) to enhance comparability with the current year's financial statements.

b) Borrowing costs capitalised during the year is ₹ 3,582.44 Lakhs (31 March 2018: ₹ 2,449.16 Lakhs).

34 Other expenses

₹ in Lakhs

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Annual maintenance charges (projects)	**9,396.79**	2,042.59
Project expenses	**2,757.36**	2,677.63
Legal fees & professional charges	**2,004.99**	1,276.90
Rent	**2,015.59**	757.37
Manpower expenses	**1,336.91**	573.71
Tour and traveling expenses	**755.06**	295.59
Communication expenses	**474.16**	203.91

34 Other expenses (Continued)

₹ in Lakhs

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Advertisement and publicity expenses	**344.14**	267.80
Business promotion	**205.89**	758.85
Printing and stationery expenses	**158.29**	80.60
Meeting expense/ Hospitality expenses	**175.76**	1.65
Net loss on sale of property, plant and equipment	**142.54**	-
Bank charges	**207.74**	153.75
Sponsorship expenses	**142.54**	3.00
Insurance charges	**147.61**	23.52
Testing expenses	**117.29**	22.36
Electricity expenses	**93.67**	70.16
Payment to auditors (refer note b below)	**32.05**	28.25
Conveyance expenses	**25.20**	132.52
Recruitment expenses	**11.04**	301.02
Repair and maintenance expenses		
- Building	**66.36**	82.30
- Computer	**4.72**	-
- Other	**-**	0.94
Internal audit fees	**6.00**	3.00
Deferred rent expenses	**-**	29.03
Rate and taxes	**15.87**	112.25
Corporate social responsibility expenses	**20.06**	12.27
Books and periodicals	**0.78**	-
Net loss on foreign currency transactions and translation	**-**	1,291.03
Allowance for doubtful receivables	**196.65**	196.64
Diwali gift expenses	**-**	25.26
Annual day celebration expenses	**-**	4.48
Awareness creation, training & outreach activities	**-**	0.46
Miscellaneous expenses	**240.03**	547.88
Total	**21,095.09**	11,976.72

a) Ujala scheme expenses amounting to ₹ 1,801.27 Lakhs (software expenses ₹ 361.55 Lakhs, project maintenance expenses ₹ 0.92 Lakhs and other project expenses ₹ 1,438.80 Lakhs) and other project expenses amounting to ₹ 876.36 Lakhs have been aggregated and presented as project expenses (₹ 2,677.63 Lakhs) in the comparative period to enhance comparability with current year.

b) Details in respect of payment to auditors:

Statutory audit fee	**16.50**	15.00
Tax audit fee	**7.15**	6.50
Limited review	**5.50**	5.00
Reimbursement of expenses	**2.90**	2.75
Total	**32.05**	29.25

35 Fair Value Measurements

(a) Financial instruments by category

All of the Company's financial assets and liabilities viz. loans, cash and cash equivalents, other bank balances, unbilled revenue and trade and other receivables, borrowings, retention money payable, liability for expenses and other payables are measured at amortised cost.

(b) Fair value hierarchy

To provide an indication about the reliability of the inputs used in determining fair value of financial instruments measured at amortised cost for which fair value is being disclosed, the company has classified these into levels prescribed under the Ind AS 113, ' Fair value measurement' details of which are as under:

₹ in Lakhs

Particulars	Level 2*	
	As at 31 March 2019	As at 31 March 2018
Financial assets:		
Security deposits	**633.96**	485.70
Unbilled revenue	**3,961.72**	9,307.00
Loan to employees	**200.55**	151.00
Finance lease receivables	**3,900.81**	-
Bank deposits	**16.38**	-
Total	**8,713.42**	9,943.70
Financial liabilities:		
Borrowings	**2,91,039.18**	1,87,290.00
Retention money	**65,682.89**	23,132.00
Trade payables	**12,884.96**	-
Total	**3,69,607.03**	2,10,422.00

* Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

c) Valuation technique used to determine fair value

(i) For financial assets (security deposits, employee loans, unbilled revenue) - Discounted future cash flow; appropriate market rate as of each balance sheet date used for discounting.

(ii) For financial liabilities (retention money liabilities, debentures,foreign currency loans): Discounted cash flow; appropriate market borrowing rate of the entity as of each balance sheet date used for discounting.

d) Fair value of financial assets and liabilities measured at amortised cost

₹ in Lakhs

Particulars	As at 31 March 2019		As at 31 March 2018	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets:				
Security deposits	**624.34**	**633.96**	464.06	485.70
Unbilled revenue	**2,896.67**	**3,961.72**	6,626.26	9,307.00
Loan to employees	**233.95**	**200.55**	182.91	151.00
Finance lease receivables	**3,900.81**	**3,900.81**	-	-
Bank deposits	**16.38**	**16.38**	-	-
Total	**7,672.15**	**8,713.42**	7,273.23	9,943.70
Financial liabilities:				
Borrowings	**3,01,900.57**	**2,91,039.18**	1,79,978.93	1,87,290.00
Retention money	**56,226.18**	**65,682.89**	21,723.37	23,132.00
Trade payables	**11,801.46**	**12,884.96**	-	-
Total	**3,69,928.21**	**3,69,607.03**	2,01,702.30	2,10,422.00

The carrying amounts of current trade receivables, trade payables, payable for capital expenditure, cash and cash equivalents and other financial assets and liabilities are considered to be the same as their fair values, due to their short-term nature.

The fair values for security deposits, unbilled revenue, employee term loans, borrowings and retention money were calculated based on cash flows discounted using a current lending rate/borrowing rate. They are classified as level 2 fair values in the fair value hierarchy due to the use of observable market inputs.

36 Financial risk management

The Company's principal financial liabilities comprise loans and borrowings in foreign as well as domestic currency, trade payables and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include loans, trade & other receivables, and cash and short-term deposits that derive directly from its operations.

The Company is exposed to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk.

a) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations resulting in a financial loss to the Company. Credit risk arises principally from trade receivables, unbilled revenue, loans & advances, cash & cash equivalents and deposits with banks.

Trade receivables and unbilled revenue

The Company earns its revenue mainly from government controlled entities (both central and state government). As these entities are government controlled, the counter party risk attached to such receivables are considered to be insignificant.

For rest of the customers, Company evaluates and manages its credit risk by taking into consideration the ageing of the dues, specific credit circumstances, nature of the customers and credit worthiness of the customers.

The impairment loss allowance is assessed by the company using life time ECL approach which is based on the business environment in which the company operates. The trade receivables are considered in default (credit impaired) when the possibility of recovery of receivables based on the assessment/evaluation on the parameters stated above are deteriorating and are required to be provided as allowance for doubtful receivables in a systematic manner.

The Company has not experienced any significant impairment losses in respect of trade receivables in the past years. Since the Company has its customers within different states of India, geographically there is no concentration of credit risk.

Loan to employees

The company has given loans to employees. The company manages its credit risk in respect of loan and advances to employees through settlement of dues against full & final payment to employees.

Cash and cash equivalents

The Company held cash and cash equivalents of ₹ 42,482.84 Lakhs (31 March 2018: ₹ 52,061.67 Lakhs). The cash and cash equivalents are held with banks with high rating.

Deposits with banks and financial institutions

The Company held deposits with banks and financial institutions of ₹ 33,592.87 Lakhs (31 March 2018: ₹ 5441.84 Lakhs). In order to manage the risk, Company places deposits with only high rated banks/institutions.

(i) Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

₹ in Lakhs

Particulars	As at 31 March 2019	As at 31 March 2018
Financial assets for which loss allowance is measured using 12 months Expected Credit Losses		
Non-current loans	**493.95**	465.93
Other non-current financial assets*	**3,917.19**	4.62
Cash and cash equivalents	**42,482.84**	52,061.67
Deposits with banks	**33,576.49**	5,437.22
Current loans	**364.34**	153.34
Other current financial assets*	**6,029.13**	820.94
Total	**86,863.94**	58,943.72
Financial assets for which loss allowance is measured using Life time Expected Credit Losses		
Trade receivables	**1,83,148.24**	1,16,182.54
Unbilled revenue	**2,896.67**	6,626.26
Total	**1,86,044.91**	1,22,808.80

* Excluding unbilled revenue

(ii) Provision for expected credit losses

Financial assets for which loss allowance is measured using 12 month expected credit losses

The Company has assets where the counter- parties have sufficient capacity to meet the obligations and where the risk of default is very low. Accordingly, no loss allowance for impairment has been recognised.

Financial assets for which loss allowance is measured using life time expected credit losses

The Company has customers with capacity to meet the obligations and therefore the risk of default is low. Further, management believes that the unimpaired amounts that are past due are still collectible in full, based on historical payment behaviour. However, an allowance for doubtful receivables of ₹ 196.65 Lakhs (31 March 2018: ₹ 196.64 Lakh) has been recognised during the year to the extent of additional 10% of the total outstanding of ₹ 1,966.40 Lakhs of cases which are under litigation for recovery.

Financial assets for which loss allowance is measured and recommended by Comptroller and Auditor General of India

The company has not made a provision of ₹ 1650.00 Lakhs on account of subsidy not received from Delhi Government/DERC as per the recommendation made by the CAG of India of their report dated 18 October 2017 issued to Company. However, the management is of the view that the recovery is being followed up with concerned authority, which is under review and the management is confident for recovery of their dues.

(iii) Ageing analysis of trade receivables

₹ in Lakhs

Particulars	0-30 days past due	31-60 days past due	61-90 days past due	91-120 days past due	More than 120 days past due	Total
Gross carrying amount as at 31 March 2019	36,882.44	19,679.94	5,137.24	15,452.68	1,06,389.23	**1,83,541.53**
Gross carrying amount as at 31 March 2018	23,656.24	6,484.74	3,822.37	1,164.71	81,251.13	**1,16,379.18**

(iv) Reconciliation of allowance for doubtful receivables

The movement in the allowance for doubtful receivables in respect of trade receivables during the year is as follows:

₹ in Lakhs

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Opening balance	**196.64**	-
Add: Allowance for doubtful debts recognised during the year	**196.65**	196.64
Closing balance	**393.29**	196.64

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company has an appropriate liquidity risk management framework for the management of short, medium and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate cash reserves, banking facilities and reserve borrowing facilities by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

Typically the Company ensures that it has sufficient cash on demand to meet expected operational expenses for a period of 60 days, including the servicing of financial obligations, this excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters.

(i) Financing arrangements

The company had access to the following undrawn borrowing facilities at the end of the reporting period:

₹ in Lakhs

Particulars	31 March 2019	31 March 2018
Fixed-rate borrowings		
Foreign currency loans	**1,81,436.83**	1,99,144.30
Working capital loan	**14,400.00**	-
Total	**1,95,836.83**	1,99,144.30
Floating-rate borrowings		
Term loans	**10,002.41**	11,500.00
Foreign currency loans	**2,08,762.33**	1,20,331.59
Working capital loan	**2,500.10**	-
Total	**2,21,264.84**	1,31,831.59
Total	**4,17,101.67**	3,30,975.88

(ii) Maturitites of financial liabilities

The following are the contractual maturities of non-derivative financial liabilities, based on contractual cash flows:

As at 31 March 2019

₹ in Lakhs

Particulars	3 months or less	3-12 months	1-2 years	2-5 years	More than 5 years	Total
Non-current borrowings*	4,360.57	37,277.59	40,029.99	1,70,447.16	1,35,117.51	3,87,232.82
Current borrowings	25,599.91	37,082.77	-	-	-	62,682.68
Trade payables	60,917.95	73,046.69	2,895.60	7,061.74	1,844.12	1,45,766.10
Retention money	1,868.79	16,946.77	15,003.01	19,632.53	2,775.08	56,226.18
Liability for expenses	2,333.37	-	-	-	-	2,333.37
Payable to employees	762.79	-	-	-	-	762.79
Others	378.62	430.81	-	-	-	809.43
Total	**96,222.00**	**1,64,784.63**	**57,928.60**	**1,97,141.43**	**1,39,736.71**	**6,55,813.37**

As at 31 March 2018

₹ in Lakhs

Particulars	3 months or less	3-12 months	1-2 years	2-5 years	More than 5 years	Total
Non-current borrowings*	2,904.75	18,313.30	30,275.51	1,30,293.77	55,207.56	2,36,994.89
Current borrowings	10,000.00	53,500.00	-	-	-	63,500.00
Trade payables	588.21	1,27,911.77	13.42	13.42	-	1,28,526.81
Retention money	-	11,874.46	837.97	5,724.99	3,285.94	21,723.37
Liability for expenses	-	2,186.77	-	-	-	2,186.77
Payable to employees	5.11	-	-	-	-	5.11
Others	310.48	700.16	-	-	-	1,010.64
Total	**13,808.55**	**2,14,486.46**	**31,126.90**	**1,36,032.18**	**58,493.50**	**4,53,947.59**

* includes contractually committed interest

c) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Company's income. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. The Board of Directors is responsible for setting up of policies and procedures to manage market risks of the Company. All such transactions are carried out within the guidelines set by the risk management committee.

(i) Currency risk

The Company is exposed to foreign currency risk on certain transactions that are denominated in a currency other than entity's functional currency, hence exposure to exchange rate fluctuations arises. The risk is that the functional currency value of cash flows will vary as a result of movements in exchange rates.

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

₹ in Lakhs

	As at 31 March 2019			As at 31 March 2018		
Particulars	**EURO**	**USD**	**GBP**	**EURO**	**USD**	**GBP**
Financial liabilities						
Foreign currency borrowings	47,385.00	81,875.23	-	42,722.30	9,756.61	-
Trade payables	-	-	8.17	-	-	5.37
Total	**47,385.00**	**81,875.23**	**8.17**	**42,722.30**	**9,756.61**	**5.37**
Financial assets						
Trade receivables	-	-	578.54	-	-	125.02
Balance with bank-current account	-	2,017.42	38.97	-	6,191.77	6.93
Total	**-**	**2,017.42**	**617.51**	**-**	**6,191.77**	**131.95**
Net Exposure	**47,385.00**	**79,857.81**	**(609.34)**	**42,722.30**	**3,564.84**	**(126.58)**

Sensitivity analysis

A strengthening of the Indian Rupee, as indicated below, against Euro, USD and GBP at 31 March would have increased/(decreased) profit or loss (before tax) by the amounts shown below. This analysis is based on foreign currency exchange rate variances that the company considered to be reasonably possible at the end of the reporting period. The analysis assumes that all other variables, in particular interest rates, remain constant. The analysis is performed on the same basis for previous year.

₹ in Lakhs

	31 March 2019		31 March 2018	
Particulars	**Strengthening**	**Weakening**	**Strengthening**	**Weakening**
10% movement				
INR/EUR	**(4,738.50)**	**4,738.50**	(4,272.23)	4,272.23
INR/USD	**(7,985.78)**	**7,985.78**	(356.48)	356.48
INR/GBP	**60.93**	**(60.93)**	12.66	(12.66)
Total	**(12,663.35)**	**12,663.35**	(4,616.06)	4,616.06

(i) Interest rate risk

The Company is exposed to interest rate risk arising mainly from non-current borrowings with floating interest rates. The Company is exposed to interest rate risk because the cash flows associated with floating rate borrowings will fluctuate with changes in interest rates. The Company manages the interest rate risks by entering into different kinds of loan arrangements with varied terms (e.g. fixed rate loans, floating rate loans, rupee term loans, foreign currency loans, etc.).

At the reporting date the interest rate profile of the Company's interest-bearing financial instruments is as follows:

₹ in Lakhs

Particulars	As at 31 March 2019	As at 31 March 2018
Financial assets		
Fixed-rate instruments		
Employee Loans	**57.38**	178.11
Total	**57.38**	178.11
Financial liabilities		
Fixed-rate instruments		
Foreign currency loans	**47,099.92**	42,722.30
Debentures	**1,27,500.00**	1,27,500.00
Rupee term loans	**39,997.59**	-
Cash credit	**15,600.00**	26,000.00
	2,30,197.51	1,96,222.30
Variable-rate instruments		
Foreign currency loans	**81,661.00**	9,756.63
Cash credit	**47,079.00**	37,500.00
	1,28,740.00	47,256.63
Total	**3,58,937.51**	2,43,478.93

Fair value sensitivity analysis for fixed-rate instruments

The company's fixed rate instruments are carried at amortised cost. They are therefore not subject to interest rate risk, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

Cash flow sensitivity analysis for variable-rate instruments

A change of 50 basis points in interest rates at the reporting date would have increased (decreased) profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant. The analysis is performed on the same basis for the previous year.

₹ in Lakhs

	31 March 2019		31 March 2018	
Particulars	**Increase**	**Decrease**	**Increase**	**Decrease**
Foreign currency loans	**(408.31)**	**408.31**	(48.78)	48.78
Rupee loans	**(235.40)**	**235.40**	(187.50)	187.50
Total	**(643.70)**	**643.70**	(236.28)	236.28

37 Capital Management

The Company's objectives when managing capital are to:

- safeguard its ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders and

- maintain an appropriate capital structure of debt and equity.

The Board of Directors has the primary responsibility to maintain a strong capital base and reduce the cost of capital through prudent management in deployment of funds and sourcing by leveraging opportunities in domestic and international financial markets so as to maintain investors, creditors & markets' confidence and to sustain future development of the business. The Board of Directors also monitors the level of dividends to equity shareholders.

Under the terms of major borrowing facilities, the Company is required to comply with the following financial covenants:

(i) Maintain a current ratio (current assets divided by current liabilities) of at least 1.0

(ii) Maintain a minimum asset coverage of 1.00 times

(iii) Maintain a Debt:Equity ratio (long-term debt divided by equity net of accumulated profits/losses) not exceeding 80:20

(iv) Maintain a asset debt service coverage ratio (net cash flow from operations divided by debt service obligations, including all principal payments and tax-shielded interest and lease payments following due within the year) of at least 1.2

(v) Borrower shall inform the Bank simultaneously along with Stock Exchange if substantial effect on their profit or business means an adverse variance of 20% or more.

There have been no breaches in the financial covenants of any interest bearing borrowings.

The Company is not subject to externally imposed capital requirements. The Company monitors capital, using a medium term view of three to five years, on the basis of number of financial ratios generally used by industry and by the rating agencies.

The Company monitors capital using gearing ratios which are net debt divided by total equity and debt divided by total equity. Debt comprises of non-current and current borrowings and net debt comprises of non-current and current borrowings less cash and cash equivalent. Equity includes equity share capital and reserves that are managed as capital. The gearing ratios at the end of the reporting periods were as follows:

₹ in Lakhs

Particulars	As at 31 March 2019	As at 31 March 2018
Borrowings	**3,64,583.25**	2,48,875.86
Less : Cash and cash equivalents	**42,482.84**	52,066.97
Net debt	**3,22,100.41**	1,96,808.89
Total equity	**83,996.53**	64,442.96
Net debt to equity ratio	**3.83**	3.05

₹ in Lakhs

Particulars	As at 31 March 2019	As at 31 March 2018
Borrowings	**3,64,583.25**	2,48,875.86
Total equity	**83,996.53**	64,442.96
Debt to equity ratio	**4.34**	3.86

38 Disclosure as per Ind AS 19 'Employee Benefits'

a) Defined contribution plans:

(i) Provident fund

The Company pays fixed contribution to provident fund at predetermined rates to a registered provident fund administered by the Government, which invests the funds in permitted securities. Amount of ₹ 82.09 Lakhs (31 March 2018: ₹ 178.02 Lakhs) pertaining to employers' contribution to provident fund is recognised as an expense and included in "Employee benefits expense" in note 32.

(ii) Superannuation fund

The Company pays fixed contribution to superannuation fund to a separate trust. Amount of ₹ 213.91 Lakhs (31 March 2018: ₹ 119.57 Lakhs) pertaining to employers' contribution to superannuation fund is recognised as an expense and included in "Employee benefits expense" in note 32.

b) Defined benefit plan (gratuity)

The Company operates a gratuity plan which provides lump sum benefits linked to the qualifying salary and completed years of service with the Company at the time of separation. Every employee who has completed 5 years of continuous service is entitled to receive gratuity at the time of his retirement or separation from the organisation, whichever is earlier. The gratuity benefit that is payable to any employee, is computed in accordance with the provisions of "The Payment of Gratuity Act, 1972".

The company has set up a fund with Life Insurance Corporation (LIC) of India and contribution is made to the gratuity policy issued by LIC of India. Based on the actuarial valuation obtained in this respect, the following table sets out the status of the gratuity plan and the amounts recognised in the Company's financial statements as at balance sheet date:

₹ in Lakhs

Particulars	As at 31 March 2019	As at 31 March 2018
Net defined benefit (asset)/liability:	**140.02**	142.27
Gratuity	**140.02**	142.27
Non-current	**136.73**	140.89
Current	**3.29**	1.38

(i) Movement in net defined benefit (asset)/liability

₹ in Lakhs

Particulars	For the year ended 31 March 2019			For the year ended 31 March 2018		
	Defined benefit obligation	Fair value of plan assets	Net defined benefit liability/ (asset)	Defined benefit obligation	Fair value of plan assets	Net defined benefit liability/ (asset)
Opening balance	**142.27**	**6.51**	**135.76**	**61.91**	**-**	**61.91**
Included in profit or loss:						
Current service cost	74.89	-	74.89	61.16	-	61.16
Past service cost		-	-	-	-	-
Net Interest cost	11.09	1.00	10.09	4.55	-	4.55
Total amount recognised in profit or loss	**85.98**	**1.00**	**84.98**	**65.71**	**-**	**65.71**
Included in other comprehensive income (OCI):						
Remeasurement loss/(gain) arising from:						
Financial assumptions	2.15	-	2.15	(10.39)	-	(10.39)
Experience adjustment	38.74	-	38.74	22.39	-	22.39
Return on plan assets excluding interest income		6.86	(6.86)			
Total amount recognised in OCI	**40.89**	**6.86**	**34.03**	**12.00**	**-**	**12.00**
Other						
Contributions paid by the employer	-	114.20	(114.20)	-	14.92	(14.92)
Acquisition adjustment	5.70	-	5.70	11.05	-	11.05
Adjustment in plan assets	-	6.25	(6.25)	-	-	-
Benefits paid	2.72	2.72	-	8.41	8.41	-
Closing balance	**272.12**	**132.10**	**140.02**	**142.27**	**6.51**	**135.76**

(ii) Plan assets

The plan assets of the Company are managed by Life Insurance Corporation of India through a trust managed by the Company in terms of an insurance policy taken to fund obligations of the Company. Information on categories of plan assets as at 31 March 2019 and 31 March 2018 has not been provided by Life Insurance Corporation of India. Actual return on plan assets is ₹ 7.86 Lakhs (31 March 2018: Nil).

(iii) Actuarial assumptions

The following were the principal actuarial assumptions at the reporting date:

Particulars	As at 31 March 2019	As at 31 March 2018
Discount rate	**7.75**	7.80%
Salary escalation rate	**6.00%**	6.00%
Retirement age (years)	**60**	60
Mortality rates inclusive of provision for disability		100% of IALM (2006 - 08)
Withdrawal rate		
Up to 30 Years	**3.00%**	3.00%
From 31 to 44 years	**2.00%**	2.00%
Above 44 years	**1.00%**	1.00%

The estimates of future salary increases considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

(iv) Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

₹ in Lakhs

	31 March 2019		31 March 2018	
	Increase	Decrease	Increase	Decrease
Discount rate (0.5% movement)	**(20.77)**	**23.10**	(11.09)	12.34
Salary escalation rate (0.5% movement)	**23.39**	**(21.19)**	12.44	(11.32)

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period. This analysis may not be representative of the actual change in the defined benefit obligations as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

(v) Risk exposure

Changes in discount rate: Reduction in discount rate in subsequent valuations can increase the plan's liability.

Salary increases: Actual salary increases will increase the plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.

Life expectancy: The plan obligations are to provide benefits for the life of the member, so increases in life expectancy will result in an increase in the plans' liabilities. This is particularly significant where inflationary increases result in higher sensitivity to changes in life expectancy.

Investment risk: Assets liabilities mismatch and actual investment return on assets lower than the discount rate assumed at the last valaution date can impact the liability.

(vi) Expected maturity analysis of the defined benefit plans in future years

₹ in Lakhs

Particulars	As at 31 March 2019	As at 31 March 2018
Less than 1 year	**3.30**	1.39
Between 1-2 years	**2.50**	1.36
Between 2-5 years	**13.28**	7.78
Over 5 years	**253.05**	131.74
Total	**272.13**	142.27

Expected contributions to post-employment benefit plans for the year ending 31 March 2020 are ₹ 100.80 Lakhs. The weighted average duration of the defined benefit plan obligation as at 31 March 2019 is 19.77 years (31 March 2018: 20.25 years).

c) Other long term employee benefit plans

Leave encashment

The Company provides for earned leave (EL) benefit (including compensated absences) to the employees of the Company which accrue annually at 30 days. Leave Encashment subject to maximum of 300 days (Earned Leave) is permissible on superannuation/separation. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date and accumulated leave is treated as long term employee benefit. The scheme is unfunded and liability for the same is recognised on the basis of actuarial valuation. An amount of ₹ (-)100.11 Lakhs (31 March 2018: ₹ 143.65 Lakhs) for the year have been made on the basis of actuarial valuation at the year end and debited to the statement of profit and loss.

39 The Company raises funds through various sources including series of Non-Convertible Bond issue. The details of redeemable, taxable, non-cumulative, non-convertible bonds in the nature of debentures issued by the Company are as follows:

₹ in Lakhs

Series	Secured/ Unsecured	Total issue Size	Face value of each Bond	Allotment Date	First Due Date of principal repayment	Next Due Date of Annual Interest
Series-I	Secured*	50,000.00	₹ 40.00 Lakh**	20-Sep-16	20-Mar-20	20-Sep-19
Series-II	Unsecured	45,000.00	₹ 10.00 Lakh	18-Jul-17	18-Jul-22	18-Jul-19
Series-III	Unsecured	20,000.00	₹ 10.00 Lakh	10-Jan-18	10-Feb-21	10-Jan-20
Series-IV	Unsecured	12,500.00	₹ 10.00 Lakh	29-Jan-18	28-May-21	29-Jan-20

* Series-I is secured by first pari-passu charge over moveable fixed assets of the Company with minimum asset coverage of 1.00 times.

** Each bond of Series-I comprises of 2 STRPP of the value of ₹ 10.00 Lakh each and 1 STRPP of the value of ₹ 20.00 Lakh.

The Company is creating Debenture Redemption Reserve for Bonds issued @ 25% (as required by Companies (Share Capital and Debentures) Rules, 2014).

40 Disclosure as per Ind AS 108 'Operating Segments'

A. General Information

The Company has two reportable segments, as described below, which are the Company's strategic business units. The strategic business units offer different products and services, and are managed separately because they require different technology and marketing strategies. For each of the strategic business units, the Chief operating decision maker (CODM) reviews internal management reports on at least a quarterly basis.

The following summary describes the operations in each of the Company's reportable segments:

Trading: Sale of energy efficient appliances to the different customers

Services: Providing the energy efficient technology services on ESCO model and consultancy services.

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit before income tax, as included in the internal management reports that are reviewed by the Company's Board. Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.

b) Information about reportable segments and reconciliations to amounts reflected in the financial statements:

₹ in Lakhs

Particulars	For the year ended 31 March 2019			For the year ended 31 March 2018		
	Trading	Services	Total	Trading	Services	Total
Segment revenue						
Sale of products/ESCO Project income/ Other consultancy	**1,11,527.89**	**72,237.35**	**1,83,765.24**	1,04,788.27	30,806.00	1,35,594.27
Segment expenses	**1,02,232.39**	**35,202.63**	**1,37,435.02**	94,188.71	13,670.39	1,07,859.10
Segment results	**9,295.50**	**37,034.72**	**46,330.22**	10,599.56	17,135.61	27,735.17
Unallocated corporate interest and other income	**(163.38)**	**(532.28)**	**9,802.16**			5,476.03
Unallocated corporate expenses, finance charges		**-361.37**	**39,020.48**			27,060.97
Profit before tax		**(334.29)**	**17,111.90**			6,150.23
Income tax (net)		**(170.91)**	**7,601.92**			2,203.99
Profit after tax			**9,509.98**			3,946.24

₹ in Lakhs

Particulars	For the year ended 31 March 2019			For the year ended 31 March 2018		
	Trading	Services	Total	Trading	Services	Total
Depreciation and amortisation expense	-	33,086.46	33,086.46	-	13,066.01	13,066.01
Non-cash expenses other than depreciation	196.65	-	196.65	196.64	-	196.64
Capital expenditure	-	1,23,889.79	1,23,889.79	-	1,27,998.48	1,27,998.48

₹ in Lakhs

Particulars	For the year ended 31 March 2019			For the year ended 31 March 2018		
	Trading	Services	Total	Trading	Services	Total
Segment assets	1,34,331.58	3,95,645.51	5,29,977.09	1,15,878.05	2,57,907.92	3,73,785.97
Unallocated corporate and other assets			1,52,166.84			1,00,960.15
Total assets	1,34,331.58	3,95,645.51	6,82,143.93	1,15,878.05	2,57,907.92	4,74,746.12
Segment liabilities	56,331.83	79,113.56	1,35,445.39	12,092.64	96,313.10	1,08,405.74
Unallocated corporate and other liabilities			4,62,702.01			3,01,897.42
Total liabilities	56,331.83	79,113.56	5,98,147.40	12,092.64	96,313.10	4,10,303.16

The Company has not disclosed geographical segments as operations of the Company are mainly carried out within the country.

c) Information about major customers

No external customer individually accounted for more than 10% of the revenues during the year ended 31 March 2019 and 2018.

41 Disclosure as per Ind AS 12 'Income taxes'

a) Income tax recognised in statement of profit and loss

₹ in Lakhs

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Current tax expense		
Current year	7,060.62	1,606.52
Earlier years	-	421.41
	7,060.62	2,027.93
Deferred tax expense		
Origination and reversal of temporary differences	541.30	176.06
	541.30	176.06
Total income tax expense	7,601.92	2,203.99

b) Income tax recognised in other comprehensive income

₹ in Lakhs

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Other comprehensive income		
Net actuarial gains/(losses) on defined benefit plans	(34.03)	(12.00)
Income tax relating to above items	(11.89)	(4.15)
Other comprehensive income for the year, net of income tax	(22.14)	(7.85)

c) Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate:

₹ in Lakhs

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Profit before tax	**17,111.90**	6,150.23
Tax using the Company's domestic tax rate of 34.944% (31 March 2018: 34.61 %)	**5,979.58**	2,128.47
Tax effect of:		
Non-deductible tax expenses	**1,051.90**	(282.17)
Previous year tax liability	**-**	421.40
Others	**570.44**	(63.72)
At the effective income tax rate of 44.42% (31 March 2018: 35.84%)	**7,601.92**	2,203.98

d) The Company has paid tax on dividend distribution @ 20.55% during the year out of its reserves.

42 Disclosure as per Ind AS 33 'Earnings per Share'

₹ in Lakhs

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Basic earnings per share* [A/B]	**1.46**	0.85
Diluted earnings per share* [A/C]	**1.11**	0.85
Nominal value per share	**10.00**	10.00
*rounded upto two decimal places		
a) **Profit attributable to equity shareholders [A]**	**9,509.98**	3,946.24

b) **Weighted average number of equity shares**

₹ in Lakhs

Particulars	As at 31 March 2019	As at 31 March 2018
Opening balance of issued equity shares	**46,20,00,000**	46,20,00,000
Effect of shares issued during the year, if any	**19,15,91,854**	-
Weighted average number of equity shares for Basic EPS [B]	**65,35,91,854**	46,20,00,000
Effect of dilution	**20,50,69,246**	2,71,233
Weighted average number of equity shares for Diluted EPS [C]	**85,86,61,100**	46,22,71,233

43 Disclosure as per Ind AS 17 on 'Leases'

a) Operating leases

The Company has taken certain residential/office premises and warehouses under non-cancellable operating lease arrangements. Lease rentals are subject to escalation of upto 15% per annum. Lease rental expenses charged during the year to the Statement of Profit and Loss amounts to ₹ 2,015.59 Lakhs (31 March 2018: ₹ 757.37 Lakhs).

Total future minimum lease payments due under non-cancellable operating leases are as follows:

₹ in Lakhs

Particulars	As at 31 March 2019	As at 31 March 2018
Less than one year	**1,370.95**	1,538.58
Between one and five years	**2,410.64**	3,108.80
More than five years	**-**	1,054.46
Total	**3,781.59**	5,701.84

b) Finance leases

The Company provides electrical vehicles (E-vehicles) on finance lease for a period of six years. Lease rentals are subject to escalation of 0% to 10% per annum. Total future minimum lease payments due under non-cancellable finance leases are as follows:

₹ in Lakhs

Particulars	As at 31 March 2019	As at 31 March 2018
Less than one year	1,077.85	-
Between one and five years	4,171.86	-
More than five years	668.11	-
Total minimum lease payments	5,917.82	-
Unearned finance income	1,204.79	-
Present value of minimum lease payments	4,713.03	-

Present value of future minimum lease payments due under non-cancellable finance leases are as follows:

₹ in Lakhs

Particulars	As at 31 March 2019	As at 31 March 2018
Less than one year	812.22	-
Between one and five years	3,254.16	-
More than five years	646.65	-
Present value of minimum lease payments	4,713.03	-

The Company provides E-vehicles on lease to various customers. Up to 31 March 2018, such leases were classified as operating lease. The Company has reevaluated the leasing arrangements and concluded that these lease should be classified as finance lease as per Ind AS 17, 'Leases'. The change in classification of leases has resulted in a reduction in profit before tax by ₹ 13.33 Lakhs and tax expense by ₹ 4.66 Lakhs for the year ended 31 March 2019. Impact of such change on earnings per share is not material.

44 Contingent liabilities and commitments

₹ in Lakhs

Particulars	As at 31 March 2019	As at 31 March 2018
Contingent liabilities		
Irrevocable stand by letter of credit in favour of ICICI Bank, UK for £5.5 Millions in the favor of M/s EESL EnergyPro Assets Limited in London, UK valid upto 22 March 2020 with claim expiry upto 31 March 2020 against the Company's non-fund based bank guarantee limit	4,976.16	5,407.04
Corporate guarantee given to Bank of Baroda, UK for availment of equity bridge loan of £12Millions by M/s EESL EnergyPro Assets Limited in London, UK	12,666.58	12,919.84
Corporate guarantee given to Bank of Baroda, UK for availment of equity bridge loan of £3 Millions by M/s EESL EnergyPro Assets Limited in London, UK	2,714.27	-
Corporate guarantee given to investee bank PLC, UK for availment of equity bridge loan of £3 Millions by M/s EESL EnergyPro Assets Limited in London, UK	-	3,691.38
Claims against the Company not acknowledged as debt (VAT paid under protest)	9,291.06	5,921.11
Bank guarantees- lien against fixed deposits	2,027.90	23.65
On account of wage revision as per agreeement with Mass Management Services Private Limited	-	28.00
Total	31,675.97	27,991.03
Commitments		
Estimated value of contract to be executed on capital/revenue account and not provided for in the books of accounts	13,83,403.70	10,00,354.48
Total	13,83,403.70	10,00,354.48

45 Corporate Social Responsibility Expenses (CSR)

As per Section 135 of the Companies Act, 2013 read with guidelines issued by Department of Public Enterprises, GOI, the Company is required to spend, in every financial year, at least two per cent of the average net profits of the Company made during the three immediately preceding financial years in accordance with its CSR Policy. However, the Company has not spent the minimum amount on the CSR activities as per the provisions of Section 135 of the Companies Act, 2013 and its schedule VII read with the Companies (Corporate Social Responsibility Policy) Rules, 2014. The details of CSR expenses for the year are as under:

a) Amount required to be spent on CSR activities

₹ in Lakhs

Particulars	As at 31 March 2019	As at 31 March 2018
Amount required to be spent during the year	**128.90**	96.94
Amount spent during the year on-		
Construction/ acquisition of any asset	**4.66**	12.27
On purposes other than (i) above	**15.40**	-
Total	**20.06**	12.27

b) Amount spent on CSR activities

₹ in Lakhs

Particulars	In cash	Yet to be paid in cash	Total
Amount spent during the year ended 31 March 2019			
Construction/acquisition of any asset	4.66	-	4.66
On purposes other than (i) above	11.40	4.00	15.40
Amount spent during the year ended 31 March 2018			
Construction/acquisition of any asset	10.85	1.42	12.27
On purposes other than (i) above	-	-	-

c) Break-up of the CSR expenses under major heads is as under:

₹ in Lakhs

Particulars	As at 31 March 2019	As at 31 March 2018
Swachh Vidyalaya Abhiyan	**8.80**	-
Healthcare and sanitation	**-**	12.27
Education and skill development	**6.60**	-
Construction of toilets	**4.66**	-
Total	**20.06**	12.27

46 Central Board of Direct Taxes on 31 March 2015 notified 10 ICDS vide Notification no. 32/2015 [F. No. 134/48/2010 – TPL]/ SO 892(E), which is applicable to all taxpayers (corporate and non-corporate) following mercantile method of accounting including nonresident taxpayers. It applies to income computed under the head Profit and Gains of Business and Profession and Income from Other Sources. However, there is no impact on computation of Book Profits for the purposes of MAT (Minimum Alternate Tax), which will continue to be governed by the methodology according to the Companies Act, 2013.

47 Major Investments made during the year:

a) The Company has subscribed to 8,000,000 shares (31 March 2018: 21,515,000 shares) having Face Value of £1/- each in M/s. EESL Energypro Assets Limited in London, UK equivalent to 80% shares in Equity for GBP 8,000,000.00 (₹ 7,762.05 Lakhs) (31 March 2018: GBP 21,515,000.00 (₹ 19,179.78 Lakhs)).

b) The Company has made an advance payment of ₹ 48.23 Lakhs (31 March 2018: ₹ 89.21 Lakhs) during the year towards the purchase of property at NBCC Center, Sahkar Marg, Jaipur for its Regional Office at Jaipur.

c) The Company has also made an advance payment of ₹ 88.89 Lakhs (31 March 2018: ₹ 88.89 Lakhs) during the year towards the purchase of Built up offices in NBCC Square, Action Area-III, Rajarhat, Kolkata.

d) The Company has also made an advance payment of ₹ Nil (31 March 2018: ₹ 1,103.72 Lakhs) towards the purchase of Built up offices in commercial complex, NBCC, Nauroji Nagar New Delhi.

48. Disclosure as per Ind AS 24 'Related Party Disclosures'

a) List of Related parties:

(i) Entities having joint control over the company:

Power Finance Corporation Limited
NTPC Limited
REC Limited
Powergrid Corporation of India Limited

(ii) Subsidiary of the company:

EESL EnergyPro Assets Limited (with effect from 13 March 2018)

(iii) Joint Ventures of the company:

EESL EnergyPro Assets Limited (upto 12 March 2018)
NEESL Private Limited

(iv) Subsidiaries of subsidiary of the Company

EPAL Holding Limited
Edina Acquitions Limited
Edina Power Services Limited
Edina Limited
Edina UK Limited
Edina Manufacturing Limited
Armoura Holdings Limited
Stanbeck Limited
Edina Power Limited
Edina Australia Pty Limited
EPSL Trigeneration Private Limited
Aneco Energy Services (South) Limited
Ceighton Energy Limited

(v) Subsidiaries, joint ventures and associates of entities having joint control over the company:

PFC Capital Advisory Services Limited
PFC Consulting Limited
PFC Green Energy Limited
REC Power Distribution Co. Limited
Utility Powertech Limited

vi) Key Managerial Personnel (KMP):

Saurabh Kumar	Managing Director	w.e.f. 7 May, 2013
Rajeev Sharma	Director and Chairman	w.e.f. 5 February, 2018
Kaushal Kishore Sharma	Director and Chairman	w.e.f. 21 October, 2016 upto 31 October, 2017
Raj Pal	Nominee Director	w.e.f.14 July, 2016
Vijay Kumar Singh	Nominee Director	w.e.f. 21 October, 2016 upto 14 November, 2018
Avakash Saxena	Nominee Director	w.e.f. 22 September, 2016 till 5 February, 2018
Pankaj Kumar	Nominee Director	w.e.f. 4 August, 2017 till 15 March, 2018
Mohit Bhargava	Nominee Director	w.e.f. 5 February, 2018
Sanjiv Garg	Nominee Director	w.e.f. 21 October, 2018
Abhay Bakre	Nominee Director	w.e.f. 8 May, 2018
Seethapathy Chander	Independent Director	w.e.f. 5 February, 2018
Gauri Surendra Trivedi	Independent Director	w.e.f. 5 February, 2018
Renu Narang	Director (Finance)	w.e.f. 1 March, 2018 upto 23 January, 2019
Venkatesh Dwivedi	Director (P & BD)	w.e.f. 7 February, 2019
Shankar Gopal	Director (Comm)	w.e.f. 7 February, 2019
Shankar Gopal	Chief Financial Officer	w.e.f. 8 June, 2016 upto 5 April, 2018
Shankar Gopal	Chief Financial Officer	w.e.f. 7 February, 2019
Renu Narang	Chief Financial Officer	w.e.f. 6 April, 2018 upto 23 January, 2019
Pooja Shukla	Company Secretary	w.e.f. 27 December, 2012

vii) Post Employment Benefit Plans:

Energy Efficiency Services Limited Employees Group Superannuation Defined Contribution Scheme Trust

viii) **Entities under the control of the same government:**

The Company is controlled by Central Government through its controlled entities (refer Note 16). Pursuant to Paragraph 25 and 26 of Indian Accounting Standard 24, entities over which the same government has control or joint control of, or significant influence, then the reporting entity and other entities shall be regarded as related parties. The Company has applied the exemption available for government related entities and have made limited disclosures in the financial statements. Such entities with which the Company has significant transactions include but not limited are:

Bureau of Energy Efficiency
NHPC Limited
Oil and Natural Gas Corporation Limited
Bharat Heavy Electricals Limited
Coal India Limited
Central Electronics Limited
Indian Renewable Energy Development Agency Limited (IREDA)

b) Transactions with the related parties are as follows:

₹ in Lakhs

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Manpower services received by the Company		
Utility Powertech Limited	**1,984.82**	1,917.19
Sales of goods		
NTPC Limited	**5,873.43**	7,953.05
Power Grid Corporation of India Limited	**2,257.51**	434.72
REC Limited	**2.47**	95.76
Power Finance Corporation Limited	**8.11**	205.94
Bureau of Energy Efficiency	**10.52**	2,269.46
Oil and Natural Gas Corporation Limited	**728.75**	380.10
Bharat Heavy Electricals Limited	**-**	15.88
Total	**8,880.79**	11,354.90
Consultancy services		
Coal India Limited	**-**	148.72
Indian Renewable Energy Development Agency Limited (IREDA)	**-**	221.28
NHPC Limited	**-**	555.95
Total	**-**	925.96
Purchase of goods and services		
Bharat Heavy Electricals Limited	**5,026.00**	1,035.00
Central Electronics Limited	**9,329.00**	-
Total	**14,355.00**	1,035.00
Recoverable expenses		
EESL EnergyPro Assets Limited	**-**	216.49
Deputation of employees		
NTPC Limited	**680.32**	88.49
Equity contribution received		
NTPC Limited	**-**	9,900.00
Power Grid Corporation of India Limited	**1,520.44**	-
Power Finance Corporation Limited	**9,900.00**	-
Total	**11,420.44**	9,900.00
Equity contribution paid		
EESL EnergyPro Assets Limited	**7,762.05**	19,179.78
NEESL Private Limited	**-**	0.26
Total	**7,762.05**	19,180.04

Final dividend paid		
NTPC Limited	**401.04**	880.35
Power Grid Corporation of India Limited	**61.59**	135.21
REC Limited	**239.31**	880.35
Power Finance Corporation Limited	**401.04**	880.35
Total	**1,102.98**	2,776.27
Interim dividend paid		
NTPC Limited	**-**	411.72
Power Grid Corporation of India Limited	**-**	63.23
REC Limited	**-**	411.72
Power Finance Corporation Limited	**-**	411.72
Total	**-**	1,298.39
Guarantee fees received		
EESL EnergyPro Assets Limited	**361.37**	190.68
Management fees received		
EESL EnergyPro Assets Limited	**66.18**	-
Edina UK Limited	**268.11**	-
Corporate guarantee provided (refer note 44)		
EESL EnergyPro Assets Limited	**21,261.77**	22,018.27
Transactions with post employment benefit plan		
Contributions made during the year	**208.42**	119.57
Compensation to Key Management Personnel (KMP)		
Short term benefits	**140.75**	96.02
Post employment benefits	**15.92**	5.85
Other long term benefits	**0.40**	0.28
Total	**157.07**	102.15

c) Outstanding balances with related parties are as follows:

₹ in Lakhs

Particulars	As at 31 March 2019	As at 31 March 2018
Amount recoverable for sale/purchase of goods and services		
NTPC Limited	**4,349.98**	4,894.98
Power Grid Corporation of India Limited	**1,564.61**	110.74
REC Limited	**156.63**	538.85
Power Finance Corporation Limited	**133.16**	263.76
PFC Capital Advisory Services Limited	**2.32**	2.32
PFC Consulting Limited	**133.57**	0.20
PFC Green Energy Limited	**0.08**	0.08
Total	**6,340.35**	5,810.92
Amount recoverable (other than loans)		
EESL EnergyPro Assets Limited	**952.11**	449.17
Edina UK Limited	**182.68**	-
Amount payable (other than loans)		
Utility Powertech Limited	**27.49**	202.36
Outstanding compensation to KMP	**-**	0.13

d) Terms and conditions of transactions with the related parties

(1) Transactions with the related parties are made on normal commercial terms and conditions and at market rates.

(2) The contracts or arrangements or transactions entered into during the year ended 31 March 2019 which were at arm's length basis.

(3) The Company is receiving manpower services from M/s Utility Powertech Ltd (UPL), a 50:50 joint venture between NTPC Limited and Reliance Infrastructure Ltd.

(4) The Company provides consultancy services and sell goods to companies having joint control on which it recovers cost plus service charges from such companies.

(5) Outstanding balances of related parties at the year-end are unsecured and interest free and settlement occurs in cash. For the year ended 31 March 2019, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (31 March 2018: ₹ Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

49 Disclosure as per Ind AS 115, 'Revenue from contracts with customers'

a) Nature of goods and services

The revenue of the Company comprises of revenue from sale of goods and rendering of services. The following is a description of the principal activities:

Revenue from sale of goods

The Company sells energy efficient appliances such as LEDs, streetlights, solar lamps, agricultural pumps, energy efficient fans/tubes etc. (including standard warranties) to various customers. Majority of the revenue is derived from government customers. Sale of goods is made as per the terms and conditions mentioned in agreement entered into between the Company and the customer.

Nature, timing of satisfaction of performance obligation and significant payment terms

The Company recognises revenue from sale of goods at a point in time when control of the goods is transferred to the customers. The amount of revenue recognised as per the terms of the contracts and is adjusted for components of variable consideration, wherever applicable, which are estimated based on the historical data available with the Company. The amounts are billed as per the terms of the contracts and are payable within contractually agreed credit period which varies from 30 to 60 days.

Revenue from rendering of services

The Company provides energy efficiency services on ESCO model and consultancy services to various customers. Majority of the revenue is derived from government customers. Services are provided as per the terms and conditions mentioned in agreement entered into between the Company and the customer.

Nature, timing of satisfaction of performance obligation and significant payment terms

The Company recognises revenue from rendering of services over time as the customers simultaneously receive and consume the benefits provided by the Company. The amount of revenue recognised as per the terms of the contracts and is adjusted for components of variable consideration, wherever applicable, which are estimated based on the historical data available with the Company. The amounts are billed as per the terms of the contracts and are payable within contractually agreed credit period which varies from 30 to 60 days.

b) Disaggregation of revenue

Revenue is disaggregated by type and nature of goods and services and timing of revenue recognition.

₹ in Lakhs

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
(i) Nature of goods and services		
Sale of goods		
Ujala Scheme	**37,231.30**	57,887.33
Agricultural Demand Side Management	**13,249.56**	7,925.36
Street light projects	**34,140.86**	12,928.64
Solar lamps	**15,395.60**	6,471.45
Solar street light projects	**7,307.51**	18,543.46
Building projects	**1,758.06**	17.28
Others	**2,445.00**	1,014.75
Total [A]	**1,11,527.89**	1,04,788.27
Rendering of services		
Solar street light projects	**64,290.18**	23,741.35

Building projects	**1,982.10**	199.14
Solar lamps	**191.57**	834.73
Agricultural Demand Side Management	**521.14**	1,125.21
Solar street light projects	**354.92**	793.82
Others	**4,897.44**	4,111.75
Total [B]	**72,237.35**	30,806.00
Total [A + B]	**1,83,765.24**	1,35,594.27
(ii) Timing of revenue recognition		
Products and services transferred at a point in time	**1,11,527.89**	1,04,788.27
Products and services transferred over time	**72,237.35**	30,806.00
Total	**1,83,765.24**	1,35,594.27

* The Company has applied Ind AS 115 using the cumulative effect method. Under this method, the comparative information is not restated.

c) Reconciliation of revenue recognised with contract price:

₹ in Lakhs

Particulars	**For the year ended 31 March 2019**
Contract price	**1,83,765.24**
Adjustments	**-**
Revenue from operations	**1,83,765.24**

d) Contract balances

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are transferred to unbilled revenue when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms. The contract liabilities primarily relate to the advance consideration received from the customers which are referred as 'advances from customers' and advance billings referred as 'unearned revenue'.

The following table provides information about trade receivables, unbilled revenue, advances from customers and unearned revenue from contracts with customers:

₹ in Lakhs

Particulars	**As at 31 March 2019**	**As at 31 March 2018**
Trade receivables	**1,83,148.24**	1,16,182.54
Unbilled revenue		
Non-current	**662.62**	1,843.40
Current	**2,234.05**	4,782.86
Advances from customers	**1,308.50**	5.87
Unearned revenue	**172.20**	77.90

* The Company has applied Ind AS 115 using the cumulative effect method. Under this method, the comparative information is not restated.

The amount of revenue recognised in 2018-19 from performance obligations satisfied (or partially satisfied) in previous periods, mainly due to delay in issuance of completion certificate by competent authorities is ₹ 3,956.70 Lakhs.

The Company recognized revenue of ₹ 77.90 Lakhs arising from opening unearned revenue from customers as at 1 April 2018. There have been no significant changes in unearned revenue during the year ended 31 March 2019.

Significant increase in advances from customers during the year ended 31 March 2019 is on account of cash received, excluding amounts recognised as revenue or adjusted against expenses during the year ended 31 March 2019.

e) Practical expedients applied as per Ind AS 115:

(i) The company has not disclosed information about remaining performance obligations that have original expected duration of one year or less and where the revenue recognised corresponds directly with the value to the customer of the entity's performance completed to date. There are no performance obligations that are completely or partially unsatisfied as of 31 March, 2019, other than those meeting this exclusion criteria.

(ii) The Company does not expect to have any contracts for which revenue is recognised during the year where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the Company has not adjusted the transaction prices for the time value of money.

f) Incremental costs of obtaining contracts

The Company has not incurred any incremental costs of obtaining contracts with a customer and therefore, not recognised an asset for such costs.

g) Significant Judgments

(i) Significant judgments in determining the timing of satisfaction of performance obligation

The Company exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Company considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and transfer of significant risks and rewards to the customer etc.

For performance obligations that are satisfied over time, the Company uses judgement to determine the method used for revenue recognition. The Company uses input method where the extent of progress towards completion is measured based on the ratio of costs incurred to date to the total estimated costs at completion of performance obligation. Revenue is recorded proportionally based on measure of progress. The Company uses output method where direct measurements of value to the customer is based on survey's of performance completed to date.

(ii) Significant judgment in determining the transaction price and allocation of transaction price

Judgement is also required to determine the transaction price for the contract. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period.

h) The Company adopted Ind AS 115 using the cumulative effect method and therefore the comparatives have not been restated and continues to be reported as per Ind AS 18. On account of adoption of Ind AS 115, no cumulative adjustment was required as at 1 April 2018. Further, no financial statement line items are affected in the current year as a result of applying Ind AS 115 as compared to Ind AS 18.

50 Information in respect of micro and small enterprises as required by Micro, Small and Medium Enterprises Development Act, 2006:

₹ in Lakhs

Particulars	As at 31 March 2019	As at 31 March 2018
a) Amount remaining unpaid to any supplier:		
Principal amount	**9,492.07**	-
Interest due thereon	**-**	-
b) Amount of interest paid in terms of Section 16 of the MSMED Act along-with the amount paid to the suppliers beyond the appointed day.	**-**	-
c) Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act.	**-**	-
d) Amount of interest accrued and remaining unpaid	**-**	-
e) Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises, for the purpose of disallowances as a deductible expenditure under Section 23 of MSMED Act	**-**	-

51 Reclassifications and comparative figures

Certain reclassifications have been made to the comparative period's financial statements to enhance comparability with the current year's financial statements. As a result, certain line items have been reclassified in the statement of cash flows and notes to the financial statements, the details of which are as under:

Items of balance sheet before and after reclassification as at 31 March 2018

₹ in Lakhs

Particulars	Before reclassification	Reclassification	After reclassification
Cash and cash equivalents	52,066.97	(5.30)	52,061.67
Other financial assets	6,333.58	(729.78)	5,603.80
Other current assets	24,369.21	735.08	25,104.29

Items of statement of profit and loss before and after reclassification for the year ended 31 March 2018

₹ in Lakhs

Particulars	Before reclassification	Reclassification	After reclassification
Net actuarial gains/(losses) on defined benefit plans	(7.85)	(4.15)	(12.00)
Income tax relating to above item	-	4.15	4.15

Items of statement of cash flows before and after reclassification for the year ended 31 March 2018

₹ in Lakhs

Particulars	Before reclassification	Reclassification	After reclassification
Cash flow from operating activities	64,359.06	465.19	64,824.25
Cash flow from investing activities	(1,45,147.01)	221.93	(1,44,925.08)
Cash flow from financing activities	1,06,387.85	(692.42)	1,05,695.43
Cash and cash equivalents at the end of the period	52,066.97	(5.30)	52,061.67

52 Disclosure as per Ind AS 21 'The Effects of Changes in Foreign Exchange Rates'

The amount of exchange differences (net) credited to the statement of profit and loss is ₹ 2,462.46 Lakhs (31 March 2018: debited to Statement of profit and loss ₹ 3,978.07 Lakhs).

53 Disclosure as per Ind AS 20 'Accounting for Government Grants and Disclosure of Government Assistance'

International Bank for Reconstruction and Development ("World Bank") acting as an implementation agency of the Global Environment Facility ("GEF") had sanctioned a grant of USD 1,500,000 for implemention of SAP. Total grant amounting to ₹ 1,062.56 Lakhs has been received out of the sanctioned amount. There are no unfulfilled conditions or other contingencies attached to above grant."During the year, the Company has received ₹ 290.73 Lakhs (31 March 2018: ₹ 611.37 Lakhs) as grant from World Bank and has recognised ₹ 397.64 Lakhs (31 March 2018: ₹ 0.17 Lakhs) as grant income (refer note 30).

54 Standards issued but not yet effective

On 30 March 2019, Ministry of Corporate Affairs (MCA) has notified the following standards/ appendix/ amendments which will come into force from 1 April 2019:

a) Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments

Appendix C of Ind AS 12, 'Uncertainty over Income Tax Treatments' is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates.

The standard permits two possible methods of transition:

- Full retrospective approach – Under this approach, Appendix C will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors
- Retrospectively with cumulative effect of initially applying Appendix C recognized by adjusting equity on initial application

The Company will adopt the standard on 1 April 2019 and has decided to adjust the cumulative effect in equity on the date of initial application i.e. 1 April 2019 without adjusting comparatives.

b) Ind AS 116 'Leases'

The new leasing standard will replace the existing leases standard, Ind AS 17 Leases, and related Interpretations. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognize a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. There are recognition exemptions for short-term leases and leases of low-value items. Currently, operating lease expenses are charged to the statement of profit and loss on a straight line basis. Lessor accounting remains similar to the current standard – i.e. lessors continue to classify leases as finance or operating leases. Further, the new standard contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

The standard permits two possible methods of transition:

- Retrospective approach - Under this approach the standard will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors

- Retrospectively with cumulative effect of initially applying the standard recognized at the date of initial application (modified retrospective approach)

Under modified retrospective approach, the lessee records the lease liability as the present value of the remaining lease payments, discounted at the incremental borrowing rate and the right of use asset either as:

- Its carrying amount as if the standard had been applied since the commencement date, but discounted at lessee's incremental borrowing rate at the date of initial application or
- An amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments related to that lease recognized under Ind AS 17 immediately before the date of initial application. Certain practical expedients are available under both the methods.

Certain practical expedients are available under both the methods.

The Company will adopt the standard on 1 April 2019 by using the modified retrospective approach and accordingly comparatives for the year ended 31 March 2019 will not be retrospectively adjusted.

c) Amendment to Ind AS 12 'Income taxes'

The amendments to the guidance in Ind AS 12, 'Income Taxes', clarifies that an entity shall recognize the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the past transactions or events that generated distributable profits were originally recognized.

d) Amendment to Ind AS 19 'Employee benefits'

The amendments to the guidance in Ind AS 19, 'Employee Benefits', in connection with accounting for plan amendments, curtailments and settlements require an entity:

- to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and
- to recognize in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling.

e) Amendment to Ind AS 23 'Borrowing Costs'

The amendments to the guidance in Ind AS 23, 'Borrowing Costs', clarifies the following:

- while computing the capitalisation rate for funds borrowed generally, borrowing costs applicable to borrowings made specifically for obtaining a qualified asset should be excluded, only until the asset is ready for its intended use or sale.
- borrowing costs (related to specific borrowings) that remain outstanding after the related qualifying asset is ready for its intended use or sale would subsequently be considered as part of the general borrowing costs.

f) Amendment to Ind AS 28 'Investments in Associates and Joint Ventures'

The amendments to the guidance in Ind AS 28, 'Investments in Associates and Joint Ventures', clarifies that an entity applies Ind AS 109 Financial Instruments, to long-term interests in an associate or joint venture that form part of the net investment in the associate or joint venture but to which the equity method is not applied.

The Company is evaluating the requirements of the above amendments and the effect on the financial statements is being evaluated.

For and on behalf of the Board of Directors

As per our audit report of even date annexed.

For KK Soni & Co.
Chartered Accountants
(FRN 000947N)

Saurabh Kumar	**S. Gopal**	**Pooja Shukla**	**Sant Sujat Soni**
Managing Director	Director Commercial and CFO	Company Secretary	Partner
DIN : 06576793	DIN : 08339439		M. No. 094227

Place : New Delhi
Date : 27th May, 2019

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF ENERGY EFFICIENCY SERVICES LIMITED

Report on the Audit of the Consolidated Financial Statements

Qualified Opinion

We have audited the accompanying consolidated financial statements of Energy Efficiency Services Limited ("the Holding Company") and its Subsidiary (the Holding Company and its subsidiary together referred to as "the Group"), and its joint venture, which comprise the consolidated balance sheet as at 31st March 2019, the consolidated statement of Profit and Loss (including Other Comprehensive Income), the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiary and the joint venture as referred to in the 'Other Matters' paragraph below, except for the effect of the matters described in Basis for Qualified Opinion section of our report, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its joint ventures as at March 31, 2019, their consolidated net profit (financial performance including other comprehensive income), their consolidated changes in equity and consolidated cash flows for the year ended on that date.

Basis for Qualified Opinion

1. The Holding Company is in the process of compiling certain data and reconciling the amounts billable, receivable & payable under the various agreements entered into with various States, Urban Local Bodies (ULB's) and other organizations under its Energy Service Company (ESCO) model, verification of physical inventory and assets under the scheme & otherwise and reconciliation as to assets to be installed, assets installed pending capitalization, assets capitalized (including capitalization of related direct & indirect cost) and assets against which revenue is booked (as per applicable Indian Accounting Standards) as per the agreements. We are unable to comment upon the differences that may exist and their impact on various account heads such as Capital Work in Progress, Property Plant & Equipment, Inventories, Trade Receivable / Payable, revenue recognition and any other consequential impact on the statement if any, pending completion of such verification and reconciliation. (Refer Note No. 3 a)).

2. Trade receivables are due from government-controlled entities and other customers. Significant amount of ₹ 60182.89 Lakhs is outstanding for the period of more than 360 days as on 31 March 2019 (Rs. 35889.98 Lakhs for the previous year ended 31.03.2018). The Group has represented that it earns its revenue mainly from government-controlled entities (both central and state government) and hence risks attached to such receivables are considered to be insignificant. For rest of the customers, the group does an assessment/evaluation of credit risk based on factors such as ageing of dues, specific credit circumstances, nature and credit worthiness of the non-government-controlled entities/customers. The group has not furnished any records or evidences to demonstrate that such an evaluation and assessment has been carried out. Therefore, we are unable to quantify the impact on the statement on account of any possible allowance on doubtful trade receivables due to expected credit loss once such evaluation is done. (Refer Note No. 38 (a)). This was also a subject matter of Qualification in the previous auditor's report on the consolidated financial statements for the year ended 31 March 2018

3. For Financial assets for which loss allowance is measured using life time expected credit losses in the Financial Statements, the group has represented that its customers have capacity to meet the obligations and therefore the risk of default is low. Further, management believes that the unimpaired amounts that are past due are still collectible in full, based on historical payment behaviour. However, an allowance for doubtful receivables of ₹ 196.65 Lakhs was recognised during the year ended 31.03.2019 (₹ 196.64 Lakhs for the previous year ended on 31.03.2018) i.e., to the extent of 10% of the total outstanding of ₹ 1966.40 Lakhs, thereby making a total provision of ₹ 393.29 Lakhs i.e., 20% of total Outstanding as on 31.03 2019, in respect of cases which are under litigation for recovery. The group has not been able to demonstrate and produce any evidence that such cases were actually assessed/evaluated for ascertaining credit risk based on factors such as ageing of dues, specific credit circumstances, nature and credit worthiness of the customers as defined in the policy of the management for the purpose of creating allowance on such doubtful trade receivables due to expected credit loss in case of default. Therefore, we are unable to quantify the actual impact on the statement on account of further possible allowance on such doubtful trade receivables (which are under litigation for recovery) due to expected credit loss once such evaluation is done. (Refer Note 38 a) (ii). This was also a subject matter of Qualification in the previous auditor's report on the consolidated financial statements for the year ended 31 March 2018.

4. The group had deferred 'Advertisement Expenses' amounting to ₹ 4907.39 Lakhs in the previous years, from which it has charged an amount of ₹ 619.89 Lakhs in the Statement of Profit & Loss for the year ended 31.03.2019 as Media Expenses. The group continues to defer and carry the balance amount of ₹ 4287.50 Lakhs as Prepaid Expenditure shown under the head Other Current Assets in the Financial Statements contrary to the principles enunciated under Ind AS 38 on 'Intangible Assets', as per which such expenses should be charged to the Profit & Loss Account. (Refer Note 17 (b)). This was also a subject matter of Qualification in the previous auditor's report on the consolidated financial statements for the year ended 31 March 2018.

5. The Holding Company has entered into agreements with Municipal Corporation for replacement of old conventional streetlights with LED Energy efficient streetlights. The Holding Company follows the practice to capitalize these assets in the books of accounts from the date of capitalization as indicated in the certificate issued by Municipal Corporation and the depreciation is charged accordingly from the date of capitalization which is inconsistent with the provisions of Ind AS 16 on Property Plant and Equipment wherein the projects need to be capitalized and depreciated when it is available for use.

a) In the current year the Holding Company has received certain completion certificates from the municipal corporation(s), wherein the completion dates mentioned in the certificate falls in the previous year. The holding company has capitalized these assets in the books of accounts from the completion dates as indicated in the certificates and has charged depreciation of Rs 2135.02 Lakhs on these assets in the Statement of Profit & Loss in current financial year which pertain to the previous year, which is inconsistent with the provisions of Ind AS 8 on 'Accounting Policies, Change in Accounting Estimates and Errors', wherein the Prior Period error has to be corrected by restating the comparative amounts. This has resulted in the understatement of Profit for the current year and overstatement of the profit for the previous year to that extent. (Refer Note No. 3 b)).

b) Further, in the current year, the CWIP carries amounts pertaining to various projects which are under various stages of completion and have not been capitalized in the books of accounts due to non - receipt of completion certificates from Municipal Corporation, irrespective of the fact that the asset may be available for use. The impact of this cannot be ascertained by the holding company as it needs to carry out an exercise to ascertain the various projects where the asset is available for use but the completion certificate from the Municipal Corporation is pending.

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the-Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group and its Joint Ventures in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAO together with the ethical requirements that are relevant to our audit of the consolidated 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 ICAI's Code of Ethics. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports as referred to in sub-paragraph (a) of the 'Other Matters' paragraph below, is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

Emphasis of Matter

We draw attention to the following matters in the notes to the Consolidated Financial Statements:

1. Note No. 31 b) which states that the Holding Company has recognized revenue under agreements with ULBs based on certain assumptions I estimates for which it is seeking clarification from the respective ULBs.
2. Note no. 11 c) on Trade Receivables and Note no. 27 a) on Trade Payables which state that Trade Receivables and Trade Payables are subject to confirmations, reconciliation and consequential adjustments that may arise on reconciliation.
3. Note no. 17 a) and Note No 29 a) which state that the sales, corresponding output tax liability and purchases along with corresponding input tax credit reported in GST and VAT returns, the net input tax credit receivable or the net output tax liability payable, as the case may be, are subject to reconciliation with the books of accounts. Differences which will be identified on reconciliation of GST/VAT returns will be addressed in annual GST/VAT statements/Revised returns to be filed in due course.
4. Note no. 38 a) (ii) on Financial Risk Management which states that the group has not made a provision of Rs. 1650 lakhs on account of subsidy not received from Delhi Government/DERC as per the recommendation made by the CAG of India in their report dated 18th October 2017 issued to group. However, the management is of the view that the recovery is being followed up with concerned authority, which is under review and the management is confident for recovery of their dues.

Our opinion is not modified in respect of these matters.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the Basis for Qualified Opinion section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Considering the requirement of Standard on Auditing (SA 600) on 'Using the Work of Another Auditor' including materiality, below Key Audit Matters have been reproduced from the Independent Auditor's Report on the Audit of Standalone Financial Statements of the Holding Company.

Sr. No.	Key Audit Matter	How our Audit addressed the Key Audit Matter
1.	**Classification of E-Vehicle given on Lease** The number of E-Vehicles given on lease by the company has increased significantly during the year and Management's judgment and assessment is required for classification of such leases as Operating Lease or finance lease. We identified this as a Key Audit Matter because classification of such leases involves significant management judgment and it may be subject to management bias. (Refer Note 47(b)(i))	We have obtained an understanding and analysed the contracts for E-Vehicles given on lease to various parties w.r.t. to terms of the lease specified under the contract. Management's judgments and the conditions stipulated in the Ind AS 17 "Leases" for classification of lease as Operating Lease or Finance Lease were assessed w.r.t the terms of the lease specified in the contract. Based on the above procedures performed, the recognition of E-Vehicles as finance lease, are considered adequate and reasonable.

2.	**Recognition of revenue under agreements with Urban Local Bodies (ULBs).** The Company has recognised revenue under agreements with ULB 's based on certain assumptions / estimate in respect of certain areas not specifically covered under the agreements. This is considered as Key Audit Matter due to its nature and extent of estimates made by the company, which leads to recognition and measurement of Revenue under the agreements with ULBs. (Refer Note No. 29 b))	An understanding of the agreements with ULBs was obtained in respect of the payments terms specified under the contract for recognition of revenue under the agreement and adopted the following audit procedures: - Evaluated and tested the effectiveness of the company's design of internal controls relating to recognition and measurement of revenue under the agreements with ULBs. - The reasonability of the assumptions / estimates made by the company for the recognition of revenue under agreements with ULBs was assessed. - Verified the accounting of revenue under the agreements with ULBs based on the IND AS 115 "Revenue from Contracts with Customers" Based on the above procedures performed and based on the representation by the company that they are in the process of seeking clarification on such matters, the recognition of revenue under the agreements with ULBs is considered to be adequate and reasonable.

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

The Holding Company's Board of Directors is responsible for preparation of the other information. The other information comprises the information included in the Board's Report including annexures to the Board's Report, but does not include the consolidated financial statements and our auditor's report thereon. The above Report is expected to be made available to us after the date of this Auditor's Report.

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

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

When we read the above identified reports, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate actions necessitated by the circumstances and the applicable laws and regulations.

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

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act, that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group including its joint ventures 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. The Respective Board of Directors of the Companies included in the Group and of its Joint Ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the group and its joint ventures 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparations of the consolidated financial statements by the directors of the holding company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the Companies included in the Group and of its Joint Venture are responsible for assessing the ability of the Group and of its Joint venture to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Boards of Directors of the Companies included in the Group and of its Joint Ventures are responsible for overseeing the financial reporting process of the Group and of its Joint Venture.

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated 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 consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the 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 Group and its joint venture to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its joint venture to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and joint venture to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the Consolidated Financial Statements of which we are the independent auditors. For the other entities included in the Consolidated Financial Statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated 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 consolidated financial statements.

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

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

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

Other Matter

We did not audit the financial statements / financial information of one direct foreign subsidiary of the Holding Company, whose consolidated financial statements (which included 13 step down subsidiaries) reflect total assets of Rs. 84472.77 lakhs as at 31' March 2019, total revenue of Rs. 63582.61 lakhs and net cash outflows amounting to Rs. 2474.01 lakhs for the year ended on that date, as considered in the consolidated financial statements of the Group. These financial statements / financial information have been certified by the management and our opinion on Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of the said direct foreign subsidiary and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary, is based solely on such certification.

The consolidated Financial Statements also include the Group's share of Net Profit of Rs. 3.05 lakhs and Comprehensive Income of NIL for the year ended 31st March 2019, as considered in the consolidated financial statements of the Group, in respect of one Joint Venture, whose financial statement / financial information have neither been audited by their auditors nor by us . These Financial statement / financial information are unaudited and have been certified by the Management and our opinion on Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of the Joint Venture and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid Joint Venture, is based solely on such certification.

Our opinion is not modified in respect of these matters.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit of the Holding company we report, to the extent applicable to the Holding Company 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 Holding Company so far as it appears from our examination of those books;

(c) The accounts of one foreign branch of the company situated in London that reflect total Assets of Rs. 717.61 lakhs as at 31st March 2019 and total Revenue Rs. 561.02 lakhs for the year ended on that date are unaudited and certified by the management.

(d) the Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement and the statement of changes in equity dealt with by this Report are in agreement with the relevant books of account;

(e) in our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with relevant rule issued there under;

(f) on the basis of the written representations received from the directors of the Holding Company as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act. However, in the case of Gauri Trivedi, Ministry of Corporate Affairs (MCA) had freezed her Directors Identification Number (DIN) on the grounds that one of the companies in which she was a director had failed to file Annual Returns and Financial Statements for the years 2014-15 to 2016- 17, which was reactivated by MCA after she procured a Stay Order from the Hon'ble High Court of Gujarat as on 26 December, 2018. Further, in the case of Sh Sanjiv Garg, one of the Companies in which he is a director has not filed Annual Returns and or Financial Statements for past three Financial Years, reportedly due to reasons beyond the control of the Company and its Management and has been marked a Status of 'Management Dispute' by the Registrar of Companies;

(g) 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 A"; and

(h) with respect to the matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended: In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Holding Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

(i) with respect to the other matters to be included in the Auditor's Report in accordance witl 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 Holding Company has disclosed the impact of pending litigations on its financial position in its consolidated financial statements - Refer Note 54 to the consolidated financial statements

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

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

For KK Soni & Co.
Chartered Accountants
FRN: 000947N

CA. Sant Sujat Soni
Partner
Membership number: 094227

Place: New Delhi
Date: 2nd July, 2019

Annexure - A to the Independent Auditors' Report

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

In conjunction with our audit of the Consolidated Financial Statements of the Energy Efficiency Services Limited ("the Holding Company") and its direct foreign subsidiary company which are incorporated outside India (the Holding company and its subsidiary together referred to as "the Group") and its joint venture which is a company incorporated in India as of and for the year ended 31' March 2019, we have audited the internal financial controls over financial reporting in financial statements of the Holding Company (excluding its subsidiary which is incorporated outside India and its joint venture, which is a company incorporated in India and is unaudited), as of that date.

Management's Responsibility for internal Financial Controls

The respective Board of Directors of the Holding Company and its joint venture, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls over financial reporting in financial statements based on the internal control over financial reporting in financial statements criteria established by the Company incorporated in India 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 (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls over financial reporting in financial statements 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 internal financial controls over financial reporting in financial statements of the Holding Company and its joint venture company as aforesaid, 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") issued by the ICAI 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 over financial reporting in financial statements. 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 in 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 in financial statements and their operating effectiveness.

Our audit of internal financial controls over financial reporting in financial statements included obtaining an understanding of internal financial controls over financial reporting in 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 consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting in financial statements of the Holding Company and its Joint Venture Company as aforesaid.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting in 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 in 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 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 in 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 in financial statements to future periods are subject to the risk that the internal financial control over financial reporting in 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, to the best of our information and according to the explanations given to us, except for the effects related to the Qualifications given under the paragraph -"Basis for Qualified Opinion" of the Independent Auditor's Report, the Holding Company, have in all material respects, an adequate internal financial controls over financial reporting in financial statements and such internal financial controls over financial reporting in financial statements were operating effectively as at 31st March 2019, based on the internal control over financial reporting in financial statements criteria established by the Holding Company, considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Other Matters

Our aforesaid audit report under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in financial statements with reference to Consolidated Financial Statements in so far as it relates to one Joint Venture incorporated in India (whose financial statements / financial information are unaudited) and our opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting in financial statements with reference to Consolidated Financial Statements of the Group is not affected as the Group's share of Net profit / loss (including other comprehensive income) and disclosures included in respect of these joint ventures in these consolidated financial statements are not material to the Group.

Our report is not modified in respect of above matter

For KK Soni & Co.
Chartered Accountants
FRN: 000947N

CA. Sant Sujat Soni
Partner
Membership number: 094227

Place: New Delhi
Date: 2nd July, 2019

ENERGY EFFICIENCY SERVICES LIMITED
CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2019

₹ in Lakhs

Particulars	Note No.	As at 31 March, 2019	As at 31 March, 2018
ASSETS			
Non-current Assets			
Property, plant and equipment	2A	**1,87,084.56**	91,157.78
Capital work-in-progress	3	**1,21,606.23**	1,29,348.91
Goodwill	2B	**43,307.56**	44,163.34
Other intangible assets	2B	**1,526.27**	1,636.48
Investments in joint venture accounted for using equity method	4	**5.96**	2.91
Financial assets			
Investments	5	**1,527.24**	1,440.51
Loans	6	**5,713.72**	5,475.59
Other financial assets	7	**10,290.57**	3,814.49
Deferred tax assets (net)	8	**559.16**	356.80
Other non-current assets	9	**1,350.64**	1,703.37
Total non-current assets		**3,72,971.91**	2,79,100.18
Current assets			
Inventories	10	**34,752.96**	41,297.89
Financial assets			
Trade receivables	11	**1,94,375.67**	1,29,847.96
Cash and cash equivalents	12	**43,820.05**	55,872.89
Bank balances other than cash and cash equivalents	13	**33,794.43**	6,857.92
Loans	14	**364.34**	166.33
Other financial assets	15	**8,351.05**	5,621.87
Current tax assets (net)	16	**3,815.83**	2,548.92
Other current assets	17	**46,616.86**	25,599.98
Total current assets		**3,65,891.19**	2,67,813.76
TOTAL ASSETS		**7,38,863.10**	5,46,913.94
EQUITY AND LIABILITIES			
Equity			
Equity share capital	18	**67,520.44**	46,200.00
Other equity	19	**14,897.00**	18,122.45
Equity attributable to owners		**82,417.44**	64,322.45
Non-controlling interests		**4,576.33**	4,684.84
Total equity		**86,993.77**	69,007.29
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	20	**2,93,701.06**	2,06,514.95
Trade payables	21		
(A) total outstanding dues of micro enterprises and small enterprises		**1,277.49**	-
(B) total outstanding dues of creditors other than micro enterprises and small enterprises		**10,523.97**	-
Other financial liabilities	22	**40,680.09**	8,019.85
Provisions	23	**280.94**	410.39
Deferred tax liabilities (net)	24	**814.06**	349.98
Other non-current liabilities	25	**486.68**	643.19
Total non-current liabilities		**3,47,764.29**	2,15,938.36
Current liabilities			
Financial liabilities			
Borrowings	26	**83,544.93**	71,344.06
Trade payables	27		
(A) total outstanding dues of micro enterprises and small enterprises		**8,214.58**	-
(B) total outstanding dues of creditors other than micro enterprises and small enterprises		**1,40,513.89**	1,51,612.76
Other financial liabilities	28	**42,419.93**	31,197.63
Other current liabilities	29	**23,602.56**	7,006.56
Provisions	30	**11.66**	566.16
Current tax liabilities (net)		**5,797.49**	241.12
Total current liabilities		**3,04,105.04**	2,61,968.29
TOTAL EQUITY AND LIABILITIES		**7,38,863.10**	5,46,913.94
Significant Accounting Policies	1		
The accompanying notes 1 to 56 form an integral part of these financial statements.			

For and on behalf of the Board of Directors

As per our audit report of even date annexed.

For KK Soni & Co.
Chartered Accountants
(FRN 000947N)

Saurabh Kumar
Managing Director
DIN : 06576793

S. Gopal
Director Commercial and CFO
DIN : 08339439

Pooja Shukla
Company Secretary

Sant Sujat Soni
Partner
M. No. 094227

Place : New Delhi
Date : 2nd July, 2019

ENERGY EFFICIENCY SERVICES LIMITED

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2019

₹ in Lakhs

Particulars	Note No.	For the year ended 31 March 2019	For the year ended 31 March 2018
Income			
Revenue from operations	31	**2,45,101.31**	1,42,782.46
Other income	32	**11,353.04**	5,522.35
Total income		**2,56,454.35**	1,48,304.81
Expenses			
Purchase of stock-in-trade		**1,30,798.94**	1,06,538.06
Distribution expenses (Ujala)		**2,119.29**	4,901.04
Media expenses (Ujala)		**2,630.99**	861.04
(Increase)/Decrease in inventories	33	**6,366.58**	(14,528.60)
Employee benefits expense	34	**13,504.40**	4,520.26
Finance costs	35	**22,008.06**	13,523.97
Depreciation and amortization expense	2	**34,590.79**	13,361.18
Other expenses	36	**24,971.43**	12,733.19
Total expenses		**2,36,990.48**	1,41,910.14
Profit before share of net profits of investments accounted for using equity method and tax		**19,463.87**	6,394.67
Add: Share of net profits of joint ventures accounted for using equity method		**3.05**	(167.84)
Profit before tax		**19,466.92**	6,226.83
Tax expense	45		
Current tax			
Current year		**7,045.92**	2,252.10
Earlier years		**-**	421.40
Deferred tax credit		**292.97**	161.82
Total tax expense		**7,338.89**	2,835.32
Profit for the year		**12,128.03**	3,391.51
Other comprehensive income/ (expense)			
Items that will not be reclassified to profit or loss (net of tax)			
- Net actuarial losses on defined benefit plans		**(22.14)**	(7.85)
Items that will be reclassified to profit or loss (net of tax)			
- Exchange differences on translation of foreign operations		**(2,111.51)**	459.12
Other comprehensive income/ (expense) for the year, net of income tax		**(2,133.65)**	451.27
Total comprehensive income for the year		**9,994.38**	3,842.78
Profit attributable to			
-Owners of Energy Efficiency Services Limited		**11,658.23**	3,468.89
-Non-controlling interests		**469.80**	(77.38)
		12,128.03	3,391.51
Other comprehensive income attributable to			
-Owners of Energy Efficiency Services Limited		**(1,840.04)**	357.42
-Non-controlling interests		**(293.61)**	93.85
		(2,133.65)	451.27
Total comprehensive income attributable to			
-Owners of Energy Efficiency Services Limited		**9,818.19**	3,826.31
-Non-controlling interests		**176.19**	16.47
		9,994.38	3,842.78
Earnings per equity share (Par value ₹ 10/- each)	46		
Basic (₹)		**1.78**	0.75
Diluted (₹)		**1.36**	0.75
The accompanying notes 1 to 56 form an integral part of these financial statements.			

For and on behalf of the Board of Directors

As per our audit report of even date annexed.

For KK Soni & Co.
Chartered Accountants
(FRN 000947N)

Saurabh Kumar
Managing Director
DIN : 06576793

S. Gopal
Director Commercial and CFO
DIN : 08339439

Pooja Shukla
Company Secretary

Sant Sujat Soni
Partner
M. No. 094227

Place : New Delhi
Date : 2nd July, 2019

ENERGY EFFICIENCY SERVICES LIMITED

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2019

₹ in Lakhs

	Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
A	**Cash flow from operating activities**		
	Profit before tax	**19,466.92**	6,226.83
	Adjustment for:-		
	Depreciation and amortization expense	**34,590.79**	13,361.18
	Interest income	**(5,761.52)**	(2,670.56)
	Net (gain)/loss on foreign currency transactions and translation	**(4,676.21)**	3,854.04
	Deferred rent expense	**(15.97)**	29.03
	Grant income	**(420.42)**	-
	Net loss on sale of property, plant and equipment	**135.66**	-
	Allowance for doubtful receivables	**196.65**	196.65
	Finance costs	**21,889.81**	10,056.25
	Share of net profits/(losses) of joint ventures	**(3.05)**	167.84
	Gain on financial assets measured at fair value through profit or loss	**(116.48)**	6.81
	Operating profit before working capital changes	**65,286.18**	31,228.07
	Adjustment for:		
	(Increase) in Trade receivables	**(63,646.12)**	(40,882.33)
	(Increase)/ Decrease in Inventories	**6,366.58**	(14,665.15)
	(Increase) in loans, other financial assets and other assets	**(31,475.81)**	6,725.43
	Increase in trade payables, other financial liabilities and other liabilities	**61,574.00**	89,121.14
	Increase in provisions	**(717.98)**	730.57
	Cash generated from operations	**37,386.85**	72,257.73
	Income tax paid	**2,781.37**	4,279.24
	Net cash from operating activities (A)	**34,605.48**	67,978.49
B	**Cash flow from investing activities**		
	Acquisition of property, plant and equipment and intangible assets	**(1,20,154.30)**	(1,29,120.87)
	Payment for acquisition of subsidiary, net of cash acquired	**-**	(34,248.38)
	Investments	**-**	(1,925.05)
	Interest income	**4,387.88**	2,670.56
	Bank balances other than cash and cash equivalents	**(26,973.74)**	559.62
	Loan given	**(238.13)**	(5,348.00)
	Net cash used in investing activities (B)	**(1,42,978.29)**	(1,67,412.12)
C	**Cash flow from financing activities**		
	Proceeds from non-current borrowings	**1,25,973.33**	1,14,846.23
	Repayment of non-current borrowings	**(12,513.07)**	(10,000.00)
	Net proceeds from current borrowings	**(3,570.73)**	28,303.79
	Finance costs	**(22,898.58)**	(9,668.68)
	Share application money (pending allotment)	**11,420.44**	9,900.00
	Share issue costs	**(25.00)**	(25.01)
	Dividend paid	**(1,102.99)**	(4,074.69)
	Tax on dividend	**(491.07)**	(829.54)
	Net cash from financing activities (C)	**96,792.33**	1,28,452.10
	Net (decrease) / increase in cash and cash equivalents (A+B+C)	**(11,580.48)**	29,018.47
	Effect of exchange differences on translation of foreign currency cash and cash equivalents	**(472.36)**	387.34
	Net increase in cash and cash equivalents	**(12,052.84)**	29,405.81
	Cash and cash equivalents at the beginning of the year	**55,872.89**	26,467.08
	Cash and cash equivalents at the end of the period	**43,820.05**	55,872.89

Notes:

a) Cash and cash equivalents consists of balances with banks.

b) Reconciliation of cash and cash equivalents:

₹ in Lakhs

Particulars	As at 31 March, 2019	As at 31 March, 2018
Cash on hand	**26.08**	26.91
Balance with banks - Current accounts	**43,790.35**	55,839.59
Balance with banks - Deposit accounts	**3.62**	6.39
Cash and cash equivalents as per note-12	**43,820.05**	55,872.89

c) **Reconciliation between the opening and closing balances of the balance sheet for liabilities arising from financing activities:**

₹ in Lakhs

Particulars	Non-current borrowings*	Current borrowings	Interest on borrowings
For the year ended 31 March 2019			
Opening balance as at 1 April 2018	2,15,250.19	71,344.06	5,522.55
Cash flow during the year	1,13,460.26	(3,570.73)	(22,898.58)
Non-cash changes due to:			
- Transfer between current and non-current borrowing	(16,098.10)	16,098.10	
- Variation in exchange rates	(2,673.12)	(326.50)	(10.47)
- Interest accrued	-	-	22,205.94
- Transaction cost on borrowings	910.97	-	-
Closing balance as at 31 March 2019	**3,10,850.20**	**83,544.93**	**4,819.44**
For the year ended 31 March 2018			
Opening balance as at 1 April 2017	92,623.86	35,000.00	2,411.06
Cash flow during the year	1,04,868.10	28,500.00	(9,527.65)
Acquired in business combination	12,159.56	7,844.06	-
Non-cash changes due to:			
- Variation in exchange rates	5,598.67	-	-
- Interest accrued	-	-	12,639.14
Closing balance as at 31 March 2018	**2,15,250.19**	**71,344.06**	**5,522.55**

* includes current maturities of non-current borrowings, refer note 28.

d) Refer note 38 for details of undrawn borrowing facilities that may be available for future operating activities and to settle capital commitments.

For and on behalf of the Board of Directors

As per our audit report of even date annexed.

For KK Soni & Co.
Chartered Accountants
(FRN 000947N)

Saurabh Kumar
Managing Director
DIN : 06576793

S. Gopal
Director Commercial and CFO
DIN : 08339439

Pooja Shukla
Company Secretary

Sant Sujat Soni
Partner
M. No. 094227

Place : New Delhi
Date : 2nd July, 2019

ENERGY EFFICIENCY SERVICES LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2019

A. Equity share capital

₹ in Lakhs

Particulars	As at 31 March, 2019	As at 31 March, 2018
Outstanding as at the beginning of the year	46,200.00	46,200.00
Shares issued during the year	21,320.44	-
Outstanding as at the end of the year	67,520.44	46,200.00

B. Other equity

For the year ended 31 March 2019 ₹ in Lakhs

Particulars	Reserves & surplus			OCI	Other equity attributable to owners of the parent	Non-controlling interests	Total
	Share application money pending allotment	Debenture redemption reserve	Retained earnings	Foreign Currency Translation Reserve			
Balance as at 1 April 2018	**9,900.00**	**6,515.21**	**1,331.83**	**375.41**	**18,122.45**	**4,684.84**	**22,807.29**
Profit for the year	-	-	11,658.23	-	11,658.23	469.80	12,128.03
Other comprehensive income/ (expense)	-	-	(22.14)	(1,817.90)	(1,840.04)	(293.61)	(2,133.65)
Total comprehensive income	**-**	**-**	**11,636.09**	**(1,817.90)**	**9,818.19**	**176.19**	**9,994.38**
Effects of change in accounting policy (refer note 53)	-	-	(1,658.90)	-	(1,658.90)	(414.73)	(2,073.63)
Share application money received	11,420.44	-	-	-	11,420.44	-	11,420.44
Equity shares issued	(21,320.44)	-	-	-	(21,320.44)	-	(21,320.44)
Impact of change in ownership interest in Subsidiary (refer note 43)	-	-	(130.03)	-	(130.03)	130.03	-
Transfer to/(from) retained earnings	-	8,611.23	(8,611.23)	-	-	-	-
Transaction cost arising on account of increase in authorised share capital	-	-	(25.00)	-	(25.00)	-	(25.00)
Final dividend (including tax) for FY 2017-18	-	-	(1,329.71)	-	(1,329.71)	-	(1,329.71)
Balance as at 31 March 2019	**-**	**15,126.44**	**1,213.05**	**(1,442.49)**	**14,897.00**	**4,576.33**	**19,473.33**

For the year ended 31 March 2018 ₹ in Lakhs

Particulars	Reserves & surplus			OCI	Other equity attributable to owners of the parent	Non-controlling interests	Total
	Share application money pending allotment	Debenture redemption reserve	Retained earnings	Foreign Currency Translation Reserve			
Balance as at 1 April 2017	**-**	**1,452.99**	**7,874.86**	**(2.47)**	**9,325.38**	**-**	**9,325.38**
Profit for the year	-	-	3,468.89	-	3,468.89	(77.38)	3,391.51
Other comprehensive income/(expense)	-	-	(7.85)	365.27	357.42	93.85	451.27
Total comprehensive income	**-**	**-**	**3,461.04**	**365.27**	**3,826.31**	**16.47**	**3,842.78**
Non-controlling interests on acquisition of subsidiaries	-	-	-	-	-	4,668.37	4,668.37
Addition during the year	9,900.00	-	-	-	9,900.00	-	9,900.00
Transfer to/(from) retained earnings	-	5,062.22	(5,074.83)	12.61	0.00	-	0.00
Transaction cost arising on account of increase in authorised share capital	-	-	(25.01)	-	(25.01)	-	(25.01)
Final dividend (including tax) for FY 2016-17	-	-	(3,341.47)	-	(3,341.47)	-	(3,341.47)
Interim dividend (including tax) for FY 2017-18	-	-	(1,562.76)	-	(1,562.76)	-	(1,562.76)
Balance as at 31 March 2018	**9,900.00**	**6,515.21**	**1,331.83**	**375.41**	**18,122.45**	**4,684.84**	**22,807.29**

For and on behalf of the Board of Directors

As per our audit report of even date annexed.

For KK Soni & Co.
Chartered Accountants
(FRN 000947N)

Saurabh Kumar
Managing Director
DIN : 06576793

S. Gopal
Director Commercial and CFO
DIN : 08339439

Pooja Shukla
Company Secretary

Sant Sujat Soni
Partner
M. No. 094227

Place : New Delhi
Date : 2nd July, 2019

Notes to Consolidated Financial Statements

1. Group Information and Significant Accounting Policies

A. Reporting entity

Energy Efficiency Services Limited (the "Company") is a Company domiciled in India and limited by shares (CIN: U40200DL2009PLC196789). The Company has its debt securities listed on BSE Limited. The address of the Company's registered office is 4th Floor, Sewa Bhawan, R.K. Puram, New Delhi - 110066. The registered office of the company has been shifted to NFL Building, 5th & 6th Floor, Core - III, SCOPE Complex, Lodhi Road, New Delhi - 110003 with effect from 16 April 2019.

The Company is a Joint Venture of NTPC Limited, Power Finance Corporation Limited, REC Limited and Power Grid Corporation of India Limited and is engaged in implementation of energy efficiency projects as an Energy Saving Company (ESCO).

These consolidated financial statements comprise the Company, its subsidiaries and its interest in joint ventures (referred to collectively as the 'Group). For details of group structure, refer note 43.

The Company acts as the resource center for capacity building for State Distribution Companies (DISCOMs), Energy Regulatory Commissions (ERCs), State Development Authorities (SDAs), upcoming ESCOs, financial institutions, etc. The Group provides energy saving services, manufactures, sales, installs, hires and services diesel and gas powered generators and related spare parts and invests in and rental of property.

The principal activities of the Company's subsidiaries is the manufacture, installation, containerisation, sale and service of diesel and gas generators and the sale of related spare parts.

B. Basis of preparation

1. Statement of Compliance

These consolidated financial statements are prepared on going. concern basis following accrual system of accounting and comply with the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and subsequent amendments thereto, the Companies Act, 2013 (to the extent notified and applicable) and applicable provisions of the Companies Act, 1956.

These consolidated financial statements were authorised for issue by Board of Directors on 2 July 2019.

2. Basis of measurement

The consolidated financial statements have been prepared on a historical cost basis except for:

- Certain financial assets and liabilities (including derivative instruments) that are measured at fair value (refer accounting policy regarding financial instruments); and
- Plan assets in the case of employees defined benefit plans that are measured at fair value.

The methods used to measure fair values are discussed in notes to the consolidated financial statements.

Historical cost is the amount of cash or cash equivalents paid or the fair value of the consideration given to acquire assets at the time of their acquisition or the amount of proceeds received in exchange for the obligation, or at the amounts of cash or cash equivalents expected to be paid to satisfy the liability in the normal course of business.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

3. Functional and presentation currency

These consolidated financial statements are presented in Indian Rupees (₹), which is the Company's functional currency. All financial information presented in ₹ has been rounded to the nearest lakhs (upto two decimals), except as stated otherwise.

4. Current and non-current classification

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

An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting 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.

A liability is current when:

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

All other liabilities are classified as non-current.

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

C. Significant accounting policies

A summary of the significant accounting policies applied in the preparation of the consolidated financial statements are as given below. These accounting policies have been applied consistently to all periods presented in the consolidated financial statements.

The Group has elected to utilize the option under Ind AS 101 by not applying the provisions of Ind AS 16 and Ind AS 38 retrospectively and continue to use the previous GAAP carrying amount as a deemed cost under Ind AS at the date of transition to Ind AS. Therefore, the carrying amount of property, plant and equipment and intangible assets as per the previous GAAP as at I April 2015, i.e. the Group's date of transition to Ind AS, were maintained on transition to Ind AS.

1. Basis of consolidation

The financial statements of Subsidiary Companies and Joint ventures are drawn up to the same reporting date as of the Company for the purpose of consolidation.

1.1. Subsidiaries

Subsidiaries are all entities over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.

In accordance with Ind AS 103, the Group accounts for these business combinations using the acquisition method when control is transferred to the Group. The consideration transferred for the business combination is measured at fair value as at the date the control is acquired (acquisition date), as are the net identifiable assets acquired. Any goodwill that arises is tested annually for impairment. Transaction costs are expensed as incurred, except to the extent related to the issue of debt or equity securities.

If a business combination is achieved in stages, any previously held equity interest in the acquiree is re-measured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss or OCI, as appropriate. The group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealized gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group.

Non-controlling interests (NCI) in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and consolidated balance sheet respectively. NCI are measured at their proportionate share of the acquiree's net identifiable assets at the date of acquisition. Changes in the Group's equity interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any interest retained in the former subsidiary is measured at fair value at the date the control is lost. Any resulting gain or loss is recognised in profit or loss.

1.2. Joint ventures

Interests in joint ventures are accounted for using the equity method after initially being recognised at cost in the consolidated balance sheet.

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the group's share of the post-acquisition profits or losses of the investee in profit and loss, and the group's share of other comprehensive income of the investee in other comprehensive income.

Dividends received or receivable from joint ventures are recognised as a reduction in the carrying amount of the investment. When the group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, the group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity. Unrealised gains on transactions between the group and its joint ventures are eliminated to the extent of the group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted material investees have been changed where necessary to ensure consistency with the policies adopted by the group.

The carrying amount of equity accounted as investments are tested for impairment in accordance with the policy described in C.15 below.

When the group ceases to apply equity method of accounting for an investment because of a loss of joint control, any retained interest in the entity is re-measured to its fair value with the change in carrying amount recognised in profit or loss. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

2. Property, plant and equipment

2.1. Initial recognition and measurement

An item of property, plant and equipment is recognized as an asset if and only if it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. Items of property, plant and equipment are initially recognized at cost. Subsequent measurement is done at cost less accumulated depreciation/amortization and accumulated impairment losses. Cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Project Development Cost incurred on ESCO Model Energy Efficiency Projects other than LED projects undertaken by the Group are recognised as property, plant and equipment.

Project Development Cost includes purchase price, taxes and duties, labour cost and any other cost directly attributable to the implementation of the project or acquisition of property, plant and equipment are allocated on systematic basis on implementation of projects, incurred up to the date when the asset is ready for its intended use.

When parts of an item of property, plant and equipment have different useful lives, they are recognised separately. In the case of assets put to use, where final settlement of bills with contractors is yet to be effected, capitalisation is done on a provisional basis subject to necessary adjustment in the year of final settlement.

2.2. Subsequent costs

Subsequent expenditure is recognised as an increase in the carrying amount of the asset when it is probable that future economic benefits deriving from the cost incurred will flow to the Group and the cost of the item can be measured reliably. The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

2.3. Decommissioning costs

The present value of the expected cost for the decommissioning of the asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

2.4. Derecognition

Property, plant and equipment is derecognised when no future economic benefits are expected from their use or upon their disposal. Gains and losses on derecognition of an item of property, plant and equipment are determined by comparing the proceeds from disposal, if any, with the carrying amount of property, plant and equipment, and are recognised in the statement of profit and loss.

2.5. Depreciation

Depreciation is recognised in the statement of profit and loss on pro rata basis on Straight Line Method using the rate arrived on useful lives of assets, specified in part C of Schdule II thereto of the Companies Act 2013 (the 'Act).

Freehold land is not depreciated.

Estimated useful lives of the assets, based on technical assessment, which are different in certain cases from those prescribed in Schedule II to the Act, are as follows:

Nature of assets	Life of property, plant and equipment
Cell phones	2 years
ESCO projects other than LED projects	Project period
Lease hold improvement	Lease period
Residential assets	3 years

Estimated useful lives of the assets of foreign subsidiaries are as follows:

Nature of assets	Life of property, plant and equipment
Buildings	50 years
ESCO projects equipment	Project period
Motor vehicles	5/6 years
Fixtures and fittings	6/8/10 years
Plant and machinery	6/8 years
Computer equipment	6/8 years

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate. Based on technical evaluation and consequent advice, the management believes that its estimates of useful lives as given above best represent the period over which management expects to use these assets.

Depreciation on additions to/deductions from property, plant and equipment during the year is charged on pro-rata basis from/up to the month in which the asset is available for use/disposed off.

Where the cost of depreciable assets has undergone a change during the year due to increase/decrease in long term liabilities on account of exchange fluctuation, the unamortised balance of such asset is charged off prospectively over the remaining useful life determined following the applicable accounting policies relating to depreciation/ amortisation.

Where it is probable that future economic benefits deriving from the cost incurred will flow to the enterprise and the cost of the item can be measured reliably, subsequent expenditure on a PPE along-with its unamortised depreciable amount is charged off prospectively over the revised useful life determined by technical assessment.

The residual values, useful lives and method of depreciation of assets are reviewed at each financial year end and adjusted prospectively, wherever required.

3. Capital work-in-progress

The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the manner intended by management and borrowing costs.

Expenses directly attributable to construction of property, plant and equipment incurred till they are ready for their intended use are identified and allocated on a systematic basis on the cost of related assets. If the ESCO Model Energy Efficiency project doesn't materialise, then the expenditure incurred in respect of the same will be charged to Statement of Profit and Loss in that year.

4. Intangible assets

4.1. Initial recognition and measurement

An intangible asset is recognized if and only if it is probable that the expected future economic benefits that are attributable to the asset will flow to the Group and the cost of the asset can be measured reliably.

Intangible assets that are acquired by the Group, which have finite useful lives, are recognized at cost. Subsequent measurement is done at cost less accumulated amortisation and accumulated impairment losses. Cost includes any directly attributable incidental expenses necessary to make the assets ready for their intended use.

4.2. Subsequent costs

Subsequent expenditure is recognized as an increase in the carrying amount of the asset when it is probable that future economic benefits deriving from the cost incurred will flow to the enterprise and the cost of the item can be measured reliably.

4.3. Derecognition

An intangible asset is derecognised when no future economic benefits are expected from their use or upon their disposal. Gains and losses on derecognition of an item of intangible assets are determined by comparing the proceeds from disposal, if any, with the carrying amount of intangible assets and are recognised in the statement of profit and loss.

4.4. Amortisation

Cost of software is recognised as intangible asset. Intangible assets of parent company are amortised on a straight line basis over the period of legal right to use or 3 years, whichever is less. Intangible assets of subsidiaries are amortised on a straight line basis over 6 years.

The amortization period and the amortization method of intangible assets with finite useful lives is reviewed at each financial year end and adjusted prospectively, wherever required.

5. Borrowing costs

Borrowing costs consist of (a) interest expense calculated using the effective interest method as described in Ind AS 109 -'Financial Instruments'; (b) finance charges in respect of finance leases recognized in accordance with Ind AS 17 - teases' and (c) exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs.

Borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalised as part of cost of such asset until such time the assets are substantially ready for their intended use. Qualifying assets are assets which take a substantial period of time to get ready for their intended use or sale.

When the Group borrows funds specifically for the purpose of obtaining a qualifying asset, the borrowing costs incurred are capitalised. When Group borrows funds generally and uses them for the purpose of obtaining a qualifying asset, the capitalisation of the borrowing costs is computed based on the weighted average cost of general borrowings that are outstanding during the period and used for the acquisition or construction of the qualifying asset.

Income earned on temporary investment of the borrowings pending their expenditure on the qualifying assets is deducted from the borrowing costs eligible for capitalisation. Capitalisation of borrowing costs ceases when substantially all the activities necessary to prepare the qualifying assets for their intended uses are complete.

Other borrowing costs are recognised as an expense in the year in which they are incurred.

The borrowing cost proportionate to the unutilised amount of borrowings are being kept for utilization of qualifying assets being carried forward for capitalization in the subsequent year of utilization.

6. Inventories

Inventories are valued at the lower of cost and net realisable value. Cost includes cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on a FIFO basis. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

The diminution in the value of obsolete, unserviceable, surplus and non-moving items of stores and spares is ascertained on review and provided for.

7. Cash and cash equivalents

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

8. Government grants

Government grants related to assets are recognized initially as deferred income when there is reasonable assurance that they will be received and the Group will comply with the conditions associated with the grant. Grants that compensate the Group for the cost of an asset are recognized in profit or loss on a systematic basis over the useful life of the related asset. Grants that compensate the Group for expenses incurred are recognized over the period in which the related costs are incurred and deducted from the related expenses.

9. Provisions, contingent liabilities and contingent assets

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at 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 recognised as a finance cost.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

Contingent liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events not wholly within the control of the Group'. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Contingent liabilities are disclosed on the basis of judgment of the management/ independent experts. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate.

Contingent assets are possible assets that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. Contingent assets are disclosed in the consolidated financial statements when inflow of economic benefits is probable on the basis of judgment of management. These are assessed continually to ensure that developments are appropriately reflected in the consolidated financial statements.

10. Foreign currency transactions and translations

10.1 Foreign currency transactions

Transactions in foreign currencies are initially recorded at the prevailing exchange rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies arc translated by applying the RBI reference rate at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss in the year in which it arises with the exception that exchange differences on long term monetary items related to acquisition of property, plant and equipment recognised upto 31 March 2016 and still outstanding are adjusted to carrying cost of property, plant and equipment.

Non-monetary items are measured in terms of historical cost in a foreign currency and are translated using the exchange rate at the date of the transaction. In case of advance consideration received or paid in a foreign currency, the date of transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income (or part of it), is when the Group initially recognizes the non-monetary asset or non-monetary liability arising from the payment or receipt of advance consideration.

10.2Foreign operations

The assets and liabilities of foreign operations (i.e. subsidiary) including goodwill and fair value adjustments arising on acquisition, are translated into INR, the functional currency of the Company, at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into INR at the average exchange rate as the average rate approximates the actual rate at the date of the transaction.

11. Revenue

Group's revenues arise from sale of goods, rendering of services and other income. Revenue from other income comprises interest from banks, employees, customers, other miscellaneous income, etc.

Effective 1 April 2018, the Group has adopted Ind AS 115 "Revenue from Contracts with Customers" using the cumulative effect method, applied to the contracts that were not completed as of 1 April 2018 and therefore the comparatives have not been restated and continues to be reported as per hid AS 18 "Revenue". The details of accounting policies as per Ind AS 18 are disclosed separately if they are different from those under Ind AS 115.

11.1. Revenue from sale of goods

Revenue is measured based on the consideration that is specified in a contract with a customer or is expected to be received in exchange for the products or services and excludes amounts collected on behalf of third parties. The Group recognizes revenue when (or as) the performance obligation is satisfied, which typically occurs when (or as) control over the products or services is transferred to a customer.

In the comparative period, revenue from sale of goods was measured at the fair value of the consideration received or receivable, net of returns, trade discounts and volume rebates. This inter alia involved discounting of the consideration to present value if payment extends beyond normal credit terms. Revenue was recognised when the significant risks and rewards of ownership had been transferred to the buyer, recovery of the consideration was probable, the associated costs and possible return of goods could be estimated reliably, there was no continuing effective control over, or managerial involvement with, the goods, and the amount of revenue could be measured reliably.

11.2. Revenue from rendering of services

Revenue from rendering of services is measured based on the consideration that is specified in a contract with a customer or is expected to be received in exchange for the services and excludes amounts collected on behalf of third parties. The Group recognizes revenue when (or as) the performance obligation is satisfied, which typically occurs when (or as) control over the services is transferred to a customer.

in the comparative period, revenue from services rendered was generally recognized in proportion to the stage of completion of the transaction at the reporting date. Revenue was recognized when the following conditions are met:

- the amount of revenue could be measured reliably;
- it was probable that the economic benefits associated with the transaction will flow to the entity;
- the stage of completion of the transaction at the end of the reporting period could be measured reliably; and
- the costs incurred for the transaction and the costs to complete the transaction could be measured reliably.

The revenue recognition in respect of the various streams of revenue is described as follows:

Energy efficiency services:

Revenue from rendering of energy efficiency services by supply and installation of street lights, agricultural pumps and other equipment is recognised over time as the customers simultaneously receive and consume the benefits provided by the Group.

In the comparative period, revenue from above services was recognised in the statement of profit and loss based on the agreement with the customer on accrual basis.

Consultancy services:

Revenue from consultancy services rendered is recognised over time based on satisfaction of performance obligations over time as the customers simultaneously receive and consume the benefits provided by the Group. Revenue from consultancy services rendered was recognised in the statement of profit and loss in proportion to the stage of completion of the transaction at the reporting date. The stage of completion was assessed by reference to actual progress/technical assessment of work executed, in line with the terms of the respective contracts. Income on consultancy contracts are accounted in proportion to expenses incurred based on the progress of service rendered on that contract.

Contract modifications

Contact modifications are accounted for when additions, deletions or changes are approved either to the contract scope or contract price. The accounting for modifications of contracts involves assessing whether the services added to an existing contract are distinct and whether the pricing is at the standalone selling price. Services added that are not distinct are accounted for on a cumulative catchup basis, while those that are distinct are accounted for prospectively, either as a separate contract, if the additional services are priced at the standalone selling price, or as a termination of the existing contract and creation of a new contract if not priced at the standalone selling price.

E-vehicles leases:

Revenue from leases of e-vehicles is recognised as per policy no. C.14.2.

11.3. Other income

Interest income is recognised, when no significant uncertainty as to measurability or collectability exists, on a time proportion basis taking into account the amount outstanding and the applicable interest rate, using the effective interest rate method (EIR).

For debt instruments measured at amortised cost, interest income is recorded using the EIR. EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the EIR, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses, Interest income is included in other income in the statement of profit and loss.

The interest/surcharge on late payment/overdue trade receivables for sale of energy is recognized when no significant uncertainty as to measurability or collectability exists.

11.4. Expenses related to awareness on UJALA programme

Expenses incurred on advertisement / awareness on DELP / UJALA programme in the state is charged to statement of profit and loss in proportion to LED bulbs distributed in current year vis-a-vis the total targeted LED bulbs distribution for that respective state at the beginning of year and balance amount is carried forward for charging to the statement of profit and Loss in subsequent years. Similary expenses incurred on National Media Campaigning for DELP / UJALA programme is charged to the statement of profit and loss in proportion to the total LED buslbs distributed in current financial year vis-a-vis the overall targeted LED bulbs distribution under DELP/ UJALA programme at the begining of the year and balance amount is carried forward for charging to statement of Profit and Loss in subsequent years.

12. Employee benefits

12.1. Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into separate entities and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognised as an employee benefits expense in the statement of profit and loss in the period during which services are rendered by employees. Prepaid contributions arc recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

Contributions to a defined contribution plan that are due after more than 12 months after the end of the period in which the employees render the service arc discounted to their present value.

The Company pays fixed contribution to Provident Fund at the predetermined rates to regional provident fund commissioner. Further, the group voluntary contributes 6% to an external pension fund for the employees of its subsidiaries. The company has a trust for Contributory Superannuation Scheme which provides pension benefits and company pays a fixed contribution to the trust.

The contributions to both the funds for the year are recognised as expense and are charged to the statement of profit and loss.

12.2. Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's liability towards gratuity are in the nature of defined benefit plans. The Company contributes to (Life Insurance Corporation of India) a fund set up by the Company and administered by a board of trustees with respect to its gratuity obligation. The Company's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. Any unrecognised past service costs and the fair value of any plan assets are deducted. The discount rate is based on the prevailing market yields of Indian government securities as at the reporting date that have maturity dates approximating the terms of the Company's obligations and that are denominated in the same currency in which the benefits are expected to be paid.

The calculation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a benefit to the Company, the recognised asset is limited to the total of any unrecognised past service costs and the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. An economic benefit is available to the Company if it is realizable during the life of the plan, or on settlement of the plan liabilities. Any actuarial gains or losses are recognised in other comprehensive income (OCI) in the period in which they arise.

When the benefits of a plan are improved, the portion of the increased benefit relating to past service by employees is recognized in profit or loss on a straight-line basis over the average period until the benefits become vested. To the extent that the benefits vest immediately, the expense is recognized immediately in statement of profit and loss.

12.3. Other long-term employee benefits

Benefits under the Company's leave encashment constitute other long term employee benefit.

The Company's net obligation in respect of leave encashment is the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. The discount rate is based on the prevailing market yields of Indian government securities as at the reporting date that have maturity dates approximating the terms of the Company's obligations. The calculation is performed using the projected unit credit method. Any actuarial gains or losses are recognised in the statement of profit and loss in the period in which they arise.

12.4. Short-term benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

A liability is recognised for the amount expected to be paid under performance related pay if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

13. Income tax

Income tax expense comprises current and deferred tax. Current tax expense is recognised in the statement of profit and loss except to the extent that it relates to items recognised directly in OCI or equity, in which case it is recognised in OCI or equity respectively.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted and as applicable at the reporting date, and any adjustment to tax payable in respect of previous years. Deferred tax is recognised using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

Deferred tax is recognised in the statement of profit and loss except to the extent that it relates to items recognised directly in OCI or equity, in which case it is recognised in OCI or equity respectively.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax 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 realise the asset and settle the liability simultaneously.

Additional income taxes that arise from the distribution of dividends are recognised at the same time that the liability to pay the related dividend is recognised.

14. **Leases**

14.1 Accounting for operating leases- As lessee

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Group as lessee are classified as operating leases. Payments made under operating leases are recognized as an expense on a straight-line basis over the lease term unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. Lease incentives received are recognized as an integral part of the total lease expense, over the term of the lease.

14.2 Accounting for operating leases- As lessor

Lease income from operating leases where the Group is a lessor is recognised as 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 included in the balance sheet based on their nature.

14.3 Accounting for finance leases- As lessor

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Group to the lessee. Amounts due from lessees under finance leases are recorded as receivables ('Finance lease receivables') at the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

15. **Impairment of non-financial assets**

The carrying amounts of the Group's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment considering the provisions of Ind AS 36 'Impairment of Assets'. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit is the higher of its fair value less costs to disposal and its value in use. 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. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit", or "CGU").

An impairment loss is recognised if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognised in statement of profit and loss. Impairment losses recognised in respect of CGUs are reduced from the carrying amounts of the assets of the CGU.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

16. **Operating segments**

In accordance with Ind AS 108, Operating Segments, the operating segments used to present segment information are identified on the basis of internal reports used by the Group's Management to allocate resources to the segments and assess their performance. The Company's Board of Directors is collectively the Company's 'Chief Operating Decision Maker' or `CODM' within the meaning of Ind AS 108.

Segment results that are reported to the CODM include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly corporate expenses, finance expenses and income tax expenses.

Revenue directly attributable to the segments is considered as segment revenue. Expenses directly attributable to the segments and common expenses allocated on a reasonable basis are considered as segment expenses. Segment capital expenditure is the total cost incurred during the period to acquire property, plant and equipment, and intangible assets other than goodwill.

Segment assets comprise property, plant and equipment, intangible assets, trade and other receivables, inventories and other assets that can be directly or reasonably allocated to segments. For the purpose of segment reporting, property, plant and equipment have been allocated to segments based on the extent of usage of assets for operations attributable to the respective segments. Segment assets do not include investments, income tax assets, capital work in progress, capital advances, corporate assets and other current assets that cannot reasonably be allocated to segments.

Segment liabilities include all operating liabilities in respect of a segment and consist principally of trade and other payables, employee benefits and provisions. Segment liabilities do not include equity, income tax liabilities, loans and borrowings and other liabilities and provisions that cannot reasonably be allocated to segments.

17. **Dividends**

Dividends and interim dividends payable to the Company's shareholders are recognized as changes in equity in the period in which they are approved by the shareholders and the Board of Directors respectively.

18. **Material prior period errors**

Material prior period errors are corrected retrospectively by restating the comparative amounts for the prior periods presented in which the error occurred. If the error occurred before the earliest period presented, the opening balances of assets, liabilities and equity for the earliest period presented, are restated.

19. Earnings per share

Basic earnings per equity share is computed by dividing the net profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the financial year. Diluted earnings per equity share is computed by dividing the net profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

20. Statement of cash flows

Statement of cash flows is prepared in accordance with the indirect method prescribed in Ind AS 7 `Statement of cash flows'.

21 Financial instruments

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

21.1. Financial assets

Initial recognition and measurement

The Group recognizes financial assets when it becomes a party to the contractual provisions of the instrument. All financial assets are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition of financial assets, which are not at fair value through profit or loss, are added to the fair value on initial recognition.

Subsequent measurement

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortized cost if both the following conditions are met:

(a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

(b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the EIR method. 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 in finance income in the statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss. This category generally applies to trade and other receivables.

Debt instrument at FVTOCI (Fair Value through OCI)

A 'debt instrument' is classified as at FVTOCI if both of the following criteria are met:

(a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

(b) The asset's contractual cash flows represent SPPI

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the OCI. However, the Group recognises interest income, impairment losses and reversals and foreign exchange gain or loss in the statement of profit and loss. On derecognition of the asset, cumulative gain or loss previously recognised in 00 is reclassified from the equity to statement of profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt instrument at FVTPL (Fair value through profit or loss)

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorisation as at amortised cost or as FVTOCI, is classified as at FVTPL.

In addition, the Group may elect to classify a debt instrument, which otherwise meets amortised cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). Debt instruments included within the FVTPL category are measured at fair value with all changes recognised in the statement of profit and loss.

Equity Investments

Equity investments other than equity investment in subsidiaries and joint ventures are measured at fair value. The Group decides to classify the equity investments either as at FVTOCI or FVTPL. The Group makes such election on an instrument by instrument basis. The classification is made on initial recognition and is irrevocable.

If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss.

Derecognition

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

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

Impairment of financial assets

In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

(a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits and bank balance.

(b) Trade receivables, unbilled revenue and contract assets under Ind AS 115.

For trade receivables and unbilled revenue, the Group applies the simplified approach required by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

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

21.2. Financial liabilities

Initial recognition and measurement

All financial liabilities are recognised initially at fair value and in the case of borrowings and payables, net of directly attributable transaction costs. The Group's financial liabilities include trade and other payables, borrowings and retention money.

Subsequent measurement

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

Financial liabilities at amortised cost

After initial measurement, such financial liabilities are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in the 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 in finance costs in the statement of profit and loss. This category generally applies to borrowings, trade payables and other contractual liabilities.

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. 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 Group that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109.

Gains or losses on liabilities held for trading are recognised in the statement of profit and loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/losses attributable to changes in own credit risk are recognised in OCI. These gains/losses are not subsequently transferred to the statement of profit and loss. However, the Group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Group has not designated any financial liability as at fair value through profit and loss.

Derecognition

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

21.3 Offsetting of financial assets and financial liabilities

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

22. Other expenses

Expenses on annual maintenance, legal & professional consultancy, training & recruitment etc. are charged to statement of profit and loss in the year incurred.

23. Related party transactions

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions.

D. Use of estimates and management judgments

The preparation of consolidated financial statements requires management to make judgments, estimates and assumptions that may impact the application of accounting policies and the reported value of assets, liabilities, income, expenses and related disclosures concerning the items involved as well as contingent assets and liabilities at the balance sheet date. The estimates and management's judgments are based on previous experience and other factors considered reasonable and prudent in the circumstances. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

In order to enhance understanding of the consolidated financial statements, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the consolidated financial statements is as under:

1. Useful life of property, plant and equipment and intangible assets

The estimated useful life of property, plant and equipment and intangible assets is based on a number of factors including the effects of obsolescence, demand, competition and other economic factors (such as the stability of the industry and known technological advances) and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

The Group reviews at the end of each reporting date the useful life of property, plant and equipment and are adjusted prospectively, if appropriate.

2. Recoverable amount of property, plant and equipment and intangible assets

The recoverable amount of property, plant and equipment and intangible assets is based on estimates and assumptions regarding in particular the expected market outlook and future cash flows. Any changes in these assumptions may have a material impact on the measurement of the recoverable amount and could result in impairment.

3. Post-employment benefit plans

Employee benefit obligations are measured on the basis of actuarial assumptions which include mortality and withdrawal rates as well as assumptions concerning future developments in discount rates, the rate of salary increases and the discount rate. The Group considers that the assumptions used to measure its obligations are appropriate and documented. However, any changes in these assumptions may have a material impact on the resulting calculations.

4. Revenues

The Group applies judgement to determine whether each product or service promised to a customer are capable of being distinct, and are distinct in the context of the contract, if not, the promised product or services are combined and accounted as a single performance obligation. The Group allocates the arrangement consideration to separately identifiable performance obligation deliverables based on their relative stand-alone selling price. Rebates and discounts, if any, are recognised as a reduction from revenue on the basis of management estimates. Refer note 49 for detailed disclosure.

5. Provisions and contingencies

The assessments undertaken in recognising provisions and contingencies have been made in accordance with Ind AS 37, `Provisions, Contingent Liabilities and Contingent Assets' The evaluation of the likelihood of the contingent events has required best judgment by management regarding the probability of exposure to potential loss. Should circumstances change following unforeseeable developments, this likelihood could alter.

6. Income taxes

Significant estimates are involved in determining the provision for income taxes and deferred taxes, including amount expected to be paid/ recovered for uncertain tax positions.

7. Impairment of non-financial assets

The recoverable amount of investment in joint venture company is based on estimates and assumptions regarding in particular the future cash flows associated with the operations of the investee Company. Any changes in these assumptions may have a material impact on the measurement of the recoverable amount and could result in impairment.

8. Leases not in legal form of lease

Significant judgment is required to apply lease accounting rules under Appendix C to Ind AS 17 'Determining whether an arrangement contains a lease'. In assessing the applicability to arrangements entered into by the Group, management has exercised judgment to evaluate the right to use the underlying asset, substance of the transactions including legally enforceable agreements and other significant terms and conditions of the arrangements to conclude whether the arrangement needs the criteria under Appendix C to Ind AS 17.

2 Property, plant & equipment

As at 31 March 2019

₹ in Lakhs

Particulars	Gross block						Depreciation					Net block
	As at 01 April 2018	Acquisition through business combination	Additions	Deductions/ adjustments	Foreign exchange translation difference	As at 31 March 2019	Upto 01 April 2018	Acquisition through business combination	For the year	Deductions/ adjustments	Foreign exchange translation difference	Upto 31 March 2019	As at 31 March 2019
Freehold land	743.64	-	-	-	-	**743.64**	-	-	-	-	-	**-**	**743.64**
Building	4,515.64	-	472.01	-	(185.10)	**4,802.55**	1,461.35	-	231.68	-	(68.51)	**1,624.52**	**3,178.03**
Leasehold improvements	195.48	-	-	192.65	-	**2.83**	64.15	-	22.33	84.90	-	**1.58**	**1.25**
Project equipment	1,04,912.53	-	1,32,283.45	4,652.70	(27.19)	**2,32,516.09**	20,624.56	-	33,086.46	526.90	(3.58)	**53,180.54**	**1,79,335.55**
Cell phones	60.63	-	12.03	0.62	-	**72.04**	35.50	-	20.81	0.25	-	**56.06**	**15.98**
Office equipment	261.66	-	10.06	1.34	-	**270.38**	67.48	-	52.01	-	-	**119.49**	**150.89**
Furniture and fitting	1,989.49	-	172.24	41.36	(71.94)	**2,048.43**	1,328.06	-	152.48	5.55	(41.78)	**1,433.21**	**615.22**
Computers	402.64	-	85.29	23.51	-	**464.42**	199.23	-	112.70	22.89	-	**289.04**	**175.38**
Plant and machinery	1,608.17	-	28.41	78.66	(67.65)	**1,490.27**	810.71	-	100.87	41.09	(37.28)	**833.21**	**657.06**
E-Vehicles	956.45	-	22.79	904.73	-	**74.51**	12.22	-	(2.94)	-	-	**9.28**	**65.23**
Other motor vehicles	291.66	-	27.92	(28.60)	(12.25)	**335.93**	260.09	-	66.16	(3.88)	(25.64)	**304.49**	**31.44**
Residential assets	84.17	-	0.25	1.73	-	**82.69**	1.03	-	37.91	0.22	-	**38.72**	**43.97**
Solar plant	-	-	2,102.64	-	-	**2,102.64**		-	31.72	-	-	**31.72**	**2,070.92**
Total	**1,16,022.16**	**-**	**1,35,217.09**	**5,868.70**	**(364.13)**	**2,45,006.42**	**24,864.38**	**-**	**33,912.19**	**677.92**	**(176.79)**	**57,921.86**	**1,87,084.56**

As at 31 March 2018

₹ in Lakhs

Particulars	Gross block						Depreciation					Net block
	As at 01 April 2017	Acquisition through business combination	Additions	Deductions/ adjustments	Foreign exchange translation difference	As at 31 March 2018	Upto 01 April 2017	Acquisition through business combination	For the year	Deductions/ adjustments	Foreign exchange translation difference	Upto 31 March 2018	As at 31 March 2018
Freehold land	743.64	-	-	-	-	**743.64**	-	-	-	-	-	**-**	**743.64**
Building	-	4,446.26	-	-	69.38	**4,515.64**	-	1,433.25	5.67	-	22.43	**1,461.35**	**3,054.29**
Leasehold improvements	195.48	-	-	-	-	**195.48**	35.31	-	28.84	-	-	**64.15**	**131.33**
Project equipment	65,615.68	2,387.52	36,838.75	-	70.58	**1,04,912.53**	7,028.07	511.71	13,073.06	-	11.72	**20,624.56**	**84,287.97**
Cell phones	37.46	-	23.66	0.49	-	**60.63**	13.89	-	21.80	0.19	-	**35.50**	**25.13**
Office equipment	168.82	-	92.84	-	-	**261.66**	32.51	-	34.97	-	-	**67.48**	**194.18**
Furniture and fitting	323.06	1,614.39	26.85	-	25.19	**1,989.49**	58.06	1,210.75	40.27	-	18.98	**1,328.06**	**661.43**
Computers	294.45	-	109.23	1.04	-	**402.64**	100.85	-	98.75	0.37	-	**199.23**	**203.41**
Plant and machinery	-	1,584.00	-	-	24.17	**1,608.17**	-	787.66	10.74	-	12.31	**810.71**	**797.46**
E-Vehicles	-	-	956.45	-	-	**956.45**	-	-	12.22	-	-	**12.22**	**944.23**
Other motor vehicles	-	287.18	-	-	4.48	**291.66**	-	252.95	3.16	-	3.98	**260.09**	**31.57**
Residential assets	-	-	85.67	1.50	-	**84.17**	-	-	1.13	0.10	-	**1.03**	**83.14**
Total	**67,378.59**	**10,319.35**	**38,133.45**	**3.03**	**193.80**	**1,16,022.16**	**7,268.69**	**4,196.32**	**13,330.61**	**0.66**	**69.42**	**24,864.38**	**91,157.78**

a) Exchange differences capitalised are disclosed in the 'Addition' column of capital work-in-progress (CWIP) and allocated to various heads of CWIP in the year of capitalisation through 'Deductions/Adjustments' column of CWIP. Exchange differences in respect of assets already capitalised are disclosed in the 'Deductions/Adjustments' column of property, plant and equipment (PPE). Asset-wise details of exchange differences and borrowing costs included in the cost of major heads of PPE and CWIP are given below:

₹ in Lakhs

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Project Equipment		
Exchange differences included in PPE/CWIP	**(233.56)**	1,518.42
Borrowing costs included in PPE/CWIP	**3,582.44**	2,449.16

b) Refer note 20 and 26 for information on property, plant and equipment pledged as security by the group.

c) Refer note 47 for disclosure on assets given under operating leases.

d) Refer Note 54 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

₹ in Lakhs

Particulars	Gross block						Depreciation					Net block	
	As at 01 April 2018	Acquisition through business combination	Additions	Deductions/ adjustments	Foreign exchange translation difference	As at 31 March 2019	Upto 01 April 2018	Acquisition through business combination	For the year	Deductions/ adjustments	Foreign exchange translation difference	Upto 31 March 2019	As at 31 March 2019
Software	1,712.48	-	569.01	-	(1.64)	**2,279.85**	76.00	-	678.60	-	(1.02)	**753.58**	**1,526.27**
Goodwill	44,163.34	-	-	-	(855.78)	**43,307.56**	-	-	-	-	-	**-**	**43,307.56**
Total	**45,875.82**	**-**	**569.01**	**-**	**(857.42)**	**45,587.41**	**76.00**	**-**	**678.60**	**-**	**(1.02)**	**753.58**	**44,833.83**

As at 31 March 2018

₹ in Lakhs

Particulars	Gross block						Depreciation					Net block	
	As at 01 April 2017	Acquisition through business combination	Additions	Deductions/ adjustments	Foreign exchange translation difference	As at 31 March 2018	Upto 01 April 2017	Acquisition through business combination	For the year	Deductions/ adjustments	Foreign exchange translation difference	Upto 31 March 2018	As at 31 March 2018
Software	101.22	76.11	1,533.42	-	1.73	**1,712.48**	28.44	16.59	30.58	-	0.39	**76.00**	**1,636.48**
Goodwill	-	43,192.36	-	-	970.98	**44,163.34**	-	-	-	-	-	**-**	**44,163.34**
Total	**101.22**	**43,268.47**	**1,533.42**	**-**	**972.71**	**45,875.82**	**28.44**	**16.59**	**30.58**	**-**	**0.39**	**76.00**	**45,799.82**

3. Capital work-in-progress

As at 31 March 2019

₹ in Lakhs

Particulars	As at 01 April 2018	Additions	Deductions/ adjustments/capitalised	As at 31 March 2019
Project equipments				
Street lights	1,20,188.18	58,902.72	89,448.15	**89,642.75**
Building	5,368.18	6,166.04	2,865.27	**8,668.95**
Smart Meter	1,937.95	8,324.73	-	**10,262.68**
Agricultural Demand Side Management (AgDSM)	12.26	-	12.26	**-**
Software	7.55	-	-	**7.55**
Solar rooftop	9.04	-	9.04	**-**
Ujala project	0.54	-	0.54	**-**
National Motor Replacement Program Project	-	22.69	-	**22.69**
	1,27,523.70	73,416.18	92,335.26	**1,08,604.62**
Land and property	1,671.68	110.71	1,760.56	**21.83**
E-Vehicle	151.19	66.78	150.84	**67.13**
Solar plant	-	12,776.39	-	**12,776.39**
Others	2.34	136.25	2.33	**136.26**
Total	**1,29,348.91**	**86,506.31**	**94,248.99**	**1,21,606.23**

As at 31 March 2018

₹ in Lakhs

Particulars	As at 01 April 2017	Additions	Deductions/ adjustments/capitalised	As at 31 March 2018
Street lights				
CWIP - SL LED Rajasthan	8,082.24	14,481.61	12,736.85	9,827.00
CWIP - SL LED Andhra Pradesh	6,936.03	14,502.60	9,521.93	11,916.70
Chhattisgarh Project	464.69	7,187.34	1,058.78	6,593.25
Kerala LED Street Lighting	492.96	94.67	407.32	180.31
Marine Drive Mumbai LED SL	2,797.98	1,736.52	1,839.37	2,695.13
CWIP - SL LED Punjab	236.78	2,588.12	0.93	2,823.97
CWIP- Puducherry LED Street Lighting	-	2.12	0.51	1.61
South Delhi LED Street Light	2,861.77	6,200.64	466.20	8,596.21
CWIP - SL LED - GHMC	52.68	11,927.06	102.84	11,876.90
Goa Street Light Project	3,792.90	9,729.80	3,121.79	10,400.91
CWIP - SL LED Gujarat	3,820.71	18,607.07	13,621.58	8,806.20
Guwahati Street Lighting	437.38	189.73	235.97	391.14
H.P LED Street Light	915.19	1,566.23	2,242.94	238.48
CWIP - SL LED - Agartala MC	-	32.94	13.55	19.39
CWIP - SL LED - Jharkhand	688.87	4,188.55	1,704.39	3,173.03
CWIP - SL LED -Andman & Nicobar	-	49.39	-	49.39
CWIP - SL LED J&K	40.16	111.17	2.56	148.77
CWIP - SL LED Telangana	302.58	13,303.64	6,806.23	6,799.99
CWIP SL LED Bihar	-	2,094.00	4.82	2,089.18
CWIP SL LED Chandigarh	-	88.85	-	88.85
Varanasi LED Street Lighting	2,846.53	23,336.64	897.39	25,285.78
CWIP SL LED Haryana	-	348.61	-	348.61
CWIP - SL LED - Karnataka	-	29.72	-	29.72
CWIP - SL LED - Madhya Pradesh	-	456.66	5.02	451.64

3. Capital work-in-progress (Continued)

As at 31 March 2018

₹ in Lakhs

Particulars	As at 01 April 2017	Additions	Deductions/ adjustments/capitalised	As at 31 March 2018
CWIP - SL LED - Odisha	-	1,422.71	1.29	1,421.42
CWIP - SL LED - PortBlair	-	343.52	4.38	339.14
CWIP SL LED Sikkim	-	0.49	-	0.49
CWIP SL LED Tamilnadu	-	87.83	-	87.83
CWIP - SL LED -Tripura	-	18.09	-	18.09
CWIP SL LED Uttarakhand	-	992.19	-	992.19
CWIP - SL LED -West Bengal	-	431.37	-	431.37
CWIP - West Bengal	-	0.68	-	0.68
CWIP – SL LED Tripura	-	67.27	-	67.27
CWIP -Kolkata	-	12.07	-	12.07
CWIP- GHMC (hyderabad)	-	1,562.71	-	1,562.71
CWIP- Andhra Pradesh (hyderabad)	-	890.50	-	890.50
CWIP- SL- Maharashtra (Mumbai)	24.49	188.28	2.29	210.48
CWIP unallocated Expenses	-	690.94	100.04	590.90
CWIP- Interest on Bond (unallocated) *	53.32	849.10	171.54	730.88
Sub total	**34,847.26**	**1,40,411.43**	**55,070.51**	**1,20,188.18**
Building				
Capital Work in Progress - Building J&K	108.15	44.70	49.52	103.33
Capital Work in Progress - CGO 12 Building	-	242.06	2.34	239.72
CWIP- Building - Delhi	-	14.42	-	14.42
CWIP- Building - Gujurat	-	0.22	-	0.22
CWIP- Building - Madhya Pradesh	-	3.90	-	3.90
CWIP- Building- PAN INDIA	-	267.70	-	267.70
CWIP- Building - Uttar Pradesh	-	19.77	-	19.77
CWIP- Building - West Bengal	-	16.04	-	16.04
CWIP- CPWD BUILDINGS DELHI (Direct Expenses)	4.81	20.66	20.66	4.81
CWIP - CPWD - IP Bhawan Delhi	623.58	313.98	314.20	623.36
CWIP - Indian Railways	-	46.63	-	46.63
CWIP - UPSC - Delhi	4.56	-	-	4.56
CWIP BEEP AP	-	31.69	-	31.69
CWIP - Building Bond Interest	-	13.72	-	13.72
CWIP- CPWD CGO Building, New Delhi	-	19.89	-	19.89
CWIP-CPWD CGO Complex Faridabad	-	7.97	-	7.97
CWIP - CPWD CGO/GPO /Training Center Bhawan Ghaziabad (Direct Expenses)	-	24.48	2.24	22.24
CPWD - IP Bhawan DELHI	89.21	25.57	2.42	112.36
CWIP- CPWD Jaipur (Direct Expenses)	-	18.94	-	18.94
CWIP-CPWD Trikoot I & II Bhawan New Delhi (Direct Expenses)	-	0.32	-	0.32
CWIP- DMRC Rajeev Chowk (Direct Expenses)	53.22	45.61	53.22	45.61
CWIP- DMRC Rajeev Chowk (Indirect Expenses)	2.25	9.71	-	11.96
CWIP Maharashtra Sadan (Direct Expenses)	-	13.09	-	13.09
CWIP- Niti Aayog CPWD Ph-II Building (Direct Expenses)	26.89	70.17	2.50	94.56
CWIP (UJALA stock to BEEP)	-	3,636.67	5.30	3,631.37
Sub total	**912.67**	**4,907.91**	**452.40**	**5,368.18**

3. Capital work-in-progress (Continued)

As at 31 March 2018

₹ in Lakhs

Particulars	As at 01 April 2017	Additions	Deductions/ adjustments/capitalised	As at 31 March 2018
Land and property				
CWIP - Jaipur Property	334.56	89.22	-	423.78
CWIP - Kolkata Property	55.29	88.89	-	144.18
CWIP - Delhi Property (NBCC - Nauroji Nagar)	-	1,103.72	-	1,103.72
Sub total	**389.85**	**1,281.83**	**-**	**1,671.68**
Smart Meter				
CWIP Smart Meter	-	1,937.95	-	1,937.95
Sub total	**-**	**1,937.95**	**-**	**1,937.95**
E-Vehicle				
CWIP E Vehicle Project	-	151.19	-	151.19
Sub total	**-**	**151.19**	**-**	**151.19**
Agricultural Demand Side Management (AgDSM)				
CWIP - AgDSM - Maharashtra	13.97	-	13.97	-
CWIP - AgDSM - Rajasthan	16.74	0.08	16.82	-
CWIP - AgDSM - Andhra Pradesh	-	12.50	0.24	12.26
Sub total	**30.71**	**12.58**	**31.03**	**12.26**
Software				
CWIP-SAP	437.11	174.36	611.47	-
CWIP Software	-	1,218.68	1,211.13	7.55
Sub total	**437.11**	**1,393.04**	**1,822.60**	**7.55**
Solar Rooftop				
CWIP Solar Rooftop Delhi	-	9.04	-	9.04
Sub total	**-**	**9.04**	**-**	**9.04**
Ujala project				
Capital Work in Progress-(DELP Hyderabad)-Indirect	-	0.54	-	0.54
Sub total	**-**	**0.54**	**-**	**0.54**
Others				
Capital Work in Progress	-	1.57	-	1.57
CWIP - Trade Mark	0.77	-	-	0.77
Sub total	**0.77**	**1.57**	**-**	**2.34**
Total	**36,618.37**	**1,50,107.08**	**57,376.54**	**1,29,348.91**

* The borrowing cost proportionate to the unutilised amount of borrowings are being kept for utilization for acquisition or construction of qualifying assets being carried forward for capitalization in the subsequent year of utilization. However, income earned on temporary investment of the borrowings pending their expenditure on the qualifying assets is deducted from the borrowing costs eligible for capitalisation, as stated in Note No. C.5 of Accounting Policies i.r.t. 'Borrowing Costs'.

Notes to capital work-in-progress

a) The company has entered into agreements with various states, Urban Local Bodies (ULB's) and other organisations under its Energy Service Company (ESCO) model, wherein the company undertakes upfront investments for projects (along with maintenance and warranty obligations, covered back to back with agreements with various suppliers) which are recovered through mutually agreed periodic installments under the agreements. The company is in the process to compile certain data and reconciling the amounts billable, receivable and payable under the various agreements, verification of physical inventory and assets under the scheme & otherwise and reconciliation as to assets to be installed, assets installed pending capitalisation, assets capitalised (including capitalisation of related direct & indirect cost) and assets against which revenue is booked (as per applicable Indian Accounting Standards). The company does not expect any major differences that may arise post such verification, and shall account for the differences, if any, post completion of the said exercise.

b) The company has entered into agreement with Municipal Corporation for replacement of old conventional streetlights with LED energy efficient streetlights. The assets are capitalised in the books of accounts from the date of capitalization as indicated in the certificate issued by respective Municipal Corporation and the depreciation is charged accordingly from the date of capitalization. During the current financial year, the company has received certain completion certificates from the municipal corporation(s), wherein the completion dates mentioned in the certificates falls in the previous year. The company has capitalised these assets in the books of accounts from the completion dates as indicated in the certificates and has accordingly charged depreciation of ₹ 2,135.03 Lakhs on these assets in the statement of profit ot loss in current financial year from the said respective dates.

4 Non-current assets - Investment in joint venture accounted for using equity method

₹ in Lakhs

Particulars	As at 31 March 2019	As at 31 March 2018
Equity instruments - Unquoted (fully paid up)		
Joint venture companies		
NEESL Private Limited 2,600 (31 March 2018: 2,600) equity shares of ₹10 each	**5.96**	2.91
Total	**5.96**	2.91
Aggregate amount of unquoted investments	**5.96**	2.91
Aggregate amount of impairment in value of investments	**-**	-

a) Investments have been valued as per accounting policy no. C.1.2 (Note 1).

b) Refer note 43 for disclosure required as per Ind AS 112 'Disclosure of interest in other entities'.

5 Non-current financial assets - Investments

₹ in Lakhs

Particulars	As at 31 March 2019	As at 31 March 2018
Unquoted investments		
Unqouted at Fair Value Through Profit and Loss (FVTPL):		
Investment in Maple Leaf	**1,527.24**	1,440.51
Total	**1,527.24**	1,440.51
Aggregate amount of unquoted investments	**1,527.24**	1,440.51
Aggregate amount of impairment in value of investments	**-**	-

a) Information about fair value measurement and group's exposure to market risks is disclosed in note 37 and note 38.

6 Non-current financial assets - Loans

₹ in Lakhs

Particulars	As at 31 March 2019	As at 31 March 2018
Unsecured, considered good		
Loan to EnergyPro Asset Management Ltd (includes interest accrued)	**5,219.77**	5,009.66
Loans to employees (includes interest accrued)	**120.39**	101.77
Security deposits	**373.56**	364.16
Total	**5,713.72**	5,475.59

a) Refer note 48 for disclosure required as per Ind AS 24 'Related party disclosures'.

7 Other non-current financial assets

₹ in Lakhs

Particulars	As at 31 March 2019	As at 31 March 2018
Unbilled revenue	**1,080.93**	2,317.59
Finance lease receivables (refer note 47)	**7,687.96**	-
Deposits with banks under lien (refer note a below)	**1,506.07**	1,496.90
Deposits with banks maturing after twelve months	**15.61**	-
Total	**10,290.57**	3,814.49
a) Deposits with banks under lien includes:		
National Westminster Bank, UK- Security to cash collateralise the bonds	**795.96**	811.78
Chubbs, UK- Security to cash collateralise the bonds	**390.97**	405.83
Bank of Baroda, UK- Debt service reserve account mandatorily required under loan facility agreement	**290.76**	249.15
Westpac Banking Corporation, UK- security towards credit cards	**24.84**	25.52
FDs for CST & VAT	**3.54**	4.62
Total	**1,506.07**	1,496.90

8 Deferred tax asset (net)

₹ in Lakhs

Particulars	As at 31 March 2019	As at 31 March 2018
Deferred tax asset		
Tax losses carried forward	**465.69**	218.18
Expenses disallowed	**290.51**	204.23
Financial instruments measured at amortised cost	**(14.65)**	-
Less: Deferred tax liability		
Financial assets and liabilities measured at amortised cost	**-**	30.93
Difference in book depreciation and tax depreciation	**-**	26.25
Revenue measured at fair value	**152.28**	-
Financial asset measured at FVTPL	**30.11**	8.43
Total	**559.16**	356.80

a) Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority.

b) Refer note 45 for disclosure required as per Ind AS 12 Income Taxes and note 24 for movement in deferred tax balances.

9 Other non-current assets

₹ in Lakhs

Particulars	As at 31 March 2019	As at 31 March 2018
Capital advances	**1,336.78**	1576.38
Advances other than capital advances		
Security deposits	**-**	27.70
Deferred rent	**13.86**	79.48
Prepaid Expenditure	**-**	19.81
Total	**1,350.64**	1,703.37

10 Inventories

₹ in Lakhs

Particulars	As at 31 March 2019	As at 31 March 2018
Stock in trade	**27,498.43**	39,893.21
Work in progress	**7,254.53**	1,403.31
Raw materials	**-**	1.37
Total	**34,752.96**	41,297.89

a) Inventory items have been valued as per accounting policy no. C.6 (Note 1).

b) Stock in trade includes goods in transit of ₹ 1,396.43 Lakhs (31 March 2018: ₹ 93.72 Lakhs) valued at cost.

c) The cost of inventories recognised as expense for the year ended 31 March 2019 is ₹ 1,37,216.68 Lakhs (including ₹ 51.16 Lakhs as Business promotion) (31 March 2018: ₹ 92,066.27 Lakhs (including ₹ 47.14 Lakhs as Business Promotion)).

d) Loans are secured on first pari-passu charge on stock and book debts. (refer note 20 and 26)

11 Trade receivables

₹ in Lakhs

Particulars	As at 31 March 2019	As at 31 March 2018
Trade receivables		
Unsecured, considered good	**1,94,375.67**	1,29,847.96
Credit impaired	**393.29**	196.64
	1,94,768.96	1,30,044.60
Less: Provision for credit impaired trade receivables	**393.29**	196.64
Total	**1,94,375.67**	1,29,847.96

a) Refer note 38 for details with respect to credit risk.

b) Amounts receivables from related parties are disclosed in note 48.

c) Trade receivables are subject to confirmations, reconciliation and consequential adjustments that may arise on reconciliation.

d) Loans are secured on first pari-passu charge on stock and book debts. (refer note 20 and 26)

e) The carrying amounts of the trade receivables include receivables which are subject to a factoring arrangement. Under this arrangement, the Company has transferred the relevant receivables to the bank in exchange for cash and is prevented from selling or pledging the receivables. However, the Company has retained late payment and credit risk. The Company therefore continues to recognise the transferred assets in their entirety in its balance sheet. The amount repayable under the factoring agreement is presented as secured borrowing.

12 Cash and cash equivalents

₹ in Lakhs

Particulars	As at 31 March 2019	As at 31 March 2018
Balances with banks		
Current accounts	43,790.35	55,839.59
Deposit accounts	3.62	6.39
Cash on hand	26.08	26.91
Total	**43,820.05**	55,872.89

13 Bank balances other than cash and cash equivalents

₹ in Lakhs

Particulars	As at 31 March 2019	As at 31 March 2018
Deposits with original maturity of more than three months and maturing within one year (including interest accrued)	33,269.28	-
Deposits with banks under lien (refer a below)	525.15	6,857.92
Total	**33,794.43**	6,857.92
a) Deposits with banks under lien includes interest accrued and represents:		
Deposit with Investec Bank as security to cash collateralise the bonds	-	1,420.70
FD with ICICI Bank Limited, India against Standby letter of credit issued by latter to ICICI Bank UK Plc with respect to term loan facility availed by EESL EnergyPro Assets Limited	-	5,418.19
Deposits for CST & VAT	3.01	19.03
Margin money for letter of credit and bank guarantees	522.14	-
Total	**525.15**	6,857.92

14 Current loans

₹ in Lakhs

Particulars	As at 31 March 2019	As at 31 March 2018
Unsecured, considered good		
Loan to employees (including interest accrued)	113.56	81.14
Security deposits	250.78	85.19
Total	**364.34**	166.33

15 Other current financial assets

₹ in Lakhs

Particulars	As at 31 March 2019	As at 31 March 2018
Unbilled revenue	2,462.17	4,965.96
Finance lease receivables (refer note 47)	888.45	-
Others (refer note a below)	5,000.43	655.91
Total	**8,351.05**	5,621.87

a) Others includes expenses incurred on behalf of third parties which are recoverable.

16 Current tax assets (Net)

₹ in Lakhs

Particulars	As at 31 March 2019	As at 31 March 2018
Advance tax	894.72	1,298.48
Self assessment refund	2,360.41	591.48
TCS recoverable	39.49	11.04
TDS recoverable	521.21	644.68
Fringe benefit tax	-	3.24
Total	**3,815.83**	2,548.92

17 Other current assets

₹ in Lakhs

Particulars	As at 31 March 2019	As at 31 March 2018
Receivable from statutory authorities (refer note a below)	**29,157.12**	14,287.71
Deposits paid under protest	**4,327.95**	3,844.28
Prepaid expenditure (refer note b below)	**7,081.06**	5,501.00
Advance to suppliers	**2,812.01**	729.78
Deferred cost	**2,566.94**	-
Deferred rent	**65.44**	39.33
Imprest to employees	**13.40**	5.30
Others (refer note c below)	**592.94**	1,192.58
Total	**46,616.86**	25,599.98

a) The sales, corresponding output tax liability and purchases along with the corresponding input tax credit reported in GST and VAT returns, the net input tax credit receivable or the net output tax liability payable as the case may be are subject to reconciliation with the books of accounts. Differences which will be identified on reconciliation of GST/ VAT returns will be addressed in annual GST/ VAT statements/ revised returns to be filed in due course.

b) Expenses incurred on advertisement / awareness on DELP / UJALA programme in a State is charged to statement of profit and loss in proportionate to LED bulbs distributed in current year vis-a-vis the total targeted LED bulbs distribution for that respective State at the beginning of year and balance amount is carried forward for charging to statement of profit and loss in subsequent years. Similarly expenses incurred on national media campaigning for DELP / UJALA programme is charged to statement of profit & loss in proportionate to the total LED bulbs distributed in current financial year vis-a-vis the overall targeted LED bulbs distribution under DELP/ UJALA programme at the beginning of the year and balance amount is carried forward for charging to statement of profit and loss in subsequent years. Accordingly, out of total expenditure ₹4907.39 Lakhs balance brought forward from previous year 2017-18, ₹ 619.89 has been charged in Media /advertisement expenses till the year 2018-19., ₹ 4287.50 Lakhs has been carried forward as prepaid expenditure under the head, "Other Current Assets".

c) Others include advances given to vendors and to employees.

18 Share capital

₹ in Lakhs

Particulars	As at 31 March 2019		As at 31 March 2018	
	No. of shares	Amount	No. of shares	Amount
Authorised				
Equity shares of par value ₹10/- each	**350,00,00,000**	**3,50,000.00**	15,00,00,000	1,50,000.00
Issued, subscribed and fully paid up				
Equity shares of par value ₹10/- each	**67,52,04,350**	**67,520.44**	46,20,00,000	46,200.00

a) Movements in equity share capital:

Particulars	As at 31 March 2019		As at 31 March 2018	
	No. of shares	Amount	No. of shares	Amount
Outstanding at the beginning of the year	**46,20,00,000**	**46,200.00**	46,20,00,000	46,200.00
Add: Shares issued during the financial year	**21,32,04,350**	**21,320.44**	-	-
Outstanding at the end of the year	**67,52,04,350**	**67,520.44**	46,20,00,000	46,200.00

The Company made an offer for right issue under private placement of equity shares to existing shareholders. An amount of ₹ 9,900.00 Lakhs was received from NTPC Limited on 31 March 2018 and subsequently ₹ 9,900.00 Lakhs and ₹1,520.44 Lakhs were received from Power Finance Corporation Limited and Power Grid Corporation of India Limited respectively on 27 April 2018. The Company issued 213,204,350 shares of ₹ 21,320.44 Lakhs during the year.

The Company made an offer for right issue under private placement of equity shares to existing shareholders on 11 March 2019. An amount of ₹ 11,998.80 Lakhs was received from NTPC Limited, ₹ 7,161.00 Lakhs from REC Limited and ₹ 1,841.40 Lakhs received from Power Grid Corporation of India Limited post 31 March 2019. The total share application money of ₹ 21,001.20 Lakhs received was alloted on 8 June 2019 to respective shareholders.

b) Terms and rights attached to equity shares:

The Company has only one class of equity shares having a par value ₹ 10/- per share. The holders of the equity shares are entitled to receive dividends as declared from time to time and are entitled to voting rights proportionate to their share holding at the meetings of shareholders.

c) Dividends:

₹ in Lakhs

Particulars	Paid during the year 2018-19		Paid during the year 2017-18	
	Per share	Amount	Per share	Amount
Equity shares				
Final dividend	**0.16**	**1,102.99**	0.60	2,776.27
Interim dividend	-	-	0.28	1,298.40

d) Details of shareholders holding more than 5% shares in the Company:

Particulars	As at 31 March 2019		As at 31 March 2018	
	No. of shares	%age holding	No. of shares	%age holding
Power Finance Corporation Limited	**24,55,00,000**	**36.36%**	14,65,00,000	31.71%
NTPC Limited	**24,55,00,000**	**36.36%**	14,65,00,000	31.71%
REC Limited	**14,65,00,000**	**21.70%**	14,65,00,000	31.71%
Powergrid Corporation of India Limited	**3,77,04,350**	**5.58%**	2,25,00,000	4.87%
Total	**67,52,04,350**		46,20,00,000	

The promoters initially subscribed to 25% shares each of the Company. Over the years, the Company has made an offer for right issue under private placement of equity shares to existing shareholders. REC Limited and Powergrid Corporation of India Limited have not subscribed to the offered shares and accordingly there shareholding percentage has declined.

19 Other equity

₹ in Lakhs

Particulars	As at 31 March 2019	As at 31 March 2018
Share application money pending allotment	-	9,900.00
Debenture redemption reserve	**15,126.44**	6,515.21
Retained earnings	**1,213.05**	1,331.83
Foreign currency translation reserve	**(1,442.49)**	375.41
Total	**14,897.00**	18,122.45

a) Share application money pending allotment

₹ in Lakhs

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Opening balance	**9,900.00**	-
Share application money received	**11,420.44**	9,900.00
Equity shares issued	**(21,320.44)**	-
Closing balance	-	9,900.00

b) Debenture redemption reserve

The Group is required to create a debenture redemption reserve out of the profits which is available for payment of dividend for the purpose of redemption of debentures.

Movement in reserves is as follows

₹ in Lakhs

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Opening balance	6,515.21	1,452.99
Add: Transfer from retained earnings	8,611.23	5,062.22
Closing balance	**15,126.44**	6,515.21

c) Retained earnings

Retained earning represents the amount of accumulated earnings of the company and re-measurement differences on defined benefit plans and gains. Movement in reserves is as follows:

₹ in Lakhs

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Opening balance	**1,331.83**	7,874.86
Profit for the year as per statement of profit and loss	**11,658.23**	3,468.89
Transferred from foreign currency translation reserve	**-**	(12.61)
Effects of change in accounting policy (refer note 53)	**(1,658.90)**	-
Impact of change in ownership interest in Subsidiary (refer note 43)	**(130.03)**	-
Dividend paid	**(1,102.99)**	(4,074.69)
Tax on dividend paid	**(226.72)**	(829.54)
Transfer to debenture redemption reserve	**(8,611.23)**	(5,062.22)
Transaction cost arising on issue of equity shares, net of tax	**(25.00)**	(25.01)
	1,235.19	1,339.68
Items of other comprehensive income recognised directly in retained earnings:		
Remeasurements of post-employment benefit obligation, net of tax	**(22.14)**	(7.85)
Closing balance	**1,213.05**	1,331.83

d) Foreign currency translation reserve

₹ in Lakhs

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Opening balance	**375.41**	(2.47)
Add: Currency translation adjustments	**(1,817.90)**	365.27
Less: Transferred to retained earnings	**-**	(12.61)
Closing balance	**(1,442.49)**	375.41

20 Non-current borrowings

₹ in Lakhs

Particulars	As at 31 March 2019	As at 31 March 2018
Debentures/Bonds		
Secured		
(i) 8.07% Debentures (Domestic bonds)- Secured by pari passu charge on the movable fixed assets both present and future (8.07% p.a. secured non-cumulative non-convertible redeemable taxable bonds with three unequal separately transferable redeemable principal parts (STRPP) of ₹12,500.00 Lakhs, ₹12,500.00 Lakhs and ₹25,000.00 Lakhs redeemable at par on 20 March 2020, 20 September 2021 and 20 September 2023, respectively (First Issue - Private Placement))	**52,133.58**	52,133.59
Unsecured		
(i) 7.80% Debentures (Domestic bonds) (7.80% p.a. unsecured non-cumulative non-convertible redeemable taxable bonds repayable as bullet payment in the month of July 2022 amounting ₹45,000.00 Lakhs (Second Issue - Private Placement))	**47,471.42**	47,471.42
(ii) 8.15% Debentures (Domestic bonds) (8.15% p.a. unsecured non-cumulative non-convertible redeemable taxable bonds repayable as bullet payment in the month of Feb 2021 amounting ₹20,000.00 Lakhs (Third Issue - Private Placement))	**20,361.73**	20,361.72
(iii) 8.29% Debentures (Domestic bonds) (8.29 % p.a. unsecured non-cumulative non-convertible redeemable taxable bonds repayable as bullet payment in the month of May 2021 amounting ₹12,500.00 Lakhs (Fourth Issue - Private Placement))	**12,676.02**	12,676.02

20 Non-current borrowings (Continued)

₹ in Lakhs

Particulars	As at 31 March 2019	As at 31 March 2018
Term loan from banks		
Secured		
(i) Investec Term Loan A- Secured by way of charge over EPAL's investment in equity shares of EPAL Holdings Limited. (ROI: 3 months LIBOR plus 400 bps repayable quarterly in 2 installments of GBP 2,218,750 each and 15 instalments of GBP 887,500 each starting from 28.12.2018)	-	15,815.46
(ii) Investec Term Loan B- Secured by way of charge over EPAL's investment in equity shares of EPAL Holdings Limited. (ROI: 3 months LIBOR plus 450 bps repayable as bullet payment of GBP 8.25 Millions on 14.03.2024)	-	7,349.48
(iii) National Westminster Bank PLC- Secured by way of fixed and floating charge over all property and assets, present and future, including deposits of Edina UK Limited (ROI: Base Rate plus 179 bps repayable as 31 equated monthly installments of GBP 9850 each and balance as bullet payment on 24 November 2020)	**1,145.68**	1,248.18
Unsecured		
(i) Punjab National Bank ROI: 8.45% p.a. (linked to 6 months MCLR) repayable in 10 equated instalments starting from June 2021 and ending in December 2025.	**39,997.59**	-
Unsecured		
(i) Bank of Baroda, UK (ROI: 3 months LIBOR plus 280 bps repayable as bullet payment of GBP 12 Millions on 13.03.2023)	**10,731.73**	10,930.03
(ii) Bank of Baroda, UK (ROI: 3 months LIBOR plus 280 bps repayable in 8 equal instalments of GBP 375,000 each starting from June 2020)	**2,714.27**	-
Term loan from other than banks		
Unsecured		
(i) KFW Loan -Guaranteed by Govt of India (1.96% p.a. loan repayable on half yearly basis starting from 30 June 2018 in 14 instalments of Euro 2,941,000 each and 3 instalments of Euro 2,942,000 each)	**34,455.63**	38,938.98
(ii) AFD Loan -Guaranteed by Govt of India (1.87% p.a. for Euro 3,719,016.59, 2.20% p.a. for Euro 1,205,674.41, 2.19% p.a. for Euro 8460156.73 and 2.22% p.a. for Euro 3112936.93 loan repayable in half yearly basis starting from 31 October 2020 in 20 equal instalments of Euro 2,500,000 each)	**12,929.37**	3,997.83
(iii) ADB Loan -Guaranteed by Govt of India (3.166% p.a. (Method: 6 month LIBOR+ 60 Basis point +/- rebate/surcharge, if any) loan repayable on half yearly basis starting from 15 March 2022 in 30 equal instalments of USD 6,666,667 each)	**43,391.19**	9,768.69
(iv) IBRD Loan -Guaranteed by Govt of India (3.55% p.a. (Method: 6 month LIBOR+66 Basis point, if any) loan repayable on half yearly basis starting from 15 May 2023 in 27 equal instalments of USD 7854000 each and one installment of 7942000)	**38,484.04**	-
	3,16,492.25	2,20,691.40
Less : Current Maturities of non-current borrowings	**17,149.14**	8,735.24
Less: Interest accrued on non-current borrowings	**5,642.05**	5,441.21
Total	**2,93,701.06**	2,06,514.95

There has been no default in repayment of the loans/ interest thereon as at the end of the year.

21 Non-current trade payable

₹ in Lakhs

Particulars	As at 31 March 2019	As at 31 March 2018
Trade payable for goods and services		
Total outstanding dues of micro enterprises and small enterprises	**1,277.49**	-
Total outstanding dues of creditors other than micro and small enterprises	**10,523.97**	-
Total	**11,801.46**	-

a) Trade payable are subject to confirmations, reconciliation and consequential adjustments that may arise on reconciliation.

b) Amounts payable to related parties are disclosed in note 48.

22 Other non current financial liabilities

₹ in Lakhs

Particulars	As at 31 March 2019	As at 31 March 2018
Retention money	**40,680.09**	8,019.85
Total	**40,680.09**	8,019.85

23 Non-current provisions

₹ in Lakhs

Particulars	As at 31 March 2019	As at 31 March 2018
Provision for employee benefits		
Gratuity	**136.73**	140.88
Leave encashment	**144.21**	269.51
Total	**280.94**	410.39

a) Refer note 40 for disclosure as per Ind AS 19 on 'Employee Benefits'.

24 Deferred tax liabilities (net)

₹ in Lakhs

Particulars	As at 31 March 2019	As at 31 March 2018
Deferred tax liability		
Revenue measured at fair value	**1,036.03**	2,322.67
Financial assets and liabilities measured at amortised cost	**3,007.11**	1,295.75
Difference in book depreciation and tax depreciation	**8.00**	-
Less: Deferred tax assets		
Difference in book depreciation and tax depreciation	**2,848.29**	2,661.95
Expenses disallowed	**-**	96.96
Leave encashment	**50.39**	98.38
Provisions for bonus	**47.78**	55.68
Provisions for gratuity	**113.07**	0.88
Allowance for doubtful receivables	**137.43**	68.05
Operating lease liabilities	**37.84**	25.95
Revenue measured at fair value	**-**	37.47
Tax losses carried forward	**-**	223.12
Financial assets and liabilities measured at amortised cost	**2.28**	-
Total	**814.06**	349.98

a) Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority.

b) Refer note 45 for disclosure required as per Ind AS 12 Income Taxes.

24 Deferred tax liabilities (net) (Continued)

31 March 2019 ₹ in Lakhs

Particulars	Net balance 1 April 2018	Acquired in business combination	Recognised in profit or loss	Recognised in OCI	Net balance 31 March 2019
Deferred tax liabilities					
Revenue measured at fair value	2,322.67	-	(1,391.10)	-	931.57
Financial assets and liabilities measured at amortised cost	1,326.68	-	1,680.43	-	3,007.11
Financial asset measured at FVTPL	8.43	-	21.22	0.46	30.11
Less: Deferred tax assets					
Difference in book depreciation and tax depreciation	2,635.70	-	197.59	(2.40)	2,830.89
Expenses disallowed	301.19	-	44.06	6.65	351.90
Leave encashment	98.38	-	(47.99)	-	50.39
Provisions for gratuity	55.68	-	(19.79)	11.89	47.78
Provisions for bonus	0.88	-	112.19	-	113.07
Allowance for credit impaired receivables	68.05	-	69.38	-	137.43
Operating lease liabilities	25.95	-	11.89		37.84
Revenue measured at fair value	37.47	-	(187.60)	(2.15)	(152.28)
Tax losses carried forward	441.29	-	(139.07)	7.03	309.25
Financial assets and liabilities measured at amortised cost	-	-	(10.91)	(1.46)	(12.37)
Total	**(6.81)**	**-**	**280.80**	**(19.10)**	**254.89**

31 March 2018 ₹ in Lakhs

Particulars	Net balance 1 April 2017	Acquired in business combination	Recognised in profit or loss	Recognised in OCI	Net balance 31 March 2018
Deferred tax liabilities					
Revenue measured at fair value	4,197.70	-	(1,875.03)	-	2,322.67
Financial assets and liabilities measured at amortised cost	696.89	30.86	596.63	2.30	1,326.68
Financial asset measured at FVTPL	-	6.96	1.29	0.18	8.43
Less: Deferred tax assets					
Difference in book depreciation and tax depreciation	4,576.69	(140.89)	(1,794.92)	(5.18)	2,635.70
Expenses disallowed	-	199.73	95.92	5.54	301.19
Leave encashment	59.55	-	38.83	-	98.38
Provisions for gratuity	21.42	-	30.11	4.15	55.68
Provisions for bonus	0.88	-	-	-	0.88
Allowance for credit impaired receivables	-	-	68.05	-	68.05
Operating lease liabilities	15.90	-	10.05	-	25.95
Revenue measured at fair value	211.78	(22.76)	(151.04)	(0.51)	37.47
Tax losses carried forward	-	170.60	264.08	6.61	441.29
Total	**8.37**	**(168.86)**	**161.82**	**(8.13)**	**(6.81)**

25 Other non-current liabilities

₹ in Lakhs

Particulars	As at 31 March 2019	As at 31 March 2018
Operating lease liabilities	**59.00**	74.77
Deferred income on account of government grants	**427.68**	568.42
Total	**486.68**	643.19

a) Deferred income on account of government grants have been accounted in line with Accounting policy no. C.8 (Note 1).

b) International Bank for Reconstruction and Development ("World Bank") acting as an implementation agency of the Global Environment Facility ("GEF") had sanctioned a grant of USD 1,500,000 for implemention of SAP. Total grant amounting to ₹ 1,062.56 Lakhs has been received out of the sanctioned amount. There are no unfulfilled conditions or other contingencies attached to above grant.

During the year, the Group has received ₹ 290.73 Lakhs (31 March 2018: ₹ 611.37 Lakhs) as grant from World Bank. The Group has recognised ₹ 420.42 Lakhs (31 March 2018: ₹ 0.20 Lakhs) as grant income for the year (refer note 32).

26 Current borrowings

₹ in Lakhs

Particulars	As at 31 March 2019	As at 31 March 2018
Loans from banks		
Secured		
(i) ICICI Bank - Secured by first pari passu charge on the stock and receivables both present and future (ROI varying between 8.20% p.a.(linked to 1 year MCLR) to 8.90% p.a. (linked to 3 months MCLR + 30 bps) depending on the date of disbursement of the respective tranches repaid/ repayable as bullet payment of the respective tranche starting from Sep 2018 to June 2019 in the range of ₹ 2,000.00 Lakhs to ₹ 8,000.00 Lakhs)	**15,600.00**	15,000.00
(ii) HDFC - Secured by first pari passu charge on the stock and debtors both present and future (ROI varying between 7.85% p.a.(linked to 3 months MCLR) to 8.45% p.a. (linked to 3 months MCLR) depending on the date of disbursement of the respective tranches repayable as Bullet payment of the respective tranche starting from June 2019 to Feb 2019 in the range of of ₹ 1,000.00 Lakhs to ₹ 5,000.00 Lakhs)	**7,500.00**	11,000.00
(iii) SBI - Secured by first pari passu charge on the stock and receivables both present and future (ROI varying between 7.85% p.a.(linked to 3 months MCLR) to 8.25% p.a. (linked to 3 months MCLR) depending on the date of disbursement of the respective tranches repaid as Bullet payment in the month of March 2019 in the range of ₹ 5,000.00 Lakhs to ₹ 23,500.00 Lakhs)	**-**	28,525.59
(iv) IndusInd Bank - Secured by pari passu charge on stock and book debts of the Company (ROI varying between 9.13% p.a. to 9.25% p.a. (linked to 3 months MIBOR + 169 bps) repayable as Bullet in the month of Nov 2019 amounting to ₹ 10,000.00 Lakhs)	**10,000.00**	-
(v) IndusInd Bank (factored receivables)- Secured by pari passu charge on stock and book debts of the Company (ROI be at 9.00% p.a. (linked to 364 days T-bill plus 258 basis point), repayable after 120 days from the discounting date in the event of default/ delay in receipt of proceeds from the companies (whose bills are discounted) in the month of July 2019 amounting to ₹ 9,579.08 Lakhs)	**9,579.08**	
(vi) Investec Bank, UK (ROI: 3 months LIBOR plus 400 bps to 450 bps repayable in April 2019)	**15,889.78**	
Unsecured		
(i) IndusInd Bank (ROI varying between 8.30% p.a. to 8.75% p.a. (linked to 3 months MIBOR + 121 bps) repayable as Bullet in the month of Sep 2019 amounting to ₹ 5,000.00 Lakhs)	**5,003.69**	5,001.14
(ii) J&K Bank (Borrowing-1: ROI varying between 8.15% p.a. to 8.30% p.a. (linked to 1 month MCLR) repayable as Bullet in the month of June 2019 amounting to ₹ 5,000 lakhs) (Borrowing-2: ROI varying between 8.35% p.a. to 8.45% p.a. (linked to 3 months MCLR) repayable as Bullet in the month of Sep 2019 amounting to ₹ 10,000 lakhs)	**14,999.91**	-
(iii) CTBC Bank (ROI varying between 7.96% p.a. (linked to 1 months MIBOR + 75 bps) to 8.42% p.a. (linked to 3 months MIBOR + 82 bps) repayable as Bullet in the month of Feb 2019 amounting to ₹ 4,000.00 Lakhs)	**-**	4,000.88
(iv) ICICI Bank UK Plc (ROI: 6 month LIBOR plus 135 bps repayable as bullet payment in the month of March 2020 amounting to GBP 5.50 Millions)	**4,976.16**	5,075.52
(v) Investec Bank, UK (ROI: 2 month LIBOR plus 350 bps repaid as bullet payment in the month of June 2018 amounting to GBP 3 Millions)	**-**	2,774.14
	83,548.62	71,377.27
Less: Interest accrued on current borrowings	**3.69**	33.21
Total	**83,544.93**	71,344.06

27 Trade payables

₹ in Lakhs

Particulars	As at 31 March 2019	As at 31 March 2018
Trade payable for goods and services		
Total outstanding dues of micro enterprises and small enterprises	**8,214.58**	-
Total outstanding dues of creditors other than micro and small enterprises	**1,40,513.89**	1,51,612.76
Total	**1,48,728.47**	1,51,612.76

a) Trade payable are subject to confirmations, reconciliation and consequential adjustments that may arise on reconciliation.

b) Amounts payable to related parties are disclosed in note 48.

c) Some trade payables had reserved title to goods supplied to the Group. Since the extent to which such trade payables are effectively secured depends on a number of factors and conditions, some of which are not readily determinable, it is not possible to indicate how much of the above amount is secured under reservation of title.

28 Other current financial liabilities

₹ in Lakhs

Particulars	As at 31 March 2019	As at 31 March 2018
Current maturities of non-current borrowings (refer note 20)	**17,149.14**	8,735.24
Interest accrued on borrowings	**5,645.74**	5,474.42
Unclaimed interest on bonds	**1.61**	-
Liabilities for expenses	**2,333.37**	2,193.85
Retention money	**15,546.09**	13,703.52
Earnest money deposit	**430.81**	700.16
Security Deposit	**138.94**	72.85
Payable to employees	**936.16**	5.11
Commitment fee payable	**238.07**	48.13
Tax on dividend payable	**-**	264.35
Total	**42,419.93**	31,197.63

29 Other current liabilities

₹ in Lakhs

Particulars	As at 31 March 2019	As at 31 March 2018
Statutory dues (refer note a below)	**20,004.60**	6,578.13
Liquidated damages	**93.25**	314.64
Advance from customers	**1,308.50**	5.87
Unearned income	**1,957.67**	40.52
Operating lease liabilities	**-**	0.19
Deferred income on account of government grants (refer note 25)	**238.54**	67.21
Total	**23,602.56**	7,006.56

a) The sales, corresponding output tax liability and purchases along with the corresponding input tax credit reported in GST and VAT returns, the net input tax credit receivable or the net output tax liability payable as the case may be are subject to reconciliation with the books of accounts. Differences which will be identified on reconciliation of GST/ VAT returns will be addressed in annual GST/ VAT statements/ revised returns to be filed in due course.

30 Current provisions

₹ in Lakhs

Particulars	As at 31 March 2019	As at 31 March 2018
Provision for employee benefits		
Gratuity	**3.29**	1.39
Leave encashment	**8.37**	14.77
Pay revision	**-**	550.00
Total	**11.66**	566.16

a) Disclosures required by Ind AS 19 'Employee Benefits' is made in Note 40.

31 Revenue from operations

₹ in Lakhs

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Sale of goods	**1,48,987.15**	1,10,114.73
Sale of services	**96,097.44**	32,521.57
Rent received	**16.72**	146.16
Total	**2,45,101.31**	1,42,782.46

a) Refer note 53 for disclosure in respect of Ind AS 115, 'Revenue from contracts with customers'.

b) The Company has recognised revenue under agreements with ULB's based on certain assumptions / estimate like the start date of the project period is taken as the date of completion specified in the first Completion Certificate received from the ULB, the actual expenses towards PMC, AMC and interest (including indirect finance costs) are more than the percentage specified in the agreement, the billing commences from next month of the month of completion mentioned in the completion certificate except in the case where the date of completion is the first day of the month, in which case the billing is done for the same month. The company is seeking necessary clarifications on such and other matters.

32 Other income

₹ in Lakhs

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Interest income from financial assets measured at amortised cost		
Bank deposits	**3,411.73**	1,233.99
Trade receivables/unbilled revenue	**1,332.14**	2,166.34
Loans to employees	**4.85**	3.49
Security deposit	**41.50**	14.50
Others	**971.30**	1,436.57
Other non-operating income		
Tender document fees	**38.63**	59.37
E- Tendering registration fee	**11.10**	15.49
Net gain on foreign currency transactions and translation	**3,410.89**	-
Gain on investments mandatorily measured at fair value through profit or loss (FVTPL)	**116.48**	6.81
EMD forfeited	**1,424.00**	-
Deferred rent income	**15.97**	-
Grant income	**420.42**	0.20
Miscellaneous income	**154.03**	585.59
Total	**11,353.04**	5,522.35

33 (Increase)/ Decrease in inventories

₹ in Lakhs

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Opening stock	**41,221.60**	15,475.14
Closing stock	**34,855.02**	30,003.74
Total	**6,366.58**	(14,528.60)

34 Employee benefits expense

₹ in Lakhs

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Salaries and wages	**12,673.31**	3,913.15
Leave encashment	**(100.11)**	148.31
Contribution to provident and other funds	**616.22**	230.83
Staff welfare expenses	**314.98**	227.97
Total	**13,504.40**	4,520.26

a) Disclosures as per Ind AS 19 in respect of provision made towards various employee benefits are made in Note 40.

b) The pay revision of the employees of the parent company was due with effect from 1 January 2017. The Department of Public Enterprises, Ministry of Heavy Industries and Public Enterprises, Government of India vide office memorandums No. W-02/0028/2017-DPE(WC)-GL-XIII/17 dated 3 August 2017 had revised scales of pay in respect of Board level and below Board level executives and Non-unionised Supervisors of Central Public Sector Enterprises with effect from 1 January 2017. Since the pay scales of regular employees in EESL have been formulated in accordance with NTPC pay scales of the regular employees, in terms of the guidelines issued by the Department of Public Enterprises applicable to NTPC, a provision was made on an estimated basis in respect of regular employees on account of pay revision. Movement in provision is as follows:

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Opening balance	**550.00**	-
Addition during the year	**-**	550.00
Amounts used during the year	**(550.00)**	-
Total	**-**	550.00

35 Finance costs

₹ in Lakhs

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Finance charges on financial liabilities measured at amortised cost		
Debentures/Bonds	8,237.85	4,595.01
Loans	10,800.07	5,054.68
Unwinding of discount on retention money	1,067.48	604.38
Unwinding of discount on trade payable	1,048.69	-
Others	-	176.30
Net loss on foreign currency transactions and translation	118.25	2,687.04
Other borrowing costs		
Commitment Fees (KFW Loan)	188.02	11.05
Guarantee Fee	547.70	395.51
Total	**22,008.06**	13,523.97

a) Borrowing costs capitalised during the year is ₹ 3,582.44 Lakhs (31 March 2018: ₹ 2,449.16 Lakhs).

36 Other expenses

₹ in Lakhs

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Annual maintenance charges (projects)	**9,396.79**	2,042.59
Legal fees & professional charges	**2,464.20**	1,314.10
Conveyance expenses	**25.20**	150.24
Communication expenses	**633.16**	211.12
Recruitment expenses	**72.77**	303.47

36 Other expenses (Continued)

₹ in Lakhs

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Repair and maintenance expenses		
- Building maintenance	**123.16**	88.36
- Plant and machinery	**57.80**	-
- Computer maintenance	**119.45**	6.73
- House maintenance	**-**	0.94
Internal audit fees	**6.00**	3.00
Advertisement and publicity expenses	**444.13**	267.80
Printing and stationery expenses	**210.91**	80.60
Books and periodicals	**0.78**	-
Meeting expense/ Hospitality expenses	**175.76**	1.66
Tour and traveling expenses	**2,573.65**	337.74
Rent	**2,131.12**	934.00
Electricity expenses	**162.46**	73.29
Payment to auditors	**169.25**	41.92
Bank charges	**209.36**	153.75
Sponsorship expenses	**142.54**	3.00
Manpower expenses	**1,336.91**	573.71
Subscription fees	**98.38**	3.30
Insurance charges	**641.41**	59.56
Deferred rent expenses	**-**	29.03
Testing expenses	**117.29**	22.36
Business promotion	**205.89**	770.74
Rate and taxes	**15.87**	617.31
Net loss on sale of property plant and equipment	**135.66**	-
Awareness creation, training & outreach activities	**-**	6.12
Diwali gift expenses	**-**	25.26
Annual day celebration expenses	**-**	4.48
Corporate social responsibility expenses	**20.06**	12.27
Net loss on foreign currency transactions and translation	**-**	1,167.00
Allowance for doubtful receivables	**196.65**	196.65
Other project expenses	**2,757.36**	2,677.63
Bad debts	**76.58**	-
Miscellaneous expenses	**250.88**	553.46
Total	**24,971.43**	12,733.19

a) Ujala scheme expenses amounting to ₹ 1,801.27 Lakhs (software expenses ₹ 361.55 Lakhs, project maintenance expenses ₹ 0.92 Lakhs and other project expenses ₹ 1,438.80 Lakhs) and other project expenses amounting to ₹ 876.36 Lakhs have been aggregated and presented as project expenses (₹ 2,677.63 Lakhs) in the comparative period to enhance comparability with current year.

37 Fair Value Measurements

(a) Financial instruments by category

All of the Group's financial assets and liabilities except for investment in Maple Leaf viz. loans, cash and cash equivalents, other bank balances, unbilled revenue, trade and other receivables, borrowings, retention money payable, liability for expenses and other payables are measured at amortised cost.

b) Fair value hierarchy

To provide an indication about the reliability of the inputs used in determining fair value of financial instruments measured at fair value or measured at amortised cost for which fair value is being disclosed, the group has classified these into levels prescribed under the Ind AS 113, ' Fair value measurement' details of which are as under:

₹ in Lakhs

Financial assets measured at fair value- Recurring fair value measurements (Level 2*)	As at 31 March 2019	As at 31 March 2018
Financial assets:		
Investments	**1,527.24**	1,440.51
Total	**1,527.24**	1,440.51

₹ in Lakhs

Assets and liabilities which are measured at amortised cost for which fair values are disclosed (Level 2*)	As at 31 March 2019	As at 31 March 2018
Financial assets:		
Loan to EnergyPro Asset Management Ltd	**5,479.76**	5,712.31
Loan to employees	**200.55**	151.00
Security deposits	**633.96**	498.69
Unbilled revenue	**4,596.36**	9,936.59
Finance lease receivables	**7,687.96**	-
Bank deposits	**1,521.68**	1,496.90
Total	**20,120.27**	17,795.49
Financial liabilities:		
Borrowings	**3,06,247.22**	2,26,347.04
Retention money	**65,682.89**	23,132.00
Trade payables	**12,884.96**	-
Total	**3,84,815.07**	2,49,479.04

* Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

(c) Valuation technique used to determine fair value:

(i) For financial assets (security deposits, employee loans, unbilled revenue) - Discounted future cash flow; appropriate market rate as of each balance sheet date used for discounting.

(ii) For financial liabilities (retention money liabilities, debentures,foreign currency loans): Discounted cash flow; appropriate market borrowing rate of the entity as of each balance sheet date used for discounting.

(d) Fair value of financial assets and liabilities measured at amortised cost

₹ in Lakhs

Particulars	As at 31 March 2019		As at 31 March 2018	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets				
Loan to EnergyPro Asset Management Ltd	**5,219.77**	**5,479.76**	5,009.66	5,712.31
Loan to employees	**233.95**	**200.55**	182.91	151.00
Security deposits	**624.34**	**633.96**	449.35	498.69
Unbilled revenue	**3,543.10**	**4,596.36**	7,283.55	9,936.59
Finance lease receivables	**7,687.96**	**7,687.96**	-	-
Bank deposits	**1,521.68**	**1,521.68**	1,496.90	1,496.90
	18,830.80	**20,120.27**	14,422.37	17,795.49
Financial liabilities				
Borrowings	**3,10,850.20**	**3,06,247.22**	2,15,250.19	2,26,347.04
Retention money	**56,226.18**	**65,682.89**	21,723.37	23,132.00
Trade payables	**11,801.46**	**12,884.96**	-	-
	3,78,877.84	**3,84,815.07**	2,36,973.56	2,49,479.04

The carrying amounts of current trade receivables, cash and cash equivalents, other financial assets, trade payables, payable for capital expenditure and other financial liabilities are considered to be the same as their fair values, due to their short-term nature.

The carrying values for finance lease receivables approximates the fair value as these are periodically evaluated based on credit worthiness of customer and allowance for estimated losses is recorded based on this evaluation. Also, carrying amount of bank deposits approximates its fair value.

The fair values for security deposits, unbilled revenue, employee term loans, borrowings and retention money were calculated based on cash flows discounted using a current lending rate/borrowing rate. They are classified as level 2 fair values in the fair value hierarchy due to the use of observable market inputs.

38 Financial risk management

The Group's principal financial assets include loans, trade & other receivables, and cash and short-term deposits that derive directly from its operations. The Group's principal financial liabilities comprise loans and borrowings in foreign as well as domestic currency, trade payables and other payables. The main purpose of these financial liabilities is to finance the Group's operations.

The Group is exposed to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risk.

a) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations resulting in a financial loss to the Group. Credit risk arises principally from trade receivables, unbilled revenue, loans & advances, cash & cash equivalents and deposits with banks.

Trade receivables

The Group earns its revenue mainly from government controlled entities (both central and state government). As these entities are government controlled, the counter party risk attached to such receivables are considered to be insignificant.

For rest of the customers, Group evaluates and manages its credit risk by taking into consideration the ageing of the dues, specific credit circumstances, nature of the customers and credit worthiness of the customers.

The impairment loss allowance is assessed by the Group using life time ECL approach which is based on the business environment in which the Group operates. The trade receivables are considered in default (credit impaired) when the possibility of recovery of receivables based on the assessment/ evaluation on the parameters stated above are deteriorating and are required to be provided as allowance for doubtful receivables in a systematic manner.

The Group has not experienced any significant impairment losses in respect of trade receivables in the past years. Since the Group has its customers within different states of India and different countries outside India, geographically there is no concentration of credit risk.

Cash and cash equivalents

The Group held cash and cash equivalents of ₹ 43,820.05 Lakhs (31 March 2018: ₹ 55,872.89 Lakhs). The cash and cash equivalents are held with banks with high rating.

Deposits with banks and financial institutions

The Group held deposits with banks and financial institutions of ₹ 35,316.11 Lakhs (31 March 2018: ₹ 8,354.82 Lakhs). In order to manage the risk, Group places deposits with only high rated banks/institutions.

Loan to employees

The Group has given loans to employees. The Group manages its credit risk in respect of loan and advances to employee through settlement of dues against full and final payment to employees.

Loan to EnergyPro Asset Management Ltd (EPAM)

As per joint venture agreement between the parent company and EPAM, in case, EPAM defaults in payment of any amount due under loan given by EPAL by its due date, a deemed transfer notice will be deemed to be served on the Company which will impact EPAM as below:

- EPAM shall be deprived of all its voting rights at any meetings of Shareholders;
- the Director(s) appointed by EPAM shall be deprived of all voting rights (and such Director(s) will lose its rights to attend Board meetings);
- the Defaulting Shareholder shall not be entitled to receive any dividend or other distribution payable by the Company.
- EPAL will have the right to purchase all of EPAM's shares at 90% of the Fair Value per equity share.

As per the loan agreement, in case of any default, interest on the unpaid amount shall accrue daily, from the date of non-payment to the date of actual payment, at 2% above the rate specified under the agreement. Also, EnergyPro Asset Management Ltd along with its nominee director shall be deprived of all of its voting rights as shareholder in EPAL, and it shall not be entitled to any dividend or other distribution payable by the EPAL.

In view of above-mentioned clauses of the joint venture agreement and loan agreement, management is of the view that risk of default is low.

Investment

EESL EnergyPro Asset Limited (EPAL) has made a strategic investment in a partnership firm Maple Leaf Storage LPI. As per the terms of subscription agreement, if conditions laid down in the agreement are not achieved by the LP within one year of the Closing Date, the cash flow allocation to EPAL in relation to its investment shall be established, at that time, in a manner to provide EPAL a projected IRR of at least 10.0% (based on the 15-year financial model).

(i) Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

₹ in Lakhs

Particulars	As at 31 March 2019	As at 31 March 2018
Financial assets for which loss allowance is measured using 12 months Expected Credit Losses (ECL)		
Non-current investments	**1,527.24**	1,440.51
Non-current loans	**5,713.72**	5,475.59
Other non-current financial assets*	**9,209.64**	1,496.90
Cash and cash equivalents	**43,820.05**	55,872.89
Deposits with banks	**33,794.43**	6,857.92
Current loans	**364.34**	166.33
Other current financial assets*	**5,888.88**	655.91
Total	**1,00,318.30**	71,966.05
Financial assets for which loss allowance is measured using Life time Expected Credit Losses (ECL)		
Trade receivables	**1,94,375.67**	1,29,847.96
Unbilled revenue	**3,543.10**	7,283.55
Total	**1,97,918.77**	1,37,131.51

* Excluding unbilled

(ii) Provision for expected credit losses

Financial assets for which loss allowance is measured using 12 month expected credit losses

The Group has assets where the counter- parties have sufficient capacity to meet the obligations and where the risk of default is very low. Accordingly, no loss allowance for impairment has been recognised.

Financial assets for which loss allowance is measured using life time expected credit losses

The Group has customers with capacity to meet the obligations and therefore the risk of default is low. Further, management believes that the unimpaired amounts that are past due are still collectible in full, based on historical payment behaviour. However, an allowance for doubtful receivables of ₹ 196.65 Lakhs (31 March 2018: ₹ 196.64 Lakh) has been recognised during the year to the extent of additional 10% of the total outstanding of ₹ 1,966.40 Lakhs of cases which are under litigation for recovery.

Financial assets for which loss allowance is measured and recommended by Comptroller and Auditor General of India

The Group has not made a provision of ₹ 16.50 crores on account of subsidy not received from Delhi Government/DERC as per the recommendation made by the CAG of India of their report dated 18 October 2017 issued to Group. However, the management is of the view that the recovery is being followed up with concerned authority, which is under review and the management is confident for recovery of their dues.

(iii) Ageing analysis of trade receivables

The ageing analysis of the trade receivables is as below:

Particulars	Gross carrying amount	
	As at 31 March 2019	As at 31 March 2018
Not due	**6,676.23**	-
0-30 days past due	**39,888.90**	32,876.18
31-60 days past due	**20,006.21**	8,626.13
61-90 days past due	**5,968.02**	4,779.35
91-120 days past due	**15,384.35**	1,793.50
More than 120 days past due	**1,06,845.25**	81,969.44
Total	**1,94,768.96**	1,30,044.60

(iv) Reconciliation of allowance for doubtful receivables

The movement in the allowance for doubtful receivables in respect of trade receivables during the year is as follows:

₹ in Lakhs

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Opening balance	**196.64**	-
Add: Allowance for doubtful debts recognised during the year	**196.65**	196.64
Closing balance	**393.29**	196.64

b) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group has an appropriate liquidity risk management framework for the management of short, medium and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate cash reserves, banking facilities and reserve borrowing facilities by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

Typically the Group ensures that it has sufficient cash on demand to meet expected operational expenses for a period of 60 days, including the servicing of financial obligations, this excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters.

(i) Financing arrangements

The Group had access to the following undrawn borrowing facilities at the end of the reporting period:

₹ in Lakhs

Particulars	As at 31 March 2019	As at 31 March 2018
Fixed-rate borrowings		
Foreign currency loans	**1,81,436.83**	1,99,144.30
Short term credit facility	**15,304.76**	922.85
Total	**1,96,741.59**	2,00,067.15
Floating-rate borrowings		
Term loans	**10,002.41**	11,500.00
Foreign currency loans	**2,08,762.33**	1,20,331.59
Working capital loan	**2,500.10**	-
Total	**2,21,264.84**	1,31,831.59
Total	**4,18,006.43**	3,31,898.73

(ii) Maturitites of financial liabilities

The following are the contractual maturities of non-derivative financial liabilities, based on contractual cash flows:

As at 31 March 2019

₹ in Lakhs

Particulars	3 months or less	3-12 months	1-2 years	2-5 years	More than 5 years	Total
Non-current borrowings*	4,510.71	37,733.56	43,619.06	1,82,689.04	1,35,117.51	4,03,669.88
Current borrowings	46,465.85	37,082.77	-	-	-	83,548.62
Trade payables	75,681.78	73,046.69	2,895.60	7,061.74	1,844.12	1,60,529.93
Retention money	1,868.79	16,946.77	15,003.01	19,632.53	2,775.08	56,226.18
Liability for expenses	2,333.37	-	-	-	-	2,333.37
Payable to employees	936.16	-	-	-	-	936.16
Others	378.62	430.81	-	-	-	809.43
Total	**1,32,175.28**	**1,65,240.60**	**61,517.67**	**2,09,383.31**	**1,39,736.71**	**7,08,053.57**

As at 31 March 2018

₹ in Lakhs

Particulars	3 months or less	3-12 months	1-2 years	2-5 years	More than 5 years	Total
Non-current borrowings*	3,380.54	23,633.88	35,004.76	1,54,629.77	63,206.89	2,79,855.84
Current borrowings	12,801.75	58,575.52	-	-	-	71,377.27
Trade payables	23,674.12	1,27,911.77	13.42	13.42	-	1,51,612.73
Retention money	-	11,874.46	837.97	5,724.99	3,285.94	21,723.36
Liability for expenses	9.08	2,186.77	-	-	-	2,195.85
Payable to employees	5.11	-	-	-	-	5.11
Others	383.33	700.16	-	-	-	1,083.49
Total	**40,253.93**	**2,24,882.56**	**35,856.15**	**1,60,368.18**	**66,492.83**	**5,27,853.65**

* includes interest accrued

c) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Group's income. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

The Board of Directors is responsible for setting up of policies and procedures to manage market risks of the Group. All such transactions are carried out within the guidelines set by the risk management committee.

Currency risk

The Group is exposed to foreign currency risk on certain transactions that are denominated in a currency other than respective entity's functional currency, hence exposure to exchange rate fluctuations arises. The risk is that the functional currency value of cash flows will vary as a result of movements in exchange rates.

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

₹ in Lakhs

	As at 31 March 2019			As at 31 March 2018		
Particulars	**EURO**	**USD**	**GBP**	**EURO**	**USD**	**GBP**
Financial liabilities						
Foreign currency borrowings	47,385.00	81,875.23	-	42,722.30	9,756.61	-
Trade payables	4,185.63	-	50.96	3,336.46	-	60.80
Total	**51,570.63**	**81,875.23**	**50.96**	**46,058.76**	**9,756.61**	**60.80**
Financial assets						
Trade receivables	128.56	-	806.83	559.22	-	125.02
Balance with bank-current account	-	2,017.42	38.97	-	6,191.77	6.93
Investment	-	1,527.24		-	1,440.51	-
Total	**128.56**	**3,544.66**	**845.80**	**559.22**	**7,632.28**	**131.95**
Net Exposure	**51,442.07**	**78,330.57**	**(794.84)**	**45,499.54**	**2,124.33**	**(71.15)**

Sensitivity analysis

A strengthening of the Indian Rupee, as indicated below, against GBP, Euro and USD at 31 March would have increased/ (decreased) profit or loss (before tax) by the amounts shown below. This analysis is based on foreign currency exchange rate variances that the Group considered to be reasonably possible at the end of the reporting period. The analysis assumes that all other variables, in particular interest rates, remain constant. The analysis is performed on the same basis for previous year, except that the reasonably possible foreign exchange rate variances were different, as indicated below.

₹ in Lakhs

	31 March 2019		31 March 2018	
Particulars	**Strengthening**	**Weakening**	**Strengthening**	**Weakening**
10% movement				
INR/EUR	5,144.21	(5,144.21)	4,549.95	(4,549.95)
INR/USD	7,833.06	(7,833.06)	212.43	(212.43)
INR/GBP	(79.48)	79.48	(7.12)	7.12
Total	**12,897.78**	**(12,897.78)**	**4,755.27**	**(4,755.27)**

(i) Interest rate risk

The Group is exposed to interest rate risk arising mainly from non-current borrowings with floating interest rates. The Group is exposed to interest rate risk because the cash flows associated with floating rate borrowings will fluctuate with changes in interest rates. The Group manages the interest rate risks by entering into different kinds of loan arrangements with varied terms (e.g. fixed rate loans, floating rate loans, rupee term loans, foreign currency loans, etc.).

At the reporting date the interest rate profile of the Group's interest-bearing financial instruments is as follows:

₹ in Lakhs

Particulars	As at 31 March 2019	As at 31 March 2018
Financial assets		
Fixed-rate instruments		
Employee Loans	**57.38**	178.11
Sub total	**57.38**	178.11
Variable-rate instruments		
Loan to EnergyPro Asset Management Ltd	**5,219.77**	5,009.66
Sub total	**5,219.77**	5,009.66
Total	**5,277.15**	5,187.77
Financial liabilities:		
Fixed-rate instruments		
Foreign currency loans	**47,099.92**	42,722.30
Debentures	**1,27,500.00**	1,27,500.00
Rupee term loans	**39,997.59**	-
Cash credit	**15,600.00**	26,000.00
Sub total	**2,30,197.51**	1,96,222.30
Variable-rate instruments		
Foreign currency loans	**81,661.00**	9,756.61
Cash credit	**47,079.00**	37,500.00
Term loan from banks	**14,591.68**	35,271.26
Short term	**20,865.94**	7,844.06
Sub total	**1,64,197.62**	90,371.94
Total	**3,94,395.13**	2,86,594.24

Fair value sensitivity analysis for fixed-rate instruments

The Group's fixed rate instruments are carried at amortised cost. They are therefore not subject to interest rate risk, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

Cash flow sensitivity analysis for variable-rate instruments

A change of 50 basis points in interest rates at the reporting date would have increased (decreased) profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant. The analysis is performed on the same basis for the previous year.

₹ in Lakhs

Particulars	Profit or loss (before tax)			
	31 March 2019		31 March 2018	
	Increase	Decrease	Increase	Decrease
Loan to EnergyPro Asset Management Ltd.	26.10	(26.10)	25.05	(25.05)
Foreign currency loans	(408.31)	408.31	(48.78)	48.78
Rupee term loans	(235.40)	235.40	(187.50)	187.50
Term loan from banks	(72.96)	72.96	(176.36)	176.36
Short term	(104.33)	104.33	(39.22)	39.22
Total	**(794.89)**	**794.89**	**(426.81)**	**426.81**

39 Capital Management

The Group's objectives when managing capital are to:

- safeguard its ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders and

- maintain an appropriate capital structure of debt and equity.

The Board of Directors has the primary responsibility to maintain a strong capital base and reduce the cost of capital through prudent management in deployment of funds and sourcing by leveraging opportunities in domestic and international financial markets so as to maintain investors, creditors & markets' confidence and to sustain future development of the business. The Board of Directors monitors the return on capital, which the Group defines as result from operating activities divided by total shareholders' equity. The Board of Directors also monitors the level of dividends to equity shareholders.

Under the terms of major borrowing facilities, the Group is required to comply with the following financial covenants:

(a) Borrowings of parent company:

(i) Maintain a current ratio (current assets divided by current liabilities) of at least 1.0

(ii) Maintain a minimum asset coverage of 1.00 times

(iii) Maintain a Debt:Equity ratio (long-term debt divided by equity net of accumulated profits/losses) not exceeding 80:20

(iv) Maintain a asset debt service coverage ratio (net cash flow from operations divided by debt service obligations, including all principal payments and tax-shielded interest and lease payments following due within the year) of at least 1.2

(v) Borrower shall inform the Bank simultaneously along with Stock Exchange if substantial effect on their profit or business means an adverse variance of 20% or more.

(b) Borrowings of subsidiary companies:

(i) EESL EnergyPro Assets Limited- Maintain cash flow cover (cash flow to debt service including finance charges) of at leaset 1.4:1.0.

(ii) Edina Acquisition Limited- Maintain cash flow cover (cash flow to debt service including finance charges) of at leaset 1.0:1.0, maintain interest cover (EBITDA to finance charges) ranging between 4.08:1 to 10.27:1 and maintain leverage cover (total debt to EBITDA) ranging between 1.25:1 to 3.88:1.

(iii) Edina UK Limited- Maintain debt servicing cover (cash flow available for debt servicing to debt service liability) of at least 1.10:1 and maintain EBITDA for each 12 month period ending on the last day of a financial quarter of at least £1,500,000.

There have been no breaches in the financial covenants of any interest bearing borrowings.

The Group monitors capital, using a medium term view of three to five years, on the basis of a number of financial ratios generally used by industry and by the rating agencies. The Group is not subject to externally imposed capital requirements.

The Company monitors capital using gearing ratio which is net debt divided by total equity. Debt companies of non-current and current borrowings.Net debt comprises of non-current and current borrowings less cash and cash equivalent. Equity includes equity share capital and reserves that are managed as capital. The gearing ratios at the end of the reporting periods were as follows:

₹ in Lakhs

Particulars	As at 31 March 2019	As at 31 March 2018
Borrowings	**4,00,040.87**	2,92,068.67
Less : Cash and cash equivalents	**43,820.05**	55,872.89
Net debt	**3,56,220.82**	2,36,195.78
Total equity	**86,993.77**	69,007.29
Net debt to equity ratio	**4.09**	3.42

₹ in Lakhs

Particulars	As at 31 March 2019	As at 31 March 2018
Borrowings	**4,00,040.87**	2,92,068.67
Total equity	**86,993.77**	69,007.29
Debt to equity ratio	**4.60**	4.23

40 Disclosure as per Ind AS 19 'Employee Benefits'

a) Defined contribution plans:

(i) Provident fund

The parent company pays fixed contribution to provident fund at predetermined rates to a registered provident fund administered by the Government, which invests the funds in permitted securities. Amount of ₹ 82.09 Lakhs (31 March 2018: ₹ 178.02 Lakhs) pertaining to employers' contribution to provident fund is recognised as an expense and included in "Employee benefits expense" in note 34.

(ii) Superannuation fund

The parent company pays fixed contribution to superannuation fund to a separate trust. Amount of ₹ 213.91 Lakhs (31 March 2018: ₹ 119.57 Lakhs) pertaining to employers' contribution to superannuation fund is recognised as an expense and included in "Employee benefits expense" in note 34.

(iii) Pension fund

The Group voluntary contributes 6% to an external pension fund for its employees of subsidiaries. Amount of ₹ 467.54 Lakhs (31 March 2018: ₹ 51.98 Lakhs) is recognised as an expense and included in "Employee benefits expense" in note 34.

b) Defined benefit plan (gratuity)

The parent company operates a gratuity plan which provides lump sum benefits linked to the qualifying salary and completed years of service with the parent company at the time of separation. Every employee who has completed 5 years of continuous service is entitled to receive gratuity at the time of his retirement or separation from the organisation, whichever is earlier. The gratuity benefit that is payable to any employee, is computed in accordance with the provisions of "The Payment of Gratuity Act, 1972".

The parent company has set up a fund with Life Insurance Corporation (LIC) of India and contribution is made to the gratuity policy issued by LIC of India. Based on the actuarial valuation obtained in this respect, the following table sets out the status of the gratuity plan and the amounts recognised in the parent company's financial statements as at balance sheet date:

₹ in Lakhs

Particulars	As at 31 March 2019	As at 31 March 2018
Net defined benefit (asset)/liability:	140.02	142.27
Gratuity	140.02	142.27
Non-current	136.73	140.89
Current	3.29	1.38

(i) Movement in net defined benefit (asset)/liability

₹ in Lakhs

Particulars	For the year ended 31 March 2019			For the year ended 31 March 2018		
	Defined benefit obligation	Fair value of plan assets	Net defined benefit liability/ (asset)	Defined benefit obligation	Fair value of plan assets	Net defined benefit liability/ (asset)
Opening balance	142.27	6.51	135.76	61.91	-	61.91
Included in profit or loss:						
Current service cost	74.89	-	74.89	61.16	-	61.16
Past service cost		-	-	-	-	-
Net Interest cost	11.09	1.00	10.09	4.55	-	4.55
Total amount recognised in profit or loss	85.98	1.00	84.98	65.71	-	65.71
Included in other comprehensive income (OCI):						
Remeasurement loss/(gain) arising from:						
Financial assumptions	2.15	-	2.15	(10.39)	-	(10.39)
Experience adjustment	38.74	-	38.74	22.39	-	22.39
Return on plan assets excluding interest income		6.86	(6.86)			
Total amount recognised in OCI	40.89	6.86	34.03	12.00	-	12.00
Other						
Contributions paid by the employer	-	114.20	(114.20)	-	14.92	(14.92)
Acquisition adjustment	5.70	-	5.70	11.05	-	11.05
Adjustment in plan assets	-	6.25	(6.25)	-	-	-
Benefits paid	2.72	2.72	-	8.41	8.41	-
Closing balance	272.12	132.10	140.02	142.27	6.51	135.76

(ii) Plan assets

The plan assets of the Company are managed by Life Insurance Corporation of India through a trust managed by the Company in terms of an insurance policy taken to fund obligations of the Company. Information on categories of plan assets as at 31 March 2019 and 31 March 2018 has not been provided by Life Insurance Corporation of India. Actual return on plan assets is ₹ 7.86 Lakhs (31 March 2018: Nil).

(iii) Actuarial assumptions

The following were the principal actuarial assumptions at the reporting date:

Particulars	As at 31 March 2019	As at 31 March 2018
Discount rate	**7.75**	7.80%
Salary escalation rate	**6.00%**	6.00%
Retirement age (years)	**60**	60
Mortality rates inclusive of provision for disability		100% of IALM (2006 - 08)
Withdrawal rate		
Up to 30 Years	**3.00%**	3.00%
From 31 to 44 years	**2.00%**	2.00%
Above 44 years	**1.00%**	1.00%

The estimates of future salary increases considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

(iv) Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

₹ in Lakhs

	31 March 2019		31 March 2018	
	Increase	Decrease	Increase	Decrease
Discount rate (0.5% movement)	**(20.77)**	**23.10**	(11.09)	12.34
Salary escalation rate (0.5% movement)	**23.39**	**(21.19)**	12.44	(11.32)

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period. This analysis may not be representative of the actual change in the defined benefit obligations as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

(v) Risk exposure

Changes in discount rate: Reduction in discount rate in subsequent valuations can increase the plan's liability.

Salary increases: Actual salary increases will increase the plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.

Life expectancy: The plan obligations are to provide benefits for the life of the member, so increases in life expectancy will result in an increase in the plans' liabilities. This is particularly significant where inflationary increases result in higher sensitivity to changes in life expectancy.

Investment risk: Assets liabilities mismatch and actual investment return on assets lower than the discount rate assumed at the last valaution date can impact the liability.

(vi) Expected maturity analysis of the defined benefit plans in future years

₹ in Lakhs

Particulars	As at 31 March 2019	As at 31 March 2018
Less than 1 year	**3.30**	1.39
Between 1-2 years	**2.50**	1.36
Between 2-5 years	**13.28**	7.78
Over 5 years	**253.05**	131.74
Total	**272.13**	142.27

Expected contributions to post-employment benefit plans for the year ending 31 March 2020 are ₹ 100.80 Lakhs (31 March 2018: ₹ 86.04 Lakhs). The weighted average duration of the defined benefit plan obligation at the end of the reporting period is 19.77 years (31 March 2018: 20.25 years).

c) **Other long term employee benefit plans**

Leave encashment

The parent company provides for earned leave (EL) benefit (including compensated absences) to the employees of the parent company which accrue annually at 30 days. Leave Encashment subject to maximum of 300 days (Earned Leave) is permissible on superannuation/ separation. The parent company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date and accumulated leave is treated as Long Term Employee Benefit. The scheme is unfunded and liability for the same is recognised on the basis of actuarial valuation. An amount of ₹ (-)100.11 Lakhs (31 March 2018: ₹ 143.65 Lakhs) for the year have been made on the basis of actuarial valuation at the year end and debited to the statement of profit and loss.

41 The Company raises funds through various sources including series of Non-Convertible Bond issue. The details of redeemable, taxable, non-cumulative, non-convertible bonds in the nature of debentures issued by the Company are as follows:

₹ in Lakhs

Series	Secured/ Unsecured	Total issue Size	Face value of each Bond	Allotment Date	First Due Date o principal repayment	Next Due Date of Annual Interest
Series-I	Secured*	50,000.00	₹ 40.00 Lakh**	20-Sep-16	20-Mar-20	20-Sep-19
Series-II	Unsecured	45,000.00	₹ 10.00 Lakh	18-Jul-17	18-Jul-22	18-Jul-19
Series-III	Unsecured	20,000.00	₹ 10.00 Lakh	10-Jan-18	10-Feb-21	10-Jan-20
Series-IV	Unsecured	12,500.00	₹ 10.00 Lakh	29-Jan-18	28-May-21	29-Jan-20

* Series-I is secured by first pari-passu charge over moveable fixed assets of the Company with minimum asset coverage of 1.00 times.

** Each bond of Series-I comprises of 2 STRPP of the value of ₹ 10.00 Lakh each and 1 STRPP of the value of ₹ 20.00 Lakh.

The Company is creating Debenture Redemption Reserve for Bonds issued @ 25% (as required by Companies (Share Capital and Debentures) Rules, 2014).

42 Disclosure as per Ind AS 108 'Operating Segments'

A. General Information

The Group has four reportable segments, as described below, which are the Group's strategic business units. The strategic business units offer different products and services, and are managed separately because they require different technology and marketing strategies. For each of the strategic business units, the Chief operating decision maker (CODM) reviews internal management reports on at least a quarterly basis.

The following summary describes the operations in each of the Group's reportable segments:

Trading: Sale of energy efficient appliances to the different customers

Services: Providing the energy efficient technology services on ESCO mode and consultancy services.

Industrial engine and component: Manufacture, sale, installation, hire and service of diesel and gas powered generators and related spare parts.

Energy saving services (UK): Providing the energy efficient technology services on ESCO mode in United Kingdom (UK).

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit before income tax, as included in the internal management reports that are reviewed by the Group's Board. Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.

b) **Information about reportable segments and reconciliations to amounts reflected in the financial statements:**

For the year ended 31 March 2019

₹ in Lakhs

Particulars	Trading	Services	Industrial engine & component	Energy saving services (UK)	Total
Segment revenue					
Sale of products/ ESCO Project income/ Other consultancy	1,11,527.89	72,237.35	61,499.45	-	2,45,264.69
Segment expenses	1,02,232.39	35,202.63	59,933.01	-	1,97,368.03
Segment results	**9,295.50**	**37,034.72**	**1,566.44**	**-**	**47,896.66**
Unallocated corporate interest and other income					11,888.37
Unallocated corporate expenses, finance charges					40,318.11
Profit before tax					19,466.92
Income tax (net)					7,338.89
Profit after tax					**12,128.03**
Depreciation and amortisation expense	-	33,086.46	569.35	-	33,655.81
Non-cash expenses other than depreciation	196.65	-	76.58	-	273.23
Capital expenditure	-	1,23,889.79	210.92	-	1,24,100.71

For the year ended 31 March 2018

₹ in Lakhs

Particulars	Trading	Services	Industrial engine & component	Energy saving services (UK)	Total
Segment revenue					
Sale of products/ ESCO Project income/ Other consultancy	1,04,788.27	30,806.00	7,165.63	22.56	1,42,782.46
Segment expenses	94,188.71	13,670.39	6,454.02	10.48	1,14,323.60
Segment results	**10,599.56**	**17,135.61**	**711.61**	**12.08**	**28,458.86**
Unallocated corporate interest and other income					5,473.52
Unallocated corporate expenses, finance charges					27,705.54
Profit before tax					6,226.84
Income tax (net)					2,835.33
Profit after tax					**3,391.51**
Depreciation and amortisation expense	-	13,327.71	26.42	7.05	13,361.18
Non-cash expenses other than depreciation	196.64	-	-	-	196.64
Capital expenditure	-	1,27,998.48	-	1,570.81	1,29,569.29

As at 31 March 2019

₹ in Lakhs

Particulars	Trading	Services	Industrial engine & component	Energy saving services (UK)	Total
Segment assets	1,07,206.41	3,95,645.51	34,100.75	-	5,36,952.67
Unallocated corporate and other assets					**2,01,910.43**
Total assets	**1,07,206.41**	**3,95,645.51**	**34,100.75**	**-**	**7,38,863.10**
Segment liabilities	56,331.83	79,113.56	20,103.48	-	1,55,548.87
Unallocated corporate and other liabilities					5,00,896.79
Total liabilities	**56,331.83**	**79,113.56**	**20,103.48**	**-**	**6,56,445.66**

As at 31 March 2018

₹ in Lakhs

Particulars	Trading	Services	Industrial engine & component	Energy saving services (UK)	Total
Segment assets	1,15,878.05	2,57,907.92	81,795.41	4,609.91	4,60,191.29
Unallocated corporate and other assets					86,722.65
Total assets	**1,15,878.05**	**2,57,907.92**	**81,795.41**	**4,609.91**	**5,46,913.94**
Segment liabilities	12,092.64	96,313.10	63,467.47	4,529.78	1,76,402.99
Unallocated corporate and other liabilities					3,06,188.50
Total liabilities	**12,092.64**	**96,313.10**	**63,467.47**	**4,529.78**	**4,82,591.49**

c) Information about geographical areas

Particulars	Non-current assets*		Revenue from external customers	
	As at 31 March 2019	As at 31 March 2018	For the year ended 31 March 2019	For the year ended 31 March 2018
India	**3,08,268.49**	2,16,490.41	**1,83,601.86**	1,35,594.27
United Kingdom	**44,868.44**	49,575.12	**52,845.84**	3,468.17
Ireland	**1,680.43**	1,893.26	**7,204.82**	2,499.31
Rest of the World	**63.86**	54.00	**1,448.79**	1,220.71
Total	**3,54,881.22**	2,68,012.79	**2,45,101.31**	1,42,782.46

*other than financial instruments and deferred tax assets

d) Information about major customers

No external customer individually accounted for more than 10% of the revenues during the year ended 31 March 2019 and 31 March 2018.

43 Disclosure as per Ind AS 112 'Disclosure of interest in other entities'

a) Investment in subsidiary company:

The group's subsidiaries are listed below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by the group, and the proportion of ownership interests held equals the voting rights held by the group. The country of incorporation or registration is also their principal place of business.

Name of entity	Country of incorporation	Ownership interest held by the group (%)		Ownership interest held by non-controlling interests (%)		Principal Activities
		31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18	
EESL EnergyPro Assets Limited	United Kingdom	**84.55**	80.00	**15.45**	20.00	Holding company & business support
Anesco Energy Services (South) Limited	United Kingdom	**84.55**	80.00	**15.45**	20.00	Provision of energy saving services
Creighton Energy Limited	United Kingdom	**84.55**	80.00	**15.45**	20.00	
EPAL Holdings Limited	United Kingdom	**84.55**	80.00	**15.45**	20.00	Investment holding company
Edina Acquisition Limited	United Kingdom	**84.55**	80.00	**15.45**	20.00	
Edina Power Services Limited	Ireland	**84.55**	80.00	**15.45**	20.00	
Edina Limited	Ireland	**84.55**	80.00	**15.45**	20.00	Manufacture, sale, installation, hire and service of diesel and gas powered generators and related spare parts
Edina UK Limited	United Kingdom	**84.55**	80.00	**15.45**	20.00	
Edina Manufacturing Limited	United Kingdom	**84.55**	80.00	**15.45**	20.00	
Edina Power Limited	United Kingdom	**84.55**	80.00	**15.45**	20.00	Containerisation of diesel and gas powered generators and production of equipment for containerisation
Edina Australia Pty Limited	Australia	**84.55**	80.00	**15.45**	20.00	Equipment wholesale sales and maintenance activities
Armoura Holdings Limited	Ireland	**84.55**	80.00	**15.45**	20.00	Investment in and rental of property
Stanbeck Limited	Ireland	**84.55**	80.00	**15.45**	20.00	Property investment company
EPSL Trigeneration Private Ltd	India	**84.55**	-	**15.45**	-	Trigeneration technology solutions

b) Non-controlling interests

Set out below is summarised financial information for each subsidiary that has non-controlling interests that are material to the group. The amounts disclosed for subsidiary are before inter-company eliminations.

₹ in Lakhs

Summarised balance sheet	31-Mar-19	31-Mar-18
Current assets	**24,843.11**	31,346.99
Current liabilities	**40,239.26**	36,935.90
Net current assets	**(15,396.15)**	(5,588.91)
Non-current assets	**59,629.66**	60,295.82
Non-current liabilities	**14,617.46**	31,282.77
Net non-current assets	**45,012.20**	29,013.05
Net assets	**29,616.05**	23,424.14
Accumulated NCI	**4,576.33**	4,684.84

Summarised statement of profit and loss	For the year ended 31 March 2019	For the year ended 31 March 2018
Revenue	**61,499.45**	7,221.81
Profit for the year	**2,615.00**	(386.91)
Other comprehensive income (OCI)	**(2,111.51)**	469.26
Total comprehensive income	**503.49**	82.35
Profits attributable to NCI	**469.80**	(77.38)
OCI attributable to NCI	**(293.61)**	93.85
Total comprehensive income attributable to NCI	**176.19**	16.47
Dividends paid to NCI	**-**	-

Summarised cash flows	For the year ended 31 March 2019	For the year ended 31 March 2018
Cash flows from operating activities	**(1,787.78)**	(13,014.39)
Cash flows from investing activities	**(188.72)**	(47,871.24)
Cash flows from financing activities	**(497.51)**	33,465.02
Net increase/(decrease) in cash and cash equivalents	**(2,474.01)**	(27,420.61)

c) Change in parent's ownership interest in Subsidiary

During the year ended 31 March 2019, the parent's ownership interest in EPAL has changed from 80.00% to 84.55%. The effect of the same is as under:

₹ in Lakhs

Particulars	Owners interest		Minority interest		Total	
	Share capital	Other equity	Share capital	Other equity	Share capital	Other equity
As at 1 April 2018	19,621.43	(882.12)	4,905.36	(220.52)	24,526.79	(1,102.64)
Equity investment during the year	7,762.05	-	-	-	7,762.05	-
Share in statement of profit and loss for the year	-	2,145.20	-	469.80	-	2,615.00
Share in other comprehensive income for the year	-	(1,817.90)	-	(293.61)	-	(2,111.51)
Effects of change in accounting policy	-	(1,658.90)	-	(414.73)	-	(2,073.63)
Impact of change in ownership interest adjusted in retained earnings	-	(130.03)	-	130.03	-	-
As at 31 March 2019	**27,383.48**	**(2,343.75)**	**4,905.36**	**(329.03)**	**32,288.84**	**(2,672.78)**

d) **Investment in joint venture company:**

The group's joint ventures at 31 March 2018 are listed below. They have share capital consisting solely of equity shares that are held directly by the group. The country of incorporation or registration is also their principal place of business, and the proportion of ownership interest is the same as the proportion of voting rights held.

₹ in Lakhs

Company name	Country of incorporation	Accounting method	Ownership interest held by group		Carrying Amount	
			31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18
NEESL Private Limited	India	Equity Method	26.00%	26.00%	5.96	2.91

The joint ventures are unlisted and hence the quoted price are not available.

₹ in Lakhs

Summarised balance sheet	NEESL Private Limited	
	31-Mar-19	31-Mar-18
Current assets		
Cash and cash equivalents	**0.05**	1.01
Other assets	**1,132.64**	639.53
Total current assets	**1,132.69**	640.54
Total non-current assets	**-**	-
Current liabilities		
Financial liabilities (excluding trade payables)	**51.24**	0.79
Other liabilities	**1,058.51**	628.55
Total current liabilities	**1,109.75**	629.34
Non-current liabilities		
Financial liabilities (excluding trade payables)	**-**	-
Other liabilities	**-**	-
Total non-current liabilities	**-**	-
Net assets	**22.94**	11.20

Summarised statement of profit and loss	NEESL Private Limited	
	31-Mar-19	31-Mar-18
Revenue	**2,883.33**	565.28
Interest income	**-**	-
Other income	**8.83**	1.18
Cost of material consumed	**(2,819.69)**	(551.76)
Depreciation and amortisation	**-**	-
Interest expense	**(0.01)**	(0.02)
Income tax expense	**(0.96)**	(3.54)
Profit from continuing operations	**1.35**	10.20
Profit from discontinued operations	**-**	-
Profit for the year	**1.35**	10.20
Other comprehensive income	**-**	-
Total comprehensive income	**1.35**	10.20
Dividend received	**-**	-

₹ in Lakhs

Reconciliation of carrying amount	NEESL Private Limited	
	31-Mar-19	31-Mar-18
Opening net assets	**11.20**	1.00
Profit for the year	**1.35**	10.20
Capital expenditure annuity reserve	**10.39**	-
Other comprehensive income	**-**	-
Closing net assets	**22.94**	11.20
Group share in %	**26.00%**	26.00%
Group share in INR	**5.96**	2.91
Goodwill	**-**	-
Carrying amount	**5.96**	2.91

e) Details of significant restrictions

EESL EnergyPro Assets Limited (EPAL):

There is a restriction on disposal of investment in EESL EnergyPro Assets Limited for three years from the date of agreement, i.e. 13 March 2018.

In the event of default of loan repayments of ICICI Bank, the bank may by notice stop EPAL from making dividend payments to its shareholders including EESL.

NEESL Private Limited:

There is a restriction on disposal of investments in NEESL Private Limited until the expiry date or earlier termination of the last subsisting Supply, Installation, Operation and Maintenance Agreement entered into by NEESL Private Limited for implemention of developing an energy efficient public lighting system in the cities of Bhubaneswar, Cuttack, Berhampur, Rourkela and Sambalpur comprising of their respective municipal area as determined in accordance with the Orissa Municipal Corporation Act, 2003 in relation to the Project Public Street Lighting Points, on a public private partnership basis.

44 Disclosure as per Schedule III to the Companies Act, 2013

₹ in Lakhs

Name of the entity in the Group	As at 31 March 2019		For the year ended 31 March 2019					
	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in OCI		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated OCI	Amount	As % of totalcompr-ehensive income	Amount
Parent company								
Energy Efficiency Services Limited	96.55%	83,996.53	78.41%	9,509.98	1.04%	(22.14)	94.93%	9,487.84
Foreign subsidiaries								
EESL EnergyPro Assets Limited	34.48%	29,997.80	17.14%	2,078.46	0.00%	-	20.80%	2,078.46
Anesco Energy Services South Ltd	3.51%	3,049.84	4.58%	555.93	0.00%	-	5.56%	555.93
Creighton Energy Limited	1.35%	1,174.99	0.87%	106.08	0.00%	-	1.06%	106.08
EPAL Holdings Limited	7.03%	6,112.17	-0.04%	(4.97)	0.00%	-	-0.05%	(4.97)
Edina Acquisition Limited	3.43%	2,980.77	-34.40%	(4,172.45)	0.00%	-	-41.75%	(4,172.45)
Edina Power Services Limited	6.42%	5,585.46	0.55%	66.80	6.69%	(142.67)	-0.76%	(75.87)
Edina Limited	6.64%	5,775.58	0.14%	17.24	9.03%	(192.70)	-1.76%	(175.46)
Edina UK Limited	9.61%	8,362.41	29.86%	3,621.89	1.25%	(26.57)	35.97%	3,595.32
Edina Australia Pty Limited*	-0.21%	(184.85)	-0.69%	(83.99)	0.00%	-	-0.84%	(83.99)
Armoura Holdings Limited	0.08%	67.44	0.02%	2.95	0.67%	(14.37)	-0.11%	(11.42)
Stanbeck Limited	-0.03%	(23.42)	-0.24%	(28.83)	0.13%	(2.69)	-0.32%	(31.52)
Edina Manufacturing Limited	0.02%	14.59	-0.09%	(10.97)	-0.25%	5.33	-0.06%	(5.64)
Edina Power Limited	0.64%	554.22	-3.35%	(406.45)	-17.51%	373.67	-0.33%	(32.78)
EPSL Trigeneration Private Limited	0.01%	7.26	-0.01%	(1.42)	0.00%	-	-0.01%	(1.42)
Non-controlling interest in all subsidiaries	5.26%	4,576.33	3.87%	469.80	13.76%	(293.61)	1.76%	176.19
Indian joint ventures								
NEESL Private Limited	0.01%	5.96	0.03%	3.05	0.00%	-	0.03%	3.05
Consolidation adjustment	-74.79%	(65,059.32)	3.34%	404.93	85.20%	(1,817.90)	-14.14%	(1,412.97)
Total	**100.00%**	**86,993.77**	**100.00%**	**12,128.03**	**100.00%**	**(2,133.65)**	**100.00%**	**9,994.38**

44 Disclosure as per Schedule III to the Companies Act, 2013

₹ in Lakhs

Name of the entity in the Group	As at 31 March 2018		For the year ended 31 March 2018					
	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in OCI		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated OCI	Amount	As % of totalcompr-ehensive income	Amount
Parent company								
Energy Efficiency Services Limited	93.39%	64,442.96	116.36%	3,946.24	-1.74%	(7.85)	102.49%	3,938.39
Foreign subsidiaries								
EESL EnergyPro Assets Limited*	35.61%	24,575.36	2.32%	78.74	0.00%	-	2.05%	78.74
Anesco Energy Services South Ltd	5.92%	4,084.47	0.36%	12.18	0.00%	-	0.32%	12.18
Creighton Energy Limited	2.25%	1,555.97	0.05%	1.84	0.00%	-	0.05%	1.84
EPAL Holdings Limited	-0.01%	(3.96)	-0.12%	(3.92)	0.00%	-	-0.10%	(3.92)
Edina Acquisition Limited	-0.30%	(203.64)	-23.41%	(793.87)	0.00%	-	-20.66%	(793.87)
Edina Power Services Limited	4.87%	3,361.16	0.18%	6.12	0.00%	-	0.16%	6.12
Edina Limited	10.48%	7,232.68	0.68%	23.06	0.00%	-	0.60%	23.06
Edina UK Limited	7.13%	4,922.81	12.43%	421.66	0.00%	-	10.97%	421.66
Edina Australia Pty Limited	0.14%	93.96	-0.10%	(3.30)	0.00%	-	-0.09%	(3.30)
Armoura Holdings Limited	0.14%	93.77	-0.52%	(17.58)	0.00%	-	-0.46%	(17.58)
Stanbeck Limited	-0.37%	(253.66)	-0.16%	(5.37)	0.00%	-	-0.14%	(5.37)
Edina Manufacturing Limited	0.03%	23.28	0.27%	9.32	0.00%	-	0.24%	9.32
Edina Power Limited	0.97%	666.71	-4.96%	(168.24)	0.00%	-	-4.38%	(168.24)
Non-controlling interest in all subsidiaries	6.79%	4,684.84	-2.28%	(77.38)	20.80%	93.85	0.43%	16.47
Foreign joint ventures								
EESL EnergyPro Assets Limited*	0.00%	-	-5.03%	(170.49)	-2.25%	(10.14)	-4.70%	(180.63)
Indian joint ventures								
NEESL Private Limited	0.00%	2.91	0.08%	2.65	0.00%	-	0.07%	2.65
Consolidation adjustment	-67.05%	(46,272.33)	3.83%	129.85	83.19%	375.41	13.15%	505.26
Total	**100.00%**	**69,007.29**	**100.00%**	**3,391.51**	**100.00%**	**451.27**	**100.00%**	**3,842.78**

*became subsidiary with effect from 13 March 2018.

45 Disclosure as per Ind AS 12 'Income taxes'

i) Income tax recognised in Statement of Profit and Loss

₹ in Lakhs

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Current tax expense		
Current year	**7,045.92**	2,252.10
Earlier years	**-**	421.40
	7,045.92	2,673.50
Deferred tax expense		
Origination and reversal of temporary differences	**292.97**	161.82
	292.97	161.82
Total income tax expense	**7,338.89**	2,835.32

ii) Income tax recognised in other comprehensive income

₹ in Lakhs

Particulars	Before tax	Tax expense/ (benefit)	Net of tax
For the year ended 31 March 2019			
Net actuarial losses on defined benefit plans	(34.03)	(11.89)	(22.14)
Exchange differences on translation of foreign operations	(2,111.51)	-	(2,111.51)
Total	**(2,145.54)**	**(11.89)**	**(2,133.65)**
For the year ended 31 March 2018			
Net actuarial losses on defined benefit plans	(12.00)	(4.15)	(7.85)
Exchange differences on translation of foreign operations	459.12	-	459.12
Total	**447.12**	**(4.15)**	**451.27**

iii) Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate

₹ in Lakhs

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Profit before tax	**19,463.87**	6,394.67
Tax using the Company's domestic tax rate of 34.944% (31 March 2018: 34.608%)	**6,736.06**	2,213.07
Tax effect of:		
Non-deductible tax expenses	**1,051.90**	(282.17)
Previous year tax liability	**-**	421.40
Others	**(449.07)**	483.02
At the effective income tax rate of 37.71% (31 March 2018: 44.34%)	**7,338.89**	2,835.32

46 Disclosure as per Ind AS 33 'Earnings per Share'

₹ in Lakhs

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Basic earnings per share* [A/B]	1.78	0.75
Diluted earnings per share* [A/C]	1.36	0.75
Nominal value per share	10.00	10.00
*rounded upto two decimal places		
a) Profit attributable to equity shareholders (₹ in Lakhs) [A]	11,658.23	3,468.89

b) Weighted average number of equity shares

₹ in Lakhs

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Opening balance of issued equity shares	**46,20,00,000**	46,20,00,000
Effect of shares issued during the year, if any	**19,15,91,854**	-
Weighted average number of equity shares for Basic EPS [B]	**65,35,91,854**	46,20,00,000
Effect of dilution	**20,50,69,246**	2,71,233
Weighted average number of equity shares for Diluted EPS [C]	**85,86,61,100**	46,22,71,233

47 Disclosure as per Ind AS 17 on 'Leases'

a) Operating leases

The parent company has taken certain residential/office premises and warehouses under non-cancellable operating lease arrangements. Lease rentals are subject to escalation of upto 15% per annum. Lease rental expenses charged during the year to the Statement of Profit and Loss amounts to ₹ 2,015.59 Lakhs (31 March 2018: ₹ 757.37 Lakhs). Total future minimum lease payments due under non-cancellable operating leases are as follows:

₹ in Lakhs

Particulars	As at 31 March 2019	As at 31 March 2018
Less than one year	**1,370.95**	1,538.58
Between one and five years	**2,410.64**	3,108.80
More than five years	**-**	1,054.46
Total	**3,781.59**	5,701.84

The Group has taken certain office premises and warehouses on operating lease for a period ranging from 1 to 5 years, which can be further extended at mutually agreed terms but are not non-cancellable. The lease rental expenses charged during the year in the statement of profit and loss for the year in respect of leases is ₹ 115.53 Lakhs (31 March 2018: ₹ 176.63).

The Group has provided certain office buildings and warehouses on operating lease for a period of 1 to 5 years, which can be further extended at mutually agreed terms but are not non-cancellable. The lease rental income recognised in the statement of profit and loss for the year in respect of leases is ₹ 16.72 Lakhs (31 March 2018: ₹ 146.16 Lakhs).

b) Finance leases

(i) The parent company provides electrical vehicles (E-vehicles) on finance lease for a period of six years. Lease rentals are subject to escalation of 0% to 10% per annum. Total future minimum lease payments due under non-cancellable finance leases are as follows:

₹ in Lakhs

Particulars	As at 31 March 2019	As at 31 March 2018
Less than one year	**1,077.85**	-
Between one and five years	**4,171.86**	-
More than five years	**68.11**	-
Total minimum lease payments	**5,917.82**	-
Unearned finance income	**1,204.79**	-
Present value of minimum lease payments	**4,713.03**	-

Present value of future minimum lease payments due under non-cancellable finance leases are as follows:

₹ in Lakhs

Particulars	As at 31 March 2019	As at 31 March 2018
Less than one year	**812.22**	-
Between one and five years	**3,254.16**	-
More than five years	**646.65**	-
Present value of minimum lease payments	**4,713.03**	-

The Company provides E-vehicles on lease to various customers. Up to 31 March 2018, such leases were classified as operating lease. The Company has reevaluated the leasing arrangements and concluded that these lease should be classified as finance lease as per Ind AS 17, 'Leases'. The change in classification of leases has resulted in a reduction in profit before tax by ₹ 13.33 Lakhs and tax expense by ₹ 4.66 Lakhs for the year ended 31 March 2019. Impact of such change on earnings per share is not material.

(ii) The group also leases out energy saving equipments to customers for a period upto 19 years. Lease rentals are subject to escalation of 2.5% to 6% per annum. Total future minimum lease payments due under non-cancellable finance leases are as follows:

₹ in Lakhs

Particulars	As at 31 March 2019	As at 31 March 2018
Less than one year	325.69	-
Between one and five years	2,006.99	-
More than five years	3,636.83	-
Total minimum lease payments	**5,969.51**	-
Unearned finance income	2,106.13	-
Present value of minimum lease payments	**3,863.38**	-

Present value of future minimum lease payments due under non-cancellable finance leases are as follows:

₹ in Lakhs

Particulars	As at 31 March 2019	As at 31 March 2018
Less than one year	76.23	-
Between one and five years	1,117.17	-
More than five years	2,669.98	-
Present value of minimum lease payments	**3,863.38**	-

48. Disclosure as per Ind AS 24 'Related Party Disclosures'

a) List of Related parties:

(i) Entities having joint control over the company:

Power Finance Corporation Limited

NTPC Limited

REC Limited

Powergrid Corporation of India Limited

(ii) Subsidiary of the company:

Interest in subsidiaries are set out in Note 43.

(iii) Joint Ventures of the company:

NEESL Private Limited

iv) Key Managerial Personnel (KMP):

Parent company

Saurabh Kumar	Managing Director	w.e.f. 7 May, 2013
Rajeev Sharma	Director and Chairman	w.e.f. 5 February, 2018
Kaushal Kishore Sharma	Director and Chairman	w.e.f. 21 October, 2016 upto 31 October, 2017
Raj Pal	Nominee Director	w.e.f.14 July, 2016
Vijay Kumar Singh	Nominee Director	w.e.f. 21 October, 2016 upto 14 November, 2018
Avakash Saxena	Nominee Director	w.e.f. 22 September, 2016 till 5 February, 2018
Pankaj Kumar	Nominee Director	w.e.f. 4 August, 2017 till 15 March, 2018
Mohit Bhargava	Nominee Director	w.e.f. 5 February, 2018
Sanjiv Garg	Nominee Director	w.e.f. 21 October, 2018
Abhay Bakre	Nominee Director	w.e.f. 8 May, 2018
Seethapathy Chander	Independent Director	w.e.f. 5 February, 2018
Gauri Surendra Trivedi	Independent Director	w.e.f. 5 February, 2018
Renu Narang	Director (Finance)	w.e.f. 1 March, 2018 upto 23 January, 2019
Venkatesh Dwivedi	Director (P & BD)	w.e.f. 7 February, 2019
Shankar Gopal	Director (Comm)	w.e.f. 7 February, 2019
Shankar Gopal	Chief Financial Officer	w.e.f. 8 June, 2016 upto 5 April, 2018
Shankar Gopal	Chief Financial Officer	w.e.f. 7 February, 2019
Renu Narang	Chief Financial Officer	w.e.f. 6 April, 2018 upto 23 January, 2019
Pooja Shukla	Company Secretary	w.e.f. 27 December, 2012

Subsidiary Companies:

EESL EnergyPro Assets Limited

Saurabh Kumar	Director	w.e.f. 13 March 2018
Neelima Jain	Director	w.e.f. 13 March 2018
Steven Derrick Fawkes	Director	w.e.f. 13 March 2018
Shankar Gopal	Director	w.e.f. 20 March 2019
Anesco Energy Services South Limited		
Matthew William Pumfrey	Director	w.e.f. 13 March 2018
Michael Anthony Tivey	Director	w.e.f. 13 March 2018
Neelima Jain	Director	w.e.f. 13 March 2018
Amit Kumar Bharadwaj	Director	w.e.f. 20 March 2019
Nitin Wadhwa	Director	w.e.f. 20 March 2019
Creighton Energy Limited		
Matthew William Pumfrey	Director	w.e.f. 13 March 2018
Michael Anthony Tivey	Director	w.e.f. 13 March 2018
Neelima Jain	Director	w.e.f. 13 March 2018
Amit Kumar Bharadwaj	Director	w.e.f. 20 March 2019
Nitin Wadhwa	Director	w.e.f. 20 March 2019
EPAL Holdings Limited		
Saurabh Kumar	Director	w.e.f. 13 March 2018
Neelima Jain	Director	w.e.f. 13 March 2018
Steven Derrick Fawkes	Director	w.e.f. 13 March 2018
Edina Acquisitions Limited		
Saurabh Kumar	Director	w.e.f. 13 March 2018
Neelima Jain	Director	w.e.f. 13 March 2018
Steven Derrick Fawkes	Director	w.e.f. 13 March 2018
Edina Power Services Limited		
Saurabh Kumar	Director	w.e.f. 13 March 2018
Neelima Jain	Director	w.e.f. 13 March 2018
Steven Derrick Fawkes	Director	w.e.f. 13 March 2018
Delvin Lane	Director	w.e.f. 13 March 2018 upto 17 July 2018
Hugh Kerr Richmond	Director	w.e.f. 17 July 2018
Shankar Gopal	Director	w.e.f. 19 February 2019
Edina Limited		
Neelima Jain	Director	w.e.f. 13 March 2018
Delvin Lane	Director	w.e.f. 13 March 2018 upto 17 July 2018
Hugh Kerr Richmond	Director	w.e.f. 17 July 2018
Edina UK Limited		
Neelima Jain	Director	w.e.f. 13 March 2018
Delvin Lane	Director	w.e.f. 13 March 2018 upto 17 July 2018
Hugh Kerr Richmond	Director	w.e.f. 17 July 2018
Edina Australia Pty Limited		
Neelima Jain	Director	w.e.f. 13 March 2018
Delvin Lane	Director	w.e.f. 13 March 2018 upto 17 July 2018
Hugh Kerr Richmond	Director	w.e.f. 17 July 2018
Armoura Holdings Limited		
Neelima Jain	Director	w.e.f. 13 March 2018
Delvin Lane	Director	w.e.f. 13 March 2018 upto 17 July 2018
Hugh Kerr Richmond	Director	w.e.f. 17 July 2018
Stanbeck Limited		
Neelima Jain	Director	w.e.f. 13 March 2018
Delvin Lane	Director	w.e.f. 13 March 2018 upto 17 July 2018
Hugh Kerr Richmond	Director	w.e.f. 17 July 2018
Edina Manufacturing Limited		
Neelima Jain	Director	w.e.f. 13 March 2018
Delvin Lane	Director	w.e.f. 13 March 2018 upto 17 July 2018
Hugh Kerr Richmond	Director	w.e.f. 17 July 2018

Edina Power Limited

Neelima Jain	Director	w.e.f. 13 March 2018
Delvin Lane	Director	w.e.f. 13 March 2018 upto 17 July 2018
Hugh Kerr Richmond	Director	w.e.f. 17 July 2018

EPSL Trigeneration Private Limited

Saurabh Kumar	Director	w.e.f. 20 December 2018
Neelima Jain	Director	w.e.f. 20 December 2018

(v) Subsidiaries, joint ventures and associates of entities having joint control over the Group:

PFC Capital Advisory Services Limited

PFC Consulting Limited

PFC Green Energy Limited

REC Power Distribution Co. Limited

Utility Powertech Limited

(vi) Post Employment Benefit Plans:

Energy Efficiency Services Limited Employees Group Superannuation Defined Contribution Scheme Trust

(vii) Non-controlling interest:

EnergyPro Asset Management Limited

(viii) Entities under the control of the same government:

The Group is controlled by Central Government through its controlled entities (refer Note 18). Pursuant to Paragraph 25 and 26 of Indian Accounting Standard 24, entities over which the same government has control or joint control of, or significant influence, then the reporting entity and other entities shall be regarded as related parties. The Group has applied the exemption available for government related entities and have made limited disclosures in the financial statements. Such entities with which the Group has significant transactions include but not limited are:

Bureau of Energy Efficiency

NHPC Limited

Oil and Natural Gas Corporation Limited

Bharat Heavy Electricals Limited

Coal India Limited

Central Electronics Limited

Indian Renewable Energy Development Agency Limited (IREDA)

b) Transactions with the related parties are as follows:

₹ in Lakhs

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Manpower services received by the Group		
Utility Powertech Limited	**1,984.82**	1,917.19
Sales of goods		
NTPC Limited	**5,873.43**	7,953.05
Power Grid Corporation of India Limited	**2,257.51**	434.72
REC Limited	**2.47**	95.76
Power Finance Corporation Limited	**8.11**	205.94
Bureau of Energy Efficiency	**10.52**	2,269.46
Oil and Natural Gas Corporation Limited	**728.75**	380.10
Bharat Heavy Electricals Limited	**-**	15.88
Total	**8,880.79**	11,354.90
Consultancy services		
Coal India Limited	**-**	148.72
Indian Renewable Energy Development Agency Limited (IREDA)	**-**	221.28
NHPC Limited	**-**	555.95
Total	**-**	925.96
Purchase of goods and services		
Bharat Heavy Electricals Limited	**5,026.00**	1,035.00
Central Electronics Limited	**9,329.00**	-
Total	**14,355.00**	1,035.00

Deputation of employees		
NTPC Limited	**680.32**	88.49
Equity contribution received		
NTPC Limited	**-**	9,900.00
Power Grid Corporation of India Limited	**1,520.44**	-
Power Finance Corporation Limited	**9,900.00**	-
Total	**11,420.44**	9,900.00
Equity contribution paid		
NEESL Private Limited	**-**	0.26
Interest income		
EnergyPro Asset Management Limited	**233.83**	8.25
Banking fee and guarantee fees recovered		
EnergyPro Asset Management Limited	**139.74**	93.40
Loan given		
EnergyPro Asset Management Limited	**210.11**	4,963.76
Final dividend paid		
NTPC Limited	**401.04**	880.35
Power Grid Corporation of India Limited	**61.59**	135.21
REC Limited	**239.31**	880.35
Power Finance Corporation Limited	**401.04**	880.35
Total	**1,102.98**	2,776.27
Interim dividend paid		
NTPC Limited	**-**	411.72
Power Grid Corporation of India Limited	**-**	63.23
REC Limited	**-**	411.72
Power Finance Corporation Limited	**-**	411.72
Total	**-**	1,298.39
Transactions with post employment benefit plan		
Contributions made during the year	**208.42**	119.57
Compensation to Key Management Personnel (KMP)		
Short term benefits	**140.75**	96.02
Post employment benefits	**15.92**	5.85
Other long term benefits	**0.40**	0.28
Total	**157.07**	102.15

c) Outstanding balances with related parties are as follows:

₹ in Lakhs

Particulars	As at 31 March 2019	As at 31 March 2018
Amount recoverable for sale/purchase of goods and services		
NTPC Limited	**4,349.98**	4,894.98
Power Grid Corporation of India Limited	**1,564.61**	110.74
REC Limited	**156.63**	538.85
Power Finance Corporation Limited	**133.16**	263.76
PFC Capital Advisory Services Limited	**2.32**	2.32
PFC Consulting Limited	**133.57**	0.20
PFC Green Energy Limited	**0.08**	0.08
Total	**6,340.35**	5,810.92
Amount recoverable (loans)		
EnergyPro Asset Management Limited	**5,219.77**	5,009.66
Amount payable (other than loans)		
Utility Powertech Limited	**27.49**	202.36
EnergyPro Asset Management Limited	**36.19**	-
Outstanding compensation to KMP	**-**	0.13

d) Terms and conditions of transactions with the related parties

(i) Transactions with the related parties are made on normal commercial terms and conditions and at market rates.

(ii) The contracts or arrangements or transactions entered into during the year ended 31 March 2019 which were at arm's length basis.

(iii) The Group is receiving manpower services from M/s Utility Powertech Ltd (UPL), a 50:50 joint venture between NTPC Limited and Reliance Infrastructure Ltd.

(iv) The Group provides consultancy services and sell goods to companies having joint control on which it recovers cost plus services charges from such companies.

(v) Loan is given to EnergyPro Asset Management Limited (EPAM) at interest rate of LIBOR plus margin (2.80%). Banking fee and guarantee fees are recovered on cost to cost basis. As per the loan agreement, in case of any default, EnergyPro Asset Management Ltd along with its nominee director shall be deprived of all of its voting rights as shareholder in EESL EnergyPro Asset Limited (EPAL), and it shall not be entitled to any dividend or other distribution payable by the EPAL.

(vi) Outstanding balances of related parties at the year-end are unsecured and interest free except for loan to EPAM and settlement occurs in cash. For the year ended 31 March 2019, the Group has not recorded any impairment of receivables relating to amounts owed by related parties (31 March 2018: ₹ Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

49 Central Board of Direct Taxes on 31 March 2015 notified 10 ICDS vide Notification no. 32/2015 [F. No. 134/48/2010 – TPL]/ SO 892(E), which is applicable to all taxpayers (corporate and non-corporate) following mercantile method of accounting including nonresident taxpayers. It applies to income computed under the head Profit and Gains of Business and Profession and Income from Other Sources. However, there is no impact on computation of Book Profits for the purposes of MAT (Minimum Alternate Tax), which will continue to be governed by the methodology according to the Companies Act, 2013.

50 Major Investments made during the year:

a) The parent company has made an advance payment of ₹ 48.23 Lakhs (31 March 2018: ₹ 89.21 Lakhs) during the year towards the purchase of property at NBCC Center, Sahkar Marg, Jaipur for its Regional Office at Jaipur.

b) The parent company has also made an advance payment of ₹ 88.89 Lakhs (31 March 2018: ₹ 88.89 Lakhs) during the year towards the purchase of Built up offices in NBCC Square, Action Area-III, Rajarhat, Kolkata.

c) The parent company has also made an advance payment of ₹ Nil (31 March 2018: ₹ 1,103.72 Lakhs) towards the purchase of Built up offices in commercial complex, NBCC, Nauroji Nagar New Delhi.

51 Disclosure as per Ind AS 21 'The Effects of Changes in Foreign Exchange Rates'

The amount of exchange differences (net) credited to the statement of profit and loss is ₹ 3,292.64 Lakhs (31 March 2018: debited to Statement of profit and loss ₹ 3,854.04 Lakhs).

52 Disclosure as per Ind AS 12 'Accounting for Government Grants and Disclosure of Government Assistance'

International Bank for Reconstruction and Development ("World Bank") acting as an implementation agency of the Global Environment Facility ("GEF") had sanctioned a grant of USD 1,500,000 for implemention of SAP. Total grant amounting to ₹ 1,062.56 Lakhs has been received out of the sanctioned amount. There are no unfulfilled conditions or other contingencies attached to above grant.

During the year, the Group has received ₹ 290.73 Lakhs (31 March 2018: ₹ 611.37 Lakhs) as grant from World Bank. The Group has recognised ₹ 420.42 Lakhs (31 March 2018: ₹ 0.20 Lakhs) as grant income for the year (refer note 32).

53 Disclosure as per Ind AS 115, 'Revenue from contracts with customers'

a) Nature of goods and services

The revenue of the Group comprises of revenue from sale of goods, rendering of services and sale/servicing of industrial engine and components. The following is a description of the principal activities:

Revenue from sale of goods

The Group sells energy efficient appliances such as LEDs, streetlights, solar lamps, agricultural pumps, energy efficient fans/tubes etc. (including standard warranties) to various customers. Majority of the revenue is derived from government customers. Sale of goods is made as per the terms and conditions mentioned in agreement entered into between the Group and the customer.

Nature, timing of satisfaction of performance obligation and significant payment terms

The Group recognises revenue from sale of goods at a point in time when control of the goods is transferred to the customers. The amount of revenue recognised as per the terms of the contracts and is adjusted for components of variable consideration, wherever applicable, which are estimated based on the historical data available with the Group. The amounts are billed as per the terms of the contracts and are payable within contractually agreed credit period which varies from 30 to 60 days.

Revenue from rendering of services

The Group provides energy efficiency services on ESCO model and consultancy services to various customers. Majority of the revenue is derived from government customers. Services are provided as per the terms and conditions mentioned in agreement entered into between the Group and the customer.

Nature, timing of satisfaction of performance obligation and significant payment terms

The Group recognises revenue from rendering of services over time as the customers simultaneously receive and consume the benefits provided by the Group. The amount of revenue recognised as per the terms of the contracts and is adjusted for components of variable consideration, wherever applicable, which are estimated based on the historical data available with the Group. The amounts are billed as per the terms of the contracts and are payable within contractually agreed credit period which varies from 30 to 60 days.

Revenue from industrial engine and component

The group is a distributor of MWM engines technology. The in-house production facility manufactures bespoke control panel systems and containerized MWM engines that are designed to expedite site installation, provide low maintenance cost and ensure maximum plant availability. The Group sells MWM engines, provides engine containerisation and installation service to customers. The Group further provides after sales services through long term service contracts and selss MWM engine parts.

Nature, timing of satisfaction of performance obligation and significant payment terms

In respect to MWM engines and its installation at client site, the company recognizes revenue from sale of goods over a period of time based on measurement of performance obligations. The amounts are billed as per the terms of the contracts and are payable within contractually agreed credit period which varies between 7 days to 30 days. In respect to MWM engines parts, the company recognizes revenue from sale of goods at a point of time. The company recognizes revenue from sale of services over a period of time. The amounts are billed as per the terms of the contracts and are payable within contractually agreed credit period of up to 30 days.

b) Disaggregation of revenue

Revenue is disaggregated by type and nature of goods and services and timing of revenue recognition.

₹ in Lakhs

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018*
(i) Nature of goods and services		
Sale of goods		
Ujala Scheme	**37,231.30**	57,887.33
Agricultural Demand Side Management	**13,249.56**	7,925.36
Street light projects	**34,140.86**	12,928.64
Solar lamps	**15,395.60**	6,471.45
Solar street light projects	**7,307.51**	18,543.46
Building projects	**1,758.06**	17.28
Others	**2,445.00**	1,014.75
Total [A]	**1,11,527.89**	1,04,788.27
Rendering of services		
Solar street light projects	**64,290.18**	23,741.35
Building projects	**1,982.10**	199.14
Solar lamps	**191.57**	834.73
Agricultural Demand Side Management	**521.14**	1,125.21
Solar street light projects	**354.92**	793.82
Others	**4,734.06**	4,111.75
Total [B]	**72,073.97**	30,806.00
Industrial engine and component		
Sale of spare parts	**2,322.55**	-
Sale of goods	**35,136.71**	5,326.46
Operation and maintenance services	**24,023.47**	1,715.57
Total [C]	**61,482.73**	7,042.03
Total [A + B + C]	**2,45,084.59**	1,42,636.30
(ii) Timing of revenue recognition		
Products and services transferred at a point in time	**1,13,850.44**	1,04,788.27
Products and services transferred over time	**1,31,234.15**	37,848.03
Total	**2,45,084.59**	1,42,636.30

* The Company has applied Ind AS 115 using the cumulative effect method. Under this method, the comparative information is not restated.

c) Reconciliation of revenue recognised with contract price:

₹ in Lakhs

Particulars	For the year ended 31 March 2019
Contract price	**2,45,084.59**
Adjustments	**-**
Revenue from operations	**2,45,084.59**

d) Contract balances

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are transferred to unbilled revenue when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms. The contract liabilities primarily relate to the advance consideration received from the customers which are referred as 'advances from customers' and advance billings referred as 'unearned revenue'.

The following table provides information about trade receivables, unbilled revenue, advances from customers and unearned revenue from contracts with customers:

₹ in Lakhs

Particulars	As at 31 March 2019	As at 31 March 2018*
Trade receivables	**1,94,375.67**	1,29,847.96
Unbilled revenue		
Non-current	**1,080.93**	2,317.59
Current	**2,462.17**	4,965.96
Advances from customers	**1,308.50**	5.87
Unearned revenue	**1,957.67**	40.52

* The Group has applied Ind AS 115 using the cumulative effect method. Under this method, the comparative information is not restated.

The amount of revenue recognised in 2018-19 from performance obligations satisfied (or partially satisfied) in previous periods, mainly due to delay in issuance of completion certificate by competent authorities is ₹ 3,956.70 Lakhs.

The Group recognized revenue of ₹ 40.52 Lakhs arising from opening unearned revenue from customers as at 1 April 2018. There have been no significant changes in unearned revenue during the year ended 31 March 2019.

Significant increase in advances from customers during the year ended 31 March 2019 is on account of cash received, excluding amounts recognised as revenue or adjusted against expenses during the year ended 31 March 2019.

e) Practical expedients applied as per Ind AS 115:

(i) The Group has not disclosed information about remaining performance obligations that have original expected duration of one year or less and where the revenue recognised corresponds directly with the value to the customer of the entity's performance completed to date. There are no performance obligations that are completely or partially unsatisfied as of 31 March, 2019, other than those meeting this exclusion criteria.

(ii) The Group does not expect to have any contracts for which revenue is recognised during the year where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the Group has not adjusted the transaction prices for the time value of money.

f) Incremental costs of obtaining contracts

The Group has not incurred any incremental costs of obtaining contracts with a customer and therefore, not recognised an asset for such costs.

g) Significant Judgments

(i) Significant judgments in determining the timing of satisfaction of performance obligation

The Group exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Group considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and transfer of significant risks and rewards to the customer etc.

For performance obligations that are satisfied over time, the Group uses judgement to determine the method used for revenue recognition. The Group uses input method where the extent of progress towards completion is measured based on the ratio of costs incurred to date to the total estimated costs at completion of performance obligation. Revenue is recorded proportionally based on measure of progress. The Group uses output method where direct measurements of value to the customer is based on survey's of performance completed to date.

(ii) Significant judgment in determining the transaction price and allocation of transaction price

Judgement is also required to determine the transaction price for the contract. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period.

h) The Group adopted Ind AS 115 using the cumulative effect method and therefore the comparatives have not been restated and continues to be reported as per Ind AS 18. On account of adoption of Ind AS 115, cumulative adjustment of ₹ 2,073.63 Lakhs (₹ 1,658.90 Lakhs in retained earnings and ₹ 414.73 Lakhs in non-controlling interest) was required as at 1 April 2018. Had we followed Ind AS 18, revenue from operations less cost of goods sold would have been lower by ₹ 2,073.63 Lakhs without any adjustment in retained earning on the transition date.

54 Contingent liabilities and commitments

₹ in Lakhs

Particulars	As at 31 March 2019	As at 31 March 2018
Contingent liabilities		
Claims against the parent company not acknowledged as debt (VAT paid under protest)	**9,291.06**	5,921.11
Bank guarantees- lien against fixed deposits	**2,027.90**	23.65
On account of wage revision as per agreeement with Mass Management Services Private Limited	**-**	28.00
Total	**11,318.96**	5,972.76
Commitments		
Estimated value of contract to be executed on capital/revenue account and not provided for in the books of accounts	**13,83,403.70**	10,00,354.48
Commitment of further investments in Maple Leaf amounting to USD 10 Millions	**6,917.13**	6,504.41
Total	**13,90,320.83**	10,06,858.89

55 Reclassifications and comparative figures

Certain reclassifications have been made to the comparative period's financial statements to enhance comparability with the current year's financial statements. As a result, certain line items have been reclassified in the statement of cash flows and notes to the financial statements, the details of which are as under:

Items of balance sheet before and after reclassification as at 31 March 2018

₹ in Lakhs

Particulars	Before reclassification	Reclassification	After reclassification
Cash and cash equivalents	55,878.19	(5.30)	55,872.89
Other financial assets	6,351.65	(729.78)	5,621.87
Other current assets	24,864.90	735.08	25,599.98

Items of statement of cash flows before and after reclassification for the year ended 31 March 2018

₹ in Lakhs

Particulars	Before reclassification	Reclassification	After reclassification
Cash flow from operating activities	67,517.41	461.08	67,978.49
Cash flow from operating activities	(1,67,634.05)	221.93	(1,67,412.12)
Net cash from financing activities	1,29,140.42	(688.32)	1,28,452.10
Cash and cash equivalents at the end of the period	55,878.19	(5.30)	55,872.89

56 Standards issued but not yet effective

On 30 March 2019, Ministry of Corporate Affairs (MCA) has notified the following standards/ appendix/ amendments which will come into force from 1 April 2019:

a) Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments

Appendix C of Ind AS 12, 'Uncertainty over Income Tax Treatments' is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates.

The standard permits two possible methods of transition:

- Full retrospective approach – Under this approach, Appendix C will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors

- Retrospectively with cumulative effect of initially applying Appendix C recognized by adjusting equity on initial application

The Group will adopt the standard on 1 April 2019 and has decided to adjust the cumulative effect in equity on the date of initial application i.e. 1 April 2019 without adjusting comparatives.

b) Ind AS 116 'Leases'

The new leasing standard will replace the existing leases standard, Ind AS 17 Leases, and related Interpretations. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognize a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. There are recognition exemptions for short-term leases and leases of low-value items. Currently, operating lease expenses are charged to the statement of profit and loss on a straight line basis. Lessor accounting remains similar to the current standard – i.e. lessors continue to classify leases as finance or operating leases. Further, the new standard contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

The standard permits two possible methods of transition:

- Retrospective approach - Under this approach the standard will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors
- Retrospectively with cumulative effect of initially applying the standard recognized at the date of initial application (modified retrospective approach)

  Under modified retrospective approach, the lessee records the lease liability as the present value of the remaining lease payments, discounted at the incremental borrowing rate and the right of use asset either as:
- Its carrying amount as if the standard had been applied since the commencement date, but discounted at lessee's incremental borrowing rate at the date of initial application or
- An amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments related to that lease recognized under Ind AS 17 immediately before the date of initial application. Certain practical expedients are available under both the methods.

Certain practical expedients are available under both the methods.

The Group will adopt the standard on 1 April 2019 by using the modified retrospective approach and accordingly comparatives for the year ended 31 March 2019 will not be retrospectively adjusted.

c) Amendment to Ind AS 12 'Income taxes'

The amendments to the guidance in Ind AS 12, 'Income Taxes', clarifies that an entity shall recognize the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the past transactions or events that generated distributable profits were originally recognized.

d) Amendment to Ind AS 19 'Employee benefits'

The amendments to the guidance in Ind AS 19, 'Employee Benefits', in connection with accounting for plan amendments, curtailments and settlements require an entity:

- to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and
- to recognize in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling.

e) Amendment to Ind AS 23 'Borrowing Costs'

The amendments to the guidance in Ind AS 23, 'Borrowing Costs', clarifies the following:

- while computing the capitalisation rate for funds borrowed generally, borrowing costs applicable to borrowings made specifically for obtaining a qualified asset should be excluded, only until the asset is ready for its intended use or sale.
- borrowing costs (related to specific borrowings) that remain outstanding after the related qualifying asset is ready for its intended use or sale would subsequently be considered as part of the general borrowing costs.

f) Amendment to Ind AS 28 'Investments in Associates and Joint Ventures'

The amendments to the guidance in Ind AS 28, 'Investments in Associates and Joint Ventures', clarifies that an entity applies Ind AS 109 Financial Instruments, to long-term interests in an associate or joint venture that form part of the net investment in the associate or joint venture but to which the equity method is not applied.

The Group is evaluating the requirements of the above amendments and the effect on the financial statements is being evaluated.

For and on behalf of the Board of Directors

As per our audit report of even date annexed.

For KK Soni & Co.
Chartered Accountants
(FRN 000947N)

Saurabh Kumar	**S. Gopal**	**Pooja Shukla**	**Sant Sujat Soni**
Managing Director	Director Commercial and CFO	Company Secretary	Partner
DIN : 06576793	DIN : 08339439		M. No. 094227

Place : New Delhi
Date : 2nd July, 2019

Form AOC-1

Salient features of the financial statement of subsidiaries, associates and joint ventures for the year ended March 31, 2019, pursuant to Section 129 (3) of the Companies Act 2013

Part A - Subsidiaries

₹ in Lakhs

1	S. No.	1	2	3	4	5	6	7	8	9	10	11	12	13	14
2	Name of subsidiary	EESL EnergyPro Assets Limited	Anesco Energy (Services) South Ltd	Creighton Energy Limited	EPAL Holdings Limited	Edina Acquisition Limited	Edina Power Services Limited	Edina Limited	Edina UK Limited	Edina Australia Pty Limited	Armoura Holdings Limited	Stanbeck Limited	Edina Manufact-uring Limited	Edina Power Limited	EPSL Trigeneration Private Ltd
3	The date since when subsidiary was acquired	13-Mar-18	13-Mar-18	13-Mar-18	13-Mar-18	13-Mar-18	14-Mar-18	14-Mar-18	14-Mar-18	14-Mar-18	14-Mar-18	14-Mar-18	14-Mar-18	14-Mar-18	20-Dec-18
4	Reporting period for the subsidiary concerned, if different from the holding company's reporting period.	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	20-Dec-18 to 31-Mar-19
5	Reporting currency of foreign subsidiaries.	GBP	GBP	GBP	GBP	GBP	EURO	EURO	GBP	AUD$	EURO	EURO	GBP	GBP	INR
	Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	90.4756	90.4756	90.4756	90.4756	90.4756	77.8380	77.8380	90.4756	49.2271	77.8380	77.8380	90.4756	90.4756	1.0000
6	Share capital	31,831.22	4,460.59	1,809.51	7,238.05	7,238.05	5,855.67	6,648.54	3,619.02	0.05	0.00	155.68	0.09	0.09	100.00
7	Reserves and surplus	1,480.60	(324.38)	(299.56)	(8.79)	(3,617.45)	807.52	194.53	6,271.73	(217.50)	79.91	(431.94)	17.17	630.22	(14.11)
8	Total assets	54,324.13	4,191.47	1,627.21	39,544.58	54,980.76	14,649.40	13,916.33	29,327.26	438.46	612.14	720.17	36.19	2,914.92	2,190.45
9	Total Liabilities	21,012.31	55.26	117.26	32,315.32	51,360.17	7,986.21	7,073.26	19,436.51	656.21	532.23	996.43	18.93	2,284.61	2,104.55
10	Investments	1,527.24	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Turnover	784.95	425.63	116.38	-	-	-	14,083.81	55,234.83	590.56	19.20	5.58	-	6,153.50	-
12	Profit before taxation	2,133.11	1.87	(13.15)	(6.14)	(3,635.77)	23.60	56.80	3,488.37	(115.89)	4.80	(28.46)	(10.97)	(411.17)	(19.06)
13	Provision for taxation	127.00	(131.65)	2.57	(1.17)	(173.15)	-	39.55	(62.20)	(33.97)	1.86	0.37	-	(10.91)	(4.96)
14	Profit after taxation	2,006.11	133.53	(15.72)	(4.97)	(3,462.62)	23.60	17.24	3,550.57	(81.92)	2.95	(28.83)	(10.97)	(400.25)	(14.11)
15	Proposed Dividend	-	-	-	-	-	-	-	-	-	-	-	-	-	-
16	% of shareholding	84.55%	84.55%	84.55%	84.55%	84.55%	84.55%	84.55%	84.55%	84.55%	84.55%	84.55%	84.55%	84.55%	84.55%

Note:
1 The above financial information is based on audited financial information considered for the purpose of consolidated audited Ind AS financial statements.
2 Financial information has been extracted from the submission considered for the purpose of consolidated audited Ind AS financial statements.
3 Investments exclude investments in subsidiaries.
4 Share capital of Edina Power Services Limited includes preference share capital.

Part B - Associates and Joint Ventures

S. No.	Name of Joint venture	Date on which Joint Venture was associated or acquired	Latest audited balance sheet date	Shares of Joint Venture held by the company on the year end			Description of how there is joint control	Net Worth attributable to shareholders as per latest audited Balance Sheet	Profit / (loss) for the year ended March 31, 2019		
				Number of shares	Amount of Investment	Extent of holding			Considered in consolidation	Not considered in consolidation	Not considered in consolidation
1	NEESL Private Limited	12-Jul-17	31-Mar-19	2,600	0.26	26%	By virtue of shareholding	5.96	3.05	-	-

Note:
1 Amount of investment in joint venture is based on the carrying value of investments in the consolidated financial statements of Energy Efficiency Services Limited.
2 No subsidiaries or joint venture are yet to commence operations and no subsidiaries or joint venture have been liquidated or sold during the year. The Group does not have any associate.

Energy Efficiency Services Limited
Registered Office:
NFL Building, 5th & 6th Floor,
Core - III, Scope Complex, Lodhi Road,
New Delhi - 110003
Phone : +91-11 45801260 E-mail: info@eesl.co.in www.eesl.com