11th Annual Report

2019-20

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.

EESL successfully completes a decade of helping India become energy efficient, celebrates #10SaalBemisaaal

CONTENTS

EESL's International Operations

Bangladesh
- MoU with Sustainable and Renewable Energy Development Authority (SREDA)
- Supplied **0.52 lakh** LED bulbs & **519** LED Street Lights with CCMS

United Kingdom
Trigeneration

Saudi Arabia
- MoU with **National Energy Service Company** (NESCO).
- LED street lighting project at Princess Al-Jawhara Street, Riyadh

Thailand
- EESL's investment of **U$ 5 M** in **SWAG EV**.

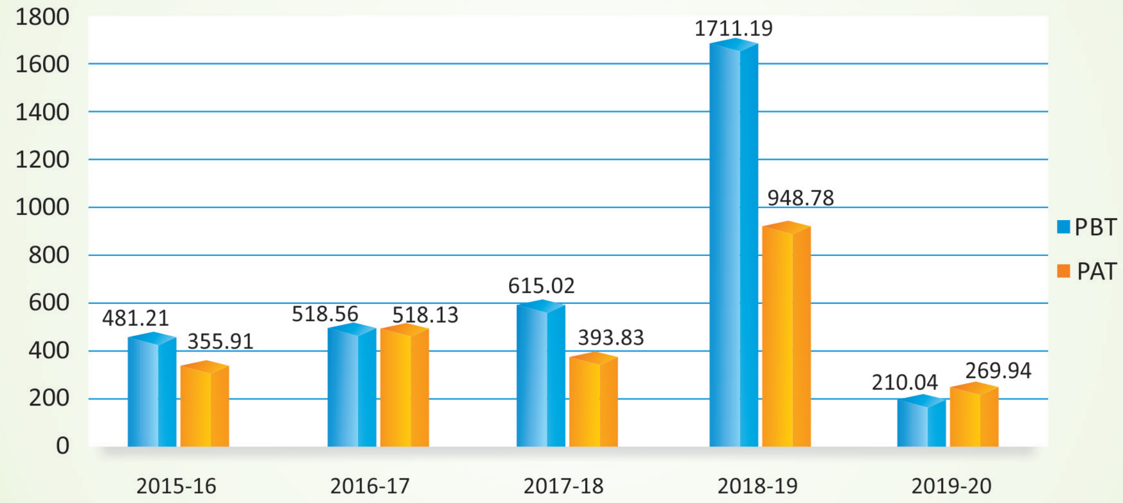
Maldives
- MoU with the **Ministry of Environment, Government of Maldives**
- Supplied **2 lakh LED Bulbs and 2,500 LED Streetlights**

UAE
- **700 Cr. -** Tender evaluation in process – Street Lighting.
- Transaction adviser for RAK Municpality

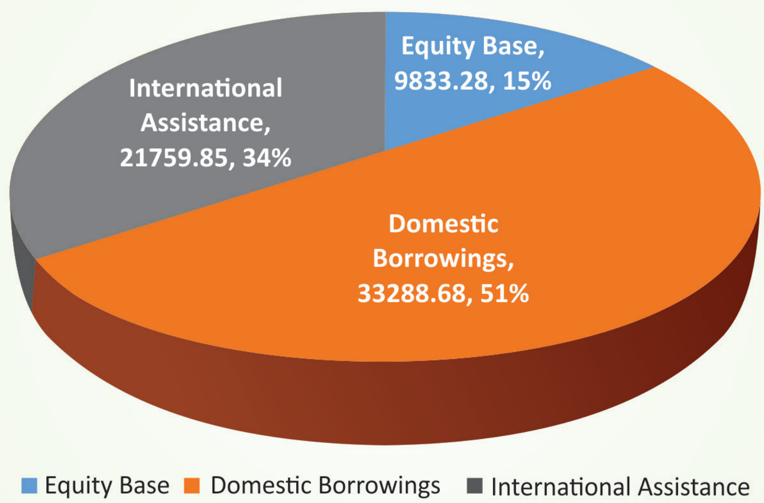
Myanmar
- MEA approval process ongoing for implementation of street Lighting and LED Bulb of **U$ 1 M.**

Vietnam
- MoU with EVN for **UJALA**

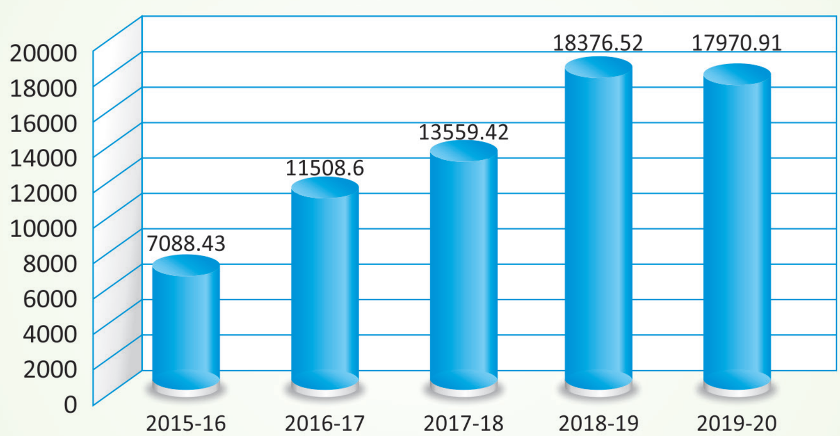
EESL'S Working Results (₹ in Million)



EESL'S Resource Base 2019-20 (₹ in Million)



Revenue from Operations (₹ in Million)



COMPANY INFORMATION

Chairman	Shri Rajeev Sharma
Executive Vice Chairman	Shri Saurabh Kumar (w.e.f. 1st August, 2020)
Managing Director	Shri Rajat Kumar Sud (w.e.f.7th October, 2020) Shri Shankar Gopal (Additional Charge from 1st August, 2020 to 7th October, 2020) Shri Saurabh Kumar (upto 31st July, 2020 including Additional Charge from 1st December, 2019 to 31st July, 2020)
Director (Commercial)	Shri Shankar Gopal
Director (Projects & Business Development)	Shri Venkatesh Dwivedi
Nominee Directors:	Shri Raj Pal Shri Abhay Bakre Shri Aditya Dar (w.e.f. 22nd August, 2020) Smt. Parminder Chopra (w.e.f. 23rd December, 2020) Shri R. Lakshamanan (w.e.f. 1st May, 2020 till 9th November, 2020) Shri C.K. Mondal (from 30th May, 2020 to 13th August, 2020) Shri Mohit Bhargava (upto 30th May, 2020) Shri Sanjiv Garg (upto 16th March, 2020)
Independent Directors:	Shri Seethapathy Chander (upto 3rd, August, 2020) Ms. Gauri Trivedi (upto 4th August, 2020)
Chief Financial Officer:	Shri Shankar Gopal (upto 11th December, 2020) Shri Lokesh Kumar Aggarwal (w.e.f. 11th December, 2020)
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 ICICI Bank IDFC Bank State Bank of India Union Bank of India Vijaya Bank Yes Bank Indusind Bank HDFC Bank Punjab National Bank Bank of Baroda
Stock Exchange:	BSE Limited
Depositories:	National Security Depositoris Limited, 4th Floor, A Wing, Trade World, Kamla Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai - 400013 Central Depositories Services (India) Limited, Phiroze Jeejeebhoy Towers, 17th Floor, Dalal Street, Fort, Mumbai - 400001
Registrar & Share Transfer Agent:	Kfin Technologies Private Limited (formaly known as Karvy Kfintech Private Limited), Karvy Selenium, Tower - B, Plot No.31 & 32, Gachibowli, Financial District Nanakramgunda, 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 11TH ANNUAL GENERAL MEETING

Notice is hereby given that 11th Annual General Meeting of the Shareholders of Energy Efficiency Services Limited will be held on Saturday, 30th January, 2021 at 10:00 a.m. at Energy Efficiency Services Limited, NFL Building, 5th & 6th Floor, Core - III, SCOPE Complex, Lodhi Road, New Delhi-110003 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 2020, 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 2020 and the report of the Auditors thereon.
2. To record the appointment of Statutory Auditors as per CAG Letter no. CA.V/COY/Central GOVERNMENT, EESL (1)/3 dated 17th August, 2020 and fix the remuneration of Statutory Auditors for the financial year 2020-21.
3. To appoint a Director in place of Shri Raj Pal (DIN: 02491831), who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Shri Abhay Bakre (DIN: 08104259), who retires by rotation and being eligible, offers himself for re-appointment.

Special Business: -

5. **Alteration in Articles of Association of the Company**

   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-I be and are hereby approved, in substitution to the corresponding articles 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, deeds and things, which may be usual, expedient or proper to give effect to the above resolution."

6. **Appointment of Shri Rajeev Sharma (DIN: 00973413) as Nominee Director and Chairman of the Company**

   To consider appointment of Shri Rajeev Sharma (DIN: 00973413) as Nominee Director and Chairman of the Company and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:

   "RESOLVED THAT pursuant to the provisions of 152, 161(3) and all other applicable provisions of the Companies Act, 2013 ("the Act") and rules made thereunder (including any statutory modification or re-enactment thereof) and Articles of Association of the Company, Shri Rajeev Sharma (DIN: 00973413), who was appointed as an Additional Director of the Company and designated as Chairman, EESL with effect from 9th November, 2020 and who holds office till the date of Annual General Meeting of the Company in terms of Section 161 of the Companies Act, 2013, and in respect of whom the Company has received a notice in writing signifying his intention to be a candidate for the office of Director in the Company, his appointment recommended by Nomination and Remuneration Committee, be and is hereby appointed as a Nominee Director and Chairman of the Company and he shall be liable to retire by rotation.

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

7. **Appointment of Shri Saurabh Kumar (DIN: 06576793), Managing Director, Edina UK Limited as a Whole Time Director designated as Executive Vice Chairman (Interim Charge) of the Company**

   To consider the appointment of Shri Saurabh Kumar (DIN: 06576793) as a Whole Time Director designated as Executive Vice Chairman (Interim Charge) of the Company and if thought fit, to pass with or without modification, the following resolution as Special Resolution:

   "RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198, 203 and other applicable provisions of the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 read with Schedule V of the Companies Act, 2013 (including any statutory modification or re-enactment thereof), and subject to the approval of the Central Government, if required, Shri Saurabh Kumar, Managing Director (Edina UK Limited) who was appointed as an Additional Director and designated as Executive Vice Chairman (Interim Charge) w.e.f. 1st August, 2020 and who holds office till the date of Annual General Meeting of the Company in terms of Section 161 of the Companies Act, 2013, be and is hereby appointed as a Whole-Time Director and designated as Executive Vice Chairman (Interim Charge) of the Company till the regular appointment for the post of Executive Vice Chairman on the Board of EESL, on the terms and conditions approved by the Board of Directors of the Company in its 78th Board Meeting and mentioned hereunder and he shall be liable to retire by rotation:

   - Salary (Including allowances and perquisite)-NIL

   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. **Appointment of Shri Rajat Kumar Sud (DIN: 06582245) as Managing Director of the Company**

To consider appointment of Shri Rajat Kumar Sud (DIN: 06582245) as Managing Director of the Company and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198, 203 and other applicable provisions of the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 read with Schedule V of the Companies Act, 2013 (including any statutory modification or re-enactment thereof), and subject to the approval of the Central Government, if required, Shri Rajat Kumar Sud (DIN: 06582245) be and is hereby appointed as Managing Director of the Company to hold the office w.e.f. 7th October, 2020 for a period of 5 years or upto the date of superannuation, whichever is earlier, liable to retire by rotation, on the terms and conditions of appointment including remuneration as stated hereunder :-

- Terms & Conditions and 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."

9. **Appointment of Shri Aditya Dar (DIN: 08079013) as Nominee Director in the Company**

To consider appointment of Shri Aditya Dar (DIN: 08079013) as Nominee Director in the Company and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to Section 152, 161(3) and other applicable provisions (including any modification or re - enactment thereof), if any, of the Companies Act, 2013, Rules made thereunder and Articles of Association of the Company, Shri Aditya Dar (DIN: 08079013) who was, pursuant to NTPC Limited's Letter dated 13th August, 2020, appointed as an Additional Director in the Company w.e.f. 22nd August, 2020 whose term of office expires at this Annual General Meeting, and in respect of whom the Company has received a notice in writing signifying his intention to be a candidate for the office of Director in the Company, his appointment recommended by Nomination and Remuneration Committee, be and is hereby appointed as Nominee Director in the Company, liable to retire by rotation.

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."

10. **Appointment of Smt. Parminder Chopra (DIN: 08530587) as Nominee Director in the Company**

To consider appointment of Smt. Parminder Chopra as Nominee Director in the Company and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to Section 152, 161(3) and other applicable provisions (including any modification or re - enactment thereof), if any, of the Companies Act, 2013, Rules made thereunder and Articles of Association of the Company, Smt. Parminder Chopra (DIN: 08530587) who was, pursuant to Power Finance Corporation (PFC) Limited's email dated 23rd December, 2020, appointed as an Additional Director in the Company w.e.f. 23rd December, 2020 whose term of office expires at this Annual General Meeting, and in respect of whom the Company has received a notice in writing signifying her intention to be a candidate for the office of Director in the Company, her appointment recommended by Nomination and Remuneration Committee, be and is hereby appointed as Nominee Director in the Company, liable to retire by rotation.

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."

11. **Appointment of Shri Saurabh Kumar (DIN: 06576793), Managing Director, Edina UK Limited as Managing Director, EESL (Additional Charge) w.e.f 1st December, 2019 till 30th July, 2020**

To consider appointment of Shri Saurabh Kumar (DIN: 06576793), Managing Director, Edina UK Limited as Managing Director (Additional Charge) of the Company w.e.f. 1st December, 2019 till 30th July, 2020 and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198, 203 and other applicable provisions of the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 read with Schedule V of the Companies Act, 2013 (including any statutory modification or re-enactment thereof), and subject to the approval of the Central Government, if required and relevant provisions of Articles of Association of the Company Shri Saurabh Kumar (DIN: 06576793) be and is hereby appointed as Managing Director (Additional Charge), w.e.f. 1st December, 2019 till 31st July, 2020, liable to retire by rotation, on the terms and conditions approved by the Board of Directors of the Company in its 78th Meeting stated as under:-

- Salary (Including allowances and perquisite)-NIL

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."

12. **Appointment of Shri S. Gopal (DIN: 08339439), Director (Commercial) as Managing Director, EESL (Additional Charge) w.e.f. 1st August, 2020 till 7th October, 2020**

To consider appointment of Shri S. Gopal (DIN: 08339439), Director (Commercial) as Managing Director, EESL (Additional Charge) w.e.f. 1st August, 2020 till 7th October, 2020 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 provisions of Sections 196, 197, 198, 203 and other 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 S. Gopal, Director (Commercial) (DIN: 08339439), be and is hereby appointed as Managing Director (Additional Charge), w.e.f. 1st August, 2020 till 7th October, 2020 as per existing terms and conditions of his appointment as Director (Commercial) in the Company, liable to retire by rotation.

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."

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

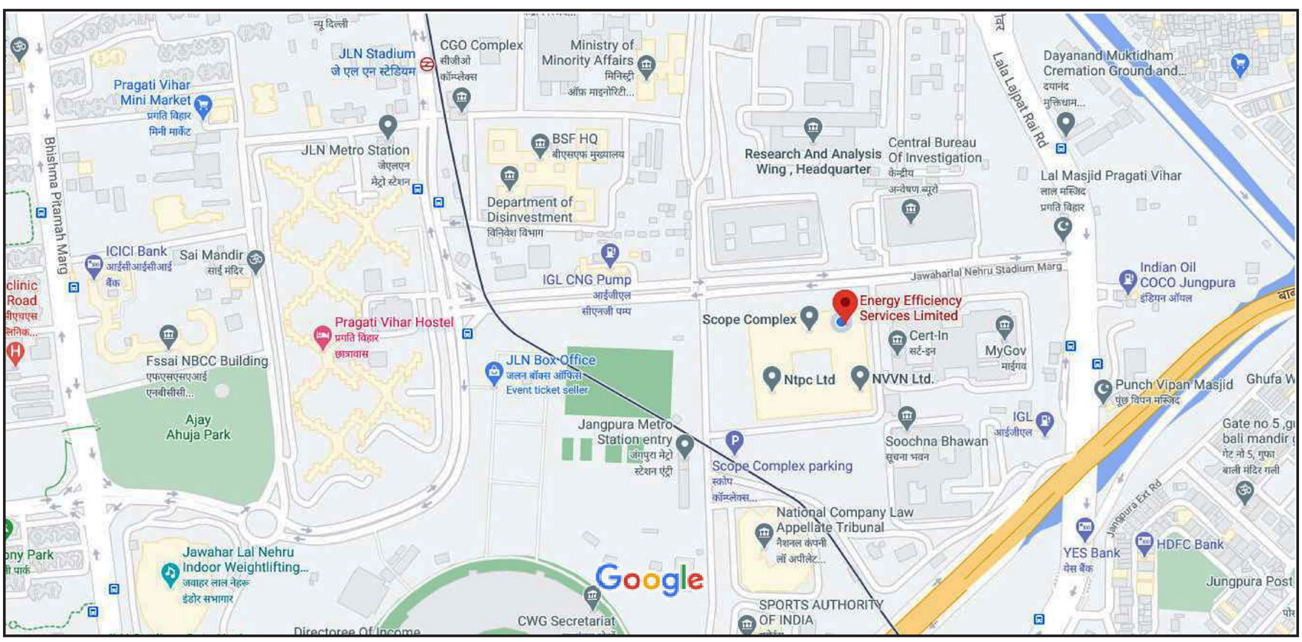
Pooja Shukla
Company Secretary
M. No.: ACS 18008

Place: New Delhi

Date: 30.01.2021

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., Chartered Accountants (Firm Registration No. 000947N), New Delhi as Statutory Auditor of the Company for the Financial Year 2020-21. The members may kindly authorise the Board of Directors to fix appropriate remuneration of Statutory Auditors for Financial Year 2020-21 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. 5

In order to enable the promoters to infuse more equity from time to time, Supplementary Agreement No. 5 was executed between the promoters on 15th January, 2020 increasing the limit on maximum shareholding of promoter from 40% to 49.9%. Further, Ministry of Power vide its letter dated 17th July, 2020 approved the creation of post of Executive Vice-Chairman in the company. In view of the same, Supplementary Agreement No. 6 was executed between the promoters for the said purpose on 15th January, 2021.

The Board of Directors accorded approval to amend the Articles of Association of the company to the stated effect. 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. In view of above, clauses of Articles of Association of EESL requiring amendments, with changes highlighted, is placed at Annexure-I.

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.

Item No. 6

The Board of Directors, as per the REC Limited vide Letter no. SEC-1/241/2020/429 dated 9th November, 2020 and on the recommendation of Nomination and Remuneration Committee, had appointed Shri Rajeev Sharma as an Additional Director and designated him as Chairman of EESL in 85th Board Meeting of the Company. Pursuant to Section 161(1) of the Companies Act 2013, Shri Rajeev Sharma holds the office upto the date of 11th Annual General Meeting of the Company. The Company has received notice under Section 160 of the Companies Act, 2013 signifying candidature of Shri Rajeev Sharma for Directorship of the Company. The Company has also received consent to act as a Director of the Company in form DIR-2 and a declaration that he is not disqualified from being appointed as a Director of the Company in Form DIR-8. He shall be liable to retire by rotation. His brief resume, inter - alia, giving his experience, shareholding in the Company, other Directorships and other particulars, forms part of this notice. Pursuant to the provisions of Section 152(2) of the Companies Act, 2013, every Director shall be appointed in a General Meeting by way of Ordinary Resolution. Hence, the proposed resolution is recommended for consideration and approval of the Members of the Company.

None of the Directors or Key Managerial Personnel of the Company except Shri Rajeev Sharma, 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. 7

Consequent upon the nomination of Shri Saurabh Kumar as Managing Director of Edina UK Limited w.e.f. 2nd December, 2019, he resigned from the post of Managing Director of the company on 30th November, 2019. However, to ensure continuity in smooth functioning of the Company till the appointment of new EESL Board in its 78th Board Meeting, on the recommendation of Nomination and Remuneration Committee had given an additional charge of Managing Director, EESL to Shri Saurabh Kumar w.e.f. 1st December, 2019 for a period of 3 months or till such time new incumbent joins the post of Managing Director, which was further extended twice for 3 months each till 31st August, 2020.

The Board of Directors, pursuant to MOP 's letter dated 17th July, 2020 and Minutes of the meeting held on 1st August, 2020 among the CMDs of promoter companies and Chairman, EESL on reorganization of EESL Board Governance & MOP's letter dated 21st August, 2020 and on the recommendation of Nomination and Remuneration Committee of the Company, had in its 85th Board Meeting appointed Shri Saurabh Kumar, as an Additional director and designated him as Executive Vice Chairman (Interim Charge) w.e.f. 1st August, 2020. Pursuant to Section 161(1) of the Companies Act 2013, Shri Saurabh Kumar holds the office upto the date of 11th Annual General Meeting of the Company. The Company has also his received consent to act as a Director of the Company in form DIR - 2 and a declaration that he is not disqualified from being appointed as a Director of the Company in Form DIR - 8. He shall be liable to retire by rotation.

In accordance with the provisions of Section 196, 197 and 203 and other applicable provisions of the Companies Act, 2013, approval of the Members is required for appointment of Shri Saurabh Kumar as a Whole-Time Director of the Company with effect from 1st August, 2020. His 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 or Key Managerial Personnel of the Company except Shri Saurabh Kumar, is in any way, concerned or interested, financially or otherwise, in the resolution.

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

Item no. 8

The Board of Directors, as per the recommendation of Search & Selection Committee defined under Article 102(iii) of the Articles of Association and Nomination and Remuneration Committee of the Company, had in its meeting held on 5th November, 2020, appointed Shri Rajat Kumar Sud as Managing Director of the company w.e.f 7th October, 2020 for a period of 5 years or upto the date of superannuation, whichever is earlier, subject to the approval of the Members of the Company in General Meeting and the Central Government, if required under the applicable law. The Company has also his received consent to act as a Director of the Company in form DIR-2 and a declaration that he is not disqualified from being appointed as a Director of the Company in Form DIR - 8. He shall be liable to retire by rotation.

In accordance with the provisions of Section 196, 197 and 203 and other applicable provisions of the Companies Act, 2013, approval of the Members is required for appointment of Shri Rajat Kumar Sud as Managing Director of the Company with effect from 7th October, 2020.

None of the Directors or Key Managerial Personnel of the Company except Shri Rajat Kumar Sud, 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. 9

The Board of Directors, as per NTPC Limited 's letter dated 13th August, 2020 has appointed Shri Aditya Dar as an Additional Director and designated as Nominee Director of NTPC Limited on the Board of EESL on 22nd August, 2020. Pursuant to Section 161(1) of the Companies Act 2013, Shri Aditya Dar holds the office upto the date of 11th Annual General Meeting of the Company. The Company has received notice under Section 160 of the Companies Act, 2013 signifying candidature of Shri Aditya Dar for Directorship of the Company. The Company has also received his consent to act as a Director of the Company in form DIR-2 and a declaration that he is not disqualified from being appointed as a Director of the Company in Form DIR-8. His brief resume, inter-alia, giving his experience, shareholding in the Company, other Directorships and other particulars, forms part of this notice. He shall be liable to retire by rotation. Pursuant to the provisions of Section 152 (2) of the Companies Act, 2013, every Director shall be appointed in a General Meeting by way of Ordinary Resolution. Hence, the proposed resolution is recommended for the consideration and approval of the Members of the Company.

None of the Directors or Key Managerial Personnel of the Company except Shri Aditya Dar, 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. 10

The Board of Directors, as per PFC Limited 's email dated 23rd December, 2020 has appointed Smt. Parminder Chopra as an Additional director and designated as Nominee Director of Power Finance Corporation on the Board of EESL w.e.f. 23rd December, 2020. Pursuant to Section 161(1) of the Companies Act 2013, Smt. Parminder Chopra holds the office upto the date of 11th Annual General Meeting of the Company. The Company has received a notice under Section 160 of the Companies Act, 2013 signifying candidature of Smt. Parminder Chopra for Directorship of the Company. The Company has also received her consent to act as a Director of the Company in form DIR-2 and a declaration that she is not disqualified from being appointed as a Director of the Company in Form DIR-8. She shall be liable to retire by rotation. Her brief resume, inter - alia, giving her experience, shareholding in the Company, other Directorships and other particulars, forms part of this notice. Pursuant to the provisions of Section 152 (2) of the Companies Act, 2013, every Director shall be appointed in a General Meeting by way of Ordinary Resolution. Hence, the proposed resolution is recommended for the consideration and approval of the Members of the Company.

None of the Directors or Key Managerial Personnel of the Company except Smt. Parminder Chopra, 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. 11

Consequent upon the nomination of Shri Saurabh Kumar as Managing Director of Edina UK Limited w.e.f. 2nd December, 2019, he resigned from the post of Managing Director of the company on 30th November, 2019. However, to ensure smooth functioning of the Company, EESL Board in its 78th Board Meeting, on the recommendation of Nomination and Remuneration Committee had given an additional charge of Managing Director, EESL to Shri Saurabh Kumar w.e.f. 1st December, 2019 for a period of 3 months or till such time new incumbent joins the post of Managing Director, which was further extended twice for 3 months each till 31st August, 2020.

However, pursuant to MOP 's letter dated 17th July, 2020 and Minutes of the meeting held on 1st August, 2020 among the CMDs of promoter companies and Chairman, EESL on reorganization of EESL Board Governance & MOP's letter dated 21st August, 2020, he relinquished the Additional Charge of Managing Director, EESL on 30th July, 2020 and joined as Executive-Vice Chairman (Additional Charge) w.e.f. 1st August, 2020. Hence, the proposed resolution is recommended for the consideration and approval of the Members of the Company pursuant to the provisions of Section 196 of the Companies Act, 2013.

None of the Directors or Key Managerial Personnel of the Company except Shri Saurabh Kumar, 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. 12

The Board of Directors, pursuant to MOP's order dated 21st August, 2020 and on the recommendation of Nomination and Remuneration Committee, had given the additional charge for the post of Managing Director, EESL to Shri S. Gopal, Director (Commercial) w.e.f. 1st August, 2020 till the joining of new incumbent on the Board of EESL. Shri Rajat Kumar Sud was appointed as the Managing Director on 7th October 2020 and henceforth, Shri Shankar Gopal ceased to be the Managing Director on said date. Hence, the proposed resolution is recommended for the consideration and approval of the Members of the Company pursuant to the provisions of Section 196 of the Companies Act, 2013.

None of the Directors or Key Managerial Personnel of the Company except Shri Shankar Gopal, 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.

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

Pooja Shukla
Company Secretary
M.No.: ACS 18008

Place: New Delhi
Date: 30.01.2021

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 11th Annual General Meeting of the company, to be held on Saturday, 30th January, 2021 at 10:00 a.m. at Energy Efficiency Services Limited, NFL Building, 5th & 6th Floor, Core-III, SCOPE Complex, Lodhi Road, New Delhi-110003 and at any adjournment thereof in respect of such resolutions as are indicated below:

S.N.	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 2020, 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 2020 and the report of the Auditors thereon.		
2.	To record the appointment of Statutory Auditors as per CAG Letter no. CA.V/COY/Central GOVERNMENT, EESL (1)/3 dated 17th August, 2020 and fix the remuneration of Statutory Auditors for the financial year 2020-21		
3.	To appoint a Director in place of Shri Raj Pal (DIN: 02491831), who retires by rotation and being eligible, offers himself for re-appointment.		
4.	To appoint a Director in place of Shri Abhay Bakre (DIN: 08104259), who retires by rotation and being eligible, offers himself for re-appointment		
Special Business			
5.	Alteration in Articles of Association of the Company		
6.	Appointment of Shri Rajeev Sharma (DIN: 00973413) as Nominee Director and Chairman of the Company		
7.	Appointment of Shri Saurabh Kumar (DIN: 06576793), Managing Director, Edina UK Limited as a Whole-Time Director designated as Executive-Vice Chairman (Interim Charge) of the Company		
8.	Appointment of Shri Rajat Kumar Sud (DIN: 06582245) as Managing Director of the Company		
9.	Appointment of Shri Aditya Dar (DIN: 08079013) as Nominee Director in the Company		
10.	Appointment of Smt. Parminder Chopra (DIN: 08530587) as Nominee Director in the Company		
11.	Appointment of Shri Saurabh Kumar (DIN: 06576793), Managing Director, Edina UK Limited as Managing Director, EESL (Additional Charge) w.e.f 1st December, 2019 till 30th July, 2020		
12.	Appointment of Shri S. Gopal (DIN: 08339439), Director (Commercial) as Managing Director, EESL (Additional Charge) w.e.f. 1st August, 2020 till 7th October, 2020		

Signed this...........day of ....20.....

Signature of Shareholders ________________________

Signature of proxy holder(s) ______________________

Affix Revenue Stamp of ₹ 1/-

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

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 Saurabh Kumar	14th December, 1967 / 53 years	07/05/2013	Electrical Engineer from Indian Institute of Technology (IIT) Kanpur with a Master in Public Policy from National Graduate Institute of Policy Studies, Tokyo, Japan	He has rich experience of working in various capacities in Indian Income Tax Administration, Budget and Finance in the Ministry of Power. He was Secretary, BEE during 2007-2010. He also worked with UNEP, Bangkok for the last 2 years and was handling environmental issues in Asia-Pacific region.	Nil	7	EESL Energypro Assets Limited, United Kingdom EPAL Holdings Limited, United Kingdom Edina Acquisitions Limited, United Kingdom Edina Power Services Limited, Ireland EPSL Trigeneration Private Limited Intellismart Infrastructure Private Limited Energy Efficiency Services Co. Ltd Edina UK Limited EESL Energy Solutions LLC Convergence Energy Services Private Limited
Shri Rajeev Sharma	1st June, 1960 / 60 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 33 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 13 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	8	Nil

Name	DOB / Age	Date of appointment	Qualification	Experience	Shareholding in the company	Number of Board Meetings attended during the year	Other Directorships
Shri Raj Pal	22nd April, 1961 / 59 years	14/07/2016	Masters & M. Phil in Economics and Diploma in Development Studies from Institute of Developing Economics, Tokyo, Japan	He has an experience of about 25 years working in different Ministries of Government of India like Ministry of Finance, Planning Commission, Ministry of Industry, Ministry of Labour etc. He has also worked as Adviser, Economic Regulation in Telephone Regulatory Authority of India. Currently, he is Joint Secretary In charge for, Energy Conservation, Policy & Planning and Training & Research & Coordination division.	Nil	3	NEEPCO THDC India Limited
Shri Abhay Bakre	25th July, 1966 / 54 years	08/05/2018	B.E. (Electrical Engg.) from Devi Ahilya University, Indore in 1988, M.Tech (Electrical Engg.) from IIT Kharagpur in January 1990 and Certified Energy Manager (From BEE)	He has experience of working in several Railway projects including Delhi Metro & Kolkata Metro extension projects. He has also taken up nationwide media campaign through PCRA and other oil companies to generate awareness among consumers on adoption of simple, fuel saving measures in day - to - day life. Before joining BEE, he has worked as Executive Director in the newly created Environment Directorate of Ministry of Railways. He was the nodal officer for developing INDC for the Railways.	Nil	4	Nil
Shri Rajat Kumar Sud	27th October, 1969 / 51 years	07/10/2020	BE in Electronics & Telecommunication from Shri Govindram Seksaria Institute of Technology and Science (SGSITS), Indore and PGDM(Strategy) from Indian Institute of Management, Ahmedabad.	He has 29 years of experience in the fields of energy sector restructuring, performance improvement, business strategy and acquisitions. He has led transformational reforms and restructuring programs - leading to structural change dramatic performance improvement in the electricity industry.	Nil	Nil	Lumeni Consulting LLP Convergence Energy Services Private Limited EESL EnergyPro Assets Limited Edina Power Services Limited EESL Energy Solutions LLC

Name	DOB / Age	Date of appointment	Qualification	Experience	Shareholding in the company	Number of Board Meetings attended during the year	Other Directorships
Shri Aditya Dar	30th January , 1966 / 54 years	22/08/2020	BSC (Hons) from Lucknow University and PGDM (Finance) from MDI, Gurgaon	He has over 32 years of experience in the areas of investors services, resource mobilization from domestic and international markets, long - term financial planning, formulation of capital and O&M budgets and regulatory affai₹	Nil	Nil	NTPC Mining Limited Ratnagiri Gas And Power Private Limited NTPC Renewable Energy Limited
Smt. Parminder Chopra	30th April, 1967 / 53 years	23/12/2020	Bachelor's degree in Commerce and Cost Accountant.	She has more than 32 years of experience in power sector, serving organizations like National Hydroelectric Power Corporation of India (NHPC), Power Grid Corporation of India (PGCIL), REC Limited and Power Finance Corporation Limited. She has rich experience in the fields of fund management, international finance, internal Audit, Accounts Finalization, Lending Policies, Resource Mobilisation etc.	Nil	Nil	Power Finance Corporation Limited Coastal Tamil Nadu Power Limited Cheyyur Infra Limited, Part Time Chairperson PFC Consulting Limited Bihar Mega Power Limited Deoghar Mega Power Limited Chhattisgarh Surguja Power Limited Tatiya Andhra Mega Power Limited PTC India Limited

ATTENDANCE SLIP

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

Venue of the Meeting: Date and Time:

I certify that I am a registered shareholder/proxy for the registered Shareholder of the Company and hereby record my presence at the 11th Annual General Meeting of the Company on Saturday, 30th January, 2021 at 10:00 a.m at Energy Efficiency Services Limited, NFL Building, 5th & 6th Floor, Core - III, SCOPE Complex, Lodhi Road, New Delhi-110003

Member's/Proxy's Signature

Annexure- I

Articles	Exiting Articles of Association of the Company	Proposed Articles of Association of the Company
1.12A	-	"EVC" shall mean Executive Vice Chairman of the Company.
3	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.	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 49.9% of the Paid – up Share Capital of the Company and that the Parties shall endeavour to limit their shareholding upto the maximum of 49.9% of the paid up share capital of the JVC in due course of time.
102(i) MANAGEMENT STRUCTURE	102 (i) 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. 102 (ii) 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.	102 (i) The Company shall have its own professional management team of Executive Vice Chairman (EVC), Managing Director and Functional Directors. The professional management team will be headed by Executive Vice Chairman. 102 (ii)- 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. The Executive Vice Chairman shall be responsible to Board of Directors for the efficient functioning, corporate objectives and performance parameters of EESL and its group companies. Executive Vice Chairman of the Company shall administratively report to Chairman, EESL and functionally report to EESL's Board. The day-to-day operations of EESL will be looked after by MD and Functional Directors as guided by the Board. The job description of EVC shall be as under:- 1. Support EESL in setting the medium and long-term vision and goals in consultation with MD, Functional Directors and the Board. 2. Evolve long-term strategy for realizing the goals with quantifiable deliverables that could be monitored. 3. Managing relationships with external stakeholders like governments, business community relevant to EESL business interests, international actors in the field of energy efficiency and clean energy, multilateral and bilateral institutions. 4. Coordination amongst the group companies for synergy & achievement of common goal and harmonious operations. 5. Synergies strategies of group companies to the overall vision and goals set for EESL as a group. 6. Represent EESL Group's capabilities and strength to external stakeholders. 7. Facilitate effective dialogue with potential investors, lenders and future shareholders towards EESL Groups vision, goals and strategy. 8. Actively engage in risk management, efficient capital allocation amongst group companies. 9. Provide guidance and support to the MD and senior management.

	102 (iii)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 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.	102 (iii) Subject to the provisions of the Act, the Executive Vice Chairman and 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. The EVC and 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.
	102 (iv)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 such terms and conditions as may be approved by the Board from time to time.	102 (iv)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 Executive Vice Chairman and 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 such terms and conditions as may be approved by the Board from time to time.
	102 (v) 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 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.	102 (v) 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 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.
103	Subject to the provisions of the Companies Act, 2013 the number of 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	Subject to the provisions of the Companies Act, 2013 the number of Directors of the Company shall not be less than four and more than fourteen 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 parttime 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 & 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 the JVC shall always be carried on in accordance with the policies laid down by the Board from time to time.	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 EVC and MD, shall be selected as per clause 102(iv) of AOA. Apart from Directors nominated by the Parties, two parttime 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 as amended from time to time. There are 5 sanctioned posts of functional directors i.e. Executive Vice Chairman, Managing Director, Director (Finance) and Director (Projects & Business Development), Director (Commercial). The board shall be responsible for overall functioning of the company. The Business of the JVC shall always be carried on in accordance with the policies laid down by the Board from time to time.
114	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 Rs. 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 part thereof. e. Increase or otherwise alter the authorized or the issued share capital of the Company. f. Induction of new Investor. g. Taking of any loan or other borrowing or issue of any debt or other instrument or security	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 EVC or 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 Rs. 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 part thereof. e. Increase or otherwise alter the authorized or the issued share capital of the Company 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.

	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 17.03.2013)*	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 17.03.2013)*

Annexure- II

एनर्जी एफिशिएंसी सर्विसेज़ लिमिटेड
विद्युत मंत्रालय के सार्वजनिक क्षेत्र के उपक्रमों की संयुक्त उद्यम कंपनी
ENERGY EFFICIENCY SERVICES LIMITED
A JV of PSUs under the Ministry of Power

Ref No: EESL/0320/1366 22nd September, 2020

To,
Shri Rajat Kumar Sud
J- 120, 2nd Cross Road, Koramangala, 3rd Block
Bengaluru Urban, Karnataka-560034
Mob.No-9845170908

Sub: Offer of Appointment for the Post of Managing Director, EESL

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	-	Rs. 1,80,000-3,40,000 (IDA Scale)
2. Basic Pay	-	Rs. 1,80,000
3. Variable DA	-	As per rules
4. Place of Posting	-	EESL Corporate Office, Scope Complex, Core-3, 5th Floor Lodhi Road, New Delhi
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 enclosed annexure.
You may please let us know within OS days from the date of issue of this letter about acceptance of our offer and your willingness to join. You are also requested to send the enclosed undertaking duly completed along with the aforesaid acceptance by email to **recruitmcnt@eesl.co.in.** Our service rules require that you should be declared medically fit before you join. You may please get your medical examination completed only at Government Hospitals/Government Health Centers (Format Enclosed). Thereafter, you may report at the HR Department for completion of joining formalities at place of pos1ing as mentioned above by 21 51 October, 2020. You will need to bring ce1tain 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.

(Harleen Sachdeva)
AGM (HR)

Encl: As above.

STANDARD TERMS AND CONDITIONS OF APPOINTMENT IN ENERGY EFFICIENCY SERVICES LIMITED (EESL)

1. The following documents are required at the time of joining:
   a) Certificate in support of your educational/ professional qualifications, experience, date of birth, two recent photographs, caste certificate (if belonging to SC/ST/ OBC categories)/ disability certificate if applicable, etc., in original, together with copies.
   b) Four completed attestation forms with four signed recent passport size photographs affixed on it.
   c) One Identity-Cum-Character Certificate from a person not related to you from amongst the person mentioned in the said format.
   d) Release Order from your last employer.
   e) Last Pay Certificate from your last employer.
   f) Two recent passport size photographs.
2. Company rules require certification of character and antecedents and for this purpose the Attestation Forms mentioned above will be got verified from the concerned Authorities. If any adverse report (s) is received from the said Authorities, Company reserves the right to terminate your employment in EESL without notice at any time during your service without assigning any reason. (This clause is not applicable to Government/PSU employee).
3. We hope that you will take due care to give correct information in the Attestation Forms etc. or in the forms which you would be required to fill at the time of joining. If there is any evidence at a later date that the particulars indicated by you in your application/personal resume/forms is incorrect or false or misleading or not matching with the advertised specifications and/or amounting to suppression of information etc., then the Company will be forced to cancel this offer of appointment. In case of such evidence coming to light after your joining, your service will be liable for termination without notice at any time and you will accordingly cease to be in the employment of the Company.
4. (a) In case you have claimed to belong to SC/ST/OBC categories, the appointment is provisional and is subject to the Caste/ Community certificate being verified from the competent authorities and if the verification reveals that your claim to belong to Scheduled Caste/ Scheduled Tribe/ OBC or not to belong to creamy layer, as the case may be, is false, your service will be terminated forthwith without assigning any further reason and without prejudice to such further action as may be taken under the provisions of the Indian Penal Code or the rules of the company for production of false certificates.
   (b) In case of change in religion, appropriate intimation should be given to the management immediately after such a change.
5. Due to the requirements of the Company's Rules, you will have to give a certificate at the time of your joining that if already married, you do not have more than one living spouse and that you will not marry again without first obtaining permission of the Company, even if such a marriage is permissible under the personal law applicable to you.
6. Your designation upon joining the company will be as stated in the offer letter. However, it can be changed depending on work assigned to you from time to time.
7. (a) Being new to the company, you would initially be on probation for one year. Should you wish to leave the company during your probation period, you could do so by giving one month's notice or by paying salary in lieu of one month's notice period. This would equally be applicable if the company decides to terminates your employment during your probation period.
   (b) Closure of probation period or otherwise would be regulated in terms of the EESL Rules. After satisfactory completion of probation, for which you would be informed through a letter, you could discontinue your service by giving 3 months' notice or by paying salary equivalent to 3 months' notice period. This would equally be applicable if the company decides to terminate your employment after your confirmation.
8. Your employment with EESL will be regulated by the Company's Rules and administrative orders/ policies that may be in force from time to time.
9. The Company reserves the right to transfer you at any of its offices/Projects/Subsidiaries/Joint Ventures and the like or any Government department/statutory body/ public sector undertaking or, any other organization etc. anywhere in India or abroad.
10. EESL reserves the right to rectify any inadvertent mistake(s) in this offer of appointment which are not in conformity with the extant policy, rules and regulations of the Company at any time before or after joining the Company.

PAY-SCALES AND BENEFIT STRUCTURE

1.0 PAYSTRUCTURE

1.1 Pay-Scale

(i) Pay Scale: 1,80,000-3,40,000

(ii) The Basic Pay of the Executive shall be fixed at the bottom of the scale.

1.2 Annual Increment

(i) Rate of Annual increment shall be 3% of Basic Pay.

(ii) Standard dates of Increment shall be as follows:

Employees appointed / promoted between	Standard date
1st January and 31st March	1st January
1st April and 30th June	1st April
1st July and 30th September	1st July
1st October and 31st December	1st October

1.3 Dearness Allowance (DA)

Industrial Dearness Allowance (IDA) at the prevailing rate will be paid to the Executive.

2.0 PERQUISITES AND ALLOWANCES

2.1 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 Rs. 36000* /- (applicable for Delhi/ NCR Region). House Rent Recovery (HRR) amounting to 10% of Basic pay or the Actual Rent, whichever is lower will be recovered from the Executive per month.

*The rates for other locations would differ.

2.2 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.

2.3 Medical Benefits:

OPD expenses: OPD expenses for medical treatment will be reimbursed to the Executive at actual subject to the maximum annual ceiling of one month's maximum on the pre revised scale i.e Rs. 100000 (Rs.75000-100000) on submission of bills/ vouchers. / medical prescription.

IPD expenses: Employees are allowed indoor medical treatments with an annual ceiling of Rs. 10 lac as per EESL Medical Policy.

Accidental Insurance: EESL employees are covered under accidental insurance upto Rs.50 lacs.

Group Insurance scheme: Coverage of Rs. 7,00,000

3.0 OTHER BENEFITS

3.1 Contributory Provident Fund (CPF)

EPF as per the rules of the Company will be paid to the Executive.

3.2 Gratuity

Gratuity will be payable as per the statutory provisions under the Payment of Gratuity Act.

3.3 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)

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

3.4 The list of other benefits is provided under:

Other Benefits		
S.No.	**Type of Benefit**	**Amount**
1	Mobile Handset	50,000 (Incl. of Taxes) once in 02 years
2	Data Card	As per actuals.
3	Laptop	shall be Provided by Company
4	**House Building Advance**	
	For Purchase	Rs. 2000000
	For Renovation/Modification	Rs.500000
5	Conveyance Advance	Rs.650000
6	Mutlipurpose Advance	Four Months Pre-revised Basic+ DA
7	Furniture Advance	One Month Pre-Revised Basic
8	**Leave**	64
	EL-30	
	HPL -20	
	RH-2	
	CL-12	
9	Leave Encashment (EL)	As per company rule
10	E-Vehicle	shall be Provided by Company
11	Furniture/Furnishing for Residential Offices	5 Lakhs Annual
12	Attendant Charges	Rs.16770 per month
13	Electricity Reimbursement	Rs.6500 per month
14	Entertainment Expenses	Rs.7500 per month
15	Performance Related pay	Based on the satisfactory company's performance, Variable pay shall be paid.

DIRECTORS' REPORT

To
The Members,
Energy Efficiency Services Limited

Your Directors are pleased to present the 11th Annual Report on business and operations of the company along with the Audited Financial Statements for the financial year ended on 31st March, 2020.

Revenue from operations for the financial year 2019-20 is ₹ 17,970.91 million and total revenue for the period is ₹18,731.01 million. Net profit of the Company in 2019-20 is ₹ 269.03 million.

A. FINANCIAL PERFORMANCE

1.1 Financial Highlights (Standalone):

Highlights of performance of the Company for the financial year 2019-20 are given as under with comparative position of previous year's performance:

(₹ in Million)

Particulars	31st March, 2020	31st March, 2019
Paid up Share capital	9833.28	6752.04
Total Revenue (including Other Income)	18731.01	19356.74
Profit Before Depreciation & Taxes	4761.95	4976.66
Less: Depreciation	4551.91	3498.70
Profit/(Loss) Before Tax	210.04	1477.96
Less: Prior Period Adjustments (Net)	0	0
Less: Provision for Taxation		
-Current Year	12.90	706.06
-Earlier years	(59.37)	0
-Deferred Tax credit	(12.52)	(20.65)
Profit/(Loss) after Tax	269.03	792.55
Add : Other comprehensive income / (expense)	0.91	(2.21)
Total Comprehensive income for the year	**269.94**	**790.34**

1.2 Transfer to free Reserves and Dividend

No amount was transferred to free reserves of the company.

1.3 Share Capital

During the financial year ended on 31st March, 2020, 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	21,81,00,000	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	5.70
	Total	**98,33,28,350**	**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, 2020 was ₹11351.12 million (including DRR) as against ₹ 8114.34 million in the previous year. EPS of the Company for the year ended 31st March, 2020 stands at ₹0.29 in comparison to ₹1.21 for the financial year ended 31st March, 2019.

1.5 Resource Mobilization

The Company mobilized ₹ 9,330.57 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, 2020 in respect of Foreign Long term borrowings is ₹ 21,639.46 million.

The Company has mobilised ₹9300 million in domestic loans from Domestic Bank to meet the capex requirements of the company. The amount outstanding as on 31st March, 2020 in respect of Domestic Long Term Borrowings is ₹2480 million.

EESL had issued Secured / Unsecured, Redeemable, Taxable, Non-Cumulative, Non-Convertible Bonds of outstanding value to ₹11500 million as on 31st March,2020 which are listed on BSE Limited. The details of outstanding bonds are as under:

	Bond Series - I		Bond Series - II	Bond Series - III	Bond Series - IV
	STRPP B	STRPP C			
Securities Description	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
No. of Bonds	1250	1250	4500	2000	1250
ISIN	INE688V07025	INE688V07033	INE688V08015	INE688V08023	INE688V08031
Face Value / Issue Price	₹10,00,000/-	₹20,00,000/-	₹10,00,000/-	₹10,00,000/-	₹10,00,000/-
Total Amount raised	₹1250 million	₹2500 million	₹4500 million	₹2000 million	₹1250 million
Date of Issue	20.09.2016	20.09.2016	18.07.2017	10.01.2018	29.01.2018
Coupon Rate	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-'

1.6 Cash Credit/ Short-Term Facility

As on 31st March, 2020, Company has availed Short Term Loan amounting to ₹7900 million. The company has been rated "A1" in respect to Short Term Loans by Credit Rating Agencies 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, 2020, EESL has distributed 36.62 crore LED bulbs covering all 36 States and Union Territories (UTs.) This has resulted in estimated energy savings of 47.56 billion kWh per year with avoided peak demand of 9,552 MW and GHG emission reduction of 38.53 million t CO_2 per year. The procurement price of LED bulb has dropped significantly due to aggregation of demand from ₹310 (January, 2014) to ₹39.90 (September, 2019). The programme has been able to engage with common man in a significant scale and so far, more than 8.75 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, 2020, EESL has distributed 72.02 lakh LED tube lights resulting in estimated energy savings of 315.44 million kWh per year with avoided peak demand of 144MW and GHG emission reduction of 258669 t CO_2 per year.
- **Energy Efficient Fans:** EESL provides 50 Watt BEE 5 Star rated energy efficient ceiling fans. As on 31st March, 2020, EESL has distributed 25.35 lakh energy efficient fans under this scheme which will result in an estimated energy savings of 217.18 million kWh per year with avoided peak demand of 58MW and GHG emission reduction of 1,78,093 t CO_2 per year.

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 repair and maintenance of street lights at no additional cost to the municipalities. Till 31st March, 2020, EESL has installed **80.04 Lakh LED Street Lights** in 28 States/ UTs across India. This has resulted in **estimated energy savings of 5375.53 million units per year with avoided peak demand of 895.92MW and GHG emission reduction of 3.70 million t CO_2 per year.**

This is the largest installation of LED street lights anywhere in the world. The programme has been enrolled in 1508 Urban Local Bodies for the installation of LED street lights out of which LED street lights installation work in 972 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, 2020, **29.52 lakh LED Street lights has been installed with estimated energy savings of 1982.69 million units per year with avoided peak demand of 330.45 MW and GHG emission reduction of 1.37 million t CO_2 per year** in Andhra Pradesh, Andaman & Nicobar Islands, Goa, Telangana and Jharkhand states. EESL is in discussion with other states for implementation of LED street lighting project in Gram Panchayats.

The overall installation of LED Street Lights till 31st March, 2020 is 1.10 crores resulting in estimated energy savings of 7358.22 million units per year with avoided peak demand of 1226.37 MW and GHG emission reduction of 5.07 million t CO_2 per year.

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, 2020, EESL was working with various DISCOMs and 1.2 million smart meters have been installed in the state of Uttar Pradesh, Haryana, Bihar, Rajasthan, A&N UT 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. Bihar was the first state to implement the prepaid smart meter project in India. While implementing the smart meter project in India, EESL becomes the first company in the world to install fastest 1 million Smart meter. Due to implementation of Smart meter, DISCOM has increased an average of 15% increase in their revenue per customer.

During the financial year 2019-20, EESL launched Smart meter national program dashboard- https://smnp.eeslindia.org/ for real-time monitoring of smart meter installation across PAN India.

EESL along with NIIF formed a Joint Venture company called M/s IntelliSmart Infrastructure Private Limited for the fast track implementation of Smart meter project across PAN India.

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, 2020, 1542 e-cars have been deployed and under registration / allocation. For charging e-cars, 342 AC & 192 DC chargers have also been commissioned. EESL has also signed MoU and agreements with various Ministries, PSUs, more than 150 departments at central and state governments in 42 cities.

During the financial year 2019-20, EESL launched National Electric Vehicle Dashboard- https://ev.eeslindia.org for real-time monitoring of EV deployment across India.

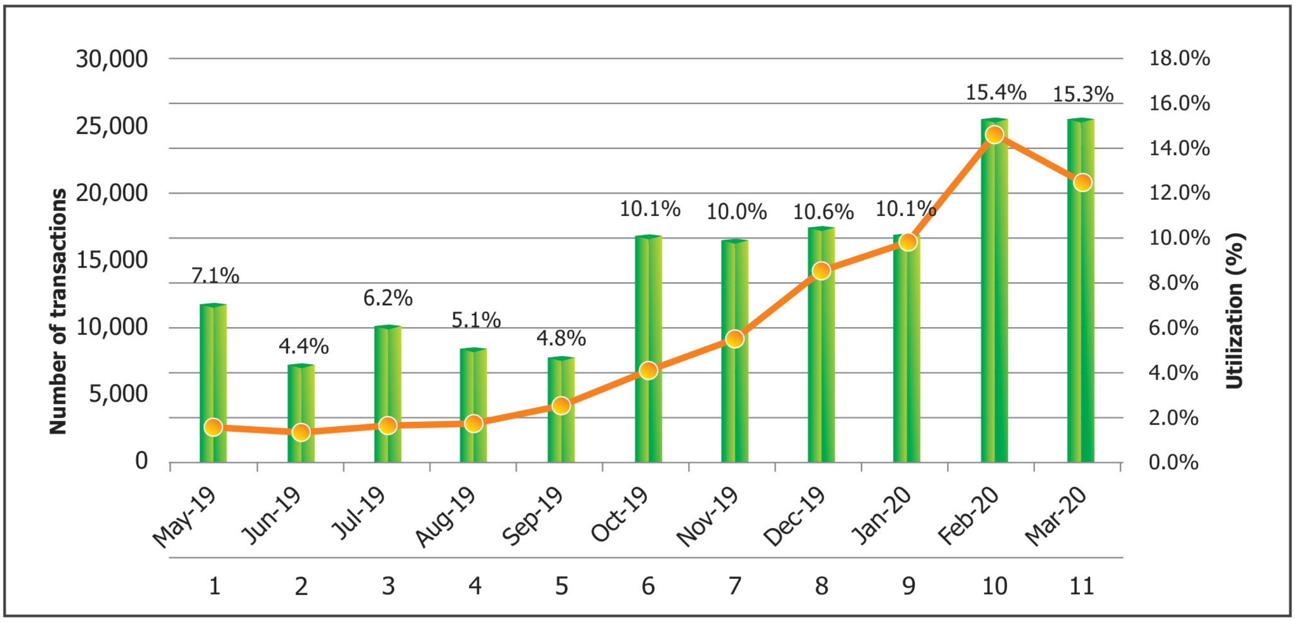
2.5 PUBLIC CHARGING INFRASTRUCTURE

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 3kmx3km 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.

EESL has signed MoU with over 15 Municipalities and formal agreements have been signed with South Delhi Municipal Corporation (SDMC), Chennai Metro Rail Limited (CMRL), Nava Raipur Atal Nagar Vikas Pradhikaran (NRAVNP) and New Town Kolkata Development Authority (NKDA) for setting up of Public Charging Infrastructure.

As on 31st March 2020, EESL has installed 84 nos. Public EV Charging Stations (PCS) comprising Bharat Standard AC-001 (10kW) and Bharat DC-001 (15 kW) EV chargers across New Delhi Municipal Council (NDMC), Chennai Metro Rail Limited (CMRL), Maharashtra Metro Rail Corporation Limited (MAHA Metro) and New Okhla Industrial Development Authority (NOIDA).

During the financial year 2019-20, EESL manage to increase the utilization of public chargers from 7% to 15%.



Note- Drop in the utilization in the month of March due to COVID-19.

2.6 SOLAR PROGRAMME

a. **Solar Roof Top Programme:** EESL has initiated a nationwide program for implementation of solar PV based rooftop program across India. Going forward, EESL has signed a MoU with various agencies such as New Delhi Municipal Council (NDMC), Andaman & Nicobar Electricity Department (ANED), Maharashtra Public Works Department (PWD), New & Renewable Energy Development Corporation of Andhra Pradesh Ltd. (NREDCAP) and Kerala Tourism Development Corporation (KTDC) for implementation of Solar PV based roof top projects.

b. **Decentralised 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 500MW decentralised solar power projects ranging from 0.3MW to 10MW in vacant / unutilized / spare lands of MSEDCL, Maharashtra under the "Mukhyamantri Sour Krishi Vahini Yojana" of Govt. of Maharashtra. Feasibility Studies have been completed in all the substations sites for installation of Decentralized Solar Power Plants. Till 31st March, 2020, decentralised solar power plant of 50.10 MWp cumulative capacity has been commissioned.

Further, EESL has also signed a MoU with Chhattisgarh State Power Distribution Company Limited (CSPDCL), Meghalaya Power Distribution Corporation Limited for ground mounted solar project development.

During the financial year 2019-20, EESL launched decentralized solar project monitoring dashboard- https://solar.eeslindia.org/ for real-time monitoring of solar project installation across India.

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 Phase-II. The AgDSM project for replacement of 1 lakh old pumps with BEE 5 Star rated pumps was started in Andhra Pradesh in 1st week of September, 2017. As on 31st March, 2020, 72,070 nos. of pumps have been installed in the state of Andhra Pradesh The agreement in Uttar Pradesh was also signed on 13th October 2017 and 1826 Nos of pumps were installed in the state till March 2020. The target for this financial year 2020 - 21 is to install atleast 1000 no's of pumps in Andhra Pradesh and another 1000 pumps in Uttar Pradesh.

2.8 BUILDINGS ENERGY EFFICIENCY PROGRAMME (BEEP)

EESL is implementing the Building Energy Efficiency Programme (BEEP) to retrofit commercial existing buildings (mostly Government buildings) in India with energy efficient appliances like LED lights, 5-Star rated ACs, 5-Star Rated fans. As on 31st March, 2020, EESL has completed building energy efficiency projects in 10,411 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, 2020, EESL has installed 1.35 lakh Solar LED street lights under AJAY Phase-I in the states of Uttar Pradesh, Assam, Bihar, Odisha and Jharkhand.

After successful implementation of AJAY Phase-I scheme, AJAY Phase-II will cover installation of 3,04,500 Solar Street Lights (SSLs) in rural, semi-urban and urban areas, which don't enjoy adequate coverage of power. The scheme is designed for the states of Uttar Pradesh, Bihar, Jharkhand, Odisha, Assam, Hilly states of Jammu and Kashmir, Himachal Pradesh, Uttarakhand, North Eastern States including Sikkim, Islands of Andaman & Nicobar, Lakshadweep, Parliamentary constituencies covering 48 aspirational districts in additional 13 states. Till 31st March, 2020, EESL has installed 62000 nos. of Solar LED street lights under AJAY Phase-II in various states of India.

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 2020, more than 60 Lakh Solar Study lamps have been distributed in 4 states i.e. Assam, Bihar, Jharkhand and Uttar Pradesh. This covered 62 districts and about 12000 villages in these states. About 7500 local community members comprising mainly women selfhelp group (SHG) members have been trained at 190 Assembly-cum-distribution centres (ADC). This program was successfully completed by March, 2020.

2.11 SUPER - EFFICIENT AC POGRAMME

EESL Launched the Super-Efficient Air Conditioner (SEAC) program for deployment of 50,000 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 to consumers under their jurisdiction. The pilot program targeted the both replacement market and the new deployment with new high EE technology. These SEACs have high 5.4 ISEER and uses an environment friendly refrigerant R32, introduced in the market at a very attractive rate of ₹ 41,300/- during the launch year. After studying the Delhi NCR market, the scheme was launched nationwide and various awareness raising activities conducted viz. dedicated events, presentation during conferences, events, face-to-face meetings with corporates among others. To accelerate the programme and innovate new business models for commercial and institutional clients, ADB financing and EERF grant (of $5 million) under GEF-6 will be utilised. Based on the success, the program will be scaled up 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 August 2020:

- Service Level Agreements (SLAs) have been signed with Mahindra & Mahindra, 800 kWe Trigen Solution under testing and Commissioning stage, expected to commissioned and handover by October 2020.
- MoU signed with Govt. of Maharashtra and Mahindra & Mahindra for implementing Trigeneration Projects.
- Service Level Agreements (SLAs) have been signed with Innovative InfoComm 2.0 MW
- Exploring possibilities to install and deliver Gas Based Power to Andaman & Nicobar Island, EESL in discussion with various LNG supplier Nationally and globally who can offer Burner Tip Gas price and availability at A&NI various locations.
- Pursuing around 200 Plus MW hot prospects in India, all are at different stage.

2.13 MUNICIPAL ENERGY EFFICIENCY PROGRAMME (MEEP)

To facilitate market transformation and replicate Municipal Energy Efficiency Program (MEEP) on a large scale in India, EESL had signed MoU with the Ministry of Housing and Urban Affairs (erstwhile MoUD) on 28th September 2016. As on 31st March, 2020, IGEA studies for 304 cities have been successfully conducted and reports submitted. EESL has signed implementation agreements with 39 ULBs in the state of West Bengal and the project is presently being implemented in a phased manner. Additionally, few other state governments such as Tripura, Manipur, Assam, Uttarakhand, Goa, Chandigarh amongst others, have indicated keen interest in implementing the project for replacing the inefficient pumps with energy efficient pumps through EESL.

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 2019-20:

- $968,000 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.
- 24 technologies have been identified and approved (by Working Technical Group) for proof-of-concept and scaling up.
- Demonstrations of three technologies have been completed at Surat (2 nos.) and Vellore (1 nos.)
- More than 700 surveys / multiple brainstorming sessions and workshops /energy audits/baseline studies have been completed in 10 clusters.

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

The Global Environment Facility (GEF), an international partnership focussed on addressing global environmental issues, has partnered with Energy Efficiency Services Limited (EESL) for the project **'Creating and Sustaining Markets for Energy Efficiency',** under its GEF-6 cycle to further impetus on the implementation of EE in India. The project was formally launched in the month of November 2017 and came into effectiveness from January 2018. This five-year project implemented by EESL from 2018-2022 is being supported by the United Nations Environment Programme (UNEP) & Asian Development Bank (ADB).

The project aims at: i) Expanding and Sustaining investments in existing market sectors, ii) Building Market Diversification and iii) Replication & Scaling Up. The project involves a total funding of USD 453 million including a GEF grant of USD 18.85 million. Out of the available GEF grant, USD 13 million has been earmarked to establish and operationalize an "Energy Efficiency Revolving Fund" (EERF). Agreement between EESL and ADB in this effect has been signed during November 2018.

The following progress have been made with the support of the GEF project during FY 2019-20:

Component 1

1. Physical progress against the targets for various technologies under Component 1 is as below:
   - LED Domestic Lighting: Target: 39,776,293 nos; Achievement: 77,299,840 nos. (Target achieved, 194%)
   - BEE 5 Star rated Ceiling fans: Target: 2,128,298 nos; Achievement: 873,669 nos. (In progress, 41.1%),
   - LED Street Lighting: Target: 1,505,942 nos; Achievement: 6,111,587 nos. (Target achieved, 405.8%)
   - 5-Star Water Pumps (AgDSM):: Target: 229,532 nos; Achievement: 72,276 nos. (In progress, 31.5%)
2. A baseline survey of Rural UJALA program was completed during the FY 2019-20 giving useful insights for further scaling up of the program including the barriers and opportunities;
3. An impact assessment study of AgDSM program in Andhra Pradesh has been initiated and is currently ongoing.

Component 2

1. Tenders were floated for procuring 50,000 Super-efficient ACs (SEAC) of 1.5 TR capacity, 40,000 IE3 motors (for different ranges) and 200 EV chargers (fast charging capabilities). Out of these three, LoA for SEAC

was placed during June 2019 and for the remaining two, LoAs were placed during Aug 2019 for motors and Nov 2019 for chargers. Implementation activities have started during the FY.

2. Towards the market assessment of three of the component 2 technologies (SEAC, IE3 motors and EV chargers), RfPs were floated and LoAs were issued.
3. Around 20 workshops, seminars and events were conducted/organized/supported to popularize EESL's programmes and offerings in different cities across India.

Component 3

1. The project provided partial support to the activities in respect of Growth Strategy and organizational restructuring study.
2. During the FY 2019-20, the following websites have been developed with the support of the GEF-6 project:
3. Development of GEF Project website and websites for supporting technologies;
    - GEF-6 Website - gef6.eeslindia.org
    - EESLmart - eeslmart.in
    - NMRP web-portal - motor.eeslindia.org

    Communication Tools like brochures, standees, flyers, banners etc. for Super-Efficient AC, NMRP and EVPCI have been prepared and circulated to respective stakeholders and also during the conferences and workshops.

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 2020, the paid-up share capital of EPAL was GBP 35,182,100. EPAL has signed 6 operating energy efficiency agreement with 6 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. EPAL also hold entire 100% stake in 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. During the year 2019-20, EPAL has earned a profit of ₹160.55 million (GBP 1.69millions). 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, Steven Fawkes, Shankar Gopal, Amit Kumar Kaushik
b. Anesco Energy Services South Ltd—> Amit Kumar Kaushik, Amit Kumar Bharadwaj, Nitin Wadhwa
c. Creighton Energy Limited—> Amit Kumar Kaushik, Amit Kumar Bharadwaj, Nitin Wadhwa
d. EPAL Holdings Limited—> Saurabh Kumar, Steven Fawkes, Amit Kumar Kaushik
e. Edina Acquisition Limited—> Saurabh Kumar, Steven Fawkes, Amit Kumar Kaushik
f. Edina Power Services Limited—> Saurabh Kumar, Steven Fawkes, Shankar Gopal, Amit Kumar Kaushik, Hugh Kerr Richmond
g. Edina Limited—> Hugh Kerr Richmond, Amit Kumar Kaushik, Nitin Wadhwa
h. Edina UK Limited—> Saurabh Kumar, Hugh Kerr Richmond, Amit Kumar Kaushik, Nitin Wadhwa
i. Edina Australia Pty Limited—> Hugh Kerr Richmond, Amit Kumar Kaushik, Katharine Margaret Gyngell
j. Armoura Holdings Limited—> Hugh Kerr Richmond, Amit Kumar Kaushik, Nitin Wadhwa
k. Stanbeck Limited—> Hugh Kerr Richmond, Amit Kumar Kaushik, Nitin Wadhwa
l. Edina Manufacturing Limited—> Hugh Kerr Richmond, Amit Kumar Kaushik, Nitin Wadhwa
m. Edina Power Limited—> Hugh Kerr Richmond, Amit Kumar Kaushik, Nitin Wadhwa
n. EPSL Trigeneration Pvt. Ltd. —> Saurabh Kumar, Shankar Gopal, Amit Kumar Kaushik

b. NEESL Private Limited

For 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 2020, the paid-up share capital of NEESL was ₹0.1 million. During the year 2019-20, NEESL has earned a profit of ₹1.28 million.

c. Energy Efficiency Services LLC (UAE)

EESL has formed a joint venture (JV) - Energy Efficiency Services LLC, in partnership with M/s. Hansa Energy Solutions LLC, an ESCO approved by all major government bodies in UAE, to implement energy efficiency and renewable energy programmes in the United Arab Emirates, the Middle East and Africa.

As a part of our international foray, we are expanding our presence in the Middle East and Energy Efficiency Services LLC will be a pivotal step for utilising the vast potential for energy efficiency in the region. With this venture, the entire sector in the region will benefit from our experience in managing the world's largest energy efficiency portfolio, with Hansa Energy providing in-depth field knowledge and local expertise. As a part of our international foray, we are expanding our presence in the Middle East and Energy Efficiency Services LLC will be a pivotal step for utilising the vast potential for energy efficiency in the region. With this venture, the entire sector in the region will benefit from our experience in managing the world's largest energy efficiency portfolio, with Hansa Energy providing in-depth field knowledge and local expertise. The core areas of focus for the JV will be:

- LED Streetlights
- Building Retrofits (Commercial and Industrial)
- Trigeneration
- Solar Programmes

These programmes implemented by Energy Efficiency Services LLC will be under a mix of Project Management Consultancy (PMC) and ESCO business models. The initiatives are expected to usher in considerable reduction of emissions, increase in energy and monetary savings, and peak demand avoidance in the Middle East.

d. IntelliSmart Infrastructure Private Limited

IntelliSmart Infrastructure Private Limited or "IntelliSmart", is a Joint Venture of NIIF (National Investment and Infrastructure Fund) & EESL (Energy Efficiency Services Limited), which has been established to give a fillip to the Smart Metering program of the Government of India. Implementation of Smart Metering shall significantly improve the billing and collection efficiencies of Distribution Companies (DISCOMs). Smart Meters will be the foundation for smart grid programme which will be crucial to meet challenges of the newly evolving energy mix and the target of providing uninterrupted 24x7 power supply to every Indian. It will also be a stepping-stone towards facilitating the interoperability of the electricity service providers in the distribution sector at retail level.

e. Convergence Energy Services Limited(CESL)

CESL is a wholly owned subsidiary of EESL - will seek to deliver clean, affordable and reliable energy, and will focus on energy solutions that lie at the confluence of renewable energy, electric mobility and climate change. Convergence builds upon the decentralised solar development experience in under-served rural communities in India, and over time, using battery energy storage, will deliver renewable energy solutions to power agricultural pumps, street lighting, domestic lighting and cooking appliances in villages. It will also work to enable battery powered electric mobility and its infrastructure and design business models to increase the uptake of electric vehicles in India.

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 SAP - Enterprise Resource Planning (ERP) application to integrate all its business functions to improve information availability, transparency and decision-making.

The following projects have been completed during the financial year 2019-20:

- **Adoption of SAP-ERP**

  We have implemented SAP-ERP solution on HANA 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.

- **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 CO_2 reduction.

  All the dashboards are public facing. We have maintained the complete transparency in public domain about each EESL business scheme using the dashboards.

- **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 based street lighting solution implemented in the country which had addressed Remote Monitoring and Controlling of LED lights. 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.

- **16x7x365 Customer Support Centre for all schemes**

  To resolve the issues and provide round the clock service call centre services are hired which supports mostly 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 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. 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.

- **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.

  In the coming year 2020-21, multiple IT projects are in pipeline i.e. Shifting of Mailing platform from Google to Microsoft, Business dashboards for Management with different KPIs, Managed Print services, Asset Management, e-Way Bill, e-Invoicing, Video Conferencing, Consolidation of CCMS data etc.

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 and Hindi workshops were provided for Hindi language and Hindi typing / shorthand for doing work in Hindi on computer system. All the forms under rule 3(3) used in office and standard bids, Name Plate, Visiting card, Id card, Seal/Stamp including company's annual report were made bilingual (Hindi / English). Bilingual telephone directory is available. Hindi translation of EESL's website and company's Logo are 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

8.1 Manpower

The focus of Human Resource Management is to build an enabling culture and ensure motivated work force with required skill sets. Company is attracting and grooming the best talent available in the industry for creating a highly motivated talent pool. The year has seen EESL foraying into many new ventures and the focus has been on multiskilling to meet the challenges. The total employee strength of the company is given as under:

Location	Number of employees			
	Regular	Fixed Tenure	Consultant	Third Party
India	263	120	36	425
United Kingdom	2	-	-	-
Maldives	-	-	-	-
Riyadh	1	-	-	-
Total	**266**	**120**	**36**	**425**

8.2 Industrial Relations

The thrust on participative culture and open communication channels continued during the year leading to increased productivity. 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, our company has introduced Superannuation Fund for the employees. Employee annual health checkup and OPD facilities have also been provided in the office considering the goals of good 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

We take pride in our highly competent and motivated and competent human resources that have contributed their best to bring the Company to its present heights. We strongly believe that our employees are the driving force behind the stellar performance of our company, year after year. During the year, we have strengthened the in-house Learning Centre by creating a separate cell named as EESL Knowledge Center, the main task of this team is 'execution and learning delivery'. EESL values teamwork and it is a tight-knit organization offering streamlined training processes. Its training system has been designed to enhance the performance of its employees to meet the organization's objectives.

8.5 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 2019-20, 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.

8.6 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, two participants from EESL attended the South Asia Women in Power Sector Professional Network (WePOWER) November 20-21, 2019-Asian Development Bank, Headquarters Manila, Philippines. 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. 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 for meaningful data-collection. This questionnaire helped the company to understand the needs and wants of women employees.

8.7 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 the Chief General Manager (Technical), who has also been designated as the Public Information Officer (PIO) of the organization. This Cell is the backbone of transparent Governance for the public good. We are a unique department that empowers every citizen of India to directly exercise their diligence in public welfare works.

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. EESL manages entire RTI and Public Grievances processing through online means and has been ensuring paperless work throughout. We are gradually migrating our internal workings on the cloud to foster collaborative, quick, and efficient work delivery.

During the financial year 2019-20, we have received nearly 250 Right to Information (RTI) requests at EESL. 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. This RTI MIS portal is an efficient and responsive website to file online applications. Also, the prescribed fee for filing can subsequently be paid on web portal electronic payment gateways. The average time taken to conclude one RTI application at EESL is nearly 23 days, which is 7 days earlier than the prescribed 30-day timeline as per the RTI Act.

Grievances are usually received through emails, regular posts, 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 600 public grievances have been addressed by this department to date.

9 CORPORATE SOCIAL RESPONSIBILITY

The CSR Budget for the financial year 2019 – 20 was ₹19.39 million, duly approved by the Board. The company has undertaken the following projects:-

a. Under Swachh Bharat Abhiyan

- Investment of ₹7.85 million for Construction of 150 Nos. of more Toilet Blocks for deprived households of Udhamsingh Nagar District of Uttarakhand.

- Contribution of ₹0.24 million towards Swachhta Pakhwada

b. Under Skill Development: -

- Financial Assistance of ₹0.07 million to DISHA Foundation to purchase office equipment for use of disabled students
- Expenditure of ₹0.01 million for providing training for self-defence to girl students

c. Under Health and Sanitation

- Expenditure of ₹3.99 million for treatment of Congenital Heart Defects (CHD) of critically ill under-privileged Children identified on PAN India Basis.
- Investment of ₹0.04 million for Medical Camp in near the ULBs of West Bengal
- Contribution of ₹4.5 million towards PM CARES Fund developed for assistance to tackle COVID-19 pandemic.
- Expenditure of ₹0.62 million towards distribution of Sanitary Napkins, providing education on Bad and Good Touch to Girl Students of Tehri Gharwal, Uttarakhand

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.**

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:

Particulars	Year ended 31.03.2020 (in ₹)	Year ended 31.03.2019 (in ₹)
Expenditure in Foreign currency	1,76,76,109	81,36,38,876
Earning in Foreign Exchange	30,82,370	2,57,49,161

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

The Board of Directors of the company constitutes of Chairman, Managing Director, Whole-Time Directors, Nominee Directors and Independent Directors. However, the Independent Directors of the Company, Shri Seethapathy Chander and Ms. Gauri Trivedi resigned in August, 2020.

Board of Directors of the company duly met 8 times during the financial year 2019-20. The dates on which meetings were held are as follows: 27th May 2019, 2nd July 2019, 22nd July 2019, 14th August 2019, 26th September 2019, 13th November 2019, 11th December 2019 and 25th February 2020.

Re - appointment of Directors:-

In terms of Section 152 of Companies Act, 2013, Shri Raj Pal and Shri Abhay Bakre 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:

Six (6) Audit Committee Meetings were held during the financial year on 5th April 2019, 27th May 2019, 2nd July 2019, 26th September 2019, 10th November 2019 and 13th November 2019. The current composition of committee is as under*:

Members:
Shri R Lakshmanan-Chairman
Shri Aditya Dar-Member
Shri V. Dwivedi –Member

Special Invitee:
MD, EESL (D (Finance), Additional Charge)
Head - Finance/CGM Finance/ CFO

In attendance:
Company Secretary

B. Corporate Social Responsibility (CSR) Committee

Two (2) CSR Committee Meeting was held during the financial year 2019-20 on 26th September, 2019 and 25th February 2020. The current composition of committee is as under:

Members:
Shri Raj Pal-Chairman
Shri R Lakshmanan- Member
Shri Aditya Dar-Member

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 2nd July 2019, 14th August 2019, 10th November 2019 and 11th December 2019. The current composition of committee is as under*:

Members:
Shri R Lakshmanan- Chairman
Shri Aditya Dar- Member
Shri V. Dwivedi –Member

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

In attendance:
Company Secretary

D. Project Sub-Committee

Two (2) Project-Sub Committee Meetings were held during the financial year on 8th April 2019 and 27th May, 2019. The current composition of committee is as under:

Members:
Shri Saurabh Kumar- Chairman
Shri Rajat Kumar Sud- Member
Shri Raj Pal- Member
Shri S. Gopal- Member
Shri Venkatesh Dwivedi- Member

Special Invitee:
Business Unit (Strategic Growth)
Business Unit (Lightening)

In attendance:
Company Secretary

E. Business Development Committee

Six (6) Business Development Committee Meetings were held during the financial year on 5th April 2019, 6th May 2019, 2nd July 2019, 7th September 2019, 10th November 2019 and 25th February 2020. The current composition of the Committee is as under:

Members:
Shri Saurabh Kumar-Chairman
Shri Rajat Kumar Sud- Member
Shri V. Dwivedi- Member
Shri R Lakshmanan- Member
Shri Aditya Dar-Member

Special Invitee:
Business Unit (Strategic Growth)

In attendance:
Company Secretary

* As on 30th September, 2020

Detail of number meetings attended by each Director during the financial year 2019-20 is as under:

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

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 2019-20. 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 had 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	FY 2019-20 [In Crore (₹)]	Actual Till October [FY 2020-21] [In Crore (₹)]	Target FY 20-21 [In Crore (₹)]
I	* Total annual procurement (in value)	2,965.91	1,913.00	3,114.21
a.	Total annual procurement (in value) through International Competitive bidding funded by Multilateral/ Bilateral Agencies	672.58	1,629.30	1,970.21
b.	Total annual procurement (in value) –Domestic Procurement	2,293.33	283.70	1,144.00
III	** Total value of goods and services procured from MSEs (including MSEs owned by SC / ST entrepreneurs)	573.37	39.46	286.00
III	Total value of goods and services procured from MSEs owned only by SC / ST and women entrepreneurs	-	-	-
IV	*** % age of procurement from MSEs (including MSEs owned by SC / ST and Women entrepreneurs) out of total procurement	25.0%	13.9%	25.0%
V	% age of procurement from MSEs owned only by SC / ST entrepreneurs out of total procurement	-	-	-
VI	Total number of Vendor development programmes for MSEs	Programs are regularly organised to connect with existing and potential vendors to enable better understanding of EESL required products & services and enable vendors to showcase their capabilities, and meet such requirements. Accordingly, Pre-bid meetings, Vendor meets organised by partner agencies have been attended to, on a regular basis.		
VII	Confirmation of uploading annual MSE procurement profile on website by hyperlink of the same	1. The Procurement data is updated on monthly basis as per government order (Circular No. 17/7/09) at the following URL. [https://www.eeslindia.org/tenders.html] 2. The Procurement data is send to Chief Vigilance Officer regularly, on Quaterly basis, as per government order (Circular No 15/07/12 dated 30/07/2012).		

*	Projects not having absolute contract value (such as where payments are percentage based etc) have not been included while caclutating total.
**	The vendors are adjudged as MSE based on the exemption sought by respective vendors for EMD/tender document fees, during tender process. The data is inclusive of awards done via OTE, LTE, STE, Nomination etc
***	The percentage of procurement from MSEs is calculated relative to the domestic funded projects.

20 VIGILANCE/WHISTLE BLOWER POLICY

Your Company ensures transparency, objectivity and quality of decision making in its operations and to monitor the same, the Company has a vigilance department headed by the Chief Vigilance Officer, a nominee of Central Vigilance Commission. The vigilance set up in your Company consists of vigilance executives in Corporate Centre and they deal with the various facets of vigilance mechanisms. During the financial year 2019-20, twenty-nine complaints were received by vigilance department and were brought to logical conclusions. Appropriate disciplinary action was initiated against the involved employees in one complaint. System Improvement was suggested wherever found necessary. Besides, Vigilance Awareness Week was celebrated for awareness of the employee. During the year, four Preventive Vigilance Workshops were conducted at various places/CC in which 115 employees participated.

21 EXTRACT OF ANNUAL RETURN

The Extract of Annual Return for financial year 2019-20 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 for which we have initiated proceedings as per contractual terms. 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 2019-20. 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 2019-20.

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 2019– 20.

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, 2020 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.

g) the company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

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: 30.01.2021
Place: New Delhi

Annexure- I

ANNUAL REPORT ON CSR ACTIVITIES DURING THE FINANCIAL YEAR 2019-20

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 Raj Pal-Chairman

Shri R Lakshmanan- Member

Shri Aditya Dar-Member

Special Invitee:

Head of CSR Cell

In attendance:

Company Secretary

3. Average net profit of the company for last 3 financial years: ₹9,69.83 million

4. Prescribe CSR Expenditure (two per cent of the amount as in item 3 above): ₹19.39 million

5. Details of CSR spent during the financial year:

a. **Total amount to be spent for the financial year:** ₹19.39 million

b. **Amount unspent:** ₹ 2.07 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 assistance for treatment of Congenital Heart Defects (CHD) of critically ill under-privileged Children	Health and Sanitation	PAN India basis	₹3.99 million	Direct Expenditure – ₹3.80 million Overheads – ₹0.19million	₹3.99 million	Through Genesis Foundation
2.	Expenditure towards distribution of Sanatory Napkins, providing education on Bad and Good Touch to Girl Students	Health and Sanitation	Dist.- Tehri Gharwal State-Uttarakhand	₹0.62 million	Direct Expenditure – ₹ 0.56 million Overheads – ₹0.056 million	₹0.62 million	Through Udangkaar Jan Kalyaan Foundation

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
3.	Construction of Toilet Blocks	Swachh Bharat Abhiyan	Dist.- Udhamsingh Nagar State- Uttarakhand	₹ 7.85 million	Direct Expenditure – ₹ 7.14 million Overheads – ₹0.71 million	₹ 7.14 million	Through Gramin Vikas Trust
4.	Investment for Medical Camp	Health and Sanitation	Nearby ULBs State- West Bengal	₹0.04 million	Direct Expenditure - ₹0.04 million	₹0.04 million	
5.	Financial Assistance to DISHA Foundation to purchase office equipment for use of disabled students	Skill Development	Jaipur, Rajasthan	₹0.07 million	Direct Expenditure - ₹0.07million	₹0.07 million	
6.	Contribution towards PM CARES Fund developed for assistance to tackle COVID-19 pandemic	Health and Sanitation	Dist.- New Delhi State- Delhi	₹4.5 million	Direct Expenditure - ₹4.5 million	₹4.5 million	
7.	Towards Swachhta Pakhwada	Swachh Bharat Abhiyan	Dist.- New Delhi State- Delhi	₹0.24 million	Direct Expenditure - ₹0.24 million	₹0.24 million	
8.	Providing training for self-defence to girl students	Skill Development	Dist.- New Delhi State- Delhi	₹0.01 million	Direct Expenditure - ₹0.01 million	₹0.01 million	
	Total			**₹ 17.32 million**		**₹ 17.32 million**	

* Give details of implementing agency

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 repor: Reasons specified in Annexure-A.

For Energy Efficiency Services Limited

Shri Rajat Kumar Sud
Managing Director
DIN: 06582245

Shri Raj Pal
Director
Chairman, CSR Committee
DIN: 02491831

Annexure- A

S. No.	CSR Project/activity identified	Estimated Expenditure	Unspent CSR Amount	Reason / Clarification
1.	Having Impact Assessment Study of the CSR projects of FY 2019-20	₹ 1.5 million	₹1.5 million	Agencies have shown their inability to carry out the exercise in COVID-19 phase as deployment of manpower for physical survey of sites and interactions with beneficiaries are not advisable.

Annexure- II

Form No. MGT-9
EXTRACT OF ANNUAL RETURN

As on the financial year ended on 31st March, 2020

[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	Kfin Technologies Private Limited (Formerly Karvy Fintech Private Limited) 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	37.35 %
2.	Sale of Services	74909	62.65 %

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)

S. N.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	%OF SHARES HELD	APPLICABLE SECTION
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	U74999DL2018 FTC343317	Subsidiary	84.55	2(87)
15.	NEESL Private Limited Reg. Office: D-40, G/F, Okhla Phase-I, New Delhi-110020, India	U74999DL2017 FTC320579	Associate	26	2(6)
16.	IntelliSmart Infrastructure Private Limited	U31900DL2019 PTC357400	Associate	49	2(6)
17.	Energy Efficiency Services Co. Ltd.	0105562176709	Associate	49	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. 01.04.2019				No. of shares held at the end of the year i.e. 31.03.2020				% 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.	407829082	267375268	675204350	100	983328082	268	983328350	100	45.63
e) Banks/FI	-	-	-	-	-	-	-	-	-
f) Any Others	-	-	-	-	-	-	-	-	-
Sub Total A (1):	**407829082**	**267375268**	**675204350**	**100**	**983328082**	**268**	**983328350**	**100**	**45.63**
1. 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)	**407829082**	**267375268**	**675204350**	**100**	**983328082**	**268**	**983328350**	**100**	**45.63**
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	-	-	-	-	-	-	-	-	-
a) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	-	-	-	-	-	-	-	-	-
2.Non Institutions	-	-	-	-	-	-	-	-	-
a) Bodies Corp.	-	-	-	-	-	-	-	-	-
i. Indian	-	-	-	-	-	-	-	-	-

Category of Shareholders	No. of shares held at the beginning of the year i.e. 01.04.2019				No. of shares held at the end of the year i.e. 31.03.2020				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
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)	**407829082**	**267375268**	**675204350**	**100**	**983328082**	**268**	**983328350**	**100**	**45.63**

ii. Share Holding of Promoters

Shareholder's Name	Shareholding at the beginning of the year i.e. 01/04/2019			Shareholding at the end of the year i.e. 31/03/2020			% change in share-holding 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	24,55,00,000	36.36%	Nil	46,36,10,000	47.15	Nil	88.84
Power Finance Corporation Limited	24,55,00,000	36.36%	Nil	24,55,00,000	24.96	Nil	NIL
Power Grid Corporation of India Limited	3,77,04,350	5.58%	Nil	5,61,18,350	5.71	Nil	48.84
REC Limited	14,65,00,000	21.70%	Nil	21,81,00,000	22.18	Nil	48.87
TOTAL	**67,52,04,350**	**100%**		**98,33,28,350**	**100%**		

iii. **Change in Promoters shareholding: Nil**

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 Total shares of the company
At the beginning of the year	67,52,04,350	**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):	-	-		-
1. Allotment of shares on Rights basis on 8th June 2020			**21,00,02,000**	
2. Allotment of shares on Rights basis on 12th September 2020			**9,81,22,000**	
At the end of year	-	-	**98,33,28,350**	**100**

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

For Each of the Top 10 Shareholders	Shareholding At the beginning of the year		Cumulative Shareholding during the year	
	No. of Shares	% of total shares of the company	No. of shares	% of total shares of the company
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: : Nil**

	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of Shares	% of total shares of the company	No. of shares	% of total shares of the company
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 Lakh):

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at beginning of the year (01.04.2019)				
(i) Principal Amount	92679.08	266354.55	-	359033.63
(ii) Interest due but not paid	2133.58	3012.86	-	5146.44
(iii) Interest accrued but not due	-	499.30	-	499.30
Total (i+ii+iii)	**94812.66**	**269866.71**	**-**	**364679.37**
Change in Indebtedness during the financial year				
Ø Addition	103248.28	93296.19	-	196544.47
Ø Reduction	-	-11443.19	-	-11443.19
Net Change	103248.28	81853.00	-	185101.28
Indebtedness at end of the year (31.03.2020)				
(i) Principal Amount	191000	347894.60	-	538894.60
(ii) Interest due but not paid	7060.94	3325.81	-	10386.75
(iii) Interest accrued but not due	0	1203.88	-	1203.88
Total (i+ii+iii)	**198060.94**	**352424.29**	**-**	**550485.23**

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		
		Shri Saurabh Kumar (Managing Director)	Shri S. Gopal (Whole time Director)	Shri Venkatesh Dwivedi (Whole time Director)
1.	Gross Salary			
	(a) Salary as per provisions contained in section 17(1) of the Income –tax Act,1961	70,76,462	52,38,410	45,42,430
	(b) Value of perquisites u/s 17(2) Income tax Act, 1961	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)	**70,76,462**	**52,38,410**	**45,42,430**
	Ceiling as per the Act	**As per Schedule V**	**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	4,80,000	3,61,100	8,41,100
• 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)	4,80,000	3,61,100	8,41,100
Total Managerial Remuneration	4,80,000	3,61,100	8,41,100
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	Company Secretary
		Shri S. Gopal	Smt. Pooja Shukla
1.	Gross Salary		
	(a) Salary as per provisions contained in section 17(1) of the Income –tax Act,1961	52,38,410	26,49,750
	(a) Value of perquisites u/s 17(2) Income tax Act, 1961	-	-
	(a) 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	**52,38,410**	**26,49,756**

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: 30.01.2021
Place: New Delhi

Annexure- III

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31.03.2020

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration 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 9,833,283,500**

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, 2020 ('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, 2020 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. **(Applicable to the company during the audit period).**

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 the applicable clauses ofthe 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 BSE 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:

The Company has not complied the provisions of Foreign Exchange Management Act, 1999 and Companies Act 2013.

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 complied all the provision of Foreign Exchange Management Act, 1999 in relation to filed Form of Annual Return on Foreign Liabilities and Assets (FLA Return) for the FY ended 31.03.2020.

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
UDIN: F008670B001597721

Place: New Delhi
Date: 22.12.2020

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, 5^{th} & 6^{th} Floor,
Core-III, Scope Complex,
Lodhi Road, New Delhi-110003

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

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: 22.12.2020

Government of India’s UJALA & LED Street Lighting National Programmes complete five successful years of illuminating India

Annexure- IV

MANAGEMENT REPLY TO THE STATUTORY AUDITOR'S REPORT FOR THE FINANCIAL YEAR 2019-20

S. No.	Auditor's Qualified Opinion	Management Reply
1.	The Company is in the process of compiling certain data and reconciling the amounts bi liable, 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 and other projects, verification of stores 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 including salaries, interest on loans/ bonds and forex gain/ loss etc.) 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.	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 governmentcontrolled entities and other customers. Significant amount of ₹103,564.26 Lakhs is outstanding for the period of more than 360 days as on 31 March 2020 (₹60,454.34 Lakhs for the previous year ended 31.03.2019). 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 and 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. However, a provision of ₹849.61 lakhs in respect of amount outstanding for more than 360 days as on 30.09.2019 from non- government controlled entities have been made and no further provision have been made for the period ended 31.03.2020. Therefore, we are unable to quantify the impact on the financial statements on account of any possible allowance on doubtful trade receivables due to expected credit loss once such evaluation is done	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 91% 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 entities 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.

S. No.	Auditor's Qualified Opinion	Management Reply
3.	For Financial assets for which loss allowance is measured using life time expected credit losses in the Financial Statements, the Company has represented at Note No. 44(a)(ii)- "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, the Company has recognised a provision for doubtful receivables of ₹196.65 Lakhs during the year ended 31 March 2020 (31 March 2019: ₹ 196.65 Lakhs)". The process of identification of cases and amount under litigation (including framing of policy for provisioning and follow-up) needs to be strengthened. Further, 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 financial statements 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.	The counter party risk attached to the government entities (which account of nearly 91% 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 behaviour (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 some of the customers. As these cases are in the different stages at various Judicial Authorities, the final outcome of which is yet to be decided, as a precautionary measure, the Company has made provision for doubtful debts of ₹589.94 Lakhs till the current FY 2019-20. 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 ₹ 4287.50 Lakhs in the previous years, from which it has charged an amount of ₹ 1071. 88 Lakhs in the Statement of Profit & Loss for the period ended 30.09.2019 pertaining to earlier years, as Media/Advertisement Expenses and no further adjustments have been done in the statement of Profit & Loss for the period ended on 31.03.2020, as per the accounting policy of the company on 'Expenses related to awareness on UJALA Programme'. The company continues to defer and carry the balance amount of ₹3215.62 Lakhs as prepaid Expenditure shown under the head other Current Assets in the standalone Financials 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 in the year it was incurred.	EESL has a target to distribute 77 crores LED bulbs in entire country in 4 year commencing from the FY 20I5-16 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 advertisemenUawareness ofDELP/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.

S. No.	Auditor's Qualified Opinion	Management Reply
		Accordingly, in the annual accounts for FY 2019-20, only that part of awareness expenses which are in proportion to the actual numbers of bulb distributed for FY 2019-20 visa-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. Hence, 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. The balance amount ₹3215.62 Lakhs shall be written off in the financial year 2020-21.
5.	The company has entered into agreements with Municipal Corporation for replacement of old conventional streetlights with LED Energy efficient streetlights. The Company carries certain amounts in CWIP pertaining to various projects which are under various stages of completion and have not been capitalized in the book of accounts, irrespective of the fact that the asset may be available for use/ non-receipt of completion certificates from Municipal corporation, which is inconsistent with the provision of Ind AS 16 on Property Plan and Equipment wherein the projects need to be capitalized and depreciated when it is 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.	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 has 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 Reply
6.	The company has recognised revenue under agreements with ULB's based on certain assumptions/ estimates like the start date of the project is taken as the date of completion specified in the first Completion Certificate received from the ULB, the actual expenses towards PMC, AMC, interest (Including indirect finance costs), pre/post tax return on equity (in few cases) are more/ at a certain percentage which is different from the percentage specified in the agreement. The company is in the process of analysing all agreements to seek necessary clarifications on such and other matters and shall formalize all agreements accordingly, we are unable to comment upon the impact of these assumptions pending such clarifications and formalization of agreements.	The company is in the process of analysing all agreements to seek necessary clarifications on such and other matters and shall formalize all the respective agreements accordingly.
7.	Trade Payable and Trade receivable (including related party transactions) are subject to confirmations and consequential adjustments that may arise on reconciliation. We are unable to comment upon the impact of the same on the standalone financial statements till such confirmations/ reconciliation are carried out.	The company is in the process of obtaining confirmations and does not expect any major differences that may arise post such confirmations/ reconciliation. The Company shall account for the consequential adjustments post completion of such exercise.
8.	The company has undertaken the fair valuation of financials assets, and financial liabilities, depicted in note 40, through an external agency. Tn the absence of adequate information/ working of the same with the company, we are unable to comment upon the correctness of the fair values depicted in the said note and its consequential impact, if any, on the standalone financial statements of the company.	The activity of calculating the fair value of financial assets/ liabilities is of specialised nature and accordingly carried out by an external agency. The agency has used valuation techniques aiming at maximizing the use of observable market data and minimizing the reliance on entity specific estimates. The company has relied on the valuation as arrived at by the external agency.
9.	The Company has booked the unbilled revenue of ₹528.02 lakhs for Smart Meters installed in certain DISCOMs on estimation basis where formal agreements are yet to be executed. Further, the company is in the process to seek clarification/ amendments in a few agreements for extension of period, change in rates etc., the effects of which shall be considered in the year in which such amendments are finalized. The company has appointed a vendor for SMNP system integration on per meter basis, except for few items. The company has booked expenses on per meter basis and is in process to modify and formalize the terms of payments with the vendor to ensure that all the payments are made proportionately on per meter basis. We are unable to comment upon the impact of the above, if any, on the financial statements pending execution of the formal agreements etc.	Company has installed smart meters in various state Discoms and the revenue is recognised in the basis of agreements signed with the respective Discoms. However, in few cases, the MoU has been signed and the formal agreements are still to be executed. Pending finalisation of agreements, unbilled revenue of ₹528.02 lakhs for the meters installed in these Discoms has been accounted for on an estimated basis, based on electronic reports auto generated by the associated installed software. The company does not envisage any major difference m revenue booking on the same. The company is charging the revenue from the Discoms on per meter per month basis, accordingly, expenditure are accowlted/ provided in the accounts on per meter per month basis. The company is under negotiation with the vendor with regard to the payment terms, to make necessary amendment in the contract.

Annexure- V

MANAGEMENT REPLY TO SECRETARIAL AUDITOR'S REPORT FOR THE FINANCIAL YEAR 2019 - 20

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.	Agencies have shown their inability to carry out the exercise in COVID-19 phase as deployment of manpower for physical survey of sites and interactions with beneficiaries are not advisable.
2.	The Company has not filed Annual Return on Foreign Liabilities and Assets (FLA Return) for the FY ended 31.03.2020.	The same could not be filed due to operational issues. Company is in the process of making necessary compliance.

EESL introduces India's first of its kind, super energy efficient AC at ₹ 41,300

Annexure- VI

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 ₹74,000 crores of investment potential for energy efficiency and conservation (EE&C) out of which ₹30,000 crores of potential exists in energy intensive industries and remaining ₹44,000 crores 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 ₹ 1.6 Lakh Crores. The renewed Demand Side Management (DSM) market potential is estimated to be 178 billion kWh of energy savings per annum.

India has taken significant steps to improve energy efficiency, which have avoided an additional 15% of annual energy demand and 300 million tonnes of CO_2 emissions over the period 2000- 18, according to IEA analysis. Based on current policies, India's energy demand could double by 2040, with electricity demand potentially tripling as a result of increased appliance ownership and cooling needs. Without significant improvements in energy efficiency, India will need to add massive amounts of power generation capacity to meet demand from the 1 billion air-conditioning units the country is expected to have by 2050. By raising the level of its energy efficiency ambition, India could save some USD 190 billion per year in energy imports by 2040 and avoid electricity generation of 875 terawatt hours per year, almost half of India's current annual power generation.

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 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 significantly reduce 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 previous years, 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.

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 countries such as United Kingdom, Thailand, Saudi Arabia, UAE, Maldives, Bangladesh, Myanmar, Malaysia and Vietnam.

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 2020 stands at 847 which includes 266 regular employees, 120 fixed term employees, 36 consultants, 425 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 a decrease of ₹40.56 crore in revenue from operations which went down to ₹1797.09 crore from ₹1837.65 crore during the financial year 2019-20. Profit before tax was at ₹21.00 crore in 2019 -20 in comparison to ₹147.79 crore in 2018-19. Net profit of the Company in 2019-20 is ₹26.90 crore. Net worth of the Company as on March 31, 2020 has increased by 39.89% (from ₹811.44 crore to ₹1135.12 crore).

During the financial year 2019-20, fixed assets increased to ₹4021.92 crores in comparison to ₹3016.63 crores in 2018-19. 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. 2019-20 saved about 55 billion kWh of energy per year, avoided peak demand of about 11,000 MW and about 43 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 2019-20, EESL has executed its projects across India. Till 31st March, 2020 EESL has completed the distribution of over 36.22 crore LED bulbs, 23.20 lakh Energy Efficient Fans & 71.83 lakh LED Tube lights and installation of 1.07 crore LED street lights.

- Under Smart Meter National Program (SMNP) EESL has installed over 11.92 lakh smart meters
- Under Decentralized Solar Power Plant Program EESL has installed cumulative capacity of decentralized solar power plant of approx. 102 MWp.
- Under National E-Mobility Program EESL has deployed 1,514 e-cars
- Under Electric Vehicle Charging Infrastructure EESL has installed installed 94 public charging station
- Under Building Energy Efficiency Program (BEEP) EESL has completed retrofitting work in 10,411 buildings
- Under Agricultural Demand Side Management (AgDSM) program EESL has installed 73,900 no. of agricultural pumps
- Under Super-Efficient Air Conditioning Program (SEAC) EESL has sold around 1300 Super-Efficient Air Conditioners.
- Under Atal Jyoti Yojana (AJAY) scheme EESL has installed total 1.75 lakh Solar LED street lights in the rural areas.
- Under 70 lakh Solar Study Lamp scheme EESL has distributed over 61.01 lakh Solar Study lamps to school going children.

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 2019-20 & 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. 2018-19 (₹ In million)	Remuneration of Director / KMP for F.Y. 2019-20 (₹ In million)	% increase in Remuneration in the F.Y. 2019-20	Median Remuneration (F.Y. 2019-20)* (₹ In million)	Ratio of remuneration of each Director to median remuneration of employees	Median Remuneration (F.Y. 2018-19)* (₹ In million)	% Increase in median
1	Shri Saurabh Kumar**	5.846	7.076	21	1.49	4.75	1.39	39.84
2	Shri Shankar Gopal***	5.12	5.238	2	1.49	3.52	1.39	10%
3	Shri. Venkatesh Dwivedi**** Director Projects & Business Development)	3.73	4.542	22	1.49	3.05	1.39	10%
4	Ms. Pooja Shukla Company Secretary	2.533	2.65	5	1.49	1.78	1.39	10%

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

** Shri Saurabh Kumar remuneration includes full and final settlement which includes Leave encashment, Gratuity payment.

Consequent upon the nomination of Shri Saurabh Kumar as Managing Director of Edina UK Limited w.e.f. 2nd December, 2019, he resigned from the post of Managing Director of the company on 30th November, 2019. However, to ensure continuity in smooth functioning of the Company till the appointment of new candidate, EESL Board in its 78th Board Meeting, on the recommendation of Nomination and Remuneration Committee had given an additional charge of Managing Director, EESL to Shri Saurabh Kumar w.e.f. 1st December, 2019 for a period of 3 months or till such time new incumbent joins the post of Managing Director, which was further extended twice for 3 months each till 31st August, 2020 on Nil remuneration. He draws monthly salary of 15000 pounds plus taxes from EDINA.

*** Shri Shankar Gopal appointed as Director (Commercial) w.e.f 07.02.2019 and designated again as CFO of the company w.e.f. 07.02.2019.

**** Shri Venkatesh Dwivedi remuneration taken in full for median purpose for FY 2018-19 as he was appointed as Director (Projects & Business Development) on 07.02.2019.

(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, 2020 : 266 As on 31st March, 2019 : 258
(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)	Remune-ration Received (₹ In million	Qualification	Date of Commence-ment of Employ-ment	Age (DOB)	Last Employ-ment	Numb-er of Equity Shares held in the Comp-any	If relative of any Director or manager, name of such Director or Manager;
1	Shri Saurabh Kumar (Managing Director)	Permanent	8.05	B. Tech (IIT Kanpur), Masters in Public Policy	06.05.2013	54 years (14.12.1967)	UNEP	Nil	NA
2	Shri Shankar Gopal (Director - Commercial)	Permanent	5.32	B.Com (hons), C.W.A (ICWAI)	08.06.2016	54 years (08.07.1967)	Power Grid Corpora-tion of India Limited	Nil	NA
3.	Shri. Venkatesh Dwivedi Director (Projects & Business Development)	Permanent	4.55	B.E., MBA (IIM Kolkata), Energy Auditor	07.10.2013	52 years (26.05.1969)	Take solutions Global LLP	Nil	NA
4.	Shri Tarun Tayal, (General Manager-Commercial)	Permanent	4.35	Master of Business Administration (MBA), University of ENPC, Paris	07.11.2013	43 Years (31.08.1978)	Ameriprise Financial India	Nil	NA
5.	Shri Raj Kumar Rakhra, (General Manager-Technical)	Permanent	4.10	Bachelor of Engineering (B.E.), Energy Auditor	05.09.2016	46 Years (21.03.1975)	BHEL	Nil	NA
6.	Shri Prabhat Kumar, (General Manager-Technical)	Permanent	4.05	Bachelor of Engineering (B.E.), Master of Business Administration (MBA)	21.12.2016	47 years (11.11.1974)	TUV NORD CERT GMBH	Nil	NA
7.	Shri Ajay Raj, (Deputy General Manager-Technical)	Permanent	3.99	Bachelor of Engineering (B.E.), Energy Auditor	15.06.2016	42 years (14.11.1979)	HCL INFOSYSTEMS LTD	Nil	NA
8.	Shri Soumya Prasad Garnaik (CGM-Technical)	Permanent	3.98	PG (Plant Engg.)	01.07.2016	52 Years (03.06.1969)	ICF Internati-onal	Nil	NA

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;
9.	Shri Sameer Agarwal (AGM - Finance)	Permanent	3.95	B.Com (Hons), CA (ICAI), C.W.A (ICWAI)	09.01.2014	53 years (07.07.1968)	RailTel	Nil	NA
10.	Shri Deepak Garg (AGM - Finance)	Permanent	3.95	B.Com (hons), CA (ICAI), C.W.A (ICWAI)	27.12.2013	48 years (13.09.1973)	Indian Renewable Energy Development Agency Ltd.	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: 30.01.2021
Place: New Delhi

Shri RK Singh inaugurates Smart Meter Project in NDMC area; NDMC to save ₹12.47 crore annually

गोपनीय

संख्या.: **DGA (Energy)/Rep/01-41/Acs/EESL-SFS/2020-21/** 562

भारतीय लेखापरीक्षा एवं लेखा विभाग
महानिदेशक लेखापरीक्षा (ऊर्जा)
का कार्यालय
नई दिल्ली

सत्यमेव जयते

INDIAN AUDIT & ACCOUNTS DEPARTMENT
OFFICE OF THE
DIRECTOR GENERAL OF AUDIT (ENERGY)
DELHI

डी.के.शेखर, आई.ए. & ए.स
D. K. SEKAR, IA&AS

दिनांक/Dated: 21/1/2021

सेवा में,

प्रबंध-निदेशक
एनर्जी एफिशियंसी सर्विसेज लिमिटेड
नई दिल्ली

महोदय,

विषयः-31 मार्च 2020 को समाप्त वर्ष के लिए एनर्जी एफिशिएंसी सर्विसेज लिमिटेड, नई दिल्ली के लेखाओं पर कम्पनी अधिनियम 2013 की धारा 143(6)(b) के अंतर्गत भारत के नियंत्रक एवं महालेखापरीक्षक की टिप्पणियाँ।

मैं एनर्जी एफिशिएंसी सर्विसेज लिमिटेड, नई दिल्ली के 31 मार्च 2020 को समाप्त वर्ष के लेखाओं पर कम्पनी 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,

संलग्नकः- यथोपरि।

डी.के.शेखर

(डी. के. शेखर)
महानिदेशक

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: pdaenergydl@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 2020

The preparation of financial statements of Energy Efficiency Services Limited for the year ended 31 March 2020 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 November 2020.

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 2020 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

Place: New Delhi
Dated: 21/01/2021

(D. K. Sekar)
Director General of Audit (Energy),
Delhi

गोपनीय

संख्या.: DGA (Energy)/Rep/01-73/Acs/EESL-CFS/2020-21/ 565

सत्यमेव जयते

भारतीय लेखापरीक्षा एवं लेखा विभाग
महानिदेशक लेखापरीक्षा (ऊर्जा)
का कार्यालय
नई दिल्ली

INDIAN AUDIT & ACCOUNTS DEPARTMENT
OFFICE OF THE
DIRECTOR GENERAL OF AUDIT (ENERGY)
DELHI

दिनांक/Dated: 25/01/2021

सेवा में,

प्रबंध-निदेशक
एनर्जी एफिशियंसी सर्विसेज लिमिटेड
नई दिल्ली

महोदय,

विषयः-31 मार्च 2020 को समाप्त वर्ष के लिए एनर्जी एफिशिएंसी सर्विसेज लिमिटेड, नई दिल्ली के समेकित वित्तीय विवरण (Consolidated Financial Statement) पर कम्पनी अधिनियम 2013 की धारा 143(6)(b), एवं धारा 129(4) के अंतर्गत भारत के नियंत्रक एवं महालेखापरीक्षक की टिप्पणियाँ।

मैं, एनर्जी एफिशिएंसी सर्विसेज लिमिटेड, नई दिल्ली के 31 मार्च 2020 को समाप्त वर्ष के समेकित वित्तीय विवरण (Consolidated Financial Statement) पर कम्पनी अधिनियम 2013 की धारा 143(6)(b) एवं धारा 129(4) 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,

संलग्नकः- यथोपरि।

(डी. के. शेखर)
महानिदेशक

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: pdaenergydl@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 2020

The preparation of consolidated financial statements of Energy Efficiency Services Limited for the year ended 31 March 2020 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 21 December 2020.

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 2020 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 Section 143(6)(a) of the Act are not applicable to the entities listed in Annexure I being private entity(ies) incorporated in foreign country(ies) under the respective laws, for appointment of their Statutory Auditors and for conduct of supplementary audit. Accordingly, Comptroller & 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

Place: New Delhi
Dated:

(D. K. Sekar)
Director General of Audit (Energy),
Delhi

Annexure-I

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

Subsidiaries

I. EESL Energy Pro Assets Limited
2. Anesco Energy Services (South) Limited
3. Creighton Energy Limited
4. EPAL Holdings Limited
5. Edina Acquisition Limited
6. Edina Power Services Limited
7. Edina Limited
8. Edina UK Limited
9. Edina Australia Pty Limited
10. Armoura Holdings Limited
11. Stenback Limited
12. Edina Manufacturing Limited
13. Edina Power Limited
14. EPSL Trigeneration Private Limited

Associates and Joint Venture

15. NEESL Private Limited
16. Intellismart Infrastructure Pvt. Ltd.

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 2020, 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, 2020, 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 and other projects, verification of stores 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 including salaries, interest on loans/ bonds and forex gain/loss etc.) 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 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 2019

2. Trade receivables are due from government-controlled entities and other customers. Significant amount of ₹ 103,564.26 Lakhs is outstanding for the period of more than 360 days as on 31st March 2020 (₹ 60,454.34 Lakhs for the previous year ended 31.03.2019). 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 and 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. However, a provision of ₹ 849.61 lakhs in respect of amount outstanding for more than 360 days as on 30.09.2019 from non-government controlled entities have been made and no further provision have been made for the period ended 31.03.2020. 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. 41(a)(iii). 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 2019.

3. For Financial assets for which loss allowance is measured using life time expected credit losses in the Financial Statements, the Company has represented at Note No. 41(a)(iii) - "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, the Company has recognised a provision for doubtful receivables of ₹ 196.65 Lakhs during the year ended 31 March 2020 (31 March 2019: ₹ 196.65 Lakhs)". The process of identification of cases and amount under litigation (including framing of policy for provisioning and follow-up) needs to be strengthened. Further, 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. 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 2019.

4. The company had deferred 'Advertisement Expenses' amounting to ₹ 4287.50 Lakhs in the previous years, from which it has charged an amount of ₹ 1071.88 Lakhs in the Statement of Profit & Loss for the period ended 30.09.2019, pertaining to earlier years, as Media/Advertisement Expenses and no further adjustments have been done in the statement of Profit & Loss for the period ended on 31.03.2020, as per the accounting policy of the company on 'Expenses related to awareness on UJALA Programme'. The company continues to defer and carry the balance amount of ₹ 3215.62 Lakhs as Prepaid Expenditure shown under the head Other Current Assets in the Standalone 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 in the year it was incurred. (Refer Note No.16(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 2019.

5. The company has entered into agreements with Municipal Corporation for replacement of old conventional streetlights with LED Energy efficient streetlights. The Company carries certain amounts in CWIP pertaining to various projects which are under various stages of completion and have not been capitalized in the books of accounts, irrespective of the fact that the asset may be available for use / non – receipt of completion certificates from Municipal Corporation, 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. 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. (Refer Note No. 3(c)).

6. The Company has recognised revenue under agreements with ULB's based on certain assumptions / estimates like the start date of the project is taken as the date of completion specified in the first Completion Certificate received from the ULB, the actual expenses towards PMC, AMC, interest (including indirect finance costs), pre/post tax return on equity (in few cases) are more / at a certain percentage which is different from the percentage specified in the agreement. The company is in the process of analyzing all agreements to seek necessary clarifications on such and other matters and shall formalize all agreements accordingly. We are unable to comment upon the impact of these assumptions pending such clarifications and formalization of agreements. (Refer Note No. 31(b)).

7. Trade Payables and Trade Receivable (including related party transactions) are subject to confirmations and consequential adjustments that may arise on reconciliation. We are unable to comment upon the impact of the same on the standalone financial statements till such confirmation / reconciliations are carried out. (Refer Note 10(c), 20(a), 26(a)).

8. The company has undertaken the fair valuation of financial assets and financial liabilities, depicted in note 40, through an external agency. In the absence of adequate information / working of the same with the company, we are unable to comment upon the correctness of the fair values depicted in the said note and its consequential impact, if any, on the standalone financial statements of the company.

9. The company has booked the unbilled revenue of ₹ 528.02 lakhs for Smart Meters installed in certain DISCOMs on estimation basis where formal agreements are yet to be executed. Further, the Company is in the process to seek clarifications/ amendments in a few agreements for extension of period, change in rates etc., the effects of which shall be considered in the year in which such amendments are finalized. The Company has appointed a vendor for SMNP System Integration on per meter basis, except for few items. The Company has booked expenses on per meter basis and is in process to modify and formalize the terms of payments with the vendor to ensure that all payments are made proportionately on per meter basis. We are unable to comment upon the impact of the above, if any, on the financial statements pending execution of the formal agreements etc. (Refer Note No. 31(d)).

   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's 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. 41(a)(iii) which states that, the Comptroller & Auditor General of India (CAG) in their report dated 18th October 2017 issued to company had recommended provision of ₹ 1650 lakhs on account of subsidy not

received from Delhi Government/DERC. However, the Company has not made the said provision as 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.

2. 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.

3. Note No. 42 on Capital management which depicts various financial ratios and its calculation which the company is using to monitor the capital.

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.

S. N.	Key Audit Matters	How our Audit addressed the Key Audit Matter
1	**Depreciation Accounting** This is considered as Key Audit Matter due to its nature and area of significant risk which may have material impact on the financial statements	An understanding of the system of capitalization of assets and calculation of depreciation was obtained 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 depreciation for various assets. - The calculations of depreciation on various class of assets was tested and verified. - Verified the accounting of depreciation based on applicable IND AS. Based on the above procedures performed and based on the explanations / representation by the company, the recognition of depreciation on assets 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 ₹ 1365.17 lakhs as at 31st March 2020 and total revenue of ₹ 1058.63 lakhs for the year ended on that date, the financial statements / information of the said branch is certified by the management and has not been audited by any other auditor. 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 ₹ 1365.17 lakhs as at 31st March 2020 and total Revenue ₹ 1058.63 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, taken on record by the Board of Directors none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.

   (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 read with Schedule V to 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 10 (e) and Note 49 to the standalone 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 K K Soni & Co.
Chartered Accountants
FRN: 000947N

Place: New Delhi
Dated: 27.11.2020

CA. Sant Sujat Soni
Partner
Membership number: 094227

Annexure - A to the Independent 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 2020, 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. The physical verification has not been carried out during the year as according to the explanation given by the management, the project equipments and CWIP are large in number and spread across the country. However, the company has again assured that the physical verification programme shall be initiated 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 still 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 is in the process to reconcile and examine the reasons for the discrepancies noticed during such verification and post such examination they shall make further entries in its books of accounts, if any required.

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

(iii) As per the information and explanations provided to us, 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 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 maintenance of cost records is not applicable as the revenue from the prescribed product or services does not meet the threshold limit under the relevant rules.

(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 ₹ 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 2020 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 (INR 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)	F.Y 2014-15	VAT Appellate Tribunal, Andhra Pradesh
Andhra Pradesh Value Added Tax Act, 2005	Value Added Tax & Penalty	12.92 (VAT) 3.23 (Penalty) (Amount deposited 6.46 for VAT and 0.40 for penalty)	F.Y 2015-16	Appellate Deputy Commissioner (CT), Andhra Pradesh
Andhra Pradesh Value Added Tax Act, 2005	Value Added Tax Penalty	9.26 (out of which 4.63 deposited for stay)	F.Y 2014-15	AP VAT Tribunal, Andhra Pradesh
Uttrakhand Value Added Tax	Value Added Tax	0.69	FY 2016-17	Dy Commissioner (CT), Dehradun
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
Maharashtra Value Added Tax	Value Added Tax	0.91	FY 2015-16	Jt. Commissioner, MVAT, Maharashtra

(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 the money raised by way of term loans during the year, for the purposes for which they were raised except balance of ₹ 230.65 crores which is unutilized as on 31.3.2020. During the year under audit, no amount was raised by way of initial public offer or further public offer.

(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 the period under 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 the related party transactions were not put up to audit committee for its approval as required by Section 177(4)(iv) of the Act.

(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 however, out of total private placement of equity shares of ₹ 30812.40 lakhs, equity shares of ₹ 9001.40 lakhs were allotted to the shareholders after the expiry of 60 days from the date of receipt of application money but within next 15 days. As per the information provided to us, 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 K K Soni & Co.
Chartered Accountants
FRN: 000947N

CA. Sant Sujat Soni
Partner
Membership number: 094227

Place: New Delhi
Dated: 27.11.2020

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 2020 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 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 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 2020, 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. Further, the Internal Audit of the company is not commensurate with the size of the company and needs to be strengthened.

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 K K Soni & Co.
Chartered Accountants
FRN: 000947N

CA. Sant Sujat Soni
Partner
Membership number: 094227

Place: New Delhi
Dated: 27.11.2020

Annexure - C to the Independent Auditors' Report

Directions under section 143(5) of the Companies Act 2013 for the year 2019-20.

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 (SAR-ERP / Excel). 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 K K Soni & Co.
Chartered Accountants
FRN: 000947N

Place: New Delhi
Dated: 27.11.2020

CA. Sant Sujat Soni
Partner
Membership number: 094227

ENERGY EFFICIENCY SERVICES LIMITED

Standalone Balance Sheet as at 31 March 2020

₹ in Lakhs

Particulars	Note No.	As at 31 March 2020	As at 31 March 2019*	As at 1 April 2018*
ASSETS				
Non-current assets				
Property, plant and equipment	2A	270,272.01	178,185.17	79,876.55
Capital work-in-progress	3	131,244.62	121,967.55	129,348.91
Intangible assets	2B	675.24	1,510.48	1,576.08
Investments in subsidiary and joint venture companies	4	27,131.13	27,131.13	19,369.08
Financial assets				
Loans	5	383.56	493.95	465.93
Other financial assets	6	9,028.11	4,579.81	1,848.02
Deferred tax assets (net)	7	841.46	719.46	500.94
Other non-current assets	8	1,625.93	1,350.64	1,683.56
Total non-current assets		**441,202.06**	**335,938.19**	**234,669.07**
Current assets				
Inventories	9	22,428.05	26,968.66	29,993.41
Financial assets				
Trade receivables	10	276,685.99	183,148.24	116,182.54
Cash and cash equivalents	11	33,106.74	42,482.84	52,061.67
Bank balances other than cash and cash equivalents	12	30,027.93	33,576.49	5,437.22
Loans	13	666.02	364.34	153.34
Other financial assets	14	10,014.41	8,263.18	5,603.80
Current tax assets (net)	15	5,141.74	3,815.83	2,545.68
Other current assets	16	52,600.40	43,563.28	25,104.29
Total current assets		**430,671.28**	**342,182.86**	**237,081.95**
TOTAL ASSETS		**871,873.34**	**678,121.05**	**471,751.02**
EQUITY AND LIABILITIES				
Equity				
Equity share capital	17	98,332.84	67,520.44	46,200.00
Other equity	18	15,178.94	13,623.34	16,974.68
Total equity		**113,511.78**	**81,143.78**	**63,174.68**
Liabilities				
Non-current liabilities				
Financial liabilities				
Borrowings	19	422,995.27	279,188.06	175,420.16
Trade payables	20			
-total outstanding dues of micro enterprises and small enterprises		1,593.02	1,277.49	-
-total outstanding dues of creditors other than micro enterprises and small enterprises		5,960.39	5,153.70	3,750.93
Lease liabilities	21	1,613.77	-	-
Other financial liabilities	22	9,220.60	40,680.09	8,019.85
Provisions	23	921.70	280.94	410.39
Other non-current liabilities	24	-	486.68	624.93
Total non-current liabilities		**442,304.75**	**327,066.96**	**188,226.26**
Current liabilities				
Financial liabilities				
Borrowings	25	78,999.99	62,678.99	63,500.00
Trade payables	26			
-total outstanding dues of micro enterprises and small enterprises		5,868.63	8,214.58	-
total outstanding dues of creditors other than micro enterprises and small enterprises		115,581.62	130,659.80	123,229.35
Lease liabilities	27	1,631.51	-	-
Other financial liabilities	28	85,625.70	42,167.88	26,934.59
Other current liabilities	29	28,190.83	20,385.75	6,119.98
Provisions	30	29.48	11.66	566.16
Current tax liabilities (net)		129.05	5,791.65	-
Total current liabilities		**316,056.81**	**269,910.31**	**220,350.08**
TOTAL EQUITY AND LIABILITIES		**871,873.34**	**678,121.05**	**471,751.02**
* Restated (refer note 39)				
Significant Accounting Policies	1			
The accompanying notes 1 to 56 form an integral part of these financial statements.				

As per our audit report of even date annexed.

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

For and on behalf of the Board of Directors

Sant Sujat Soni
Partner
(Membership No.- 094227)

Place : New Delhi
Date : 27 November, 2020

Rajat Kumar Sud
Managing Director
DIN : 06582245

Date : 5 November, 2020

S. Gopal
Director Commercial and CFO
DIN : 08339439

Pooja Shukla
Company Secretary

ENERGY EFFICIENCY SERVICES LIMITED

Standalone Statement of Profit and Loss for the year ended 31 March 2020

₹ in Lakhs

Particulars	Note No.	For the year ended 31 March 2020	For the year ended 31 March 2019
Revenue			
Revenue from operations	31	179,709.13	183,765.24
Other income	32	7,600.94	9,802.16
Total revenue		**187,310.07**	**193,567.40**
Expenses			
Purchase of stock-in-trade		60,087.68	92,815.02
Distribution expenses (Ujala)		1,031.78	2,119.29
Media expenses (Ujala)		672.93	2,630.99
Decrease in inventories	33	4,540.61	3,024.75
Employee benefits expense	34	3,887.29	2,840.42
Finance costs	35	35,160.82	19,275.23
Depreciation and amortisation expense	36	45,519.16	34,987.01
Other expenses	37	34,309.43	21,095.09
Total expenses		**185,209.70**	**178,787.80**
Profit before tax		2,100.37	14,779.60
Tax expense	38		
Current tax			
Current year		129.05	7,060.62
Earlier years		(593.75)	-
Deferred tax credit		(125.27)	(206.53)
Total tax (credit)/expense		**(589.97)**	**6,854.09**
Profit for the year		**2,690.34**	**7,925.51**
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		12.11	(34.03)
- Less: Income tax relating to above item		3.05	(11.89)
Other comprehensive income/(expense) for the year, net of income tax		**9.06**	**(22.14)**
Total comprehensive income for the year		**2,699.40**	**7,903.37**
* Restated (refer note 39)			
Earnings per equity share (Par value ₹ 10/- each)	48		
Basic earnings per share (₹)		0.29	1.21
Diluted earnings per share (₹)		0.29	1.19
The accompanying notes 1 to 56 form an integral part of these financial statements.			

As per our audit report of even date annexed.
For KK Soni & Co.
Chartered Accountants
(FRN 000947N)

Sant Sujat Soni
Partner
(Membership No.- 094227)

Place : New Delhi
Date : 27 November, 2020

For and on behalf of the Board of Directors

Rajat Kumar Sud
Managing Director
DIN : 06582245

S. Gopal
Director Commercial and CFO
DIN : 08339439

Pooja Shukla
Company Secretary

Date : 5 November, 2020

ENERGY EFFICIENCY SERVICES LIMITED

Standalone Statement of Cash Flows for the year ended 31 March 2020

₹ in Lakhs

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019*
A Cash flow from operating activities		
Profit before tax	2,100.37	14,779.60
Adjustment for:-		
Depreciation and amortization expense	45,519.16	34,987.01
Finance costs	27,284.54	19,146.26
Allowance for doubtful receivables	1,046.26	196.65
Net loss on sale of property, plant and equipment	4.27	142.54
Provision for shortage in inventories	3.61	-
Interest income	(4,427.59)	(4,770.40)
Net (gain)/loss on foreign currency transactions and translation	13,186.66	(2,696.02)
Grant income	(310.30)	(397.64)
Deferred rent expense	-	(15.97)
Operating profit before working capital changes	**84,406.98**	**61,372.03**
Adjustment for:		
Increase in Trade receivables	(94,256.26)	(65,830.21)
Decrease in Inventories	4,537.00	3,024.75
Increase in loans, other financial assets and other assets	(14,909.30)	(22,877.16)
(Decrease)/ Increase in trade payables, other financial liabilities and other liabilities	(5,980.70)	32,681.53
Increase/(Decrease) in provisions	670.69	(717.98)
Cash (used in) / generated from operations	**(25,531.59)**	**7,652.96**
Less: Income tax paid	6,523.59	2,539.22
Net cash (used in) / generated from operating activities (A)	**(32,055.18)**	**5,113.74**
B Cash flow from investing activities		
Acquisition of property, plant and equipment and intangible assets	(153,721.08)	(88,739.46)
Interest income	3,980.15	3,396.76
Investment in subsidiary and joint venture company	-	(7,762.05)
Net investment in bank balances other than cash and cash equivalents	3,561.40	**(28,152.11)**
Net cash used in investing activities (B)	**(146,179.53)**	**(121,256.86)**
C Cash flow from financing activities		
Proceeds from non-current borrowings	172,699.12	123,223.48
Repayment of non-current borrowings	(20,434.95)	(4,700.06)
Net proceeds / (repayments) of current borrowings	16,321.00	(821.01)
Finance costs	(27,479.92)	(20,939.50)
Share application money received	30,812.40	11,420.44
Lease rent paid	(1,915.24)	-
Share issue costs	-	(25.00)
Dividend paid	(948.79)	(1,102.99)
Tax on dividend	(195.01)	(491.07)
Net cash from financing activities (C)	**168,858.61**	**106,564.29**
Net decrease in cash and cash equivalents (A+B+C)	(9,376.10)	(9,578.83)
Cash and cash equivalents at the beginning of the year	42,482.84	52,061.67
Cash and cash equivalents at the end of the period	**33,106.74**	**42,482.84**
* Restated (refer note 39)		

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

b) Reconciliation of cash and cash equivalents:

₹ in Lakhs

Particulars	As at 31 March 2020	As at 31 March 2019
Balances with banks - Current accounts	33,106.74	42,482.84
Cash and cash equivalents as per note-11	**33,106.74**	**42,482.84**

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	Lease liabilities	Interest on borrowings
For the year ended 31 March 2020				
Opening balance as at 1 April 2019	296,258.52	62,678.99	-	4,819.44
Impact of adoption of Ind AS 116	-	-	4,798.58	-
Cash flow during the year	152,264.17	16,321.00	(1,915.24)	(27,479.92)
Non-cash changes due to:				
- Variation in exchange rates	15,741.27	-	-	-
- Interest accrued	-	-	361.94	28,413.35
- Transaction cost on borrowings	(110.32)	-	-	-
Closing balance as at 31 March 2020	**464,153.64**	**78,999.99**	**3,245.28**	**5,752.87**
For the year ended 31 March 2019				
Opening balance as at 1 April 2018	179,978.93	63,500.00	-	5,445.06
Cash flow during the year	118,523.42	(821.01)	-	(20,939.50)
Non-cash changes due to:				
- Variation in exchange rates	(2,243.77)	-	-	-
- Interest accrued	-	-	-	20,313.88
- Transaction cost on borrowings	(0.06)	-	-	-
Closing balance as at 31 March 2019	**296,258.52**	**62,678.99**	**-**	**4,819.44**

* includes current maturities of non-current borrowings, refer note 28.

d) Refer note 41 for details of undrawn borrowing facilities that may be available for future operating activities and to settle capital commitments.

As per our audit report of even date annexed.
For KK Soni & Co.
Chartered Accountants
(FRN 000947N)

Sant Sujat Soni
Partner
(Membership No.- 094227)

Place : New Delhi
Date : 27 November, 2020

For and on behalf of the Board of Directors

Rajat Kumar Sud
Managing Director
DIN : 06582245

S. Gopal
Director Commercial and CFO
DIN : 08339439

Pooja Shukla
Company Secretary

Date : 5 November, 2020

ENERGY EFFICIENCY SERVICES LIMITED

Statement of changes in equity for the year ended 31 March 2020

(A) Equity share capital

₹ in Lakhs

Particulars	As at 31 March 2020	As at 31 March 2019
Outstanding as at the beginning of the year	67,520.44	46,200.00
Shares issued during the year	30,812.40	21,320.44
Outstanding as at the end of the year	**98,332.84**	**67,520.44**

(B) Other equity

For the year ended 31 March 2020

₹ in Lakhs

Particulars	Reserves and surplus			Total
	Share application money pending allotment	Debenture redemption reserve	Retained earnings	
Balance as at 1 April 2019	**-**	**15,126.44**	**(1,503.10)**	**13,623.34**
Profit for the year	-	-	2,690.34	2,690.34
Other comprehensive income for the year	-	-	9.06	9.06
Total comprehensive income for the year	**-**	**-**	**2,699.40**	**2,699.40**
Share application money received	30,812.40	-	-	30,812.40
Shares allotted against share application money	(30,812.40)	-	-	(30,812.40)
Final dividend (including tax) for FY 2018-19	-	-	(1,143.80)	(1,143.80)
Balance as at 31 March 2020	**-**	**15,126.44**	**52.50**	**15,178.94**

For the year ended 31 March 2019

₹ in Lakhs

Particulars	Reserves and surplus			Total
	Share application money pending allotment	Debenture redemption reserve	Retained earnings	
Balance as at 1 April 2018	**9,900.00**	**6,515.21**	**559.47**	**16,974.68**
Profit for the year	-	-	7,925.51	7,925.51
Other comprehensive expense for the year	-	-	(22.14)	(22.14)
Total comprehensive income for the year	**-**	**-**	**7,903.37**	**7,903.37**
Share application money received	11,420.44	-	-	11,420.44
Shares allotted against share application money	(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**	**(1,503.10)**	**13,623.34**

Analysis of accumulated other comprehensive income included in retained earnings

₹ in Lakhs

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Balance at the beginning of the year	(35.63)	(13.49)
Other comprehensive income/(expense) for the year	9.06	(22.14)
Balance as at the end of the year	**(26.57)**	**(35.63)**

As per our audit report of even date annexed.
For KK Soni & Co.
Chartered Accountants
(FRN 000947N)

For and on behalf of the Board of Directors

Sant Sujat Soni
Partner
(Membership No.- 094227)

Rajat Kumar Sud
Managing Director
DIN : 06582245

S. Gopal
Director Commercial and CFO
DIN : 08339439

Pooja Shukla
Company Secretary

Place : New Delhi
Date : 27 November, 2020

Date : 5 November, 2020

Notes to the standalone 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 NFL Building, 5th & 6th Floor, Core-III, SCOPE Complex, Lodhi Road, New Delhi- 110003.

The Company is a Joint Venture of NTPC Limited, Power Finance Corporation Limited, Rural Electrification Corporation Limited and Power Grid Corporation of India Limited under the Ministry of Power. The Company 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

(i) 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 5 November 2020.

(ii) 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."

(iii) 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 (up to two decimals), except as stated otherwise.

(iv) 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 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 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 I 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 undertaken by the Company are recognised as property, plant and equipment.

Project Development Cost includes purchase price, taxes and duties, labor 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 affected, capitalisation is done on a provisional basis subject to necessary adjustment iti 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 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.

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 Schedule 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	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 of.

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 Company considers the residual value of project equipment on I 00.

2. Capital work-in-progress

The cost of self-constructed assets includes the cost of materials and direct labor, 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 materialize, then the expenditure incurred in respect of the same is 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. De recognition

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 leases recognized in accordance with Ind AS 116 - '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 realizable 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 realizable 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 oftime 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, considering 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 based on 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 based on 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 up to 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. 1 n 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.

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.

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 perfonnance obligation is satisfied, which typically occurs when (or as) control over the services is transferred to a customer.

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

- Energy efficiency services:

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

- 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.

10.3. Other income

Interest income is recognised, when no significant uncertainty as to measurability or collectability exists, on a time proportion basis considering 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 U.JALA 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. Similarly 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 bulbs distributed in cuiTent 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.

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 predetennined 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-tenn 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 utilized. 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 realised the asset and settle the liability simultaneously.

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

Appendix C to Ind AS 12, Uncertainty over Income Tax Treatments: The appendix clarifies the application and measurement requirements in Ind AS 12 when there is uncertainty over income tax treatments. The current and deferred tax asset or liability are recognized and measured by applying the requirements in Ind AS 12 based on the taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates determined by applying this appendix. The amendment is effective from April 1, 2019. The Company has evaluated the effect of this amendment on the financial statements and concluded that there is no significant impact.

13. Leases

Effective April 01, 2019, the Company has adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on the date of initial application i.e. 1 April 2019. The Company has applied the modified retrospective approach for transition to Ind AS 116 with right-of-use asset (ROU) recognised at an amount equal to the lease liability adjusted for any prepayments/accruals recognised in the Balance Sheet immediately before the date of initial application. Accordingly, comparative financial information as of31 March 2019 has not been retrospectively adjusted and continues to be reported under Ind AS 17.

For contracts entered into, or changed, on or after 1 April 2019, at inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- the contract involves the use of an identified asset - this may be specified explicitly or implicitly and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. lf the supplier has a substantive substitution right, then the asset is not identified;
- the Company has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- the Company has the right to direct the use of the asset. The Company has this right when it has the decisionmaking rights that are most relevant to changing how and for what purpose the asset is used. In rare cases where the decision about how and for what purpose the asset is used is predetermined, the Company has the right to direct the use of the asset if either:

o the Company has the right to operate the asset; or

o the Company designed the asset in a way that predetermines how and for what purpose it will be used.

At inception or on reassessment of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices.

For contracts entered into before 1 April 2019, the determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

13.1. Where the Company is a lessee

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the incremental borrowing rate is used.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and

the exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in statement of profit and loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Company presents right-of-use assets under property plant and equipment and lease liabilities as a separate line item on the face of the Balance Sheet.

The Company elected the transition practical expedients which allowed them (1) not to reassess whether existing contracts contain leases, (2) not to reassess initial direct costs associated with existing leases. The Company has elected to use the recognition exemptions for short-term and low value leases as per Ind AS 116.

Under Ind AS 17

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. Where the Company is a lessor

When the Company acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease. A lease is classified as a finance lease ifit transfers substantially all the risks and rewards incidental to ownership of an underlying asset. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset.

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.

Amounts due from lessees under finance leases are recorded as receivables ('Finance lease receivables') at the Company's net investment in the leases. Finance lease income is allocated to accounting periods to reflect a constant periodic rate ofreturn on the net investment outstanding in respect of the lease.

The accounting policies applicable to the Company as a lessor in the comparative period were not different from Ind AS 116.

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 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 impainnent 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 I08, 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 en-ors 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 considering 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 categorization 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 cum at' Iv 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 considering 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 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.

23.Changes in accounting policy

23.1. Ind AS 116- Leases:

Ind AS 116 replaces Ind AS 17- Leases and sets out principles for 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 recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset. With effect from I April 2019, the Company has adopted Ind AS 116 "Leases" using the modified retrospective approach. Impact of adoption of the standard is disclosed in Note 52.

23.2. Appendix C to Ind AS 12, Uncertainty over Income Tax Treatments:

The appendix clarifies the application and measurement requirements in Ind AS 12 when there is uncertainty over income tax treatments. The current and deferred tax asset or liability shall be recognized and measured by applying the requirements in Ind AS 12 based on the taxable profit (tax loss), tax bases. unused tax losses, unused tax credits and tax rates determined by applying this appendix. The amendment is effective from I April 2019. The Company has evaluated the effect of this amendment on the financial statements and concluded that there is no significant impact.

23.3. Other amendments

A number of other minor amendments to existing standards also became effective on April 01, 2019 and have been adopted by the Company wherever applicable. The adoption of these new accounting pronouncements did not have any material impact on the financial statements.

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:

(i) 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.

(ii) 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 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.

(iii) Post-employment benefit plans

Employee benefit obligations are measured based on 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.

(iv) Revenues

The Company 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 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 based on management estimates.

(v) 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.

(vi) 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.

(vii) 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.

(viii) Leases not in legal form of lease

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgement. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

2A Property, plant and equipment

₹ in Lakhs

Particulars	Gross block				Accumulated depreciation				Net block
	As at 1 April 2019	Additions	Deductions/ Adjustments	As at 31 March 2020	As at 1 April 2019	For the year	Deductions/ Adjustments	As at 31 March 2020	As at 31 March 2020
Project equipment	230,519.59	107,307.47	10,879.26	326,947.80	56,287.69	42,112.74	9,546.25	88,854.18	238,093.62
Solar plant	2,102.64	25,123.92	-	27,226.56	31.72	678.25	-	709.97	26,516.59
E-Vehicles	74.51	579.85	-	654.36	9.28	53.60	-	62.88	591.48
Building	472.01	-	-	472.01	0.57	14.95	-	15.52	456.49
Furniture and fittings	334.87	81.67	7.52	409.02	120.30	37.60	3.60	154.30	254.72
Office equipment	270.38	25.89	-	296.27	119.49	53.30	-	172.79	123.48
Computers	464.42	82.45	7.57	539.30	289.04	106.75	4.81	390.98	148.32
Cell phones	72.04	15.04	3.16	83.92	56.06	13.47	1.88	67.65	16.27
Residential assets	82.69	-	2.42	80.27	38.72	23.89	1.63	60.98	19.29
Leasehold improvements	2.83	276.98	-	279.81	1.58	74.43	-	76.01	203.80
Right of use asset*	-	5,632.22	-	5,632.22	-	1,784.27	-	1,784.27	3,847.95
Freehold land	743.64	(743.64)	-	-	-	-	-	-	-
Total	**235,139.62**	**138,381.85**	**10,899.93**	**362,621.54**	**56,954.45**	**44,953.25**	**9,558.17**	**92,349.53**	**270,272.01**

₹ in Lakhs

Particulars	Gross block				Accumulated depreciation				Net block
	As at 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
Project equipment	99,529.16	131,641.41	650.98	230,519.59	22,235.66	34,052.03	-	56,287.69	174,231.90
Solar plant	-	2,102.64	-	2,102.64	-	31.72	-	31.72	2,070.92
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
Leasehold improvements	195.48	-	192.65	2.83	64.15	22.33	84.90	1.58	1.25
Cell phones	60.63	12.03	0.62	72.04	35.50	20.81	0.25	56.06	15.98
Residential assets	84.17	0.25	1.73	82.69	1.03	37.91	0.22	38.72	43.97
Building	-	472.01	-	472.01	-	0.57	-	0.57	471.44
Freehold land	743.64	-	-	743.64	-	-	-	-	743.64
Total	**102,583.74**	**134,372.80**	**1,816.92**	**235,139.62**	**22,707.19**	**34,361.07**	**113.81**	**56,954.45**	**178,185.17**

* Refer note 52.

2B Intangible assets

₹ in Lakhs

Particulars	Gross block				Accumulated depreciation				Net block
	As at 1 April 2019	Additions	Deductions/ Adjustments	As at 31 March 2020	As at 1 April 2019	For the year	Deductions/ Adjustments	As at 31 March 2020	As at 31 March 2020
Software	2,194.98	-	269.33	1,925.65	684.50	565.91	-	1,250.41	675.24
Total	2,194.98	-	269.33	1,925.65	684.50	565.91	-	1,250.41	675.24

₹ in Lakhs

Particulars	Gross block				Accumulated depreciation				Net block
	As at 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

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:

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Project Equipment		
Exchange differences included in PPE/CWIP	272.42	(244.28)
Borrowing costs included in PPE/CWIP	5,953.28	3,400.99

b) Refer note 19 and 25 for information on property, plant and equipment pledged as security by the company.

c) Refer note 49 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

3 Capital work-in-progress

As at 31 March 2020 ₹ in Lakhs

Particulars	As at 1 April 2019	Additions	Deductions/ adjustments/ capitalised	As at 31 March 2020
Project equipments				
Street lights	90,004.07	40,909.63	60,790.01	70,123.69
Building	8,668.95	9,442.31	6,042.36	12,068.90
Smart Meter	10,262.68	55,696.62	40,338.81	25,620.49
Public chargers	-	224.61	54.30	170.31
National Motor Replacement Program Project	22.69	156.97	81.99	97.67
Trigeneration project	-	547.39	-	547.39
Software	7.55	-	-	7.55
	108,965.94	**106,977.53**	**107,307.47**	**108,636.00**
Solar plant	12,776.39	34,493.28	25,123.92	22,145.75
Land and property	21.83	120.26	142.09	-
E-Vehicle	67.13	512.72	579.85	-
Others	136.26	461.50	134.89	462.87
Total	**121,967.55**	**142,565.29**	**133,288.22**	**131,244.62**

As at 31 March 2019 ₹ in Lakhs

Particulars	As at 1 April 2018	Additions	Deductions/ Adjustments/Capitalised	As at 31 March 2019
Project equipments				
Street lights	120,188.18	59,264.04	89,448.15	90,004.07
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**
	127,523.70	**73,777.50**	**92,335.26**	**108,965.94**
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	**129,348.91**	**86,867.63**	**94,248.99**	**121,967.55**

a) 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 accounting policy no. C.4 (Note 1) in respect of 'Borrowing Costs'.

b) 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 stores 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 like salaries, interest on loans/ bonds and forex gain/loss etc.) 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.

c) 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.

4 Investments in subsidiary and joint venture company

As at 31 March 2020 ₹ in Lakhs

Particulars	As at 31 March 2020	As at 31 March 2019
Equity instruments - Unquoted (fully paid up - unless otherwise stated, at cost)		
Subsidiary company		
EESL EnergyPro Assets Limited	27,130.87	27,130.87
29,745,680 (31 March 2019: 29,745,680) equity shares of £1 each		
Joint venture company		
NEESL Private Limited	0.26	0.26
2,600 (31 March 2019: 2,600) equity shares of ₹10 each		
Intellismart Infrastructure Private Limited (refer note c below)	-	-
49 (31 March 2019: Nil) equity shares of ₹10 each		
Total	**27,131.13**	**27,131.13**
Aggregate amount of unquoted investments	27,131.13	27,131.13
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 ended 31 March 2019, the Company had invested ₹ 7,762.05 Lakhs (£ 8 Million) in EESL EnergyPro Assets Limited.

c) The Company has invested ₹ 490 during the year to acquire 49% of equity shares in a newly formed company Intellismart Infrastructure Private Limited.

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

Particulars	Proportion of ownership interest (%)	
	As at 31 March 2020	As at 31 March 2019
Investment in subsidiary company:		
EESL EnergyPro Assets Limited (incorporated in United Kingdom)	84.55%	84.55%
Investment in joint venture company:		
NEESL Private Limited (incorporated in India)	26.00%	26.00%
Intellismart Infrastructure Private Limited (incorporated in India)	49.00%	-

5 Non-current loans

₹ in Lakhs

Particulars	As at 31 March 2020	As at 31 March 2019
Unsecured, considered good		
Loan to employees (including interest accrued)	217.29	120.39
Security deposits	166.27	373.56
Total	**383.56**	**493.95**

6 Other non-current financial assets

₹ in Lakhs

Particulars	As at 31 March 2020	As at 31 March 2019
Unbilled revenue	487.88	662.62
Finance lease receivables (refer note 52(b))	8,425.67	3,900.81
Deposits with banks maturing after twelve months		
Deposits under lien (refer note a below)	114.56	3.54
Other deposits	-	12.84
Total	**9,028.11**	**4,579.81**

a) Deposits with banks under lien includes fixed deposits for CST & VAT amounting to ₹ 4.20 Lakhs (31 March 2019: ₹ 3.54 Lakhs) and fixed deposits held as margin money for letter of credit and bank guarantees of ₹ 110.36 Lakhs (31 March 2019: ₹ Nil).

7 Deferred tax assets (net)

₹ in Lakhs

Particulars	As at 31 March 2020	As at 31 March 2019
Deferred tax assets		
Unabsorbed depreciation	2,535.60	-
Difference in book depreciation and tax depreciation	-	4,631.71
Allowance for credit impaired receivables	362.31	137.43
Lease liabilities	29.74	37.84
Provision for leave encashment	209.97	50.39
Provisions for gratuity	29.42	47.78
Provisions for bonus	3.45	113.07
Provision for shortage in inventories	0.91	-
Financial assets and liabilities measured at amortised cost	13.71	2.28
	3,185.11	**5,020.50**
Less: Deferred tax liabilities		
Financial assets and liabilities measured at amortised cost	1,285.30	3,361.47
Difference in book depreciation and tax depreciation	1,058.35	8.00
Revenue measured at fair value	-	931.57
	2,343.65	4,301.04
Total deferred tax liabilities (net)	**841.46**	**719.46**

a) Refer note 38 for income tax disclosures.

8 Other non-current assets

₹ in Lakhs

Particulars	As at 31 March 2020	As at 31 March 2019
Capital advances	1,625.93	1,336.78
Deferred rent (refer note 52(a))	-	13.86
Total	1,625.93	1,350.64

9 Inventories

₹ in Lakhs

Particulars	As at 31 March 2020	As at 31 March 2019
Stock in trade	22,431.66	26,968.66
Less: Provision for shortage in inventories	3.61	-
Total	**22,428.05**	**26,968.66**

a) Inventory items have been valued as per accounting policy no. C.5 (Note 1).
b) Stock in trade includes goods in transit of ₹ Nil (31 March 2019: ₹ 1,396.43 Lakhs) valued at cost.
c) The cost of inventories recognised as expense for the year ended 31 March 2020 is ₹ 64,629.24 Lakhs (including ₹ 0.95 Lakhs as Business promotion) (31 March 2019: ₹ 95,890.93 Lakhs (including ₹ 51.16 Lakhs as Business Promotion)).
d) Loans are secured on first pari-passu charge on stock and book debts. (Refer note 19 and 25).

10 Trade receivables

₹ in Lakhs

Particulars	As at 31 March 2020	As at 31 March 2019
Trade receivables		
Unsecured, considered good	276,685.99	183,148.24
Credit impaired	1,439.55	393.29
	278,125.54	**183,541.53**
Less: Provision for credit impaired trade receivables	1,439.55	393.29
Total	**276,685.99**	**183,148.24**

a) Refer note 41 for details with respect to credit risk.
b) Amounts receivables from related parties are disclosed in note 44.
c) Trade receivables (including related party party balances) 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 19 and 25).
e) Trade receivables includes receivables of ₹ 2,190.05 Lakhs under litigation.
f) During the year ended 31 March 2019, the carrying amounts of the trade receivables included receivables which were subject to factoring arrangement. Under the said arrangement, the Company had transferred the relevant receivables to the bank in exchange for cash and was prevented from selling or pledging the receivables. However, the Company retained the late payment and credit risk. The Company therefore continued to recognise the transferred assets in their entirety in its balance sheet. The amount repayable under the factoring agreement was presented as secured borrowing.

11 Cash and cash equivalents

₹ in Lakhs

Particulars	As at 31 March 2020	As at 31 March 2019
Balances with banks- Current accounts	33,106.74	42,482.84
Total	**33,106.74**	**42,482.84**

12 Bank balances other than cash and cash equivalents

₹ in Lakhs

Particulars	As at 31 March 2020	As at 31 March 2019
Deposits with original maturity of more than three months and maturing within one year (including interest accrued)	18,068.21	33,269.28
Deposits with banks under lien (refer note a below)	11,959.72	307.21
Total	**30,027.93**	**33,576.49**

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 ₹ 10,941.79 Lakhs (31 March 2019: ₹ Nil), fixed deposits for CST & VAT amounting to ₹ 4.05 Lakhs (31 March 2019: ₹ 3.01 Lakhs) and fixed deposits held as margin money for letter of credit and bank guarantees of ₹ 1,013.88 Lakhs (31 March 2019: ₹ 304.20 Lakhs).

13 Current loans

₹ in Lakhs

Particulars	As at 31 March 2020	As at 31 March 2019
Unsecured, considered good		
Loan to employees (including interest accrued)	139.95	113.56
Security deposits	526.07	250.78
Total	**666.02**	**364.34**

14 Other financial assets

₹ in Lakhs

Particulars	As at 31 March 2020	As at 31 March 2019
Unsecured, considered good		
Unbilled revenue	6,156.18	2,234.05
Finance lease receivables (refer note 52(b))	1,608.82	812.22
Others (refer note a below)	2,249.41	5,216.91
Total	**10,014.41**	**8,263.18**

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

15 Current tax assets (net)

₹ in Lakhs

Particulars	As at 31 March 2020	As at 31 March 2019
Advance tax	1,965.00	894.72
Self assessment refund	2,785.32	2,360.41
TCS recoverable	43.28	39.49
TDS recoverable	348.14	521.21
Total	**5,141.74**	**3,815.83**

16 Other current assets

₹ in Lakhs

Particulars	As at 31 March 2020	As at 31 March 2019
Receivable from statutory authorities (refer note 29(a))	38,103.16	29,157.11
Deposits paid under protest	4,852.69	4,327.95
Prepaid expenditure (refer note a below)	5,902.54	6,594.43
Advance to suppliers	3,240.96	2,812.01
Deferred rent	-	65.44
Imprest to employees	16.27	13.40
Others (refer note b below)	484.78	592.94
Total	**52,600.40**	**43,563.28**

a) 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 ₹ 4287.50 Lakhs balance brought forward from previous year 2018-19, ₹ 1,071.88 Lakhs has been charged in Media /advertisement expenses during the year ended 31 March 2020, ₹ 3,215.62 Lakhs has been carried forward as prepaid expenditure under the head, "Other Current Assets".

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

c) Amounts receivables from related parties are disclosed in note 44.

17 Share capital

₹ in Lakhs

Particulars	As at 31 March 2020		As at 31 March 2019	
	No. of shares	Amount	No. of shares	Amount
Authorised				
Equity shares of par value ₹10/- each	350,00,00,000	350,000.00	350,00,00,000	350,000.00
Issued, subscribed and fully paid up				
Equity shares of par value ₹10/- each	**983,328,350**	**98,332.84**	**675,204,350**	**67,520.44**

a) Movements in equity share capital:

₹ in Lakhs

Particulars	As at 31 March 2020		As at 31 March 2019	
	No. of shares	Amount	No. of shares	Amount
Outstanding at the beginning of the year	675,204,350	67,520.44	462,000,000	46,200.00
Add: Shares issued during the financial year	308,124,000	30,812.40	213,204,350	21,320.44
Outstanding at the end of the year	**983,328,350**	**98,332.84**	**675,204,350**	**67,520.44**

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 ended 31 March 2019.

The Company made an offer for right issue under private placement of equity shares to existing shareholders on 11 March 2019. Consequently, equity shares amounting to ₹ 11,998.80 Lakhs, ₹ 7,160.00 Lakhs and ₹ 1,841.40 Lakhs were issued to NTPC Limited, REC Limited and Power Grid Corporation of India Limited respectively on 8 June 2019. Power Finance Corporation Limited did not subscribe to the offer.

The Company made an offer for right issue under private placement of equity shares to existing shareholders on 22 July 2019. 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 ₹ 9,812.20 Lakhs were allotted to NTPC Limited on 12 September 2019. The Company issued 308,124,000 shares of ₹ 30,812.40 Lakhs during the year ended 31 March 2020.

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 2019-20		As at 31 March 2019	
	Per share (In ₹)	Amount	Per share (In ₹)	Amount
Equity shares				
Final dividend	**0.10**	**948.79**	**0.16**	**1,102.99**

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

₹ in Lakhs

Particulars	As at 31 March 2020		As at 31 March 2019	
	No. of shares	%age holding	No. of shares	%age holding
Power Finance Corporation Limited	245,500,000	24.97%	245,500,000	36.36%
NTPC Limited	463,610,000	47.15%	245,500,000	36.36%
REC Limited	218,100,000	22.18%	146,500,000	21.70%
Powergrid Corporation of India Limited	56,118,350	5.70%	37,704,350	5.58%
Total	**983,328,350**		**675,204,350**	

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 is below 25%.

18 Other equity

₹ in Lakhs

Particulars	As at 31 March 2020	As at 31 March 2019
Share application money pending allotment	-	-
Debenture redemption reserve	15,126.44	15,126.44
Retained earnings	52.50	(1,503.10)
Total	**15,178.94**	**13,623.34**

a) Share application money pending allotment

₹ in Lakhs

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Opening balance	-	9,900.00
Share application money received	30,812.40	11,420.44
Equity shares issued	(30,812.40)	(21,320.44)
Closing balance	**-**	**-**

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 2020	For the year ended 31 March 2019
Opening balance	15,126.44	6,515.21
Add: Transfer from retained earnings	-	8,611.23
Closing balance	15,126.44	15,126.44
Closing balance	**-**	**-**

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 2020	For the year ended 31 March 2019
Opening balance	(1,503.10)	559.47
Profit for the year as per statement of profit and loss	2,690.34	7,925.51
Dividend paid	(948.79)	(1,102.99)
Tax on dividend paid	(195.01)	(226.72)
Transfer to debenture redemption reserve	-	(8,611.23)
Transaction cost arising on issue of equity shares, net of tax	-	(25.00)
	43.44	(1,480.96)
Items of OCI recognised directly in retained earnings:		
Net actuarial gains/(losses) on defined benefit plans	9.06	(22.14)
Closing balance	**52.50**	**(1,503.10)**

19 Non-current borrowings

₹ in Lakhs

Particulars	As at 31 March 2020	As at 31 March 2019
Secured Debentures/Bonds		
(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 two unequal separately transferable redeemable principal parts (STRPP) of ₹12,500.00 Lakhs and ₹25,000.00 Lakhs redeemable at par on 20 September 2021 and 20 September 2023, respectively (First Issue - Private Placement)	39,104.08	52,133.58
Unsecured Debentures/Bonds		
(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)	47,474.26	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)	20,365.19	**20,361.73**
(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)	12,678.37	**12,676.02**
Term loan from banks		
Unsecured rupee term loan		

Particulars	As at 31 March 2020	As at 31 March 2019
(i) Punjab National Bank (ROI linked to 6 months MCLR, repayable in 10 equated instalments starting from June 2021 and ending in December 2025)	50,307.08	39,997.59
Secured rupee term loan		
(i) Bank of Baroda- Secured by pari passu charge on the movable fixed assets both present & future (ROI linked to 1year MCLR, repayable in 10 equated instalments starting from March 2021 and ending in September 2025)	33,198.25	-
(ii) Canara Bank- Secured by pari passu charge on the movable fixed assets both present & future (ROI linked to 1 year MCLR, repayable in 10 equated instalments of each tranche starting from September 2020 and ending in March 2025)	50,361.05	-
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)	31,912.17	34,455.63
(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 8,460,156.73, 2.22% p.a. for Euro 3,112,936.93, 1.35% p.a. for Euro 8,235,022.51 and 1.44% p.a. for Euro 5,932,983.01 loan repayable in half yearly basis starting from 31 October 2020 in 20 equal instalments of Euro 2,500,000 each)	25,649.99	12,929.37
(iii) ADB Loan -Guaranteed by Government of India (1.23788% 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)	77,054.34	43,391.19
(iv) IBRD Loan -Guaranteed by Government of India (2.61% p.a. (Method: 6 month LIBOR+variable spread, if any) loan repayable on half yearly basis starting from 15 May 2023 in 27 equal instalments of 3.57% of disbursed amount and last installment of 3.61% of disbursed amount)	82,804.97	38,484.04
	470,909.75	**301,900.57**
Less: Current maturities of long term borrowings	41,158.37	17,070.46
Less: Interest accrued but not due on borrowings	6,756.11	5,642.05
Total	**422,995.27**	**279,188.06**

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

20 Non-current trade payable

₹ in Lakhs

Particulars	As at 31 March 2020	As at 31 March 2019
Trade payable for goods and services		
Total outstanding dues of micro enterprises and small enterprises	1,593.02	1,277.49
Total outstanding dues of creditors other than micro and small enterprises	5,960.39	5,153.70
Total	**7,553.41**	**6,431.19**

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 44.

c) Refer note 54 for disclosures as required under Micro, Small and Medium Enterprises Development Act, 2006.

21 Non-current lease liabilities

₹ in Lakhs

Particulars	As at 31 March 2020	As at 31 March 2019
Lease liabilities (refer note 52)	1,613.77	-
Total	**1,613.77**	**-**

22 Other non-current financial liabilities

₹ in Lakhs

Particulars	As at 31 March 2020	As at 31 March 2019
Retention money (refer note a below)	9,220.60	40,680.09
Total	**9,220.60**	**40,680.09**

a) Refer note 54 for disclosures as required under Micro, Small and Medium Enterprises Development Act, 2006.

23 Non-current provisions

₹ in Lakhs

Particulars	As at 31 March 2020	As at 31 March 2019
Provision for employee benefits		
Gratuity	113.95	136.73
Leave encashment	807.75	144.21
Total	**921.70**	**280.94**

a) Refer note 45 for disclosure as per Ind AS 19 on 'Employee Benefits'.

24 Other non-current liabilities

₹ in Lakhs

Particulars	As at 31 March 2020	As at 31 March 2019
Operating lease liabilities	-	59.00
Deferred income on account of government grants (refer notes a and b below)	-	427.68
Total	**-**	**486.68**

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 and USD 500,000 for other consultancy. Total grant amounting to ₹ 880.94 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 ₹ Nil (31 March 2019: ₹ 290.73 Lakhs) as grant from World Bank and has recognised ₹ 310.30 Lakhs (31 March 2019: ₹ 397.64 Lakhs) as grant income (refer note 32)."

25 Current borrowings

₹ in Lakhs

Particulars	As at 31 March 2020	As at 31 March 2019
Secured loans from banks		
(i) ICICI Bank - Secured by first pari passu charge on the stock and receivables both present and future (ROI linked to MCLR repayable as Bullet payment after tenor of the loan (within 1 year) from the date of drawl of the respective tranche)	22,621.76	15,600.00
(ii) HDFC - Secured by first pari passu charge on the stock and debtors both present and future (ROI linked to 3 months MCLR repayable as Bullet payment after 1 year from the date of drawl of the respective tranche)	-	7,500.00
(iii) SBI - Secured by first pari passu charge on the stock and receivables both present and future (ROI linked to 3 months MCLR repayable as Bullet payment after 1 year from the date of drawl of the respective tranche)	-	-
(iv) IndusInd Bank - Secured by pari passu charge on stock and book debts of the Company (ROI repayable as Bullet payment after 1 year from the drawl of the loan amount)	22,658.47	10,000.00
(v) IndusInd Bank (factored receivables)- Secured by pari passu charge on stock and book debts of the Company (ROI linked to 364 days T-bill 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) Union Bank of India- Secured by the current assets of the Company present & future (ROI linked to 1 year MCLR repayable as bullet payment after 1 year from the drawl of the Loan amount)	30,117.33	-
Unsecured loans from banks		
(i) IndusInd Bank (ROI linked to 3 months MIBOR repayable as Bullet in the month of Sep 2019 amounting to ₹ 5,000.00 Lakhs)	-	5,003.69
(ii) J&K Bank (ROI linked to 1 year MCLR repayable as bullet payment after 1 year from the drawl of the Loan amount)	-	14,999.91
(iii) CTBC Bank (ROI linked to MIBOR repayable as bullet payment after 6 months from the drawl of the Loan amount)	4,000.91	-
Total	**79,398.47**	**62,682.68**
Less: Interest accrued on current borrowings	398.48	3.69
Total	**78,999.99**	**62,678.99**

26 Trade Payables

₹ in Lakhs

Particulars	As at 31 March 2020	As at 31 March 2019
Trade payable for goods and services		
Total outstanding dues of micro enterprises and small enterprises	5,868.63	8,214.58
Total outstanding dues of creditors other than micro and small enterprises	115,581.62	130,659.80
Total	**121,450.25**	**138,874.38**

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 44.
c) Refer note 54 for disclosures as required under Micro, Small and Medium Enterprises Development Act, 2006.

27 Current lease liabilities

₹ in Lakhs

Particulars	As at 31 March 2020	As at 31 March 2019
Lease liabilities (refer note 52)	1,631.51	-
Total	**1,631.51**	**-**

28 Other current financial liabilities

₹ in Lakhs

Particulars	As at 31 March 2020	As at 31 March 2019
Current maturities of non-current borrowings (refer note 19)	41,158.37	17,070.46
Interest accrued on borrowings	7,154.59	5,645.74
Unclaimed interest on debentures/bonds	1.61	1.61
Retention money (refer note a below)	32,245.92	15,546.09
Liabilities for expenses	4,141.32	2,333.37
Earnest money deposits	585.27	430.81
Commitment fee payable	203.60	238.07
Security deposits	120.35	138.94
Payable to employees	14.67	762.79
Total	**85,625.70**	**42,167.88**

a) Refer note 54 for disclosures as required under Micro, Small and Medium Enterprises Development Act, 2006.

29 Other current liabilities

₹ in Lakhs

Particulars	As at 31 March 2020	As at 31 March 2019
Statutory dues (refer note a below)	23,032.29	**18,574.62**
Liquidated damages	93.25	93.25
Advance from customers	4,644.09	1,308.50
Unearned income	66.64	172.20
Deferred income on account of government grants (refer note 46)	354.56	237.18
Total	**28,190.83**	**20,385.75**

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 2020	As at 31 March 2019
Provision for employee benefits		
Gratuity	2.95	3.29
Leave encashment	26.53	8.37
Total	**29.48**	**11.66**

a) Refer note 45 for disclosure as per Ind AS 19 on 'Employee Benefits'.

31 Revenue from operations

₹ in Lakhs

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Sale of goods	67,125.96	111,527.89
Rendering of services	112,583.17	72,237.35
Total	**179,709.13**	**183,765.24**

a) Refer note 51 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, interest (including indirect finance costs), pre/post tax return on equity (in few cases), are more/at a certain percentage which is different from the percentage specified in the agreement. The Company is in the process of analysing all agreements to seek necessary clarifications on such and other matters and shall formalise all agreements accordingly.

c) The billing in the previous years commenced 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 was done for the same month.

d) The company has booked the unbilled revenue of ₹ 528.02 Lakhs for Smart Meters installed in certain DISCOMs on estimation basis where formal agreements are yet to be executed. Further, the Company is in the process to seek clarifications/ amendments in a few agreements for extension of period, change in rates etc., the effects of which shall be considered in the year in which such amendments are finalized. The Company has appointed a vendor for SMNP System Integration on per meter basis, except for few items. The Company has booked expenses on per meter basis and is in process to modify and formalize the terms of payments with the vendor to ensure that all payments are made proportionately on per meter basis.

32 Other income

₹ in Lakhs

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Interest income from financial assets measured at amortised cost		
Bank deposits	3,905.75	3,229.49
Trade receivables/unbilled revenue	327.75	1,332.14
Loans to employees	8.36	4.85
Security deposit	119.69	41.50
Others	66.04	162.42
Interest on income tax refund	**227.54**	**-**
Other non-operating income		
Tender document fees	25.82	38.63
E- Tendering registration fee	10.20	11.10
Net gain on foreign currency transactions and translation	-	2,580.71
EMD forfeited	0.39	1,424.00
Deferred rent income	-	15.97
Grant income	310.30	397.64
Guarantee fee income	651.04	226.73
Management fees income	379.32	334.29
Miscellaneous income	1,568.74	2.69
Total	**7,600.94**	**9,802.16**

33 (Increase)/Decrease in inventories

₹ in Lakhs

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Opening stock	26,968.66	29,993.41
Closing stock	22,428.05	26,968.66
Total	**4,540.61**	**3,024.75**

34 Employee benefits expense

₹ in Lakhs

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Salaries and wages	3,264.33	2,707.59
Leave encashment	354.59	(100.11)
Contribution to provident and other funds	178.71	84.51
Staff welfare expenses	89.66	148.43
Total	**3,887.29**	**2,840.42**

(a) Refer note 45 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:

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Opening balance	-	**550.00**
Addition during the year	-	-
Amounts used during the year	-	(550.00)
Total	**-**	**-**

35 Finance costs

₹ in Lakhs

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Finance charges on financial liabilities measured at amortised cost		
Debentures/Bonds	10,421.31	8,245.92
Short term loans	4,839.10	6,308.69
Foreign currency term loans	3,901.04	1,378.96
Rupee term loans	3,901.35	246.23
Unwinding of discount on retention money	1,650.52	1,067.48
Unwinding of discount on trade payables	1,330.22	1,108.23
Lease liabilities	361.94	-
Net loss on foreign currency transactions and translation	7,664.22	128.97
Other borrowing costs		
Guarantee fees	867.36	547.70
Commitment fees for foreign currency term loans	11.70	243.05
Processing Fee	212.06	-
Total	**35,160.82**	**19,275.23**

a) Borrowing costs capitalised during the year is ₹ 5,953.28 Lakhs (31 March 2019: ₹ 3,400.99 Lakhs).

36 Depreciation and amortisation expense

₹ in Lakhs

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Depreciation on property, plant and equipment	44,953.25	34,361.07
Amortisation of intangible assets	565.91	625.94
Total	**45,519.16**	**34,987.01**

37 Other expenses

₹ in Lakhs

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Annual maintenance charges (projects)	17,782.41	9,396.79
Project expenses	1,722.28	2,757.36
Legal fees & professional charges	2,095.87	2,004.99
Rent	249.62	2,015.59
Manpower expenses	1,804.63	1,336.91
Tour and traveling expenses	1,105.66	755.06
Communication expenses	421.24	474.16
Advertisement and publicity expenses	488.11	344.14
Business promotion	255.36	205.89
Printing and stationery expenses	131.05	158.29
Meeting expense/ Hospitality expenses	339.83	175.76
Net loss on sale of property, plant and equipment	4.27	142.54
Bank charges	174.83	207.74
Sponsorship expenses	126.25	142.54
Insurance charges	206.88	147.61
Testing expenses	88.51	117.29
Electricity expenses	118.02	93.67
Payment to auditors (refer note a below)	34.39	32.05
Conveyance expenses	10.39	25.20
Recruitment expenses	47.49	11.04
Repair and maintenance expenses		
- Building	115.32	66.36
- Computer	55.61	4.72
- Other	-	-
Internal audit fees	6.60	6.00
Rate and taxes	45.04	15.87
Corporate social responsibility expenses	173.20	20.06
Books and periodicals	2.51	0.78
Net loss on foreign currency transactions and translation	5,250.02	-
Allowance for doubtful receivables	1,046.26	196.65
Provision for shortage in inventories	3.61	-
Miscellaneous expenses	404.17	240.03
Total	**34,309.43**	**21,095.09**
(a) Details in respect of payment to auditors:		
Statutory audit fee	18.15	16.50
Tax audit fee	7.87	7.15
Limited review	5.75	5.50
Reimbursement of expenses	2.62	2.90
Total	**34.39**	**32.05**

38 Income taxes

a) Income tax recognised in statement of profit and loss

₹ in Lakhs

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Current tax expense		
Current year	129.05	7,060.62
Earlier years	(593.75)	-
	(464.70)	**7,060.62**
Deferred tax credit		
Origination and reversal of temporary differences	(326.55)	(206.53)
Change in tax rate	201.28	-
	(125.27)	(206.53)
Total income tax (credit) / expense	**(589.97)**	**6,854.09**

b) Income tax recognised in other comprehensive income

₹ in Lakhs

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Other comprehensive income		
Net actuarial gains/(losses) on defined benefit plans	12.11	(34.03)
Less: Income tax relating to above items	3.05	(11.89)
Other comprehensive income / (expense) for the year, net of income tax	**9.06**	**(22.14)**

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 2020	For the year ended 31 March 2019
Profit before tax	**2,100.37**	**14,779.60**
Tax using the Company's domestic tax rate of 25.168% (31 March 2019: 34.944 %)	528.62	5,164.58
Tax effect of:		
Non-deductible tax expenses	51.71	1,051.90
Revenue of ESCO project sold upfront	(744.20)	-
Previous year tax expense	(593.75)	-
Change in income tax rate	201.28	-
Tax on foreign branch	129.05	-
Others	(162.68)	637.61
At the effective income tax rate of (-) 28.09% (31 March 2019: 46.38%)	**(589.97)**	**6,854.09**

d) Impact of Taxation Laws (Amendment) Ordinance, 2019

Pursuant to the introduction of Section 115BAA of the Indian Income Tax Act, 1961 by the Taxation Laws (Amendment) Ordinance, 2019 which is effective 1 April 2019, companies in India have the option to pay corporate income tax at the rate of 22% plus applicable surcharge and cess as against the earlier rate of 30% plus applicable surcharge and cess, subject to certain conditions like, the company has to forego all benefits like tax holidays, brought forward losses generated through tax incentives/additional depreciation and outstanding MAT credit.

Considering all the provisions under Section 115BAA and based on the expected timing of exercising of the option under Section 115BAA, the Company has re-measured its deferred tax balances which lead to reduction in deferred tax assets recognised till 31 March 2019 by ₹ 201.28 Lakhs in the current year financial statements. This requires assumptions regarding future profitability, which is inherently uncertain. To the extent assumptions regarding future profitability change, there can be increase or decrease in the amounts recognised.

e) The Company has paid ₹ 195.01 Lakhs as tax on dividend distribution during the year out of its reserves.

f) Movement in deferred tax balances

₹ in Lakhs

For the year ended 31 March 2020	Net balance 1 April 2019	Recognised in profit or loss	Recognised in OCI	Net balance 31 March 2020
Deferred tax assets				
Difference in book depreciation and tax depreciation	4,623.71	(4,623.71)	-	-
Unabsorbed depreciation	-	2,535.60	-	2,535.60
Allowance for credit impaired receivables	137.43	224.88	-	362.31
Lease liabilities	37.84	(8.10)	-	29.74
Provision for leave encashment	50.39	159.58	-	209.97
Provisions for gratuity	47.78	(15.31)	(3.05)	29.42
Provisions for bonus	113.07	(109.62)	-	3.45
Provision for shortage in inventories	-	0.91	-	0.91
Financial assets and liabilities measured at amortised cost	2.28	11.43	-	13.71
	5,012.50	**(1,824.34)**	**(3.05)**	**3,185.11**
Less: Deferred tax liabilities				
Financial assets and liabilities measured at amortised cost	3,361.47	(2,076.17)	-	1,285.30
Difference in book depreciation and tax depreciation	-	1,058.35	-	1,058.35
Revenue measured at fair value	931.57	(931.57)	-	-
	4,293.04	(1,949.39)	-	2,343.65
Deferred tax (assets)/ liabilities (net)	**719.46**	**125.05**	**(3.05)**	**841.46**

Movement in deferred tax balances

₹ in Lakhs

For the year ended 31 March 2019	Net balance 1 April 2018	Recognised in profit or loss	Recognised in OCI	Net balance 31 March 2019
Deferred tax assets				
Difference in book depreciation and tax depreciation	4,193.90	429.81	-	4,623.71
Provision for 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
	4,545.27	**455.34**	**11.89**	**5,012.50**
Less: Deferred tax liabilities				
Revenue measured at fair value	2,322.68	(1,391.11)	-	931.57
Financial assets and liabilities measured at amortised cost	1,721.65	1,639.82	-	3,361.47
	4,044.33	248.71	-	4,293.04
Deferred tax liabilities (net)	**500.94**	**206.63**	**11.89**	**719.46**

g) The Company's subsidiary has undistributed earnings of ₹ 727.49 Lakhs (31 March 2019: ₹ 1,480.60 Lakhs), which if paid out as dividends, would be subject to tax in the hands of recipient. An assessable temporary difference exists, but no deferred tax liability has been recognised as the Company is able to control the timing of distributions from the subsidiary. The subsidiary is not expected to distribute the profits in the foreseeable future.

39 Restatement for the year ended 31 March 2019 and as at 1 April 2018

In accordance with Ind AS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' and Ind AS 1 ' Presentation of Financial Statements', the Company has retrospectively restated its Balance Sheet as at 31 March 2019 and 1 April 2018 (beginning of the preceding period) and Statement of Profit and Loss for the year ended 31 March 2019 for the reasons as stated in the notes below. Reconciliation of items which are retrospectively restated in the Balance Sheet and Statement of Profit and Loss are as under:

a) Reconciliation of restated items of Balance Sheet as at 31 March 2019 and 1 April 2018

₹ in Lakhs

Particulars	Note	As at 31 March 2019		
		As previously reported	Adjustments	As restated
ASSETS				
Non-current assets				
Property, plant and equipment	(i), (ii), (iii)	183,288.82	(5,103.65)	178,185.17
Capital work-in-progress	(i), (iii)	121,606.23	361.32	121,967.55
Deferred tax assets (net)	(iv)	-	719.46	719.46
Other non-current assets		35,066.01	-	35,066.01
Total non-current assets		**339,961.06**	**(4,022.87)**	**335,938.19**
Current assets				
Other current financial assets		8,263.18	-	8,263.18
Other current assets		333,919.68	-	333,919.68
Total current assets		342,182.86	-	342,182.86
TOTAL ASSETS		**682,143.92**	**(4,022.87)**	**678,121.05**
EQUITY AND LIABILITIES				
Equity				
Equity share capital		67,520.44	-	67,520.44
Other equity		16,476.09	(2,852.75)	13,623.34
Total equity		**83,996.53**	**(2,852.75)**	**81,143.78**
Liabilities				
Non-current liabilities				
Trade payables				
-total outstanding dues of micro enterprises and small enterprises		1,277.49	-	1,277.49
-total outstanding dues of creditors other than micro enterprises and small enterprises	(ii)	10,523.97	(5,370.27)	5,153.70
Deferred tax liabilities (net)	(iv)	709.60	(709.60)	-
Other non-current liabilities		320,635.77	-	320,635.77
Total non-current liabilities		**333,146.83**	**(6,079.87)**	**327,066.96**
Current liabilities				
Trade payables				
-total outstanding dues of micro enterprises and small enterprises		8,214.58	-	8,214.58
-total outstanding dues of creditors other than micro enterprises and small enterprises	(ii)	125,750.05	4,909.75	130,659.80
Other current liabilities		131,035.93	-	131,035.93
Total current liabilities		**265,000.56**	**4,909.75**	**269,910.31**
TOTAL EQUITY AND LIABILITIES		**682,143.92**	**(4,022.87)**	**678,121.05**

₹ in Lakhs

Particulars	Note	As at 31 March 2018		
		As previously reported	Adjustments	As restated
ASSETS				
Non-current assets				
Property, plant and equipment	(i), (ii), (iii)	83,372.59	(3,496.04)	79,876.55
Capital work-in-progress	(i), (iii)	129,348.91	-	129,348.91
Deferred tax assets (net)	(iv)	-	500.94	500.94
Other non-current assets		24,942.67	-	24,942.67
Total non-current assets		**237,664.17**	**(2,995.10)**	**234,669.07**
Current assets				
Other current financial assets		5,603.80	-	5,603.80
Other current assets		231,478.15	-	231,478.15
Total current assets		**237,081.95**	**-**	**237,081.95**
TOTAL ASSETS		**474,746.12**	**(2,995.10)**	**471,751.02**
EQUITY AND LIABILITIES				
Equity				
Equity share capital		46,200.00	-	46,200.00
Other equity		18,242.96	(1,268.28)	16,974.68
Total equity		**64,442.96**	**(1,268.28)**	**63,174.68**
Liabilities				
Non-current liabilities				
Trade payables				
-total outstanding dues of micro enterprises and small enterprises		**-**	**-**	**-**
-total outstanding dues of creditors other than micro enterprises and small enterprises	(ii)	-	3,750.93	3,750.93
Deferred tax liabilities (net)	(iv)	180.29	(180.29)	-
Other non-current liabilities		184,475.33	-	184,475.33
Total non-current liabilities		**184,655.62**	**3,570.64**	**188,226.26**
Current liabilities				
Trade payables				
-total outstanding dues of micro enterprises and small enterprises		-	-	-
-total outstanding dues of creditors other than micro enterprises and small enterprises	(ii)	128,526.81	(5,297.46)	123,229.35
Other current liabilities		97,120.73	-	97,120.73
Total current liabilities		225,647.54	(5,297.46)	220,350.08
TOTAL EQUITY AND LIABILITIES		**474,746.12**	**(2,995.10)**	**471,751.02**

b) Reconciliation of restated items of Statement of Profit and Loss for the year ended 31 March 2019

₹ in Lakhs

Particulars	Note	For the year ended 31 March 2019		
		As previously reported	Adjustments	As restated
Revenue				
Revenue from operations		183,765.24	-	183,765.24
Other income		9,802.16	-	9,802.16
Total revenue		193,567.40	-	193,567.40
Expenses				
Purchase of stock-in-trade	**(ii)**	**91,700.00**	**1,115.02**	**92,815.02**
Distribution expenses (Ujala)		**2,119.29**	**-**	**2,119.29**
Media expenses (Ujala)		2,630.99	-	2,630.99
Decrease in inventories		3,024.75	-	3,024.75
Employee benefits expense		2,840.42	-	2,840.42
Finance costs	**(ii) and (iii)**	**19,023.52**	**251.71**	**19,275.23**
Depreciation and amortisation expense	(i)	34,021.44	965.57	34,987.01
Other expenses		21,095.09	-	21,095.09
Total expenses		176,455.50	2,332.30	178,787.80
Profit before tax		**17,111.90**	**(2,332.30)**	**14,779.60**
Tax expense				
Current tax				
Current year		7,060.62	-	7,060.62
Earlier years		-	-	-
Deferred tax expense	(iv)	541.30	(747.83)	(206.53)
Total tax expense		7,601.92	(747.83)	6,854.09
Profit for the year		9,509.98	(1,584.47)	7,925.51
Other comprehensive income/(expense)				
Items that will not be reclassified to profit or loss				
- Net actuarial losses on defined benefit plans		(34.03)	-	(34.03)
- Less: Income tax relating to above item		**(11.89)**	**-**	**(11.89)**
Other comprehensive expense for the year		**(22.14)**	**-**	**(22.14)**
Total comprehensive income for the year		**9,487.84**	**(1,584.47)**	**7,903.37**

c) Reconciliation of Statement of Cash Flows for the year ended 31 March 2019

₹ in Lakhs

Particulars	For the year ended 31 March 2019		
	As previously reported	Adjustments	As restated
Net cash flow from operating activities	5,213.00	99.26	5,113.74
Net cash flow used in investing activities	(121,537.57)	(280.71)	(121,256.86)
Net cash flow from financing activities	106,745.74	181.45	106,564.29
Net decrease in cash and cash equivalents during the year	(9,578.83)	-	(9,578.83)
Cash and cash equivalents at the beginning of the year	52,061.67	-	52,061.67
Cash and cash equivalent at the end of the year	42,482.84	-	42,482.84

d) Notes on restatement

(i) The Company provides energy efficiency services through installation/replacement of lights to various Urban Local Bodies (ULBs). The agreement with customers provides for issuance of Certificate for Completion after installation of the lights. In the previous year, the Company capitalised the projects on the basis of completion certificate receievd from ULB's. The Company has received certain completion certificates from the ULBs, wherein the completion dates mentioned in the certificate falls in the previous year. For such projects, the Company has capitalised the assets from the previous year and accordingly has recognised depreciation expense of ₹ 3,107.15 Lakhs during the year ended 31 March 2019. Impact on depreciation upto 1 April 2018 amounting to ₹ 2,141.58 Lakhs has been recongised in retained earnings.

(ii) As per the accounting policy of the Company, non-current trade payables are measured at amortised cost as per Ind AS 109, 'Financial Instruments'. The Company has revised the current/non-current classification of trade payable to align the presentation in the financial statements as per the accounting policy adopted by the Company. As a result, non-current trade payables have been discounted to present value since they do not carry any interest with corresponding impact on capital work-in-progress/property, plant and equipment and cost of goods sold. Further, interest cost on unwinding of discount on trade payables have been recognised as finance cost.

This adjustment has affected the following financial statement line items:

₹ in Lakhs

Particulars	As at 31 March 2019	As at 1 April 2018
Impact in Balance Sheet		
Property plant and equipment	(1,996.50)	(1,354.46)
Capital work-in-progress	553.49	-
Non-current trade payable	(5,370.27)	3,750.93
Current trade payable	4,909.75	(5,297.46)
Retained earnings	(982.49)	192.07

₹ in Lakhs

Particulars	For the year ended 31 March 2019
Impact in Statement of profit and loss	
Finance cost	59.53
Cost of goods sold	1,115.02
Profit before tax	(1,174.55)

(iii) During the year ended 31 March 2019, the Company inadvertently capitalised borrowing cost that were not directly attributable to acquisition or construction of qualifying assets. Accordingly, the Company has decapitalised the borrowing cost resulting in decrease in capital work-in-progress and corresponding increase in finance cost by ₹ 192.17 Lakhs.

(iv) The above mentioned adjustments had a consequential impact on deferred tax expense and deferred tax liability. As at 1 April 2018, deferred tax liabilities declined by ₹ 681.23 Lakhs with corresponding decrease in retained earnings. During the year ended 31 March 2019, deferred tax expense and deferred tax liability declined by ₹ 941.27 Lakhs.

(v) Certain reclassifications have been made to the comparative period's financial statements to enhance comparability with the current year's financial statements.

Earnings per share

Basic and diluted earnings per share for the year ended 31 March 2019 have changed as below:

₹ in Lakhs

Particulars	For the year ended 31 March 2019		
	As previously reported	Adjustments	As restated
Basic earnings per equity share (₹)	1.46	**(0.24)**	**1.21**
Diluted earnings per equity share (₹)	1.11	**0.08**	1.19

40 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 2020	As at 31 March 2019
Financial assets:		
Security deposits	703.18	633.96
Unbilled revenue	7,025.88	3,961.72
Loan to employees	357.24	200.55
Finance lease receivables	10,034.49	4,713.03
Bank deposits	114.56	16.38
Total	**18,235.35**	**9,525.64**
Financial liabilities:		
Borrowings	456,017.97	291,039.18
Retention money	42,494.52	65,682.89
Trade payables	130,898.35	150,295.93
Total	**629,410.84**	**507,018.00**

* 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 2020		As at 31 March 2019	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets:				
Security deposits	692.34	703.18	624.34	633.96
Unbilled revenue	6,644.06	7,025.88	2,896.67	3,961.72
Loan to employees	357.24	357.24	233.95	200.55
Finance lease receivables	10,034.49	10,034.49	4,713.03	4,713.03
Non current bank deposits	114.56	114.56	16.38	16.38
Total	**17,842.69**	**18,235.35**	**8,484.37**	**9,525.64**
Financial liabilities:				
Non-current borrowings	470,909.75	456,017.97	301,900.57	291,039.18
Retention money	41,466.52	42,494.52	56,226.18	65,682.89
Trade payables	129,003.66	130,898.35	145,305.57	150,295.93
Total	**641,379.93**	**629,410.84**	**503,432.32**	**507,018.00**

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 undertaken through an expert external agency. They are classified as level 2 fair values in the fair value hierarchy due to the use of observable market inputs.

41 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
- Market risk
- Liquidity 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 ₹ 33,106.74 Lakhs (31 March 2019: ₹ 42,482.84 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 ₹ 30,142.49 Lakhs (31 March 2019: ₹ 33,592.87 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 2020	As at 1 April 2019
Financial assets for which loss allowance is measured using 12 months Expected Credit Losses		
Non-current loans	383.56	493.95
Other non-current financial assets*	8,540.23	3,917.19
Cash and cash equivalents	33,106.74	42,482.84
Deposits with banks	30,027.93	33,576.49
Current loans	666.02	364.34
Other current financial assets*	3,858.23	6,029.13
Total	**76,582.71**	**86,863.94**
Financial assets for which loss allowance is measured using Life time Expected Credit Losses		
Trade receivables	276,685.99	183,148.24
Unbilled revenue	6,644.06	2,896.67
Total	**283,330.05**	**186,044.91**

* Excluding unbilled revenue

(ii) 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 amount as at 31 March 2020	48,976.78	14,922.86	9,831.22	12,035.72	192,358.96	278,125.54
Gross amount as at 31 March 2019	36,882.44	19,679.94	5,137.24	15,452.68	106,389.23	183,541.53

41 Financial risk management (Continued)

(iii) 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, the Company has recognised a provision for doubtful receivables of ₹ 196.65 Lakhs during the year ended 31 March 2020 (31 March 2019: ₹ 196.65 Lakhs).

Further, the Company is in the process of evaluating the credit risk of non-government controlled customers and has made a provision of ₹ 849.61 Lakhs in respect of amount outstanding for more than 360 days as on 30 September 2019 in respect of such customers, pending evaluation/ assessment of their credit risk.

Financial assets for which loss allowance is measured and recommended by Comptroller and Auditor General of India (C&AG)

The C&AG in their report dated 18 October 2017 had recommended a provision of ₹ 1,650.00 Lakhs on account of subsidy not received from Delhi Government/DERC. However, the Company has not made the provision as the management is of the view that the recovery is being followed up with concerned authority, which is under review and they are confident for recovery of their dues.

(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 2020	For the year ended 31 March 2019
Opening balance	393.29	196.64
Add: Allowance for doubtful debts recognised during the year	1,046.26	196.65
Closing balance	**1,439.55**	**393.29**

b) 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) 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 2020	As at 31 March 2019
Financial assets		
Fixed-rate instruments		
Employee Loans	169.46	57.38
Total	**169.46**	**57.38**
Financial liabilities		
Fixed-rate instruments		
Foreign currency loans	57,222.66	47,099.92
Debentures	115,000.00	127,500.00
Short term loans	75,000.00	25,179.08
	247,222.66	**199,779.00**
Variable-rate instruments		
Foreign currency loans	159,171.93	81,661.00
Rupee term loans	132,965.47	39,997.59
Short term loans	4,000.00	37,499.92
	296,137.40	**159,158.51**
Total	**543,360.06**	**358,937.51**

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

Particulars	Profit or loss (before tax)			
	31 March 2020		31 March 2019	
	Increase	Decrease	Increase	Decrease
Foreign currency loans	(795.86)	795.86	(408.31)	408.31
Rupee term loans	(664.83)	664.83	(199.99)	199.99
Short term loans	(20.00)	20.00	(187.50)	187.50
Total	**(1,480.69)**	**1,480.69**	**(795.79)**	**795.79**

(ii) 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 2020 and 31 March 2019 are as below:

₹ in Lakhs

Particulars	As at 31 March 2020			As at 31 March 2019		
	EURO	USD	GBP	EURO	USD	GBP
Financial liabilities						
Foreign currency borrowings	57,562.16	159,859.31	-	47,385.00	81,875.23	-
Commitment fee payable	119.72	83.88	-	80.00	158.24	-
Trade payables	-	-	17.44	-	-	8.17
Total	**57,681.88**	**159,943.19**	**17.44**	**47,465.00**	**82,033.47**	**8.17**
Financial assets						
Trade receivables	-	-	1,338.16	-	-	578.54
Balance with bank-current account	-	9,054.97	6.77	-	2,017.42	38.97
Total	**-**	**9,054.97**	**1,344.93**	**-**	**2,017.42**	**617.51**
Net Exposure	**57,681.88**	**150,888.22**	**(1,327.49)**	**47,465.00**	**80,016.05**	**(609.34)**

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

Particulars	31 March 2020		31 March 2019	
	Strengthening	Weakening	Strengthening	Weakening
10% movement				
INR/EUR	5,768.19	(5,768.19)	4,746.50	(4,746.50)
INR/USD	15,088.82	(15,088.82)	8,001.61	(8,001.61)
INR/GBP	(132.75)	132.75	(60.93)	60.93
Total	**20,724.26**	**(20,724.26)**	**12,687.17**	**(12,687.17)**

c) 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:

Particulars	As at 31 March 2020	As at 31 March 2019
Fixed-rate borrowings		
Foreign currency loans	178,700.98	181,436.83
Working capital loan	25,000.00	14,400.00
Total	203,700.98	195,836.83
Floating-rate borrowings		
Term loans	17,000.00	10,002.41
Foreign currency loans	157,448.85	208,762.33
Working capital loan	-	2,500.10
Total	174,448.85	221,264.84
Total	**378,149.83**	**417,101.67**

(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 2020 ₹ in Lakhs

Particulars	3 months or less	3-12 months	1-2 years	2-5 years	More than 5 years	Total
Non-current borrowings*	7,289.59	54,053.82	81,634.01	231,976.01	185,087.54	560,040.97
Current borrowings*	24,359.05	58,963.45	-	-	-	83,322.50
Trade payables	123,723.75	1,734.11	2,072.09	4,205.16	59.55	131,794.66
Retention money	28,995.27	3,657.47	4,017.16	7,162.36	103.04	43,935.30
Lease liabilities	523.02	1,329.21	1,272.51	464.46	-	3,589.20
Liability for expenses	4,141.32	-	-	-	-	4,141.32
Payable to employees	14.67	-	-	-	-	14.67
Others	325.56	585.27	-	-	-	910.83
Total	**189,372.23**	**120,323.33**	**88,995.77**	**243,807.99**	**185,250.13**	**827,749.45**

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	170,447.16	135,117.51	387,232.82
Current borrowings*	26,808.69	38,227.92	-	-	-	65,036.61
Trade payables	136,765.76	2,121.26	2,332.99	5,000.96	1,795.38	148,016.35
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	**173,278.59**	**95,004.35**	**57,365.99**	**195,080.65**	**139,687.97**	**660,417.55**

* includes contractually committed interest

42 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."

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.

Particulars	As at 31 March 2020	As at 31 March 2019
Current ratio[1]	1.36	1.27
Debt-equity ratio[2]	3.73	3.44
Debt service coverage ratio[3]	1.88	3.73
Asset coverage ratio[4]	3.33	6.00

1 Current assets (31 March 2020- ₹ 430,671.28 Lakhs and 31 March 2019- ₹ 342,182.86 Lakhs) divided by current liabilities (31 March 2020- ₹ 316,056.81 Lakhs and 31 March 2019- ₹ 269,910.31 Lakhs)

2 Debt divided by equity. Debt comprises of bonds and long-term borrowings net of current maturities (31 March 2020- ₹ 422,995.27 Lakhs and 31 March 2019- ₹ 279,188.06 Lakhs) and equity comprises of equity share capital and other equity (31 March 2020- ₹ 113,511.78 Lakhs and 31 March 2019- ₹ 81,143.78 Lakhs)

3 Profit before depreciation, interest and tax (31 March 2020- ₹ 82,780.35 Lakhs and 31 March 2019- ₹ 69,041.84 Lakhs) divided by debt payments (principal payment and interest and finance charges pertaining to long term borrowings) (31 March 2020- ₹ 44,009.19 Lakhs and 31 March 2019- ₹ 18,523.80 Lakhs)

4 Non-current tangible assets (property, plant and equipment and capital work-in-progress) (31 March 2020- ₹ 401,516.63 Lakhs and 31 March 2019- ₹ 300,152.72 Lakhs) divided by secured term loans (including bonds) (31 March 2020- ₹ 120,500.00 Lakhs and 31 March 2019- ₹ 50,000.00 Lakhs)

43 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	Next Due Date of principal repayment	Next Due Date of Annual Interest
Series-I	Secured*	37,500.00	₹ 30.00 Lakh**	20-Sep-16	20-Sep-21	20-Sep-20
Series-II	Unsecured	45,000.00	₹ 10.00 Lakh	18-Jul-17	18-Jul-22	18-Jul-20
Series-III	Unsecured	20,000.00	₹ 10.00 Lakh	10-Jan-18	10-Feb-21	10-Jan-21
Series-IV	Unsecured	12,500.00	₹ 10.00 Lakh	29-Jan-18	28-May-21	29-Jan-21

* 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 1 STRPP of the value of ₹ 10.00 Lakh and 1 STRPP of the value of ₹ 20.00 Lakh.

The Company is creating Debenture Redemption Reserve for Bonds issued as required by Companies (Share Capital and Debentures) Rules, 2014.

44 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) Key Managerial Personnel (KMP):

Rajat Kumar Sud	Managing Director	w.e.f 7 October 2020
Saurabh Kumar	Executive Vice-Chairman (Additional Charge)	w.e.f. 1st August 2020
Saurabh Kumar	Managing Director	w.e.f. 7 May 2013 upto 30 November 2019
Saurabh Kumar	Managing Director (Additional Charge)	w.e.f. 1 December 2019 upto 31 July 2020
Shankar Gopal	Managing Director (Additional Charge)	w.e.f. 1 August 2020 upto 7 October 2020
Rajeev Sharma	Director and Chairman	w.e.f. 5 February 2018
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
Mohit Bhargava	Nominee Director	w.e.f. 5 February 2018 upto 30 May 2020
Sanjiv Garg	Nominee Director	w.e.f. 21 October 2018 upto 16 March 2020
Abhay Bakre	Nominee Director	w.e.f. 8 May 2018
C.K. Mondol	Nominee Director	w.e.f. 30 May 2020 upto 13 August 2020
Raju Lakshmanan	Nominee Director	w.e.f. 1 May 2020
Aditya Dar	Nominee Director	w.e.f. 22 August 2020
Seethapathy Chander	Independent Director	w.e.f. 5 February 2018 upto 3 August 2020
Gauri Surendra Trivedi	Independent Director	w.e.f. 5 February 2018 upto 4 August 2020
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
Renu Narang	Chief Financial Officer	w.e.f. 6 April 2018 upto 23 January 2019
Shankar Gopal	Chief Financial Officer	w.e.f. 7 February 2019
Pooja Shukla	Company Secretary	w.e.f. 27 December 2012

(iii) Subsidiaries, joint ventures and associates of entities having joint control over the company:

Utility Powertech Limited
NTPC-SAIL Power Company Limited
PFC Capital Advisory Services Limited
PFC Consulting Limited
PFC Green Energy Limited

(iv) Subsidiary of the company:

EESL EnergyPro Assets Limited

(v) Joint Ventures of the company:

NEESL Private Limited
Intellismart Infrastructure Private Limited

(vi) 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

(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 17). 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 to Central Electronics Limited, National Fertilizer Limited, Bharat Heavy Electricals Limited, Northern Coalfields Limited, NHPC Limited, Oil and Natural Gas Corporation Limited, South Eastern Coalfields Limited, SJVN Limited, Cement Corporation of India Limited, National Film Development Corporation, India Tourism Development Corporation, NBCC Limited, Bureau of Energy Efficiency.

b) Transactions with the related parties are as follows:

₹ in Lakhs

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Manpower services received by the Company		
Utility Powertech Limited	2,137.47	1,984.82
Sale of goods and services		
NTPC Limited	4,559.41	5,873.43
Power Grid Corporation of India Limited	805.14	2,257.51
Oil and Natural Gas Corporation Limited	351.42	728.75
Power Finance Corporation Limited	10.80	8.11
EPSL Trigeneration Private Limited	4.71	-
Northern Coalfields Limited	390.28	515.35
NHPC Limited	372.38	347.32
South Eastern Coalfields Limited	330.61	328.81
SJVN Limited	278.14	368.99
NTPC-SAIL Power Company Limited	112.17	14.68
Bureau of Energy Efficiency	25.93	10.52
REC Limited	-	2.47
Total	**7,240.99**	**10,455.94**
Purchase of goods and services		
EPSL Trigeneration Private Limited	685.48	-
Central Electronics Limited	5,981.00	9,329.00
Bharat Heavy Electricals Limited	25.99	5,026.00
National Film Development Corporation	59.81	0.59
India Tourism Development Corporation	56.76	-
Total	**6,809.04**	**14,355.59**
Rent		
Cement Corporation of India Limited	112.00	111.73
National Fertilizer Limited	1,647.79	828.36
NTPC Limited	308.33	-
NBCC Limited	46.52	-
Total	**2,114.64**	**940.09**

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Expenditure incurred on behalf of group companies		
Edina UK Limited	26.57	-
EPSL Trigeneration Private Limited	1.70	-
Total	**28.27**	**-**
Deputation of employees		
NTPC Limited	57.24	680.32
Equity contribution received		
NTPC Limited	21,811.00	-
Power Grid Corporation of India Limited	1,841.40	1,520.44
REC Limited	7,160.00	-
Power Finance Corporation Limited	-	9,900.00
Total	**30,812.40**	**11,420.44**
Investment in subsidiary		
EESL EnergyPro Assets Limited	-	7,762.05
Intellismart Infrastructure Private Limited (refer note 4(c))	-	-
Total	**-**	**7,762.05**

₹ in Lakhs

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
NTPC Limited	447.32	401.04
Power Finance Corporation Limited	236.87	401.04
REC Limited	210.45	239.32
Power Grid Corporation of India Limited	54.15	61.59
Total	**948.79**	**1,102.99**
Guarantee fees received		
EESL EnergyPro Assets Limited	651.04	361.37
Management fees received		
EESL EnergyPro Assets Limited	91.14	66.18
Edina UK Limited	288.18	268.11
Guarantees provided (refer note 49)		
EESL EnergyPro Assets Limited	18,604.60	21,261.77
Transactions with post employment benefit plan		
Contributions made during the year	221.41	208.42
Compensation to Key Management Personnel (KMP)		
Short term benefits	203.48	140.75
Post employment benefits	30.23	15.92
Other long term benefits	33.86	0.40
Total	**267.57**	**157.07**

c) **Outstanding balances with related parties are as follows:**

₹ in Lakhs

Particulars	As at 31 March 2020	As at 31 March 2019
Amount recoverable for sale/purchase of goods and services		
NTPC Limited	4,320.28	4,349.98
Power Grid Corporation of India Limited	1,448.16	1,564.61
REC Limited	108.58	156.63
Power Finance Corporation Limited	213.67	133.16
NTPC-SAIL Power Company Limited	79.27	103.34
PFC Capital Advisory Services Limited	-	2.32
PFC Consulting Limited	-	133.57
PFC Green Energy Limited	-	0.08
Total	**6,169.96**	**6,443.69**
Amount recoverable (other than loans)		
EESL EnergyPro Assets Limited	1,653.66	952.11
Edina UK Limited	209.08	182.68
EPSL Trigeneration Private Limited	181.44	206.78
Total	**2,044.18**	**1,341.57**
Amount payable (other than loans)		
Utility Powertech Limited	336.00	27.49
Outstanding compensation to KMP	1.21	-
Guarantees provided (refer note 49)		
EESL EnergyPro Assets Limited	38,961.61	20,357.01

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 2020 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. The Company has not recorded any impairment of receivables relating to amounts owed by related parties. 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.

44 Disclosure as per Ind AS 24 'Related Party Disclosures'

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 ₹ 153.15 Lakhs (31 March 2019: ₹ 82.09 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 Company pays fixed contribution to superannuation fund to a separate trust. Amount of ₹ 221.41 Lakhs (31 March 2019: ₹ 213.91 Lakhs) pertaining to employers' contribution to superannuation fund is recognised as an expense and included in "Employee benefits expense" in note 34.

b) 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 ₹ 354.59 Lakhs (31 March 2019: ₹ (-)100.11 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.

c) Defined benefit plan- Gratuity

The Company operates a gratuity plan for its regular employees which provides lump sum benefits linked to the qualifying salary and completed years of service with the Company at the time of separation. Regular 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 regular 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 2020	As at 31 March 2019
Net defined benefit liability- Gratuity	116.90	140.02
Total	**116.90**	**140.02**
Non-current	113.95	136.73
Current	2.95	3.29

(i) Movement in net defined benefit (asset)/liability

₹ in Lakhs

Particulars	Defined benefit obligation	Fair value of plan assets	Net defined benefit liability/(asset)
Balance as at 1 April 2019	**272.12**	**132.10**	**140.02**
Included in profit or loss:			
Current service cost	117.82	-	117.82
Past service cost	-	-	-
Net Interest cost	21.09	16.42	4.67
Total amount recognised in profit or loss	**138.91**	**16.42**	**122.49**
Included in other comprehensive income (OCI):			
Remeasurement loss/(gain) arising from:			
Financial assumptions	85.21	-	85.21
Experience adjustment	(93.14)	-	(93.14)
Return on plan assets excluding interest income	-	4.18	(4.18)
Total amount recognised in OCI	**(7.93)**	**4.18**	**(12.11)**
Other			
Contributions paid by the employer	-	148.10	(148.10)
Acquisition adjustment	14.60	-	14.60
Adjustment in plan assets	-	-	-
Benefits paid	(9.59)	(9.59)	-
Balance as at 31 March 2020	**408.11**	**291.21**	**116.90**

₹ in Lakhs

Particulars	Defined benefit obligation	Fair value of plan assets	Net defined benefit liability/(asset)
Balance as at 1 April 2018	**142.27**	**6.51**	**135.76**
Included in profit or loss:			
Current service cost	74.89	-	74.89
Past service cost	-	-	-
Net Interest cost	11.09	1.00	10.09
Total amount recognised in profit or loss	**85.98**	**1.00**	**84.98**
Included in other comprehensive income (OCI):			
Remeasurement loss/(gain) arising from:			
Financial assumptions	2.15	-	2.15
Experience adjustment	38.74	-	38.74
Return on plan assets excluding interest income		6.86	(6.86)
Total amount recognised in OCI	**40.89**	**6.86**	**34.03**
Other			
Contributions paid by the employer	-	114.20	(114.20)
Acquisition adjustment	5.70	-	5.70
Adjustment in plan assets	-	6.25	(6.25)
Benefits paid	(2.72)	(2.72)	-
Balance as at 31 March 2019	**272.12**	**132.10**	**140.02**

(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 2020 and 31 March 2019 has not been provided by Life Insurance Corporation of India. Actual return on plan assets is ₹ 20.60 Lakhs (31 March 2019: ₹ 7.86 Lakhs).

(iii) Actuarial assumptions

The following were the principal actuarial assumptions at the reporting date:

Particulars	As at 31 March 2020	As at 31 March 2019
Discount rate	6.75%	7.75%
Salary escalation rate	6.50%	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.

Particulars	Increase	Decrease
As at 31 March 2020		
Discount rate (0.5% movement)	(32.21)	35.86
Salary escalation rate (0.5% movement)	32.22	(30.22)
As at 31 March 2019		
Discount rate (0.5% movement)	(20.77)	23.10
Salary escalation rate (0.5% movement)	23.39	(21.19)

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 2020	As at 31 March 2019
Less than 1 year	**2.95**	**3.30**
Between 1-2 years	6.05	2.50
Between 2-5 years	28.16	13.28
Over 5 years	370.95	253.04
Total	**408.11**	**272.12**

Expected contributions to post-employment benefit plans for the year ending 31 March 2021 are ₹ 146.41 Lakhs.

The weighted average duration of the defined benefit plan obligation as at 31 March 2020 is 18.88 years (31 March 2019: 19.77 years).

46 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 and USD 500,000 for other consultancy. Total grant amounting to ₹ 880.94 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 ₹ Nil (31 March 2019: ₹ 290.73 Lakhs) as grant from World Bank and has recognised ₹ 310.30 Lakhs (31 March 2019: ₹ 397.64 Lakhs) as grant income (refer note 32).

47 Disclosure as per Ind AS 21 'The Effects of Changes in Foreign Exchange Rates'

The amount of exchange differences (net) debitted to the statement of profit and loss is ₹ 12,914.24 Lakhs (31 March 2019: credited to Statement of profit and loss ₹ 2,451.74 Lakhs).

48 Disclosure as per Ind AS 33 'Earnings per Share'

₹ in Lakhs

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Basic earnings per share* [A/B]	**0.29**	**1.21**
Diluted earnings per share* [A/C]	0.29	1.19
Nominal value per share	10.00	10.00
*rounded upto two decimal places		

a) Profit attributable to equity shareholders [A] (₹ in Lakhs) 2,690.34 7,925.51

b) Weighted average number of equity shares

Particulars	As at 31 March 2020	As at 31 March 2019
Opening balance of issued equity shares	675,204,350	462,000,000
Effect of shares issued during the year, if any	264,660,322	191,591,854
Weighted average number of equity shares for Basic EPS [B]	**939,864,672**	**653,591,854**
Effect of dilution	815,902	13,477,391
Weighted average number of equity shares for Diluted EPS [C]	**940,680,574**	**667,069,246**

49 Disclosure as per Ind AS 37 'Provisions, Contingent Liabilities and Contingent Assets'

a) Commitments

Estimated value of contract to be executed on capital/revenue account and not provided for in the books of accounts is ₹ 1,350,584.52 Lakhs (31 March 2019: ₹ 1,383,403.70 Lakhs).

b) Contingent liabilities

₹ in Lakhs

Particulars	As at 31 March 2020	As at 31 March 2019
(i) 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 21 March 2021 against the Company's non-fund based bank guarantee limit	**5,119.18**	**4,976.16**
(ii) Corporate gurantee of £ 14 Mn given by EESL to BANK of Baroda UK to avail Equity Bridge Loan of £ 12 Millions by EPAL	13,030.64	12,666.58
(iii) Corporate guarantee of £ 4 Mn given to Bank of Baroda, UK for availment of equity bridge loan of £3.3 Millions by M/s EESL EnergyPro Assets Limited in London, UK	3,723.04	2,714.27
(iv) Irrevocable stand by letter of credit in favour of ICICI Bank, UK of £10.71 Millions in the favor of M/s EESL EnergyPro Assets Limited in London, UK valid upto 24 April 2020 with claim expiry upto 23 April 2020 against the Company's non-fund based bank guarantee limit of £ 10.50 Mn.	**9,968.44**	**-**
(v) Corporate guarantee in favour of ICICI Bank, UK of £ 7.65 Millions in the favor of M/s EESL EnergyPro Assets Limited in London, UK valid upto 15 April 2020 with claim expiry upto 14 April 2020 against the Company's non-fund based bank guarantee limit of £ 7.50 Mn.	**7,120.31**	**-**
(vi) Claims against the Company not acknowledged as debt (VAT paid under protest)	**7,876.26**	**9,291.06**
(vii) Bank guarantees- lien against fixed deposits	**1,124.24**	**2,027.90**
Total	**47,962.11**	**31,675.97**

50 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	Trading	Services	Total
For the year ended 31 March 2020			
Segment revenue	67,125.96	112,583.17	**179,709.13**
Segment expenses	66,333.00	60,573.40	**126,906.40**
Segment results	792.96	52,009.77	**52,802.73**
Unallocated corporate interest and other income			**7,600.94**
Unallocated corporate expenses, finance charges			**58,303.30**
Profit before tax			**2,100.37**
Income tax (net)			**(589.97)**
Profit after tax			**2,690.34**
For the year ended 31 March 2019			
Segment revenue	111,527.89	72,237.35	**183,765.24**
Segment expenses	101,117.37	36,168.20	**137,285.57**
Segment results	10,410.52	36,069.15	**46,479.67**
Unallocated corporate interest and other income			**9,802.16**
Unallocated corporate expenses, finance charges			**41,502.23**
Profit before tax			**14,779.60**
Income tax (net)			**6,854.09**
Profit after tax			**7,925.51**

As at 31 March 2020

₹ in Lakhs

Particulars	Trading	Services	Total
Segment assets	107,969.23	606,475.92	714,445.15
Unallocated corporate and other assets			157,428.19
Total assets	**107,969.23**	**606,475.92**	**871,873.34**
Segment liabilities	23,416.03	89,976.34	113,392.37
Unallocated corporate and other liabilities			644,969.19
Total liabilities	**23,416.03**	**89,976.34**	**758,361.56**

As at 31 March 2019

₹ in Lakhs

Particulars	Trading	Services	Total
Segment assets	134,331.58	395,645.51	529,977.09
Unallocated corporate and other assets			148,143.96
Total assets	**134,331.58**	**395,645.51**	**678,121.05**
Segment liabilities	56,331.83	79,113.56	135,445.39
Unallocated corporate and other liabilities			461,531.88
Total liabilities	**56,331.83**	**79,113.56**	**596,977.27**

c) Other information about reportable segments:

₹ in Lakhs

Particulars	Trading	Services	Total
For the year ended 31 March 2020			
Depreciation and amortisation expense	-	42,790.99	42,790.99
Non-cash expenses other than depreciation	1,049.87	-	1,049.87
Capital expenditure	-	141,470.81	141,470.81
For the year ended 31 March 2019			
Depreciation and amortisation expense	-	34,083.75	34,083.75
Non-cash expenses other than depreciation	196.64	-	196.64
Capital expenditure	-	121,893.29	121,893.29

d) Information about major customers

No external customer individually accounted for more than 10% of the revenues during the year ended 31 March 2020 and 2019.

e) Information about geographical areas:

The Company is domiciled in India. The amount of its revenue from external customers (including other income) broken down by location of the customers is shown in the table below:

₹ in Lakhs

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
India	186,251.43	193,006.38
United Kingdom	1,058.64	561.02
Total	**187,310.07**	**193,567.40**

Non-current assets (other than financial instruments, investments and deferred tax assets) broken down by location is shown in the table below:

₹ in Lakhs

Particulars	As at 31 March 2020	As at 31 March 2019
India	403,738.71	302,920.19
United Kingdom	79.09	93.65
Total	**403,817.80**	**303,013.84**

51 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 2020	For the year ended 31 March 2019
(i) Nature of goods and services		
Sale of goods		
Ujala Scheme	11,567.29	37,231.30
Agricultural Demand Side Management	3,968.03	13,249.56
Street light projects	34,304.10	34,140.86
Solar lamps	4,339.17	15,395.60
Solar street light projects	10,818.31	7,307.51
Building projects	852.06	1,758.06
E-Vehicle	69.78	-
Others	1,207.22	2,445.00
Total [A]	**67,125.96**	**111,527.89**
Rendering of services		
Street light projects	91,122.45	64,290.18
Building projects	5,488.55	1,982.10
Smart Meter	5,930.45	50.00
Agricultural Demand Side Management	2,235.38	521.14
Solar street light projects	2,591.49	354.92
Solar power	1,104.94	55.46
Solar lamps	255.75	191.57
E-Vehicle	1,745.65	1,228.79
Others	2,108.51	3,563.19
Total [B]	**112,583.17**	**72,237.35**

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Other income		
Guarantee fee income	651.04	226.73
Management fees income	379.32	334.29
Total [C]	**1,030.36**	**561.02**
Total [A + B + C]	**180,739.49**	**184,326.26**
(ii) Timing of revenue recognition		
Products and services transferred at a point in time	67,125.96	111,527.89
Products and services transferred over time	113,613.53	72,798.37
Total	**180,739.49**	**184,326.26**

c) Reconciliation of revenue recognised with contract price:

₹ in Lakhs

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Contract price	179,709.13	183,765.24
Adjustments	-	-
Revenue from operations	**179,709.13**	**183,765.24**

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 2020	As at 31 March 2019
Trade receivables	276,685.99	183,148.24
Non-current unbilled revenue	487.88	662.62
Current unbilled revenue	6,156.18	2,234.05
Advances from customers	4,644.09	1,308.50
Unearned revenue	66.64	172.20

The amount of revenue recognised in current year from performance obligations satisfied (or partially satisfied) in previous periods, mainly due to delay in issuance of completion certificate by competent authorities is ₹ 2,111.45 Lakhs (31 March 2019: ₹ 3,956.70 Lakhs).

The Company recognized revenue of ₹ 172.20 Lakhs arising from opening unearned revenue from customers as at 1 April 2019. There have been no significant changes in unearned revenue during the year ended 31 March 2020.

Significant increase in advances from customers during the year ended 31 March 2020 is on account of cash received, excluding amounts recognised as revenue or adjusted against expenses during the year ended 31 March 2020.

e) Practical expedients applied as per Ind AS 115:

(i) The company has applied the practical expedient as per para 121 of Ind AS 115 and 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, 2020, 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.

52 Disclosure as per Ind AS 116 on 'Leases'

a) Operating leases

Transition to Ind AS 116 Leases

Effective 1 April 2019, the Company adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on 1 April 2019 using the modified retrospective method. Accordingly, comparative information has not been restated and continues to be reported under Ind AS 17.

The Company recorded the lease liability at the present value of the remaining lease payments discounted at the incremental borrowing rate at the date of initial application and the right of use asset at an amount equal to lease liability, adjusted by the amount of deferred rent and operating lease liabilities any prepaid or accrued lease payments relating to that lease recognised in the balance sheet immediately before the date of initial application.

Leasehold land has been reclassified and presented as Right of Use assets. In the statement of profit and loss for the current period, lease expenses have changed from other expenses to depreciation and amortization expenses for the right-of-use lease ass**ets and finance cost for interest accrued on lease liability.**

The weighted average incremental borrowing rate applied to lease liabilities as at April 1, 2019 is 10.05%.

The following is the summary of practical expedients elected on initial application:

(i) Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date

(ii) Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application

(iii) Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application.

(iv) Used hindsight when determining the lease term if the contract contains options to extend or terminate the lease.

(v) Applied the practical expedient to grandfather the assessment of which transactions are leases. Accordingly, Ind AS 116 is applied only to contracts that were previously identified as leases under Ind AS 17.

The Company has taken certain residential/office premises and warehouses under non-cancellable operating lease arrangements.

The adoption of new accounting standard resulted in recognition of right of use asset of ₹ 2,304.90 Lakhs and lease liability of ₹ 2,227.51 Lakhs on April 01, 2019 and reclassification of deferred rent and operating lease liabilities of ₹ 99.71 Lakhs and ₹ 22.33 Lakhs respectively.

₹ in Lakhs

Particulars	Right of use assets	Lease liabilities
Movement in right of use assets		
Opening balance as at April 01, 2019*	2,304.90	2,227.52
Reclass of leasehold land	743.64	-
Additions during the year	2,583.68	2,571.06
Depreciation for the year	(1,784.27)	-
Accretion of interest	-	361.94
Payments	-	(1,915.24)
Closing balance as at March 31, 2020	**3,847.95**	**3,245.28**

Bifurcation of lease liabilities

₹ in Lakhs

Particulars	As at 31 March 2020	As at 1 April 2019
Current	**1,631.51**	**1,553.29**
Non-current	1,613.77	674.22
Total	**3,245.28**	**2,227.51**

During the year ended 31 March 2020, the Company has recognised ₹ 1,784.27 Lakhs and ₹ 361.94 Lakhs as depreciation of right-of-use assets and interest expense on lease liabilities respectively in the statement of profit and loss and cash outflow for leases of ₹ 1,915.24 Lakhs in statement of cash flows. The Company has recognised an expense of ₹ 249.62 Lakhs on account of short term leases.

Disclosure as per Ind AS 17 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 ended 31 March 2019 to the Statement of Profit and Loss amounts to ₹ 2,015.59 Lakhs.

Total future minimum lease payments due under non-cancellable operating leases are as follows:

₹ in Lakhs

Particulars	As at 31 March 2019
Less than one year	**1,370.95**
Between one and five years	2,410.64
More than five years	**-**
Total	**3,781.59**

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 2020	As at 31 March 2019
Less than one year	2,522.21	1,159.05
Between one and five years	9,586.33	4,405.29
More than five years	769.20	353.48
Total minimum lease payments	**12,877.74**	**5,917.82**
Unearned finance income	2,843.25	1,204.79
Present value of minimum lease payments	**10,034.49**	**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 2020	As at 31 March 2019
Less than one year	2,399.50	1,127.00
Between one and five years	7,204.78	3,383.96
More than five years	430.21	202.07
Present value of minimum lease payments	**10,034.49**	**4,713.03**

53 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 2020	As at 31 March 2019
Amount required to be spent during the year	193.97	128.90
Amount spent during the year on-		
(i) Construction/ acquisition of any asset	78.55	4.66
(ii) On purposes other than (i) above	94.65	15.40
Total	**173.20**	**20.06**

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 2020			
(i) Construction/ acquisition of any asset	39.58	38.97	78.55
(ii) On purposes other than (i) above	66.31	28.34	94.65
Amount spent during the year ended 31 March 2019			
(i) Construction/ acquisition of any asset	4.66	-	4.66
(ii) On purposes other than (i) above	11.40	4.00	15.40

c) Break-up of the CSR expenses under major heads is as under:

₹ in Lakhs

Particulars	As at 31 March 2020	As at 31 March 2019
Swachh Vidyalaya Abhiyan	1.94	8.80
Healthcare and sanitation	85.71	-
Education and skill development	7.01	6.60
Construction of toilets	78.54	4.66
Total	**173.20**	**20.06**

54 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 2020	As at 31 March 2019
a) Amount remaining unpaid to any supplier:		
Principal amount*	14,628.29	12,514.98
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	-	-

*Includes ₹ 7,461.65 Lakhs in trade payables and ₹ 7,166.64 Lakhs in retention money (31 March 2019: ₹ 9,492.07 Lakhs in trade payables and ₹ 3,022.91 Lakhs in retention money).

55 Standards issued but not yet effective

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Company's financial statements are not expected to have a significant impact on the Company's financial statements. The Company has not early adopted any amendment, standard or interpretation that has been issued but is not yet effective.

56 Impact of COVID-19

The COVID-19 pandemic has been rapidly spreading throughout the world, including India and other countries and governments have been taking significant measures to curb the spread of the virus including imposing mandatory lockdowns and restriction in activities. The Company has made an initial assessment of its likely adverse impact on business and its associated financial risks. The Company is in the business of implementing energy efficiency projects (ESCO) and other projects which are of public importance, emphasized to be an essential service. By taking a number of proactive steps, the company ensured continued operations in nearly all areas including implementation, operations and maintenance of streetlights, solar and smart meter projects. In a few cases, capitalization (resultant revenue recognition) and supply & execution of certain projects may have been delayed but the company does not envisage any material impact on the profits and financial position of the Company. As a matter of abundant caution, the company has issued notices under 'force majeure' clause, wherever necessary, under its agreements with clients. The Company believes that the impact due to the outbreak of COVID-19 is likely to be short-term in nature and does not anticipate any medium to long-term risks in the Company's ability to continue as a going concern. Impact assessment of COVID-19 is a continuing process considering the uncertainty involved thereon. The company will continue to closely monitor any material changes to the future economic conditions and assess its impact thereon.

As per our audit report of even date annexed.
For KK Soni & Co.
Chartered Accountants
(FRN 000947N)

Sant Sujat Soni
Partner
(Membership No.- 094227)

Place : New Delhi
Date : 27 November, 2020

For and on behalf of the Board of Directors

Rajat Kumar Sud
Managing Director
DIN : 06582245

S. Gopal
Director Commercial and CFO
DIN : 08339439

Pooja Shukla
Company Secretary

Date : 5 November, 2020

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 Parent Company") and its Subsidiary (the Parent Company and its subsidiary together referred to as "the Group"), and its joint venture, which comprise the consolidated balance sheet as at 31st March 2020, 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, 2020, 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 Parent 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 and other projects, verification of stores 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 including salaries, interest on loans/ bonds and forex gain/loss etc.) 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 consolidated financial statements if any, pending completion of such verification and reconciliation. (Refer Note No. 3 b)).

   This was also a subject matter of Qualification in the previous auditor's report on the consolidated financial statements for the year ended 31st March 2019

2. Trade receivables are due from government-controlled entities and other customers. Significant amount of Rs. 103,820.71 Lakhs is outstanding for the period of more than 360 days as on 31st March 2020 (Rs. 60,182.89 Lakhs for the previous year ended 31.03.2019). 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 and 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. However, a provision of Rs. 849.61 lakhs in respect of amount outstanding for more than 360 days as on 30.09.2019 from non-government controlled entities have been made and no further provision have been made for the period ended 31.03.2020. Therefore, we are unable to quantify the impact on the consolidated financial statements on account of any possible allowance on doubtful trade receivables due to expected credit loss once such evaluation is done. (Refer Note No. 44(a). This was also a subject matter of Qualification in the previous auditor's report on the consolidated financial statements for the year ended 31st March 2019.

3. For Financial assets for which loss allowance is measured using life time expected credit losses in the Consolidated Financial Statements, the group has represented at Note No. 44(a)(ii) - "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, the group has recognised a provision for doubtful receivables of ₹ 196.65 Lakhs during the year ended 31 March 2020 (31 March 2019: ₹ 196.65 Lakhs)". The process of identification of cases and amount under litigation (including framing of policy for provisioning and follow-up) needs to be strengthened. Further, 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 consolidated financial statements 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. This was also a subject matter of Qualification in the previous auditor's report on the consolidated financial statements for the year ended 31st March 2019.

4. The group had deferred 'Advertisement Expenses' amounting to Rs. 4287.50 Lakhs in the previous years, from which it has charged an amount of Rs. 1071.88 Lakhs in the Statement of Profit & Loss for the period ended 30.09.2019, pertaining to earlier years, as Media/Advertisement Expenses and no further adjustments have been done in the statement of Profit & Loss for the period ended on 31.03.2020, as per the accounting policy of the company on 'Expenses related to awareness on UJALA Programme'. The group continues to defer and carry the balance amount of Rs. 3215.62 Lakhs as Prepaid Expenditure shown under the head Other Current Assets in the Standalone 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 in the year it was incurred. (Refer Note No.17(a)). This was also a subject matter of Qualification in the previous auditor's report on the consolidated financial statements for the year ended 31st March 2019.

5. The parent company has entered into agreements with Municipal Corporation for replacement of old conventional streetlights with LED Energy efficient streetlights. The parent company carries certain amounts in CWIP pertaining to various projects which are under various stages of completion and have not been capitalized in the books of accounts, irrespective of the fact that the asset may be available for use / non – receipt of completion certificates from Municipal Corporation, 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. The impact of this on consolidated financial statements cannot be ascertained as the parent company 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. (Refer Note No. 3(c)).

6. The parent company has recognised revenue under agreements with ULB's based on certain assumptions / estimates like the start date of the project is taken as the date of completion specified in the first Completion Certificate received from the ULB, the actual expenses towards PMC, AMC, interest (including indirect finance costs), pre/post tax return on equity (in few cases) are more / at a certain percentage which is different from the percentage specified in the agreement. The parent company is in the process of analyzing all agreements to seek necessary clarifications on such and other matters and shall formalize all agreements accordingly. We are unable to comment upon the impact of these assumptions on consolidated financial statements pending such clarifications and formalization of agreements. (Refer Note No. 33(b)).

7. Trade Payables and Trade Receivable (including related party transactions) are subject to confirmations and consequential adjustments that may arise on reconciliation. We are unable to comment upon the impact of the same on the consolidated financial statements till such confirmation / reconciliations are carried out. (Refer Note 11(c), 21(a), 28(a)).

8. The group has undertaken the fair valuation of financial assets and financial liabilities, depicted in note 43, through an external agency. In the absence of adequate information / working of the same with the group, we are unable to comment upon the correctness of the fair values depicted in the said note and its consequential impact, if any, on the consolidated financial statements.

9. The parent company has booked the unbilled revenue of Rs. 528.02 lakhs for Smart Meters installed in certain DISCOMs on estimation basis where formal agreements are yet to be executed. Further, the parent company is in the process to seek clarifications/ amendments in a few agreements for extension of period, change in rates etc., the effects of which shall be considered in the year in which such amendments are finalized. The parent company has appointed a vendor for SMNP System Integration on per meter basis, except for few items. The parent company has booked expenses on per meter basis and is in process to modify and formalize the terms of payments with the vendor to ensure that all payments are made proportionately on per meter basis. We are unable to comment upon the impact of the above, if any, on the consolidated financial statements pending execution of the formal agreements etc. (Refer Note No. 33(d)).

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 (ICAI) 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. 44(a)(ii) which states that, the Comptroller & Auditor General of India (CAG) in their report dated 18th October 2017 had recommended provision of Rs. 1650 lakhs on account of subsidy not received from Delhi Government/DERC. However, the group has not made the said provision as 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.
2. Note no. 31(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.

   Note No. 45 on Capital management which depicts various financial ratios and its calculation which the company is using to monitor the capital.
3. Note No. 2B which states that the company has relied upon the valuation of the goodwill as per the audited consolidated financial statements of its subsidiary EESL Energypro Assets Limited.

   Note No. 2A(d) which states that the parent company has relied upon the audited consolidated financial statements of its subsidiary EESL Energypro Assets Limited, for the computation of right to use assets and lease liability in respect of its subsidiaries.
4. The Auditor of the subsidiary 'EESL Energypro Assets Limited' has given an emphasis of matter in their audit report that – 'there are uncertainties regarding deferred expenditure (finance lease receivables in the consolidated financial statements of the group) of Rs. 3378.89 lakhs and other receivable of 709.32 lakhs. The recovery of receivables is dependent on the resolution of contractual matters in dispute as well as funds to be received from a company placed in liquidation. The ultimate outcome of matters cannot presently be determined, and the financial statements do not reflect any provision that may be required if the receivables cannot be recovered in full.' Refer Note No. 7(b) and 11(f).
5. The Auditor of a step down subsidiary 'Edina Australia Pty Limited' has given an emphasis of matter in their audit report that – 'the company is economically dependent upon a related entity and the group, and has received a guarantee of continuing financial support. As at 31 march 2020 that company has a deficiency in equity of Rs. 187.05 lakhs. As stated in the Note 48, a material uncertainty exists that may cast significant doubt about that Company's 'Edina Australia Pty Limited' ability to continue as a going concern.' Refer Note no. 48.

   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 Parent Company.

S. N.	Key Audit Matters	How our Audit addressed the Key Audit Matter
1	**Depreciation Accounting** This is considered as Key Audit Matter due to its nature and area of significant risk which may have material impact on the financial statements	An understanding of the system of capitalization of assets and calculation of depreciation was obtained 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 depreciation for various assets. - The calculations of depreciation on various class of assets was tested and verified. - Verified the accounting of depreciation based on applicable IND AS. Based on the above procedures performed and based on the explanations / representation by the company, the recognition of depreciation on assets is considered to be adequate and reasonable.

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

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

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

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 Parent Company, whose consolidated financial statements (which included 13 step down subsidiaries) reflect total assets of Rs. 85582.30 lakhs as at 31st March 2020, total revenue of Rs. 70980.07 lakhs and net cash inflows amounting to Rs. 437.84 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 audited by a foreign auditor whose report have been furnished to us 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 report.

The consolidated Financial Statements also include the Group's share of Net Profit of Rs. 0.63 lakhs and Comprehensive Income of NIL for the year ended 31st March 2020, as considered in the consolidated financial statements of the Group, in respect of two Joint Ventures, whose financial statement / financial information have neither been audited by their auditors nor by us. These Financial statements / financial informations are unaudited and have been certified by their respective 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 Parent company we report, to the extent applicable to the Parent 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 Parent 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. 1365.17 lakhs as at 31st March 2020 and total Revenue Rs. 1058.63 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 Parent Company, taken on record by the Board of Directors of the Parent Company, none of the directors of the Parent Company is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.

(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 Parent Company to its directors during the year is in accordance with the provisions of section 197 of the Act read with Schedule V to 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 Parent Company has disclosed the impact of pending litigations on its financial position in its consolidated financial statements – Refer Note 54, 11(e) and 11(f) to the consolidated financial statements

ii. The Parent 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 Parent Company.

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

Place : New Delhi
Date : 21st December, 2020

CA. Sant Sujat Soni
Partner
Membership number: 094227

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 Parent Company") and its direct foreign subsidiary company which are incorporated outside India (the Parent 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 31st March 2020, we have audited the internal financial controls over financial reporting in financial statements of the Parent 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 Parent 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 Parent 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 Parent 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 Parent 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 31 March 2020, based on the internal control over financial reporting in financial statements criteria established by the Parent Company, considering the essential components of internal control stated in the Guidance Note issued by the ICAI. Further, the Internal Audit of the company is not commensurate with the size of the company and needs to be strengthened.

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 K K Soni & Co.
Chartered Accountants
FRN: 000947N

Place : New Delhi
Date : 21st December, 2020

CA. Sant Sujat Soni
Partner
Membership number: 094227

ENERGY EFFICIENCY SERVICES LIMITED

Consolidated Balance Sheet as at 31 March 2020

₹ in Lakhs

Particulars	Note No.	As at 31 March 2020	As at 31 March 2019*	As at 1 April 2018*
ASSETS				
Non-current assets				
Property, plant and equipment	2A	274,540.63	181,980.91	87,661.74
Capital work-in-progress	3	131,447.50	121,967.55	129,348.91
Goodwill	2B	44,537.73	43,307.56	44,163.34
Other intangible assets	2B	679.20	1,526.27	1,636.48
Investments in joint venture accounted for using equity method	4	6.59	5.96	2.91
Financial assets				
Investments	5	1,721.69	1,527.24	1,440.51
Loans	6	6,075.86	5,713.72	5,475.59
Other financial assets	7	15,345.43	10,290.57	3,814.49
Deferred tax assets (net)	8	1,102.04	1,278.62	857.74
Other non-current assets	9	1,625.93	1,350.64	1,703.37
Total non-current assets		**477,082.60**	**368,949.04**	**276,105.08**
Current assets				
Inventories	10	26,295.91	34,752.96	41,297.89
Financial assets				
Trade receivables	11	285,544.09	194,375.67	129,847.96
Cash and cash equivalents	12	34,881.79	43,820.05	55,872.89
Bank balances other than cash and cash equivalents	13	30,493.31	33,794.43	6,857.92
Loans	14	666.94	364.34	166.33
Other financial assets	15	14,731.27	8,351.05	5,621.87
Current tax assets (net)	16	5,216.95	3,815.83	2,548.92
Other current assets	17	52,281.42	46,616.86	25,599.98
Total current assets		**450,111.68**	**365,891.19**	**267,813.76**
TOTAL ASSETS		**927,194.28**	**734,840.23**	**543,918.84**
EQUITY AND LIABILITIES				
Equity				
Equity share capital	18	98,332.84	67,520.44	46,200.00
Other equity	19	14,608.94	12,044.25	16,854.17
Equity attributable to owners		**112,941.78**	**79,564.69**	**63,054.17**
Non-controlling interests		**4,765.46**	**4,576.33**	**4,684.84**
Total equity		**117,707.24**	**84,141.02**	**67,739.01**
Liabilities				
Non-current liabilities				
Financial liabilities				
Borrowings	20	449,706.22	293,701.06	206,514.95
Trade payables	21			
-total outstanding dues of micro enterprises and small enterprises		1,593.02	1,277.49	-
-total outstanding dues of creditors other than micro enterprises and small enterprises		5,960.39	5,153.70	3,750.93
Lease liabilities	22	1,856.31	-	-
Other financial liabilities	23	9,220.60	40,680.09	8,019.85
Provisions	24	921.70	280.94	410.39
Deferred tax liabilities (net)	25	-	104.46	169.69
Other non-current liabilities	26	-	486.68	643.19
Total non-current liabilities		**469,258.24**	**341,684.42**	**219,509.00**
Current liabilities				
Financial liabilities				
Borrowings	27	85,049.93	83,544.93	71,344.06
Trade payables	28			
-total outstanding dues of micro enterprises and small enterprises		5,868.63	8,214.58	-
-total outstanding dues of creditors other than micro enterprises and small enterprises		125,348.58	145,423.64	146,315.30
Lease liabilities	29	1,998.50	-	-
Other financial liabilities	30	90,478.32	42,419.93	31,197.63
Other current liabilities	31	31,326.31	23,602.56	7,006.56
Provisions	32	29.48	11.66	566.16
Current tax liabilities (net)		129.05	5,797.49	241.12
Total current liabilities		**340,228.80**	**309,014.79**	**256,670.83**
TOTAL EQUITY AND LIABILITIES		**927,194.28**	**734,840.23**	**543,918.84**
* Restated (refer note 42)				
Significant Accounting Policies	1			
The accompanying notes 1 to 58 form an integral part of these financial statements.				

As per our audit report of even date annexed.

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

Sant Sujat Soni
Partner
(Membership No.- 094227)

Place : New Delhi
Date : 21st December, 2020

For and on behalf of the Board of Directors

Rajat Kumar Sud
Managing Director
DIN : 06582245

S. Gopal
Director Commercial
DIN : 08339439

Pooja Shukla
Company Secretary

Lokesh Kr. Aggarwal
CFO

ENERGY EFFICIENCY SERVICES LIMITED

Consolidated Statement of Profit and Loss for the year ended 31 March 2020

₹ in Lakhs

Particulars	Note No.	For the year ended 31 March 2020	For the year ended 31 March 2019*
Income			
Revenue from operations	33	248,777.28	245,101.31
Other income	34	7,613.48	11,353.04
Total income		256,390.76	256,454.35
Expenses			
Purchase of stock-in-trade		107,698.39	131,913.96
Distribution expenses (Ujala)		1,031.78	2,119.29
Media expenses (Ujala)		672.93	2,630.99
(Increase)/Decrease in inventories	35	8,510.96	6,366.58
Employee benefits expense	36	14,657.12	13,504.40
Finance costs	37	36,730.63	22,259.77
Depreciation and amortization expense	38	46,444.72	35,556.36
Other expenses	39	37,885.84	24,971.43
Total expenses		253,632.37	239,322.78
Profit before share of net profits of investments accounted for using equity method and tax		2,758.39	17,131.57
Add: Share of net profits of joint ventures accounted for using equity method		0.63	3.05
Profit before tax		2,759.02	17,134.62
Tax expense	40		
Current tax			
Current year		129.05	7,045.92
Earlier years		(647.72)	-
Deferred tax credit		75.40	(454.86)
Total tax expense		(443.27)	6,591.06
Profit for the year		3,202.29	10,543.56
Other comprehensive income/ (expense)			
Items that will not be reclassified to profit or loss (net of tax)			
- Net actuarial losses on defined benefit plans		9.06	(22.14)
Items that will be reclassified to profit or loss (net of tax)			
- Exchange differences on translation of foreign operations		686.27	(2,111.51)
Other comprehensive income/ (expense) for the year, net of income tax		695.33	(2,133.65)
Total comprehensive income for the year		3,897.62	8,409.91
Profit attributable to			
-Owners of Energy Efficiency Services Limited		3,119.20	10,073.76
-Non-controlling interests		83.09	469.80
		3,202.29	10,543.56
Other comprehensive income attributable to			
-Owners of Energy Efficiency Services Limited		589.29	(1,840.04)
-Non-controlling interests		106.04	(293.61)
		695.33	(2,133.65)
Total comprehensive income attributable to			
-Owners of Energy Efficiency Services Limited		3,708.49	8,233.72
-Non-controlling interests		189.13	176.19
		3,897.62	8,409.91
Earnings per equity share (Par value ₹ 10/- each)	53		
Basic (₹)		0.33	1.54
Diluted (₹)		0.33	1.51
* Restated (refer note 42)			
The accompanying notes 1 to 58 form an integral part of these financial statements.			

As per our audit report of even date annexed.
For KK Soni & Co.
Chartered Accountants
(FRN 000947N)

Sant Sujat Soni
Partner
(Membership No.- 094227)

Place : New Delhi
Date : 21st December, 2020

For and on behalf of the Board of Directors

Rajat Kumar Sud
Managing Director
DIN : 06582245

S. Gopal
Director Commercial
DIN : 08339439

Pooja Shukla
Company Secretary

Lokesh Kr. Aggarwal
CFO

ENERGY EFFICIENCY SERVICES LIMITED

Consolidated Statement of Cash Flows for the year ended 31 March 2020

₹ in Lakhs

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019*
A. Cash flow from operating activities		
Profit before tax	**2,759.02**	**17,134.62**
Adjustment for:-		
Depreciation and amortization expense	46,444.72	35,556.36
Finance costs	29,066.41	22,130.80
Allowance for doubtful receivables	1,046.26	196.65
Bad debts	13.99	-
Net loss on sale of property, plant and equipment	3.37	135.66
Provision for shortage in inventories	3.61	-
Interest income	(4,964.46)	(5,761.52)
Net (gain)/loss on foreign currency transactions and translation	12,761.57	(4,676.21)
Grant income	(311.66)	(420.42)
Gain on financial assets measured at fair value through profit or loss	(145.82)	(116.48)
Share of net profits/(losses) of joint ventures	(0.63)	(3.05)
Deferred rent expense	-	(15.97)
Operating profit before working capital changes	**86,676.38**	**64,160.44**
Adjustment for:		
(Increase) in Trade receivables	(91,606.42)	(63,646.12)
(Increase)/ Decrease in Inventories	8,554.20	6,366.58
(Increase) in loans, other financial assets and other assets	(15,450.35)	(31,475.81)
Increase in trade payables, other financial liabilities and other liabilities	(10,645.61)	62,600.48
Increase in provisions	670.69	(717.98)
Cash generated from operations	**(21,801.11)**	**37,287.59**
Income tax paid	6,542.78	2,781.37
Net cash from operating activities (A)	**(28,343.89)**	**34,506.22**
B. Cash flow from investing activities		
Acquisition of property, plant and equipment and intangible assets	(154,263.35)	(119,873.59)
Investments	0.01	-
Interest income	4,517.02	4,387.88
Bank balances other than cash and cash equivalents	2,603.78	(26,973.74)
Loan given	(435.66)	(238.13)
Net cash used in investing activities (B)	**(147,578.20)**	**(142,697.58)**
C. Cash flow from financing activities		
Proceeds from non-current borrowings	190,052.88	125,973.33
Repayment of non-current borrowings	(22,365.31)	(12,513.07)
Net proceeds from current borrowings	1,390.01	(3,570.73)
Finance costs	(29,543.70)	(23,080.03)
Lease rent paid	(2,269.64)	-
Share application money (pending allotment)	30,812.40	11,420.44
Share issue costs	-	(25.00)
Dividend paid	(948.79)	(1,102.99)
Tax on dividend	(195.01)	(491.07)
Net cash from financing activities (C)	**166,932.84**	**96,610.88**
Net (decrease) / increase in cash and cash equivalents (A+B+C)	**(8,989.25)**	**(11,580.48)**
Exchange differences on translation of foreign currency cash and cash equivalents	50.99	(472.36)
Net increase in cash and cash equivalents	**(8,938.26)**	**(12,052.84)**
Cash and cash equivalents at the beginning of the year	43,820.05	55,872.89
Cash and cash equivalents at the end of the period	**34,881.79**	**43,820.05**
* Restated (refer note 42)		

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 2020	As at 31 March 2019
Cash on hand	2.16	26.08
Balance with banks - Current accounts	34,879.63	43,790.35
Balance with banks - Deposit accounts	-	3.62
Cash and cash equivalents as per note-12	**34,881.79**	**43,820.05**

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	Lease liabilities	Interest on borrowings
For the year ended 31 March 2020				
Opening balance as at 1 April 2019	310,850.20	83,544.93	-	4,819.44
Impact of adoption of Ind AS 116	-	-	5,724.30	-
Cash flow during the year	167,687.57	1,390.01	(2,269.64)	(29,543.70)
Non-cash changes due to:				
- Variation in exchange rates	16,656.58	114.99	22.98	4.60
- Interest accrued	-	-	377.17	30,618.97
- Transaction cost on borrowings	(257.68)	-	-	-
Closing balance as at 31 March 2020	**494,936.67**	**85,049.93**	**3,854.81**	**5,899.31**
For the year ended 31 March 2019				
Opening balance as at 1 April 2018	215,250.19	71,344.06	-	5,522.55
Cash flow during the year	113,460.26	(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	**310,850.20**	**83,544.93**	**-**	**4,819.44**

* includes current maturities of non-current borrowings, refer note 30.

d) Refer note 44 for details of undrawn borrowing facilities that may be available for future operating activities and to settle capital commitments.

As per our audit report of even date annexed.
For KK Soni & Co.
Chartered Accountants
(FRN 000947N)

Sant Sujat Soni
Partner
(Membership No.- 094227)

For and on behalf of the Board of Directors

Rajat Kumar Sud
Managing Director
DIN : 06582245

S. Gopal
Director Commercial
DIN : 08339439

Pooja Shukla
Company Secretary

Lokesh Kr. Aggarwal
CFO

Place : New Delhi
Date : 21st December, 2020

ENERGY EFFICIENCY SERVICES LIMITED

Consolidated Statement of Changes in Equity for the year ended 31 March 2020

(A) Equity share capital

₹ in Lakhs

Particulars	As at 31 March 2020	As at 31 March 2019
Outstanding as at the beginning of the year	67,520.44	46,200.00
Shares issued during the year	30,812.40	21,320.44
Outstanding as at the end of the year	**98,332.84**	**67,520.44**

(B) Other equity

For the year ended 31 March 2020

₹ in Lakhs

Particulars	Reserves and 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 2019	**-**	**15,126.44**	**(1,639.70)**	**(1,442.49)**	**12,044.25**	**4,576.33**	**16,620.58**
Profit for the year	-	-	3,119.20	-	3,119.20	83.09	3,202.29
Other comprehensive income/ (expense)	-	-	9.06	580.23	589.29	106.04	695.33
Total comprehensive income	**-**	**-**	**3,128.26**	**580.23**	**3,708.49**	**189.13**	**3,897.62**
Share application money received	30,812.40	-	-	-	30,812.40	-	30,812.40
Equity shares issued	(30,812.40)	-	-	-	(30,812.40)	-	(30,812.40)
"Final dividend (including tax) for FY 2017-18"	-	-	(1,143.80)	-	(1,143.80)	-	(1,143.80)
Balance as at 31 March 2020	**-**	**15,126.44**	**344.76**	**(862.26)**	**14,608.94**	**4,765.46**	**19,374.40**

For the year ended 31 March 2019

₹ in Lakhs

Particulars	Reserves and 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**	**63.55**	**375.41**	**16,854.17**	**4,684.84**	**21,539.01**
Profit for the year	-	-	10,073.76	-	10,073.76	469.80	**10,543.56**
Other comprehensive income/ (expense)	-	-	(22.14)	(1,817.90)	(1,840.04)	(293.61)	**(2,133.65)**
Total comprehensive income	**-**	**-**	**10,051.62**	**(1,817.90)**	**8,233.72**	**176.19**	**8,409.91**
Effects of change in accounting policy (refer note 55)	-	-	(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 49)	-	-	(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**	**(1,639.70)**	**(1,442.49)**	**12,044.25**	**4,576.33**	**16,620.58**

Analysis of accumulated other comprehensive income included in retained earnings

₹ in Lakhs

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Balance at the beginning of the year	(35.63)	(13.49)
Other comprehensive income/(expense) for the year	9.06	(22.14)
Balance as at the end of the year	**(26.57)**	**(35.63)**

As per our audit report of even date annexed.
For KK Soni & Co.
Chartered Accountants
(FRN 000947N)

Sant Sujat Soni
Partner
(Membership No.- 094227)

Place : New Delhi
Date : 21st December, 2020

For and on behalf of the Board of Directors

Rajat Kumar Sud
Managing Director
DIN : 06582245

S. Gopal
Director Commercial
DIN : 08339439

Pooja Shukla
Company Secretary

Lokesh Kr. Aggarwal
CFO

Notes to the consolidated financial statements

1. Group Information and Significant Accounting Policies

A. Reporting entity

Energy Efficiency Services Limited (the "Company" or "Parent 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 NFL Building, 5th & 6th Floor, Core - III, SCOPE Complex, Lodhi Road, New Delhi- 110003.

The Company is a Joint Venture of NTPC Limited, Power Finance Corporation Limited, Rural Electrification Corporation Limited and Power Grid Corporation of India Limited under the Ministry of Power. The Company is engaged in implementation of energy efficiency projects as an Energy Saving Company (ESCO). These consolidated financial statements comprise the Company and its subsidiaries (referred to collectively as the 'Group') and the Group's interest in joint ventures. For details of group structure, refer note 49.

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 principal activities of the Company's subsidiaries are manufacture, installation, containerisation, sale and service of diesel and gas generators, sale of related spare parts and investing in and rental of property.

B. Basis of preparation

(i) 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.\ December 2020

(ii) 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."

(iii) 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 (up to two decimals), except as stated otherwise.

(iv) 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 1 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 bsidiaries 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 undertaken by the Group are recognised as property, plant and equipment. Project Development Cost includes purchase price, taxes and duties, labor 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 affected, 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 ofreplacing 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 Schedule 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	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	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 of. 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 Company considers the residual value of project equipment of₹ 100. 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 labor, 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 materialize, then the expenditure incurred in respect of the same is 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 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.

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 ofleases recognized in accordance with Ind AS 116 - '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 inten ded use of 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 realizable 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 realizable 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, considering 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 based on 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 event and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future event not wholly within the control of the Group.

Contingent assets are disclosed in the consolidated financial statements when inflow of economic benefits is probable based on 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 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 up to 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.

10.2.Foreign 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 Group, 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.

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.

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.

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 streetlights, agricultural pumps and other equipment is recognised over time as the customers simultaneously receive and consume the benefits provided by the Group.

- **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

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.

11.3. Other income

Interest income is recognised, when no significant uncertainty as to measurability or collectability exists, on a time proportion basis considering 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. Similarly expenses incurred on National Media Campaigning for DELP / OJALA 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 beginning 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 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. 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 rged 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 obligation. Corporation oflndia) a fund set up by the Company and administered by a board of trustees with respect to its gratuity 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 paid. Company's obligations and that are denominated in the same currency in which the benefits are expected to be 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. arise. Any actuarial gains or losses are recognised in other comprehensive income (OCI) in the period in which they 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. loss. To the extent that the benefits vest immediately, the expense is recognized immediately in statement of profit and

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 arise. method. Any actuarial gains or losses are recognised in the statement of profit and loss in the period in which they

12.4. Short-term benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service 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 years. substantively enacted and as applicable at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred Tax is recognised in the statement of profit and loss except to the extent that is relates to items recognized directly in OCI or equity, in which case it is recognised in OCI or equity respectively.

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 date. differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

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 utilized. 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 realised the asset and settle the liability simultaneously. Additional income taxes that arise from the distribution of dividends are recognised while the liability to pay the related dividend is recognised.

Appendix C to Ind 12, Uncertainty over Income Tax Treatments : The appendix clarifies the application and measurement requirements in Ind AS 12 when there is uncertainty over income tax treatments. The current and deferred tax asset or liability are recognized and measured by applying the requirements in Ind AS 12 based on the taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates determined by applying this appendix. The amendment is effective from April 1, 2019. The Group has evaluated the effect of this amendment on the consolidated financial statements and concluded that there is no significant impact.

14. Leases

Effective April 01, 2019, the Group has adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on the date of initial application i.e. 1 April 2019. The Group has applied the modified retrospective approach for transition to Ind AS 116 with right-of-use asset (ROU) recognised at an amount equal to the lease liability adjusted for any prepayments/accruals recognised in the Balance Sheet immediately before the date of initial application. Accordingly, comparative financial information as of 31 March 2019 has not been retrospectively adjusted and continues to be reported under Ind AS 17. For contracts entered into, or changed, on or after 1 April 2019, at inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

- the contract involves the use of an identified asset - this may be specified explicitly or implicitly and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;
- the Group has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- the Group has the right to direct the use of the asset. The Group has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases where the decision about how and for what purpose the asset is used is predetermined, the Group has the right to direct the use of the asset if either:

- o the Group has the right to operate the asset; or
- o the Group designed the asset in a way that predetermines how and for what purpose it will be used.

At inception or on reassessment of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices. For contracts entered into before 1 April 2019, the determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

14.1. Where the Group is a lessee

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle derlying asset or to restore the underlying asset or the site on incentives received which it is located, less any lease The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. In addition, the rightof-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability. The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the incremental borrowing rate is used.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or if the Group changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in statement of profit and loss if the carrying amount of the right-of-use asset has been reduced to zero. The Group presents right-of-use assets under property plant and eq1.Jipment and lease liabilities as a separate line item on the face of the Balance Sheet. The Group elected the transition practical expedients which allowed them (I) not to reassess whether existing contracts contain leases, (2) not to reassess initial direct costs associated with existing leases. The Group has elected to use the recognition exemptions for short-term and low value leases as per Ind AS 116.

Under Ind AS 17

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 straightline 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. Where the Group is a lessor

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset. 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. 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 to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease. The accounting policies applicable to the Group as a lessor in the co arative period were not different from Ind AS 116.

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 Board of Directors is collectively the Group's 'Chief Operating Decision Maker' or 'CODM' within the meaning oflnd 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 Group'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 considering 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 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 categorization 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 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 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 inital 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 considering 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 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.

24. Changes in accounting policy

24.1. Ind AS 116- Leases:

Ind AS 116 replaces Ind AS 17- Leases and sets out principles for 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 recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset. With effect from l April 2019, the Group has adopted Ind AS 116 "Leases" using the modified retrospective approach. Impact of adoption of the standard is disclosed in Note 56.

24.2. Appendix C to Ind AS 12, Uncertainty over Income Tax Treatments:

The appendix clarifies the application and measurement requirements in Ind AS 12 when there is uncertainty over income tax treatments. The current and deferred tax asset or liability shall be recognized and measured by applying the requirements in Ind AS 12 based on the taxable profit (tax, loss tax bases, unused tax losses, unused tax credits and tax rates determined by applying this appendix. The amendment is effective from 1 April 2019. The Group has evaluated the effect of this amendment on the consolidated financial statements and concluded that there is no significant impact.

24.3. Other amendments

A number of other minor amendments to existing standards also became effective on April 01, 2019 and have been adopted by the Group wherever applicable. The adoption of these new accounting pronouncements did not have any material impact on the consolidated financial statements.

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:

(i) 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.

(ii) 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 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.

(iii) Post-employment benefit plans

Employee benefit obligations are measured based on 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.

(iv) 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 based on management estimates.

(v) 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.

(vi) 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.

(vii) Impairment of non-financial assets

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

(viii) Leases not in legal form of lease

The Group evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgement. The Group uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate. The Group determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Group is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Group is reasonably certain not to exercise that option. In assessing whether the Group is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Group to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Group revises the lease term if there is a change in the non-cancellable period of a lease. The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

2A Property, plant and equipment

As at 31 March 2020

₹ in Lakhs

Particulars	Gross block					Depreciation					Net block
	As at 1 April 2019	Additions	Deductions/ adjustments	Foreign exchange translation difference	As at 31 March 2020	Upto 1 April 2019	For the year	Deductions/ adjustments	Foreign exchange translation difference	Upto 31 March 2020	As at 31 March 2020
Freehold land	**743.64**	**(743.64)**	-	-	-	-	-	-	-	-	-
Building	4,802.55	-	-	260.31	**5,062.86**	1,624.52	314.17	-	111.54	2,050.23	**3,012.63**
Leasehold improvements	2.83	276.98	-	-	**279.81**	1.58	74.43	-	-	76.01	**203.80**
Project equipment	230,519.59	107,307.47	10,879.26	-	**326,947.80**	56,287.69	42,112.74	9,546.25	-	88,854.18	**238,093.62**
Cell phones	72.04	15.04	3.16	-	**83.92**	56.06	13.47	1.88	-	67.65	**16.27**
Office equipment	270.38	25.89	-	-	**296.27**	119.49	53.30	-	-	172.79	**123.48**
Furniture and fitting	2,048.43	219.92	7.52	109.43	**2,370.26**	1,433.21	199.95	3.60	86.47	1,716.03	**654.23**
Computers	464.42	82.45	7.57	-	**539.30**	289.04	106.75	4.81	-	390.98	**148.32**
Plant and machinery	1,490.27	67.39	11.05	94.11	**1,640.72**	833.21	93.09	11.05	66.60	981.85	**658.87**
E-Vehicles	74.51	579.85	-	-	**654.36**	9.28	53.60	-	-	62.88	**591.48**
Other motor vehicles	335.93	-	-	18.38	**354.31**	304.49	15.07	-	4.82	324.38	**29.93**
Residential assets	82.69	-	2.42	-	**80.27**	38.72	23.89	1.63	-	60.98	**19.29**
Solar plant	**2,102.64**	**25,123.92**	-	-	**27,226.56**	**31.72**	**678.25**	-	-	**709.97**	**26,516.59**
Right of use assets*	-	**6,557.94**	-	**60.82**	**6,618.76**	-	**2,128.20**	-	**18.44**	**2,146.64**	**4,472.12**
Total	**243,009.92**	**139,513.21**	**10,910.98**	**543.05**	**372,155.20**	**61,029.01**	**45,866.91**	**9,569.22**	**287.87**	**97,614.57**	**274,540.63**

As at 31 March 2019

₹ in Lakhs

Particulars	Gross block					Depreciation					Net block
	As at 1 April 2018	Additions	Deductions/ adjustments	Foreign exchange translation difference	As at 31 March 2019	Upto 1 April 2018	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	103,558.07	131,641.41	4,652.70	(27.19)	**230,519.59**	22,766.14	34,052.03	526.90	(3.58)	**56,287.69**	**174,231.90**
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	**114,667.70**	**134,575.05**	**5,868.70**	**(364.13)**	**243,009.92**	**27,005.96**	**34,877.76**	**677.92**	**(176.79)**	**61,029.01**	**181,980.91**

*Refer note

2A Property, plant and equipment (continued)

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:

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Project Equipment		
Exchange differences included in PPE/CWIP	272.42	(244.28)
Borrowing costs included in PPE/CWIP	5,953.28	3,400.99

b) Refer note 20 and 27 for information on property, plant and equipment pledged as security by the group.
c) Refer Note 54 for disclosure of contractual commitments for the acquisition of property, plant and equipment.
d) The computation of right to use assets and lease liability in respect of subsidiaries has been taken as per audited consolidated financial statements of subsidiary EESL EnergyPro Asset Limited.

2B Intangible assets

As at 31 March 2020

₹ in Lakhs

Particulars	Gross block					Amortisation					Net block
	As at 1 April 2019	Additions	Deductions/ adjustments	Foreign exchange translation difference	As at 31 March 2020	Upto 1 April 2019	For the year	Deductions/ adjustments	Foreign exchange translation difference	Upto 31 March 2020	As at 31 March 2020
Software	**2,279.85**	-	**269.33**	2.44	**2,012.96**	753.58	**577.81**	-	**2.37**	**1,333.76**	**679.20**
Goodwill*	43,307.56	-	-	1,230.17	**44,537.73**	-	-	-	-	-	**44,537.73**
Total	**45,587.41**	**-**	**269.33**	**1,232.61**	**46,550.69**	**753.58**	**577.81**	**-**	**2.37**	**1,333.76**	**45,216.93**

As at 31 March 2019

₹ in Lakhs

Particulars	Gross block					Amortisation					Net block
	As at 1 April 2018	Additions	Deductions/ adjustments	Foreign exchange translation difference	As at 31 March 2019	Upto 1 April 2018	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**

*The Goodwill valuation has been taken as per the audited consolidated financial statements of its subsidiary EESL Energypro Asset Limited.

3 Capital work-in-progress

As at 31 March 2020 ₹ in Lakhs

Particulars	As at 1 April 2019	Additions	Deductions/ adjustments/ capitalised	As at 31 March 2020
Project equipment				
Street lights	90,004.07	40,909.63	60,790.01	70,123.69
Building	8,668.95	9,442.31	6,042.36	12,068.90
Smart Meter	10,262.68	55,696.62	40,338.81	25,620.49
Software	7.55	-	-	7.55
Public chargers	-	224.61	54.30	170.31
Trigeneration project	-	750.27	-	750.27
National Motor Replacement Program Project	22.69	156.97	81.99	97.67
	108,965.94	**107,180.41**	**107,307.47**	**108,838.88**
Land and property	21.83	120.26	142.09	-
E-Vehicle	67.13	512.72	579.85	-
Solar plant	12,776.39	34,493.28	25,123.92	22,145.75
Others	136.26	461.50	134.89	462.87
Total	**121,967.55**	**142,768.17**	**133,288.22**	**131,447.50**

As at 31 March 2019 ₹ in Lakhs

Particulars	As at 1 April 2019	Additions	Deductions/ adjustments/ capitalised	As at 31 March 2020
Project equipment				
Street lights	120,188.18	59,264.04	89,448.15	90,004.07
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**
	127,523.70	**73,777.50**	**92,335.26**	**108,965.94**
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	**129,348.91**	**86,867.63**	**94,248.99**	**121,967.55**

Notes to capital work-in-progress

a) 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 accounting policy no. C.5 (Note 1) in respect of 'Borrowing Costs'.

b) The parent 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 parent 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 parent company is in the process to compile certain data and reconciling the amounts billable, receivable and payable under the various agreements, verification of stores 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 like salaries, interest on loans/bonds and foreign exchange gain/loss ets.) and assets against which revenue is booked (as per applicable Indian Accounting Standards) as per the agreements. The parent 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.

c) The parent 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 parent company has received certain completion certificates from the municipal corporation(s), wherein the completion dates mentioned in the certificates falls in the previous year.

4 Non-current assets - Investment in joint venture accounted for using equity method

₹ in Lakhs

Particulars	As at 31 March 2020	As at 31 March 2019
Equity instruments - Unquoted (fully paid up)		
Joint venture companies		
"NEESL Private Limited 2,600 (31 March 2019: 2,600) equity shares of ₹10 each"	6.59	5.96
"Intellismart Infrastructure Private Limited (refer note c below) 49 (31 March 2019: Nil) equity shares of ₹10 each"	-	-
Total	6.59	5.96
Aggregate amount of unquoted investments	6.59	5.96
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 49 for disclosure required as per Ind AS 112 'Disclosure of interest in other entities'.

c) The Company has invested ₹ 490 during the year to acquire 49% of equity shares in a newly formed company Intellismart Infrastructure Private Limited.

5 Non-current financial assets - Investments

₹ in Lakhs

Particulars	As at 31 March 2020	As at 31 March 2019
Unquoted investments		
Unqouted at Fair Value Through Profit and Loss (FVTPL):		
Investment in Maple Leaf	1,721.69	1,527.24
Total	**1,721.69**	**1,527.24**
Aggregate amount of unquoted investments	**1,721.69**	**1,527.24**
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 43 and note 44.

6 Non-current financial assets - Loans

₹ in Lakhs

Particulars	As at 31 March 2020	As at 31 March 2019
Unsecured, considered good		
Loan to EnergyPro Asset Management Ltd (includes interest accrued)	5,692.30	5,219.77
Loans to employees (includes interest accrued)	217.29	120.39
Security deposits	166.27	373.56
Total	**6,075.86**	**5,713.72**

a) Refer note 47 for disclosure required as per Ind AS 24 'Related party disclosures'.

7 Other non-current financial assets

₹ in Lakhs

Particulars	As at 31 March 2020	As at 31 March 2019
Unbilled revenue	850.91	1,080.93
Finance lease receivables (refer note 56 and note b below)	12,261.65	7,687.96
Deposits with banks under lien (refer note a below)	2,232.87	1,506.07
Deposits with banks maturing after twelve months	-	15.61
Total	15,345.43	10,290.57

a) Deposits with banks under lien includes:

₹ in Lakhs

Particulars	As at 31 March 2020	As at 31 March 2019
National Westminster Bank, UK- Security to cash collateralise the bonds	917.82	795.96
Bank of Ireland- Security to cash collateralise the bonds	412.90	-
Investec Bank- Security to cash collateralise the bonds	465.38	-
Chubbs, UK- Security to cash collateralise the bonds	-	390.97
Bank of Baroda, UK- Debt service reserve account mandatorily required under loan facility agreement	299.06	290.76
Westpac Banking Corporation, UK- security towards credit cards	23.15	24.84
Margin money for letter of credit and bank guarantees	110.36	-
FDs for CST & VAT	4.20	3.54
Total	**2,232.87**	**1,506.07**

b) Finance lease receivables of subsidiaries includes ₹ 3,378.89 Lakhs (₹ 45.67 Lakhs in current finance lease receivable) which are subject to uncertainities of recoverability, the directors believe that the receivable will be recovered in full.

8 Deferred tax asset (net)

₹ in Lakhs

Particulars	As at 31 March 2020	As at 31 March 2019
Deferred tax asset		
Difference in book depreciation and tax depreciation	-	4,631.71
Unabsorbed depreciation and tax losses carried forward	2,897.55	465.69
Allowance for credit impaired receivables	362.31	137.43
Lease liabilities	29.74	37.84
Provision for leave encashment	209.97	50.39
Provisions for gratuity	29.42	47.78
Provisions for bonus	3.45	113.07
Provision for shortage in inventories	0.91	-
Expenses disallowed	271.93	290.51
Financial instruments measured at amortised cost	13.71	(12.37)
Less: Deferred tax liability		
Financial assets and liabilities measured at amortised cost	1,296.74	3,361.47
Difference in book depreciation and tax depreciation	1,228.99	8.00
Revenue measured at fair value	191.22	1,083.85
Financial asset measured at FVTPL	-	30.11
Total	**1,102.04**	**1,278.62**

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 40 for disclosure required as per Ind AS 12 Income Taxes.

9 Other non-current assets

₹ in Lakhs

Particulars	As at 31 March 2020	As at 31 March 2019
Capital advances	1,625.93	1336.78
Deferred rent	-	13.86
Total	**1,625.93**	**1,350.64**

10 Inventories

₹ in Lakhs

Particulars	As at 31 March 2020	As at 31 March 2019
Stock in trade	22,428.05	27,498.43
Work in progress	3,867.86	7,254.53
Raw materials	-	-
Total	**26,295.91**	**34,752.96**

a) Inventory items have been valued as per accounting policy no. C.6 (Note 1).
b) Stock in trade includes goods in transit of ₹ Nil (31 March 2019: ₹ 1,396.43 Lakhs) valued at cost.
c) The cost of inventories recognised as expense for the year ended 31 March 2020 is ₹ 1,16,210.30 Lakhs (including ₹ 0.95 Lakhs as Business promotion) (31 March 2019: ₹ 1,38,331.70 Lakhs (including ₹ 51.16 Lakhs as Business Promotion)).
d) Loans are secured on first pari-passu charge on stock and book debts. (refer note 20 and 27)

11 Trade receivables

₹ in Lakhs

Particulars	As at 31 March 2020	As at 31 March 2019
Trade receivables		
Unsecured, considered good	285,544.09	194,375.67
Credit impaired	1,439.55	393.29
	286,983.64	194,768.96
Less: Provision for credit impaired trade receivables	1,439.55	393.29
Total	**285,544.09**	**194,375.67**

a) Refer note 44 for details with respect to credit risk.
b) Amounts receivables from related parties are disclosed in note 47.
c) Trade receivables (including related party party balances) 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 27)
e) Trade receivables includes receivables of ₹ 2,190.05 Lakhs under litigation.
f) Receivables of subsidiaries includes ₹ 347.78 Lakhs due from a customer who was put into liquidation, the directors believe that the receivable of ₹ 347.78 Lakhs will be recovered in full. In addition to this, there is currently a dispute in relation to compliance with the terms of the contract which is in the process of being addressed, the ultimate outcome of which cannot presently be determined. The directors believe that the group is entitled to recover receivables of ₹ 361.54 Lakhs on account of such specific contracts.
g) 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 2020	As at 31 March 2019
Balances with banks		
Current accounts	34,879.63	43,790.35
Deposit accounts	-	3.62
Cash on hand	2.16	26.08
Total	**34,881.79**	**43,820.05**

13 Bank balances other than cash and cash equivalents

₹ in Lakhs

Particulars	As at 31 March 2020	As at 31 March 2019
Deposits with original maturity of more than three months and maturing within one year (including interest accrued)	18,068.21	33,269.28
Deposits with banks under lien (refer a below)	12,425.10	525.15
Total	**30,493.31**	**33,794.43**

a) Deposits with banks under lien includes interest accrued and represents:

₹ in Lakhs

Particulars	As at 31 March 2020	As at 31 March 2019
Margin money for letter of credit and bank guarantees	11,955.67	522.14
Deposit with Investec Bank as security to cash collateralise the bonds	465.38	-
Deposits for CST & VAT	4.05	3.01
Total	**12,425.10**	**525.15**

14 Current loans

₹ in Lakhs

Particulars	As at 31 March 2020	As at 31 March 2019
Unsecured, considered good		
Loan to employees (including interest accrued)	139.95	113.56
Security deposits	526.99	250.78
Total	**666.94**	**364.34**

15 Other current financial assets

₹ in Lakhs

Particulars	As at 31 March 2020	As at 31 March 2019
Unbilled revenue	10,989.09	2,462.17
Finance lease receivables (refer note 7 and note 56)	1,711.52	888.45
Others (refer note a below)	2,030.66	5,000.43
Total	**14,731.27**	**8,351.05**

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 2020	As at 31 March 2019
Advance tax	2,040.21	894.72
Self assessment refund	2,785.32	2,360.41
TCS recoverable	43.28	39.49
TDS recoverable	348.14	521.21
Fringe benefit tax	-	-
Total	**5,216.95**	**3,815.83**

17 Other current assets

₹ in Lakhs

Particulars	As at 31 March 2020	As at 31 March 2019
Receivable from statutory authorities (refer note 31)	38,103.16	29,157.12
Deposits paid under protest	4,852.69	4,327.95
Prepaid expenditure (refer note a below)	6,396.41	7,081.06
Advance to suppliers	2,401.03	2,812.01
Deferred cost	-	2,566.94
Deferred rent	-	65.44
Imprest to employees	45.05	13.40
Others (refer note b below)	483.08	592.94
Total	**52,281.42**	**46,616.86**

a) 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 ₹ 4287.50 Lakhs balance brought forward from previous year 2018-19, ₹ 1,071.88 Lakhs has been charged in Media /advertisement expenses during the year ended 31 March 2020, ₹ 3,215.62 Lakhs has been carried forward as prepaid expenditure under the head, "Other Current Assets".

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

18 Share capital

₹ in Lakhs

Particulars	As at 31 March 2020		As at 31 March 2019	
	No. of shares	Amount	No. of shares	Amount
Authorised				
Equity shares of par value ₹10/- each	350,00,00,000	350,000.00	350,00,00,000	350,000.00
Issued, subscribed and fully paid up				
Equity shares of par value ₹10/- each	**983,328,350**	**98,332.84**	**675,204,350**	**67,520.44**

a) Movements in equity share capital:

₹ in Lakhs

Particulars	As at 31 March 2020		As at 31 March 2019	
	No. of shares	Amount	No. of shares	Amount
Outstanding at the beginning of the year	675,204,350	67,520.44	462,000,000	46,200.00
Add: Shares issued during the financial year	308,124,000	30,812.40	213,204,350	21,320.44
Outstanding at the end of the year	**983,328,350**	**98,332.84**	**675,204,350**	**67,520.44**

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 ended 31 March 2019.

The Company made an offer for right issue under private placement of equity shares to existing shareholders on 11 March 2019. Consequently, equity shares amounting to ₹ 11,998.80 Lakhs, ₹ 7,160.00 Lakhs and ₹ 1,841.40 Lakhs were issued to NTPC Limited, REC Limited and Power Grid Corporation of India Limited respectively on 8 June 2019. Power Finance Corporation Limited did not subscribe to the offer.

The Company made an offer for right issue under private placement of equity shares to existing shareholders on 22 July 2019. 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 ₹ 9,812.20 Lakhs were allotted to NTPC Limited on 12 September 2019. The Company issued 308,124,000 shares of ₹ 30,812.40 Lakhs during the year ended 31 March 2020.

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 2019-20		As at 31 March 2019	
	Per share (In ₹)	Amount	Per share (In ₹)	Amount
Equity shares				
Final dividend	**0.10**	**948.79**	**0.16**	**1,102.99**

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

₹ in Lakhs

Particulars	As at 31 March 2020		As at 31 March 2019	
	No. of shares	%age holding	No. of shares	%age holding
Power Finance Corporation Limited	245,500,000	24.97%	245,500,000	36.36%
NTPC Limited	463,610,000	47.15%	245,500,000	36.36%
REC Limited	218,100,000	22.18%	146,500,000	21.70%
Powergrid Corporation of India Limited	56,118,350	5.70%	37,704,350	5.58%
Total	**983,328,350**		**675,204,350**	

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 is below 25%.

19 Other equity

₹ in Lakhs

Particulars	As at 31 March 2020	As at 31 March 2019
Share application money pending allotment	-	-
Debenture redemption reserve	15,126.44	15,126.44
Retained earnings	344.76	(1,639.70)
Foreign currency translation reserve	(862.26)	(1,442.49)
Total	**14,608.94**	**12,044.25**

a) Share application money pending allotment

₹ in Lakhs

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Opening balance	-	9,900.00
Share application money received	30,812.40	11,420.44
Equity shares issued	(30,812.40)	(21,320.44)
Closing balance	**-**	**-**

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 2020	For the year ended 31 March 2019
Opening balance	15,126.44	6,515.21
Add: Transfer from retained earnings	-	8,611.23
Closing balance	15,126.44	15,126.44

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 2020	For the year ended 31 March 2019
Opening balance	(1,639.70)	63.55
Profit for the year as per statement of profit and loss	3,119.20	10,073.76
Effects of change in accounting policy (refer note 55)	-	(1,658.90)
Impact of change in ownership interest in Subsidiary (refer note 49)	-	(130.03)
Dividend paid	(948.79)	(1,102.99)
Tax on dividend paid	(195.01)	(226.72)
Transfer to debenture redemption reserve	-	(8,611.23)
Transaction cost arising on issue of equity shares, net of tax	-	(25.00)
	335.70	**(1,617.56)**
Items of other comprehensive income recognised directly in retained earnings:		
Remeasurements of post-employment benefit obligation, net of tax	9.06	(22.14)
Closing balance	**344.76**	**(1,639.70)**

d) Foreign currency translation reserve

₹ in Lakhs

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Opening balance	(1,442.49)	375.41
Add: Currency translation adjustments	580.23	(1,817.90)
Less: Transferred to retained earnings	-	-
Closing balance	**(862.26)**	**(1,442.49)**

20 Non-current borrowings

₹ in Lakhs

Particulars	As at 31 March 2020	As at 31 March 2019
Secured Debentures/Bonds		
(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 two unequal separately transferable redeemable principal parts (STRPP) of ₹12,500.00 Lakhs and ₹25,000.00 Lakhs redeemable at par on 20 September 2021 and 20 September 2023, respectively (First Issue - Private Placement)	39,104.08	52,133.59
Unsecured Debentures/Bonds		
(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)	47,474.26	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)	20,365.19	**20,361.73**
(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)	12,678.37	**12,676.02**
Secured term loan from banks		
(i) Bank of Baroda- Secured by pari passu charge on the movable fixed assets both present & future (ROI linked to 1year MCLR, repayable in 10 equated instalments starting from March 2021 and ending in September 2025)	33,198.25	-

Particulars	As at 31 March 2020	As at 31 March 2019
(ii) Canara Bank- Secured by pari passu charge on the movable fixed assets both present & future (ROI linked to 1 year MCLR, repayable in 10 equated instalments of each tranche starting from September 2020 and ending in March 2025)	50,361.05	-
(iii) ICICI Bank UK Plc- Secured by way of charge over shares of and debenture over Edina Power Services Limited, Edina UK Limited and Edina Limited (ROI: 3 months LIBOR plus 240 bps repayable in 10 equal instalments of GBP 750,000 each starting from January 2020)	6,209.37	-
(iv) ICICI Bank UK Plc- Secured by way of charge over shares of and debenture over Edina Power Services Limited, Edina UK Limited, Edina Limited, Edina UK Limited, Edina Power Limited, Stanbeck Limited and Armoura Holdings Limited; and mortgage over properties of Stanbeck Limited and Armoura Holdings Limited (ROI: 3 months LIBOR plus 343 bps repayable in 20 equal instalments of GBP 62,500 each starting from December 2019)	1,036.17	-
(v) 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**
Unsecured term loan from banks		
(i) Punjab National Bank (ROI linked to 6 months MCLR, repayable in 10 equated instalments starting from June 2021 and ending in December 2025)	50,307.08	**39,997.59**
(ii) Bank of Baroda, UK (ROI: 3 months LIBOR plus 280 bps repayable as bullet payment of GBP 12 Millions on 13.03.2023)	**11,071.07**	**10,731.73**
(iii) Bank of Baroda, UK (ROI: 3 months LIBOR plus 280 bps repayable in 8 equal instalments of GBP 375,000 each starting from September 2020)	2,792.28	**2,714.27**
(iv) ICICI Bank UK Plc (ROI: 6 month LIBOR plus 170 bps repayable as bullet payment in the month of April 2022 amounting to GBP 10.50 Millions)	9,818.10	-
Unsecured term loan from other than banks		
(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)	**31,912.17**	**34,455.63**
(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 8,460,156.73, 2.22% p.a. for Euro 3,112,936.93, 1.35% p.a. for Euro 8,235,022.51 and 1.44% p.a. for Euro 5,932,983.01 loan repayable in half yearly basis starting from 31 October 2020 in 20 equal instalments of Euro 2,500,000 each)	**25,649.99**	**12,929.37**
(ii) ADB Loan -Guaranteed by Government of India (1.23788% 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)	**77,054.34**	**43,391.19**
(i) IBRD Loan -Guaranteed by Government of India (2.61% p.a. (Method: 6 month LIBOR+variable spread, if any) loan repayable on half yearly basis starting from 15 May 2023 in 27 equal instalments of 3.57% of disbursed amount and last installment of 3.61% of disbursed amount)	**82,804.97**	**38,484.04**
	501,836.74	**316,492.25**
Less : Current Maturities of non-current borrowings	**45,230.45**	**17,149.14**
Less: Interest accrued on non-current borrowings	**6,900.07**	**5,642.05**
Total	**449,706.22**	**293,701.06**

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

21 Non current trade payables

₹ in Lakhs

Particulars	As at 31 March 2020	As at 31 March 2019
Trade payable for goods and services		
Total outstanding dues of micro enterprises and small enterprises	1,593.02	1,277.49
Total outstanding dues of creditors other than micro and small enterprises	5,960.39	5,153.70
Total	**7,553.41**	**6,431.19**

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 47.

22 Non-current lease liabilities

₹ in Lakhs

Particulars	As at 31 March 2020	As at 31 March 2019
Lease liabilities (refer note 56)	1,856.31	-
Total	**1,856.31**	**-**

23 Other non current financial liabilities

₹ in Lakhs

Particulars	As at 31 March 2020	As at 31 March 2019
Retention money	9,220.60	40,680.09
Total	**9,220.60**	**40,680.09**

24 Non current provisions

₹ in Lakhs

Particulars	As at 31 March 2020	As at 31 March 2019
Provision for employee benefits		
Gratuity	113.95	136.73
Leave encashment	807.75	144.21
Total	**921.70**	**280.94**

a) Refer note 50 for disclosure as per Ind AS 19 on 'Employee Benefits'.

25 Deferred tax liabilities (net)

₹ in Lakhs

Particulars	As at 31 March 2020	As at 31 March 2019
Deferred tax liabilities		
Revenue measured at fair value	-	104.46
Total	**-**	**104.46**

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 40 for disclosure required as per Ind AS 12 Income Taxes.

26 Other non-current liabilities

₹ in Lakhs

Particulars	As at 31 March 2020	As at 31 March 2019
Operating lease liabilities	-	59.00
Deferred income on account of government grants	-	427.68
Total	**-**	**486.68**

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 and USD 500,000 for other consultancy. Total grant amounting to ₹ 880.94 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 ₹ Nil (31 March 2019: ₹ 290.73 Lakhs) as grant from World Bank. The Group has recognised ₹ 311.66 Lakhs (31 March 2019: ₹ 420.42 Lakhs) as grant income for the year (refer note 34).

27 Current borrowings

₹ in Lakhs

Particulars	As at 31 March 2020	As at 31 March 2019
Secured loans from banks		
(i) ICICI Bank - Secured by first pari passu charge on the stock and receivables both present and future (ROI linked to MCLR repayable as Bullet payment after tenor of the loan (within 1 year) from the date of drawl of the respective tranche)	22,621.76	15,600.00
(ii) IndusInd Bank - Secured by pari passu charge on stock and book debts of the Company (ROI repayable as Bullet payment after 1 year from the drawl of the loan amount)	22,658.47	**10,000.00**
(iii) Union Bank of India- Secured by the current assets of the Company present & future (ROI linked to 1 year MCLR repayable as bullet payment after 1 year from the drawl of the Loan amount)	30,117.33	-
(iv) ICICI Bank UK Plc- Secured by way of charge over shares of and debenture over Edina Power Services Limited, Edina UK Limited, Edina Limited, Edina UK Limited, Edina Power Limited, Stanbeck Limited and Armoura Holdings Limited; and mortgage over properties of Stanbeck Limited and Armoura Holdings Limited (ROI: 3 months LIBOR plus 280 bps repayable in 8 equal instalments of GBP 375,000 each starting from September 2020)	933.24	-
(v) HDFC - Secured by first pari passu charge on the stock and debtors both present and future (ROI linked to 3 months MCLR repayable as Bullet payment after 1 year from the date of drawl of the respective tranche)	-	**7,500.00**
(vi) IndusInd Bank (factored receivables)- Secured by pari passu charge on stock and book debts of the Company (ROI linked to 364 days T-bill 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**

Particulars	As at 31 March 2020	As at 31 March 2019
(vii) Investec Bank, UK (ROI: 3 months LIBOR plus 400 bps to 450 bps repayable in April 2019)	-	**15,889.78**
Unsecured loans from banks		
(i) ICICI Bank UK Plc (ROI: 6 month LIBOR plus 135 bps repayable as bullet payment in the month of June 2020 amounting to GBP 5.50 Millions)	5,119.18	**4,976.16**
(ii) CTBC Bank (ROI linked to MIBOR repayable as bullet payment after 6 months from the drawl of the Loan amount)	4,000.91	**-**
(iii) IndusInd Bank (ROI linked to 3 months MIBOR repayable as Bullet in the month of Sep 2019 amounting to ₹ 5,000.00 Lakhs)	-	**5,003.69**
(iv) J&K Bank (ROI linked to 1 year MCLR repayable as bullet payment after 1 year from the drawl of the Loan amount)	-	**14,999.91**
	85,450.89	**83,548.62**
Less: Interest accrued on current borrowings	**400.96**	**3.69**
Total	**85,049.93**	**83,544.93**

28 Trade payables

₹ in Lakhs

Particulars	As at 31 March 2020	As at 31 March 2019
Trade payable for goods and services		
Total outstanding dues of micro enterprises and small enterprises	5,868.63	**8,214.58**
Total outstanding dues of creditors other than micro and small enterprises	125,348.58	**145,423.64**
Total	**131,217.21**	**153,638.22**

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 47.
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.

29 Current lease liabilities

₹ in Lakhs

Particulars	As at 31 March 2020	As at 31 March 2019
Lease liabilities (refer note 56)	1,998.50	-
Total	**1,998.50**	**-**

30 Other current financial liabilities

₹ in Lakhs

Particulars	As at 31 March 2020	As at 31 March 2019
Current maturities of non-current borrowings (refer note 20)	45,230.45	**17,149.14**
Interest accrued on borrowings	7,301.03	5,645.74
Unclaimed interest on bonds	1.61	1.61
Liabilities for expenses	4,141.32	2,333.37
Retention money	32,245.92	15,546.09
Earnest money deposit	585.27	430.81
Security Deposit	120.35	138.94
Payable to employees	648.77	936.16
Commitment fee payable	203.60	238.07
Total	**90,478.32**	**42,419.93**

31 Other current liabilities

₹ in Lakhs

Particulars	As at 31 March 2020	As at 31 March 2019
Statutory dues (refer note a below)	26,167.77	20,004.60
Liquidated damages	93.25	93.25
Advance from customers	4,644.09	1,308.50
Unearned income	66.64	1,957.67
Operating lease liabilities	-	-
Deferred income on account of government grants (refer note 26)	354.56	238.54
Total	**31,326.31**	**23,602.56**

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.

32 Current provisions

₹ in Lakhs

Particulars	As at 31 March 2020	As at 31 March 2019
Provision for employee benefits		
Gratuity	2.95	3.29
Leave encashment	26.53	8.37
Total	**29.48**	**11.66**

a) Disclosures required by Ind AS 19 'Employee Benefits' is made in Note 50.

33 Revenue from operations

₹ in Lakhs

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Sale of goods	110,004.09	148,987.15
Sale of services	138,735.11	96,097.44
Rent received	38.08	16.72
Total	**248,777.28**	**245,101.31**

a) Refer note 55 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, interest (including indirect finance costs), pre/post tax return on equity (in few cases), are more/at a certain percentage which is different from the percentage specified in the agreement. The Company is in the process of analysing all agreements to seek necessary clarifications on such and other matters and shall formalise all agreements accordingly.

c) The billing in the previous years commenced 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 was done for the same month.

d) The parent company has booked the unbilled revenue of ₹ 528.02 Lakhs for Smart Meters installed in certain DISCOMs on estimation basis where formal agreements are yet to be executed. Further, the parent company is in the process to seek clarifications/ amendments in a few agreements for extension of period, change in rates etc., the effects of which shall be considered in the year in which such amendments are finalized. The parent company has appointed a vendor for SMNP System Integration on per meter basis, except for few items. The parent company has booked expenses on per meter basis and is in process to modify and formalize the terms of payments with the vendor to ensure that all payments are made proportionately on per meter basis.

34 Other income

₹ in Lakhs

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Interest income from financial assets measured at amortised cost		
Bank deposits	3,908.48	**3,411.73**
Trade receivables/unbilled revenue	327.75	**1,332.14**
Loans to employees	8.36	**4.85**
Security deposit	119.69	**41.50**
Others	600.18	**971.30**
Interest on income tax refund	227.54	**-**
Other non-operating income		
Tender document fees	25.82	**38.63**
E- Tendering registration fee	10.20	**11.10**
Net gain on foreign currency transactions and translation	252.63	**3,410.89**
Gain on investments mandatorily measured at fair value through profit or loss (FVTPL)	145.82	**116.48**
EMD forfeited	0.39	**1,424.00**
Deferred rent income	-	**15.97**
Grant income	311.66	**420.42**
Miscellaneous income	1,674.96	**154.03**
Total	**7,613.48**	**11,353.04**

35 (Increase)/ Decrease in inventories

₹ in Lakhs

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Opening stock	34,854.05	**41,221.60**
Closing stock	26,343.09	34,855.02
Total	**8,510.96**	**6,366.58**

36 Employee benefits expense

₹ in Lakhs

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Salaries and wages	13,445.91	**12,673.31**
Leave encashment	354.59	(100.11)
Contribution to provident and other funds	623.11	616.22
Staff welfare expenses	233.51	314.98
Total	**14,657.12**	**13,504.40**

a) Disclosures as per Ind AS 19 in respect of provision made towards various employee benefits are made in Note 50.

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 2020	For the year ended 31 March 2019
Opening balance	-	**550.00**
Addition during the year	-	-
Amounts used during the year	-	(550.00)
Total	**-**	**-**

37 Finance costs

₹ in Lakhs

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Finance charges on financial liabilities measured at amortised cost		
Debentures/Bonds	10,421.31	8,245.92
Loans	14,197.27	10,918.42
Unwinding of discount on retention money	1,650.52	1,067.48
Unwinding of discount on trade payable	1,330.22	1,108.23
Lease liabilities	377.17	-
Net loss on foreign currency transactions and translation	7,664.22	128.97
Other borrowing costs		
Guarantee Fee	866.16	547.70
Commitment fees for foreign currency term loans	11.70	243.05
Processing Fee	212.06	-
Total	**36,730.63**	**22,259.77**

a) Borrowing costs capitalised during the year is ₹ 5,953.28 Lakhs (31 March 2019: ₹ 3,400.99 Lakhs).

38 Depreciation and amortisation expense

₹ in Lakhs

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Depreciation on property, plant and equipment	45,866.91	**34,877.76**
Amortisation of intangible assets	577.81	678.60
Total	**46,444.72**	**35,556.36**

39 Other expenses

₹ in Lakhs

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Annual maintenance charges (projects)	17,780.37	**9,396.79**
Legal fees & professional charges	2,552.45	2,464.20
Conveyance expenses	10.39	25.20
Communication expenses	530.57	633.16
Recruitment expenses	214.33	72.77
Repair and maintenance expenses		
- Building maintenance	189.60	123.16
- Plant and machinery	65.83	57.80
- Computer maintenance	184.60	119.45
- House maintenance	-	-
Internal audit fees	6.60	6.00
Advertisement and publicity expenses	543.79	444.13
Printing and stationery expenses	165.49	210.91
Books and periodicals	2.51	0.78
Meeting expense/ Hospitality expenses	339.83	175.76
Tour and traveling expenses	2,532.35	2,573.65
Rent	304.19	2,131.12
Electricity expenses	201.28	162.46
Payment to auditors	138.28	169.25
Bank charges	211.63	209.36
Sponsorship expenses	126.25	142.54
Manpower expenses	1,804.63	1,336.91
Subscription fees	76.29	98.38
Insurance charges	713.54	641.41
Deferred rent expenses	-	-
Testing expenses	88.51	117.29
Business promotion	255.36	205.89
Rate and taxes	130.87	15.87
Net loss on sale of property plant and equipment	3.37	135.66
Awareness creation, training & outreach activities	-	-
Diwali gift expenses	-	-
Annual day celebration expenses	-	-
Corporate social responsibility expenses	**173.20**	**20.06**
Net loss on foreign currency transactions and translation	5,250.02	-
Allowance for doubtful receivables	1,046.26	196.65
Other project expenses	1,819.96	2,757.36
Bad debts	13.99	76.58
Provision for shortage in inventories	3.61	-
Miscellaneous expenses	**405.89**	**250.88**
Total	**37,885.84**	**24,971.43**

40 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 2020	For the year ended 31 March 2019
Current tax expense		
Current year	129.05	7,045.92
Earlier years	(647.72)	-
	(518.67)	**7,045.92**
Deferred tax expense		
Origination and reversal of temporary differences	(125.88)	(454.86)
Change in tax rate	201.28	-
	75.40	(454.86)
Total income tax expense	**(443.27)**	**6,591.06**

b) Income tax recognised in other comprehensive income

₹ in Lakhs

Particulars	Before tax	Tax expense/ (benefit)	Net of tax
For the year ended 31 March 2020			
Net actuarial losses on defined benefit plans	12.11	3.05	9.06
Exchange differences on translation of foreign operations	686.27	-	686.27
Total	**698.38**	**3.05**	**695.33**
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)**

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 2020	For the year ended 31 March 2019
Profit before tax	**2,758.39**	**17,131.57**
Tax using the Company's domestic tax rate of 25.168% (31 March 2019: 34.944%)	694.23	5,986.46
Tax effect of:		
Non-deductible tax expenses	51.71	1,051.90
Revenue of ESCO project sold upfront	(744.20)	-
Previous year tax liability	(647.72)	-
Change in income tax rate	201.28	-
Tax on foreign branch	129.05	-
Others	(127.62)	(447.30)
At the effective income tax rate of (-) 16.07% (31 March 2019: 38.47%)	**(443.27)**	**6,591.06**

d) Impact of Taxation Laws (Amendment) Ordinance, 2019

Pursuant to the introduction of Section 115BAA of the Indian Income Tax Act, 1961 by the Taxation Laws (Amendment) Ordinance, 2019 which is effective 1 April 2019, companies in India have the option to pay corporate income tax at the rate of 22% plus applicable surcharge and cess as against the earlier rate of 30% plus applicable surcharge and cess, subject to certain conditions like, the company has to forego all benefits like tax holidays, brought forward losses generated through tax incentives/additional depreciation and outstanding MAT credit.

Considering all the provisions under Section 115BAA and based on the expected timing of exercising of the option under Section 115BAA, the Company has re-measured its deferred tax balances which lead to reduction in deferred tax assets recognised till 31 March 2019 by ₹ 201.28 Lakhs in the current year financial statements. This requires assumptions regarding future profitability, which is inherently uncertain. To the extent assumptions regarding future profitability change, there can be increase or decrease in the amounts recognised.

e) The Company has paid ₹ 195.01 Lakhs as tax on dividend distribution during the year out of its reserves.

f) Movement in deferred tax balances

For the year ended 31 March 2020 ₹ in Lakhs

Particulars	Net balance 1 April 2019	Recognised in profit or loss	Recognised in OCI	Net balance 31 March 2020
Deferred tax assets				
Difference in book depreciation and tax depreciation	4,614.31	(4,614.31)	-	-
Unabsorbed depreciation and tax losses carried forward	309.25	2,578.03	10.27	2,897.55
Expenses disallowed	351.90	(87.26)	7.29	271.93
Leave encashment	50.39	159.58	-	209.97
Provisions for gratuity	47.78	(15.31)	(3.05)	29.42
Provisions for bonus	113.07	(109.62)	-	3.45
Allowance for credit impaired receivables	137.43	224.88	-	362.31
Lease liabilities	37.84	(8.10)	-	29.74
Revenue measured at fair value	(152.28)	152.39	(0.11)	-
Financial instruments measured at amortised cost	**(12.37)**	**26.08**	**-**	**13.71**
Provision for shortage in inventories	**-**	**0.91**	**-**	**0.91**
Less: Deferred tax liabilities				
Revenue measured at fair value	931.57	(745.72)	5.37	191.22
Financial instruments measured at amortised cost	3,361.48	(2,065.04)	0.30	1,296.74
Financial asset measured at FVTPL	**30.11**	**(30.11)**	**-**	**-**
Difference in book depreciation and tax depreciation	**-**	**1,223.54**	**5.45**	**1,228.99**
Net deferred tax asset/ (liabilities)	**1,174.16**	**(75.40)**	**3.28**	**1,102.04**

For the year ended 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 liabilities				
Revenue measured at fair value	2,322.67	(1,391.10)	-	931.57
Financial instruments measured at amortised cost	1,867.10	1,494.38	-	3,361.48
Financial asset measured at FVTPL	8.43	21.22	0.46	30.11
Less: Deferred tax assets				
Difference in book depreciation and tax depreciation	3,857.36	759.35	(2.40)	4,614.31
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 instruments measured at amortised cost	-	(10.91)	(1.46)	(12.37)
Net deferred tax liabilities/ (assets)	**(688.05)**	**(467.01)**	**(19.10)**	**(1,174.16)**

g) A subsidiary had net operating losses carried forward in the amount of ₹ 33.33 Lakhs (31 March 2019: ₹ 18.04 Lakhs) that are available indefinitely to offset against future taxable profits. The Group has not recognised deferred tax asset in respect of that subsidiary amounting to ₹ 4.17 Lakhs (31 March 2019: ₹ 2.25 Lakhs).

41 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 2020

Particulars	Trading	Services	Industrial engine & component	Total
Segment revenue				
"Sale of products/ ESCO Project income/ Other consultancy"	67,125.96	112,583.17	69,937.17	**249,646.30**
Inter-segment revenue	-	-	-	**869.02**
Segment expenses	66,333.00	60,573.40	68,090.00	**194,996.40**
Segment results	**792.96**	**52,009.77**	**1,847.17**	**53,780.88**
Unallocated corporate interest and other income				**8,644.47**
Unallocated corporate expenses, finance charges				**59,666.33**
Profit before tax				**2,759.02**
Income tax (net)				**(443.27)**
Profit after tax				**3,202.29**

For the year ended 31 March 2019

Particulars	Trading	Services	Industrial engine & component	Total
Segment revenue				
"Sale of products/ ESCO Project income/ Other consultancy"	111,527.89	72,237.35	61,499.45	**245,264.69**
Segment expenses	103,347.41	36,168.20	59,933.01	**199,448.62**
Segment results	**8,180.48**	**36,069.15**	**1,566.44**	**45,816.07**
Unallocated corporate interest and other income				**11,888.37**
Unallocated corporate expenses, finance charges				**40,569.82**
Profit before tax				**17,134.62**
Income tax (net)				**6,591.06**
Profit after tax				**10,543.56**

As at 31 March 2020

₹ in Lakhs

Particulars	Trading	Services	Industrial engine & component	Total
Segment assets	80,844.69	606,678.80	84,931.34	**772,454.83**
Unallocated corporate and other assets				**154,739.45**
Total assets	**80,844.69**	**606,678.80**	**84,931.34**	**927,194.28**
Segment liabilities	23,416.03	89,976.34	54,113.05	**167,505.42**
Unallocated corporate and other liabilities				**646,747.08**
Total liabilities	**23,416.03**	**89,976.34**	**54,113.05**	**814,252.50**

As at 31 March 2019

₹ in Lakhs

Particulars	Trading	Services	Industrial engine & component	Total
Segment assets	107,206.41	390,903.18	34,100.75	**532,210.34**
Unallocated corporate and other assets				**202,629.89**
Total assets	**107,206.41**	**390,903.18**	**34,100.75**	**734,840.23**
Segment liabilities	56,331.83	79,113.56	18,933.36	**154,378.75**
Unallocated corporate and other liabilities				**500,896.79**
Total liabilities	**56,331.83**	**79,113.56**	**18,933.36**	**655,275.54**

c) Information about geographical areas

₹ in Lakhs

Particulars	Trading	Services	Industrial engine & component	Total
For the year ended 31 March 2020				
Depreciation and amortisation expense	-	42,790.99	925.56	**43,716.55**
Non-cash expenses other than depreciation	1,049.87	-	13.99	**1,063.86**
Capital expenditure	-	141,470.81	1,131.36	**142,602.17**
For the year ended 31 March 2019				
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	-	123,889.79	210.92	**124,100.71**

d) Information about geographical areas

₹ in Lakhs

Particulars	Non-current assets*		Revenue from external customers	
	As at 31 March 2020	As at 31 March 2019	For the year ended 31 March 2020	For the year ended 31 March 2019
India	404,558.71	303,526.16	179,709.14	183,601.86
United Kingdom	45,974.34	44,868.44	6,815.97	52,845.84
Ireland	2,259.60	1,680.43	60,500.69	7,204.82
Rest of the World	44.93	63.86	1,751.48	1,448.79
Total	**452,837.58**	**350,138.89**	**248,777.28**	**245,101.31**

*other than financial instruments and deferred tax assets

e) Information about major customers

No external customer individually accounted for more than 10% of the revenues during the year ended 31 March 2020 and 31 March 2019.

42 Restatement for the year ended 31 March 2019 and as at 1 April 2018

In accordance with Ind AS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' and Ind AS 1 ' Presentation of Financial Statements', the Group has retrospectively restated its Consolidated Balance Sheet as at 31 March 2019 and 1 April 2018 (beginning of the preceding period) and Consolidated Statement of Profit and Loss for the year ended 31 March 2019 for the reasons as stated in the notes below. Reconciliation of items which are retrospectively restated in the Consolidated Balance Sheet and Consolidated Statement of Profit and Loss are as under:

a) Reconciliation of restated items of Consolidated Balance Sheet as at 31 March 2019 and 1 April 2018

₹ in Lakhs

Particulars	Note	As at 31 March 2019		
		As previously reported	Adjustments	As restated
ASSETS				
Non-current assets				
Property, plant and equipment	(i), (ii), (iii)	187,084.56	(5,103.65)	181,980.91
Capital work-in-progress	(i), (iii)	121,606.23	361.32	121,967.55
Deferred tax assets (net)	(iv)	559.16	719.46	1,278.62
Other non-current assets		63,721.96	-	63,721.96
Total non-current assets		**372,971.91**	**(4,022.87)**	**368,949.04**
Current assets		**365,891.19**	**-**	**365,891.19**
TOTAL ASSETS		**738,863.10**	**(4,022.87)**	**734,840.23**
EQUITY AND LIABILITIES				
Equity				
Equity share capital		67,520.44	-	67,520.44
Other equity		14,897.00	(2,852.75)	12,044.25
Total equity		**82,417.44**	**(2,852.75)**	**79,564.69**
		4,576.33	**-**	**4,576.33**
Total equity		**86,993.77**	**(2,852.75)**	**84,141.02**
Liabilities				
Non-current liabilities				
Trade payables				
-total outstanding dues of micro enterprises and small enterprises		1,277.49	-	1,277.49
-total outstanding dues of creditors other than micro enterprises and small enterprises	(ii)	10,523.97	(5,370.27)	5,153.70
Deferred tax liabilities (net)	(iv)	814.06	(709.60)	104.46
Other non-current liabilities		335,148.77	-	335,148.77
Total non-current liabilities		**347,764.29**	**(6,079.87)**	**341,684.42**
Current liabilities				
Trade payables				
-total outstanding dues of micro enterprises and small enterprises		8,214.58	-	8,214.58
-total outstanding dues of creditors other than micro enterprises and small enterprises	(ii)	140,513.89	4,909.75	145,423.64
Other current liabilities		155,376.57	-	155,376.57
Total current liabilities		304,105.04	4,909.75	309,014.79
TOTAL EQUITY AND LIABILITIES		**738,863.10**	**(4,022.87)**	**734,840.23**

₹ in Lakhs

Particulars	Note	As at 31 March 2018		
		As previously reported	Adjustments	As restated
ASSETS				
Non-current assets				
Property, plant and equipment	(i), (ii), (iii)	91,157.78	(3,496.04)	87,661.74
Capital work-in-progress	(i), (iii)	129,348.91	-	129,348.91
Deferred tax assets (net)	(iv)	356.80	500.94	857.74
Other non-current assets		58,236.69	-	58,236.69
Total non-current assets		**279,100.18**	**(2,995.10)**	**276,105.08**
Current assets		**267,813.76**	**-**	**267,813.76**
TOTAL ASSETS		**546,913.94**	**(2,995.10)**	**543,918.84**
EQUITY AND LIABILITIES				
Equity				
Equity share capital		**46,200.00**	**-**	**46,200.00**
Other equity		**18,122.45**	**(1,268.28)**	**16,854.17**
Total equity		**64,322.45**	**(1,268.28)**	**63,054.17**
		4,684.84	**-**	**4,684.84**
Total equity		69,007.29	(1,268.28)	67,739.01
Liabilities				
Non-current liabilities				
Trade payables				
-total outstanding dues of micro enterprises and small enterprises		**-**	**-**	**-**
-total outstanding dues of creditors other than micro enterprises and small enterprises	**(ii)**	**-**	**3,750.93**	**3,750.93**
Deferred tax liabilities (net)	(iv)	349.98	(180.29)	169.69
Other non-current liabilities		215,588.38	-	215,588.38
Total non-current liabilities		**215,938.36**	**3,570.64**	**219,509.00**
Current liabilities				
Trade payables				
-total outstanding dues of micro enterprises and small enterprises		-	-	-
-total outstanding dues of creditors other than micro enterprises and small enterprises	(ii)	151,612.76	(5,297.46)	146,315.30
Other current liabilities		110,355.53	-	110,355.53
Total current liabilities		**261,968.29**	**(5,297.46)**	**256,670.83**
TOTAL EQUITY AND LIABILITIES		**546,913.94**	**(2,995.10)**	**543,918.84**

b) Reconciliation of restated items of Statement of Profit and Loss for the year ended 31 March 2019 ₹ in Lakhs

Particulars	Note	For the year ended 31 March 2019		
		As previously reported	Adjustments	As restated
Revenue				
Revenue from operations		245,101.31	-	245,101.31
Other income		11,353.04	-	11,353.04
Total revenue		**256,454.35**	**-**	**256,454.35**
Expenses				
Purchase of stock-in-trade	(ii)	130,798.94	1,115.02	131,913.96
Distribution expenses (Ujala)		2,119.29	-	2,119.29
Media expenses (Ujala)		2,630.99	-	2,630.99
Decrease in inventories		6,366.58	-	6,366.58
Employee benefits expense		13,504.40	-	13,504.40
Finance costs	(ii) and (iii)	22,008.06	251.71	22,259.77
Depreciation and amortisation expense	(i)	34,590.79	965.57	35,556.36
Other expenses		24,971.43	-	24,971.43
Total expenses		**236,990.48**	**2,332.30**	**239,322.78**
Profit before share of net profits of investments accounted for using equity method and tax		19,463.87	(2,332.30)	17,131.57
Add: Share of net profits of joint ventures accounted for using equity method		3.05	-	3.05
Profit before tax		**19,466.92**	**(2,332.30)**	**17,134.62**
Tax expense				
Current tax				
Current year		7,045.92	-	7,045.92
Earlier years		-	-	-
Deferred tax expense	(iv)	292.97	(747.83)	(454.86)
Total tax expense		**7,338.89**	**(747.83)**	**6,591.06**
Profit for the year		**12,128.03**	**(1,584.47)**	**10,543.56**
Other comprehensive income (net of tax)				
Items that will not be reclassified to profit or loss				
- Net actuarial losses on defined benefit plans		(22.14)	-	(22.14)
Items that will be reclassified to profit or loss				
- Exchange differences on translation of foreign operations		(2,111.51)	-	(2,111.51)
Other comprehensive expense for the year		**(2,133.65)**	**-**	**(2,133.65)**
Total comprehensive income for the year		**9,994.38**	**(1,584.47)**	**8,409.91**

c) Reconciliation of Statement of Cash Flows for the year ended 31 March 2019

₹ in Lakhs

Particulars	For the year ended 31 March 2019		
	As previously reported	Adjustments	As restated
Net cash flow from operating activities	34,605.48	99.26	34,506.22
Net cash flow used in investing activities	(142,978.29)	(280.71)	(142,697.58)
Net cash flow from financing activities	96,792.33	181.45	96,610.88
Net decrease in cash and cash equivalents during the year	(11,580.48)	-	(11,580.48)
Effect of exchange differences on translation	(472.36)	-	(472.36)
Cash and cash equivalents at the beginning of the year	55,872.89	-	55,872.89
Cash and cash equivalent at the end of the year	43,820.05	-	43,820.05

d) Notes on restatement

(i) The parent company provides energy efficiency services through installation/replacement of lights to various Urban Local Bodies (ULBs). The agreement with customers provides for issuance of Certificate for Completion after installation of the lights. In the previous year, the parent company capitalised the projects on the basis of completion certificate received from ULB's. The parent company has received certain completion certificates from the ULBs, wherein the completion dates mentioned in the certificate falls in the previous year. For such projects, the parent company has capitalised the assets from the previous year and accordingly has recognised depreciation expense of ₹ 3,107.15 Lakhs during the year ended 31 March 2019. Impact on depreciation upto 1 April 2018 amounting to ₹ 2,141.58 Lakhs has been recongised in retained earnings.

(ii) As per the accounting policy of the Group, non-current trade payables are measured at amortised cost as per Ind AS 109, 'Financial Instruments'. The parent company has revised the current/non-current classification of trade payable to align the presentation in the financial statements as per the accounting policy adopted by the parent company. As a result, non-current trade payables have been discounted to present value since they do not carry any interest with corresponding impact on capital work-in-progress/property, plant and equipment and cost of goods sold. Further, interest cost on unwinding of discount on trade payables have been recognised as finance cost.

This adjustment has affected the following financial statement line items:

₹ in Lakhs

Particulars	As at 31 March 2019	As at 1 April 2018
Impact in Consolidated Balance Sheet		
Property plant and equipment	(1,996.50)	(1,354.46)
Capital work-in-progress	553.49	-
Non-current trade payable	(5,370.27)	3,750.93
Current trade payable	4,909.75	(5,297.46)
Retained earnings	(982.49)	192.07

₹ in Lakhs

Particulars	For the year ended 31 March 2019
Impact in Consolidated Statement of profit and loss	
Finance cost	59.53
Cost of goods sold	1,115.02
Profit before tax	(1,174.55)

(iii) During the year ended 31 March 2019, the parent company inadvertently capitalised borrowing cost that were not directly attributable to acquisition or construction of qualifying assets. Accordingly, the parent company has decapitalised the borrowing cost resulting in decrease in capital work-in-progress and corresponding increase in finance cost by ₹ 192.17 Lakhs.l statements.

(iii) During the year ended 31 March 2019, the parent company inadvertently capitalised borrowing cost that were not directly attributable to acquisition or construction of qualifying assets. Accordingly, the parent company has decapitalised the borrowing cost resulting in decrease in capital work-in-progress and corresponding increase in finance cost by ₹ 192.17 Lakhs.

(iv) The above mentioned adjustments had a consequential impact on deferred tax expense and deferred tax liability. As at 1 April 2018, deferred tax balance declined by ₹ 681.23 Lakhs with corresponding decrease in retained earnings. During the year ended 31 March 2019, deferred tax expense and deferred tax balance declined by ₹ 747.83 Lakhs.

(v) Certain reclassifications have been made to the comparative period's financial statements to enhance comparability with the current year's financial statements.

Earnings per share

Basic and diluted earnings per share for the year ended 31 March 2019 have changed as below:

₹ in Lakhs

Particulars	For the year ended 31 March 2019		
	As previously reported	Adjustments	As restated
Basic earnings per equity share (₹)	1.78	(0.24)	1.54
Diluted earnings per equity share (₹)	1.36	0.15	1.51

43 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

Particulars (Level 2*)	As at 31 March 2020	As at 31 March 2019
Financial assets measured at fair value- Recurring fair value measurements:		
Investments	1,721.69	1,527.24
Total	**1,721.69**	**1,527.24**
Financial assets which are measured at amortised cost for which fair values are disclosed:		
Loan to EnergyPro Asset Management Ltd	5,847.02	5,479.76
Loan to employees	357.24	200.55
Security deposits	704.10	633.96
Unbilled revenue	12,213.10	4,596.36
Finance lease receivables	13,973.17	8,576.41
Bank deposits	2,232.87	1,521.68
Total	**35,327.50**	**21,008.72**
Financial liabilities which are measured at amortised cost for which fair values are disclosed:		
Borrowings	487,373.42	311,889.27
Retention money	42,494.52	65,682.89
Trade payables	140,665.31	165,059.76
Total	**670,533.25**	**542,631.92**

* 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 2020		As at 31 March 2019	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets				
Loan to EnergyPro Asset Management Ltd	5,692.30	5,847.02	5,219.77	5,479.76
Loan to employees	357.24	357.24	233.95	200.55
Security deposits	693.26	704.10	624.34	633.96
Unbilled revenue	11,840.00	12,213.10	3,543.10	4,596.36
Finance lease receivables	13,973.17	13,973.17	8,576.41	8,576.41
Bank deposits	2,232.87	2,232.87	1,521.68	1,521.68
Total	**34,788.84**	**35,327.50**	**19,719.25**	**21,008.72**
Financial liabilities				
Borrowings	501,836.74	487,373.42	316,492.25	311,889.27
Retention money	41,466.52	42,494.52	56,226.18	65,682.89
Trade payables	138,770.62	140,665.31	160,069.41	165,059.76
Total	**682,073.88**	**670,533.25**	**532,787.84**	**542,631.92**

The carrying amounts of current trade receivables, cash and cash equivalents, other current financial assets, current borrowings and other current financial 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 undertaken through an expert external agency. They are classified as level 2 fair values in the fair value hierarchy due to the use of observable market inputs.

44 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 ₹ 34,881.79 Lakhs (31 March 2019: ₹ 43,820.05 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 ₹ 32,726.18 Lakhs (31 March 2019: ₹ 35,316.11 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 2020	As at 31 March 2019
Financial assets for which loss allowance is measured using 12 months Expected Credit Losses (ECL)		
Non-current investments	1,721.69	1,527.24
Non-current loans	6,075.86	5,713.72
Other non-current financial assets*	14,494.52	9,209.64
Cash and cash equivalents	34,881.79	43,820.05
Deposits with banks	30,493.31	33,794.43
Current loans	666.94	364.34
Other current financial assets*	3,742.18	5,888.88
Total	**92,076.29**	**100,318.30**

₹ in Lakhs

Particulars	As at 31 March 2020	As at 31 March 2019
Financial assets for which loss allowance is measured using Life time Expected Credit Losses (ECL)		
Trade receivables	285,544.09	194,375.67
Unbilled revenue	11,840.00	3,543.10
Total	297,384.09	197,918.77

* Excluding unbilled revenue

(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, the Group has recognised a provision for doubtful receivables of ₹ 196.65 Lakhs during the year ended 31 March 2020 (31 March 2019: ₹ 196.65 Lakh).

Further, the Group is in the process of evaluating the credit risk of non-government controlled customers and has made a provision of ₹ 849.61 Lakhs in respect of amount outstanding for more than 360 days as on 30 September 2019 in respect of such customers, pending evaluation/ assessment of their credit risk.

Financial assets for which loss allowance is measured and recommended by Comptroller and Auditor General of India

The C&AG in their report dated 18 October 2017 had recommended a provision of ₹ 1,650.00 Lakhs on account of subsidy not received from Delhi Government/DERC. However, the Group has not made the provision as the management is of the view that the recovery is being followed up with concerned authority, which is under review and they are confident for recovery of their dues.

(iii) Ageing analysis of trade receivables

The ageing analysis of the trade receivables is as below:

₹ in Lakhs

Particulars	Gross carrying amount	
	As at 31 March 2020	As at 31 March 2019
Not due	6,283.81	6,676.23
0-30 days past due	50,644.21	39,888.90
31-60 days past due	15,608.38	20,006.21
61-90 days past due	9,865.66	5,968.02
91-120 days past due	12,097.38	15,384.35
More than 120 days past due	192,484.20	106,845.25
Total	**286,983.64**	**194,768.96**

(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 2020	For the year ended 31 March 2019
Opening balance	393.29	196.64
Add: Allowance for doubtful debts recognised during the year	1,046.26	196.65
Closing balance	**1,439.55**	**393.29**

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 2020	As at 31 March 2019
Fixed-rate borrowings		
Foreign currency loans	178,700.98	181,436.83
Working capital loan	26,081.15	15,304.76
Total	**204,782.13**	**196,741.59**
Floating-rate borrowings		
Term loans	17,000.00	10,002.41
Foreign currency loans	157,448.85	208,762.33
Working capital loan	-	2,500.10
Total	**174,448.85**	**221,264.84**
Total	**379,230.98**	**418,006.43**

(ii) Maturities of financial liabilities

The following are the contractual maturities of non-derivative financial liabilities, based on contractual cash flows:

As at 31 March 2020 ₹ in Lakhs

Particulars	3 months or less	3-12 months	1-2 years	2-5 years	More than 5 years	Total
Non-current borrowings*	7,615.63	58,479.91	86,557.50	254,282.08	185,087.54	592,022.66
Current borrowings*	29,514.60	59,903.13	-	-	-	89,417.73
Trade payables	133,490.71	1,734.11	2,072.09	4,205.16	59.55	141,561.62
Retention money	28,995.27	3,657.47	4,017.16	7,162.36	103.04	43,935.30
Lease liabilities	619.07	1,617.36	1,441.41	545.77	-	4,223.61
Liability for expenses	4,141.32	-	-	-	-	4,141.32
Payable to employees	648.77	-	-	-	-	648.77
Others	325.56	585.27	-	-	-	910.83
Total	**205,350.93**	**125,977.25**	**94,088.16**	**266,195.37**	**185,250.13**	**876,861.84**

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	182,689.04	135,117.51	**403,669.88**
Current borrowings*	47,674.63	38,227.92	-	-	-	**85,902.55**
Trade payables	151,529.59	2,121.26	2,332.99	5,000.96	1,795.38	**162,780.18**
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	**209,231.87**	**95,460.32**	**60,955.06**	**207,322.53**	**139,687.97**	**712,657.75**

* 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 2020 and 31 March 2019 are as below:

₹ in Lakhs

Particulars	As at 31 March 2020			As at 31 March 2019		
	EURO	USD	GBP	EURO	USD	GBP
Financial liabilities						
Foreign currency borrowings	-	-	17.44	47,385.00	81,875.23	-
Commitment fee payable	57,681.88	159,943.19	17.44	80.00	158.24	-
Trade payables	2,758.07	-	123.50	4,185.63	-	50.96
Total	**60,439.95**	**159,943.19**	**158.38**	**51,650.63**	**82,033.47**	**50.96**
Financial assets						
Trade receivables	11.61	9,054.97	1,576.04	128.56	-	806.83
Balance with bank-current account	-	-	-	-	2,017.42	38.97
Investment	-	1,721.69		-	1,527.24	
Total	**11.61**	**10,776.66**	**1,576.04**	**128.56**	**3,544.66**	**845.80**
Net Exposure	**60,428.34**	**149,166.53**	**(1,417.66)**	**51,522.07**	**78,488.81**	**(794.84)**

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

Particulars	31 March 2020		31 March 2019	
	Strengthening	Weakening	Strengthening	Weakening
10% movement				
INR/EUR	6,042.83	(6,042.83)	5,152.21	(5,152.21)
INR/USD	14,916.65	(14,916.65)	7,848.88	(7,848.88)
INR/GBP	(141.77)	141.77	(79.48)	79.48
Total	**20,817.72**	**(20,817.72)**	**12,921.60**	**(12,921.60)**

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 2020	As at 31 March 2019
Financial assets:		
Fixed-rate instruments		
Employee Loans	169.46	57.38
Sub total	**169.46**	**57.38**
Variable-rate instruments		
Loan to EnergyPro Asset Management Ltd	5,692.30	5,219.77
Sub total	**5,692.30**	**5,219.77**
Total	**5,861.76**	**5,277.15**

₹ in Lakhs

Particulars	As at 31 March 2020	As at 31 March 2019
Financial liabilities:		
Fixed-rate instruments		
Foreign currency loans	57,222.66	47,099.92
Debentures	115,000.00	127,500.00
Short term loans	75,000.00	25,179.08
Sub total	**247,222.66**	**199,779.00**
Variable-rate instruments		
Foreign currency loans	159,171.93	81,661.00
Rupee term loans	132,965.47	39,997.59
Short term loans	10,049.94	58,365.86
Term loan from banks	31,064.13	14,591.68
Sub total	**333,251.47**	**194,616.13**
Total	**580,474.13**	**394,395.13**

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 2020		31 March 2019	
	Increase	Decrease	Increase	Decrease
Loan to EnergyPro Asset Management Ltd	28.46	(28.46)	26.10	(26.10)
Foreign currency loans	(795.86)	795.86	(408.31)	408.31
Rupee term loans	(664.83)	664.83	(199.99)	199.99
Short term	(50.25)	50.25	(291.83)	291.83
Term loan from banks	(155.32)	155.32	(72.96)	72.96
Total	**(1,637.80)**	**1,637.80**	**(946.98)**	**946.98**

45 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 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 least 1.4:1.0.

(ii) Edina Power Services Limited- Maintain debt servicing coverage ratio of at least 1.4, levarage of at least 3.0 and aggregate value of the tangible assets of at least 1.75 times the aggregate amount of the total commitments and maximum loan to value of 70 per cent.

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 Group monitors capital using the following ratios:

₹ in Lakhs

Particulars	As at 31 March 2020	As at 31 March 2019
Current ratio[1]	1.32	1.18
Debt-equity ratio[2]	3.82	3.49
Debt service coverage ratio[3]	1.81	2.52
Asset coverage ratio[4]	3.15	5.94

1 Current assets (31 March 2020- ₹ 450,111.68 Lakhs and 31 March 2019- ₹ 365,891.19 Lakhs) divided by current liabilities (31 March 2020- ₹ 340,228.80 Lakhs and 31 March 2019- ₹ 309,014.79 Lakhs)

2 Debt divided by equity. Debt comprises of bonds and long-term borrowings net of current maturities (31 March 2020- ₹ 449,706.22 Lakhs and 31 March 2019- ₹ 293,701.06 Lakhs) and equity comprises of equity share capital and other equity (31 March 2020- ₹ 117,707.24 Lakhs and 31 March 2019- ₹ 84,141.02 Lakhs)

3 Profit before depreciation, interest and tax (31 March 2020- ₹ 85,933.74 Lakhs and 31 March 2019- ₹ 74,947.70 Lakhs) divided by debt payments (principal payment and interest and finance charges pertaining to long term borrowings) (31 March 2020- ₹ 47,353.34 Lakhs and 31 March 2019- ₹ 29,682.72 Lakhs)

4 Non-current tangible assets (property, plant and equipment and capital work-in-progress) (31 March 2020- ₹ 405,988.13 Lakhs and 31 March 2019- ₹ 303,948.46 Lakhs) divided by secured term loans (including bonds) (31 March 2020- ₹ 128,760.50 Lakhs and 31 March 2019- ₹ 51,145.68 Lakhs)

46 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	Next Due Date of principal repayment	Next Due Date of Annual Interest
Series-I	Secured*	37,500.00	₹ 30.00 Lakh**	20-Sep-16	20-Sep-21	20-Sep-20
Series-II	Unsecured	45,000.00	₹ 10.00 Lakh	18-Jul-17	18-Jul-22	18-Jul-20
Series-III	Unsecured	20,000.00	₹ 10.00 Lakh	10-Jan-18	10-Feb-21	10-Jan-21
Series-IV	Unsecured	12,500.00	₹ 10.00 Lakh	29-Jan-18	28-May-21	29-Jan-21

* 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 1 STRPP of the value of ₹ 10.00 Lakh and 1 STRPP of the value of ₹ 20.00 Lakh.

The Company is creating Debenture Redemption Reserve for Bonds issued as required by Companies (Share Capital and Debentures) Rules, 2014.

47 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) Key Managerial Personnel (KMP):

Parent company

Rajat Kumar Sud	Managing Director	w.e.f 7 October 2020
Saurabh Kumar	Executive Vice-Chairman (Additional Charge)	w.e.f. 1st August 2020
Saurabh Kumar	Managing Director	w.e.f. 7 May 2013 upto 30 November 2019
Saurabh Kumar	Managing Director (Additional Charge)	w.e.f. 1 December 2019 upto 31 July 2020
Shankar Gopal	Managing Director (Additional Charge)	w.e.f. 1 August 2020 upto 7 October 2020
Rajeev Sharma	Director and Chairman	w.e.f. 5 February 2018
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
Mohit Bhargava	Nominee Director	w.e.f. 5 February 2018 upto 30 May 2020
Sanjiv Garg	Nominee Director	w.e.f. 21 October 2018 upto 16 March 2020
Abhay Bakre	Nominee Director	w.e.f. 8 May 2018
C.K. Mondol	Nominee Director	w.e.f. 30 May 2020 upto 13 August 2020
Raju Lakshmanan	Nominee Director	w.e.f. 1 May 2020
Aditya Dar	Nominee Director	w.e.f. 22 August 2020
Seethapathy Chander	Independent Director	w.e.f. 5 February 2018 upto 3 August 2020
Gauri Surendra Trivedi	Independent Director	w.e.f. 5 February 2018 upto 4 August 2020
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
Renu Narang	Chief Financial Officer	w.e.f. 6 April 2018 upto 23 January 2019
Shankar Gopal	Chief Financial Officer	w.e.f. 7 February 2019
Lokesh Kr. Aggarwal	Chief Financial Officer	w.e.f. 11 December 2020
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 upto 3 February 2020
Steven Derrick Fawkes	Director	w.e.f. 13 March 2018
Shankar Gopal	Director	w.e.f. 20 March 2019
Amit Kumar Kaushik	Director	w.e.f. 3 March 2020

Anesco Energy Services South Limited

Matthew William Pumfrey	Director	w.e.f. 13 March 2018 upto 1 May 2020
Michael Anthony Tivey	Director	w.e.f. 13 March 2018 upto 1 May 2020
Neelima Jain	Director	w.e.f. 13 March 2018 upto 3 February 2020
Amit Kumar Bharadwaj	Director	w.e.f. 20 March 2019
Nitin Wadhwa	Director	w.e.f. 20 March 2019
Amit Kumar Kaushik	Director	w.e.f. 3 March 2020

Creighton Energy Limited

Matthew William Pumfrey	Director	w.e.f. 13 March 2018 upto 1 May 2020
Michael Anthony Tivey	Director	w.e.f. 13 March 2018 upto 1 May 2020
Neelima Jain	Director	w.e.f. 13 March 2018 upto 3 February 2020
Amit Kumar Bharadwaj	Director	w.e.f. 20 March 2019
Nitin Wadhwa	Director	w.e.f. 20 March 2019
Amit Kumar Kaushik	Director	w.e.f. 3 March 2020

EPAL Holdings Limited

Saurabh Kumar	Director	w.e.f. 13 March 2018
Neelima Jain	Director	w.e.f. 13 March 2018 upto 3 February 2020
Steven Derrick Fawkes	Director	w.e.f. 13 March 2018
Amit Kumar Kaushik	Director	w.e.f. 3 March 2020

Edina Acquisitions Limited

Saurabh Kumar	Director	w.e.f. 13 March 2018
Neelima Jain	Director	w.e.f. 13 March 2018 upto 3 February 2020
Steven Derrick Fawkes	Director	w.e.f. 13 March 2018
Amit Kumar Kaushik	Director	w.e.f. 3 March 2020

Edina Power Services Limited

Saurabh Kumar	Director	w.e.f. 13 March 2018
Neelima Jain	Director	w.e.f. 13 March 2018 upto 3 February 2020
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
Amit Kumar Kaushik	Director	w.e.f. 3 March 2020

Edina Limited

Neelima Jain	Director	w.e.f. 13 March 2018 upto 3 February 2020
Delvin Lane	Director	w.e.f. 13 March 2018 upto 17 July 2018
Hugh Kerr Richmond	Director	w.e.f. 17 July 2018
Nitin Wadhwa	Director	w.e.f. 28 August 2019
Amit Kumar Kaushik	Director	w.e.f. 3 March 2020

Edina UK Limited

Neelima Jain	Director	w.e.f. 13 March 2018 upto 3 February 2020
Delvin Lane	Director	w.e.f. 13 March 2018 upto 17 July 2018
Hugh Kerr Richmond	Director	w.e.f. 17 July 2018
Nitin Wadhwa	Director	w.e.f. 28 August 2019
Saurabh Kumar	Director	w.e.f. 2 December 2019
Amit Kumar Kaushik	Director	w.e.f. 3 March 2020

Edina Australia Pty Limited

Neelima Jain	Director	w.e.f. 13 March 2018 upto 3 February 2020
Delvin Lane	Director	w.e.f. 13 March 2018 upto 17 July 2018
Hugh Kerr Richmond	Director	w.e.f. 17 July 2018
Katharine Margaret Gyngell	Director	w.e.f. 18 October 2013
Amit Kumar Kaushik	Director	w.e.f. 3 March 2020

Armoura Holdings Limited

Neelima Jain	Director	w.e.f. 13 March 2018 upto 3 February 2020
Delvin Lane	Director	w.e.f. 13 March 2018 upto 17 July 2018
Hugh Kerr Richmond	Director	w.e.f. 17 July 2018
Nitin Wadhwa	Director	w.e.f. 28 August 2019
Amit Kumar Kaushik	Director	w.e.f. 3 March 2020

Stanbeck Limited

Neelima Jain	Director	w.e.f. 13 March 2018 upto 3 February 2020
Delvin Lane	Director	w.e.f. 13 March 2018 upto 17 July 2018
Hugh Kerr Richmond	Director	w.e.f. 17 July 2018
Nitin Wadhwa	Director	w.e.f. 28 August 2019
Amit Kumar Kaushik	Director	w.e.f. 3 March 2020

Edina Manufacturing Limited

Neelima Jain	Director	w.e.f. 13 March 2018 upto 3 February 2020
Delvin Lane	Director	w.e.f. 13 March 2018 upto 17 July 2018
Hugh Kerr Richmond	Director	w.e.f. 17 July 2018
Nitin Wadhwa	Director	w.e.f. 28 August 2019
Amit Kumar Kaushik	Director	w.e.f. 3 March 2020

Edina Power Limited

Neelima Jain	Director	w.e.f. 13 March 2018 upto 3 February 2020
Delvin Lane	Director	w.e.f. 13 March 2018 upto 17 July 2018
Hugh Kerr Richmond	Director	w.e.f. 17 July 2018
Nitin Wadhwa	Director	w.e.f. 28 August 2019
Amit Kumar Kaushik	Director	w.e.f. 3 March 2020

EPSL Trigeneration Private Limited

Saurabh Kumar	Director	w.e.f. 20 December 2018
Neelima Jain	Director	w.e.f. 13 March 2018 upto 3 February 2020
Shankar Gopal	Director	w.e.f. 8 June 2019
Amit Kumar Kaushik	Director	w.e.f. 5 March 2020

(iii) Subsidiaries:

Interest in subsidiaries are set out in Note 49.

(vi) Joint Venture:

NEESL Private Limited
Intellismart Infrastructure Private Limited

(v) Subsidiaries, joint ventures and associates of entities having joint control over the Group:

Utility Powertech Limited
NTPC-SAIL Power Company Limited
PFC Capital Advisory Services Limited
PFC Consulting Limited
PFC Green Energy 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 Company 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 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 to Central Electronics Limited, National Fertilizer Limited, Bharat Heavy Electricals Limited, Northern Coalfields Limited, NHPC Limited, Oil and Natural Gas Corporation Limited, South Eastern Coalfields Limited, SJVN Limited, Cement Corporation of India Limited, National Film Development Corporation, India Tourism Development Corporation, NBCC Limited, Bureau of Energy Efficiency.

b) Transactions with the related parties are as follows:*

₹ in Lakhs

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Manpower services received by the Group		
Utility Powertech Limited	2,137.47	1,984.82
Sales of goods		
NTPC Limited	4,559.41	5,873.43
Power Grid Corporation of India Limited	805.14	2,257.51
Oil and Natural Gas Corporation Limited	351.42	728.75
Power Finance Corporation Limited	10.80	8.11
EPSL Trigeneration Private Limited	4.71	-
Northern Coalfields Limited	390.28	515.35
NHPC Limited	372.38	347.32
South Eastern Coalfields Limited	330.61	328.81
SJVN Limited	278.14	368.99
NTPC-SAIL Power Company Limited	112.17	14.68
Bureau of Energy Efficiency	25.93	10.52
REC Limited	-	2.47
Total	**7,240.99**	**10,455.94**
Purchase of goods and services		
Central Electronics Limited	5,981.00	9,329.00
Bharat Heavy Electricals Limited	25.99	5,026.00
National Film Development Corporation	59.81	0.59
India Tourism Development Corporation	56.76	-
Total	**6,123.56**	**14,355.59**

₹ in Lakhs

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Rent		
Cement Corporation of India Limited	112.00	111.73
National Fertilizer Limited	1,647.79	828.36
NTPC Limited	308.33	-
NBCC Limited	46.52	-
Total	**2,114.64**	**940.09**
Deputation of employees		
NTPC Limited	57.24	680.32
Equity contribution received		
NTPC Limited	21,811.00	-
Power Grid Corporation of India Limited	1,841.40	1,520.44
REC Limited	7,160.00	-
Power Finance Corporation Limited	-	9,900.00
Total	**30,812.40**	**11,420.44**
Equity contribution paid		
Intellismart Infrastructure Private Limited (refer note 4)	-	-
Interest income		
EnergyPro Asset Management Limited	194.72	233.83
Banking fee and guarantee fees recovered		
EnergyPro Asset Management Limited	106.22	139.74
Loan given		
EnergyPro Asset Management Limited	472.53	210.11
Final dividend paid		
NTPC Limited	447.32	401.04
Power Finance Corporation Limited	236.87	401.04
REC Limited	210.45	239.32
Power Grid Corporation of India Limited	54.15	61.59
Total	**948.79**	**1,102.99**
Transactions with post employment benefit plan		
Contributions made during the year	221.41	208.42
Compensation to Key Management Personnel (KMP)		
Short term benefits	429.44	140.75
Post employment benefits	73.57	15.92
Other long term benefits	33.86	0.40
Total	**536.87**	**157.07**

c) **Outstanding balances with related parties are as follows:**

₹ in Lakhs

Particulars	As at 31 March 2020	As at 31 March 2019
Amount recoverable for sale/purchase of goods and services		
NTPC Limited	4,320.28	4,349.98
Power Grid Corporation of India Limited	1,448.16	1,564.61
REC Limited	108.58	156.63
Power Finance Corporation Limited	213.67	133.16
NTPC-SAIL Power Company Limited	79.27	103.34
PFC Capital Advisory Services Limited	-	2.32
PFC Consulting Limited	-	133.57
PFC Green Energy Limited	-	0.08
Total	**6,169.96**	**6,443.69**
Amount recoverable (loans)		
EnergyPro Asset Management Limited	5,692.30	5,219.77
Amount recoverable (other than loans)		
EnergyPro Asset Management Limited	9.31	-
Amount payable (other than loans)		
Utility Powertech Limited	336.00	27.49
EnergyPro Asset Management Limited	-	36.19
Outstanding compensation to KMP	1.21	-

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 2020 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. The Group has not recorded any impairment of receivables relating to amounts owed by related parties. 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.

48 Disclosure as per Schedule III to the Companies Act, 2013

Name of the entity in the Group	As at 31 March 2020		For the year ended 31 March 2020					
	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 total comprehensive income	Amount
Parent company								
Energy Efficiency Services Limited	96.44%	113,511.78	84.01%	2,690.34	1.30%	9.06	69.26%	2,699.40
Foreign subsidiaries								
EESL EnergyPro Assets Limited	31.53%	37,110.42	85.93%	2,751.84	0.00%	-	70.60%	2,751.84
Anesco Energy Services South Ltd	3.62%	4,263.06	0.24%	7.72	0.00%	-	0.20%	7.72
Creighton Energy Limited	1.35%	1,588.78	1.07%	34.32	0.00%	-	0.88%	34.32
EPAL Holdings Limited	20.20%	23,775.94	-0.23%	(7.33)	0.00%	-	-0.19%	(7.33)
Edina Acquisition Limited	14.43%	16,984.47	-93.36%	(2,989.61)	0.00%	-	-76.70%	(2,989.61)
Edina Power Services Limited	6.10%	7,176.93	3.42%	109.66	0.00%	-	2.81%	109.66
Edina Limited	5.75%	6,765.70	-14.66%	(469.54)	0.00%	-	-12.05%	(469.54)
Edina UK Limited	9.55%	11,245.90	10.21%	327.04	104.00%	723.12	26.94%	1,050.16
Edina Australia Pty Limited*	-0.16%	(187.10)	0.48%	15.38	0.00%	-	0.39%	15.38
Armoura Holdings Limited	0.29%	339.50	-0.13%	(4.31)	36.11%	251.07	6.33%	246.76
Stanbeck Limited	-0.10%	(120.60)	-0.43%	(13.73)	25.97%	180.58	4.28%	166.85
Edina Manufacturing Limited	0.00%	-	-0.54%	(17.20)	0.00%	-	-0.44%	(17.20)
Edina Power Limited	0.95%	1,115.99	14.14%	452.86	0.00%	-	11.62%	452.86
EPSL Trigeneration Private Limited	-0.03%	(39.04)	-1.44%	(46.13)	0.00%	-	-1.18%	(46.13)
Non-controlling interest in all subsidiaries	4.05%	4,765.46	2.59%	83.09	15.25%	106.04	4.85%	189.13
Indian joint ventures								
NEESL Private Limited	0.01%	6.59	0.02%	0.63	0.00%	-	0.02%	0.63
Consolidation adjustment	-93.96%	(110,596.54)	8.66%	277.26	-82.63%	(574.54)	-7.63%	(297.28)
Total	**100.00%**	**117,707.24**	**100.00%**	**3,202.29**	**100.00%**	**695.33**	**100.00%**	**3,897.62**

*Edina Australia Pty Limited has a deficiency in equity of ₹ 187.05 Lakhs and a material uncertainty exists that may cast significant doubt about its ability to continue as a going concern. Edina Australia Pty Limited has received a guarantee of continuing financial support from group companies and its financial statements has been prepared and consolidated on going concern basis.

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 total comprehensive income	Amount
Parent company								
Energy Efficiency Services Limited	96.55%	81,143.78	78.41%	7,925.51	1.04%	(22.14)	94.93%	7,903.37
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%**	**84,141.02**	**100.00%**	**10,543.56**	**100.00%**	**(2,133.65)**	**100.00%**	**8,409.91**

49 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-20	31-Mar-19	31-Mar-20	31-Mar-19	
EESL EnergyPro Assets Limited	United Kingdom	84.55	84.55	15.45	15.45	Holding company & business support
Anesco Energy Services (South) Limited	United Kingdom	84.55	84.55	15.45	15.45	Provision of energy saving services
Creighton Energy Limited	United Kingdom	84.55	84.55	15.45	15.45	
EPAL Holdings Limited	United Kingdom	84.55	84.55	15.45	15.45	Investment holding company
Edina Acquisition Limited	United Kingdom	84.55	84.55	15.45	15.45	
Edina Power Services Limited	Ireland	84.55	84.55	15.45	15.45	
Edina Limited	Ireland	84.55	84.55	15.45	15.45	Manufacture, sale, installation, hire and service of diesel and gas powered generators and related spare parts
Edina UK Limited	United Kingdom	84.55	84.55	15.45	15.45	
Edina Manufacturing Limited	United Kingdom	84.55	84.55	15.45	15.45	
Edina Power Limited	United Kingdom	84.55	84.55	15.45	15.45	Containerisation of diesel and gas powered generators and production of equipment for containerisation
Edina Australia Pty Limited	Australia	84.55	84.55	15.45	15.45	Equipment wholesale sales and maintenance activities
Armoura Holdings Limited	Ireland	84.55	84.55	15.45	15.45	Investment in and rental of property
Stanbeck Limited	Ireland	84.55	84.55	15.45	15.45	Property investment company
EPSL Trigeneration Private Ltd	India	84.55	84.55	15.45	15.45	Trigeneration technology solutions

b) Change in parent's ownership interest in Subsidiary

During the year ended 31 March 2020, there are no changes in ownership interest in subsidiaries. During the year ended 31 March 2019, the parent's ownership interest in EPAL had changed from 80.00% to 84.55%. The effect of the same was as under:

Particulars	Owners interest		Minority interest		Total	
	Share capital	Other equity	Share capital	Other equity	Share capital	Other equity
As at 1 April 2019	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 (refer note 55)	-	(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 2020	**27,383.48**	**(2,343.75)**	**4,905.36**	**(329.03)**	**32,288.84**	**(2,672.78)**

c) Non-controlling interests (NCI)

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	As at 31 March 2020	As at 31 March 2019
Current assets	22,635.50	24,843.11
Current liabilities	27,159.56	40,239.26
Net current assets	**(4,524.06)**	**(15,396.15)**
Non-current assets	62,317.62	59,629.66
Non-current liabilities	26,953.49	14,617.46
Net non-current assets	**35,364.13**	**45,012.20**
Net assets	**30,840.07**	**29,616.05**
Accumulated NCI	**4,765.46**	**4,576.33**

₹ in Lakhs

Summarised statement of profit and loss	For the year ended 31 March 2020	For the year ended 31 March 2019
Revenue	69,937.17	61,499.45
Profit for the year	537.75	2,615.00
Other comprehensive income (OCI)	686.27	(2,111.51)
Total comprehensive income	**1,224.02**	**503.49**
Profits attributable to NCI	83.09	469.80
OCI attributable to NCI	106.04	(293.61)
Total comprehensive income attributable to NCI	**189.13**	**176.19**
Dividends paid to NCI	**-**	**-**

₹ in Lakhs

Summarised cash flows	For the year ended 31 March 2020	For the year ended 31 March 2019
Cash flows from operating activities	554.74	(1,787.78)
Cash flows from investing activities	(239.94)	(188.72)
Cash flows from financing activities	123.04	(497.51)
Net increase/(decrease) in cash and cash equivalents	**437.84**	**(2,474.01)**

d) Details of significant restrictions

EESL EnergyPro Assets Limited (EPAL):

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 implementation 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.

e) Investment in joint venture company:

The group's joint ventures are listed below. They have share capital consisting solely of equity shares that are held directly by the group. The country of incorporation which is also their principal place of business is India. The proportion of ownership interest is the same as the proportion of voting rights held. The investment in joint ventures is accounted as per equity method. The joint ventures are unlisted and hence the quoted price are not available.

₹ in Lakhs

Company name	As at 31 March 2020	As at 31 March 2019
NEESL Private Limited		
Ownership interest held by group	26.00%	26.00%
Carrying Amount	6.59	5.96
Intellismart Infrastructure Private Limited (IIPL)		
Ownership interest held by group	49.00%	0.00%
Carrying Amount	-	-

₹ in Lakhs

Summarised balance sheet	NEESL Private Limited		IIPL
	As at 31 March 2020	As at 31 March 2019	As at 31 March 2020
Current assets			
Cash and cash equivalents	4.35	0.05	-
Other assets	1,168.47	1,132.64	-
Total current assets	**1,172.82**	**1,132.69**	**-**
Total non-current assets	**-**	**-**	**0.88**
Current liabilities			
Financial liabilities (excluding trade payables)	93.30	51.24	-
Other liabilities	1,054.18	1,058.51	-
Total current liabilities	**1,147.48**	**1,109.75**	**-**
Non-current liabilities			
Financial liabilities (excluding trade payables)	-	-	6.20
Other liabilities	-	-	3.35
Total non-current liabilities	**-**	**-**	**9.55**
Net assets	**25.34**	**22.94**	**(8.67)**

₹ in Lakhs

Summarised statement of profit and loss	NEESL Private Limited		IIPL
	For the year ended 31 March 2020	For the year ended 31 March 2019	For the year ended 31 March 2020
Revenue	451.06	2,883.33	-
Interest income	-	-	-
Other income	45.14	8.83	-
Cost of material consumed	(438.62)	(2,819.69)	-
Employee benefit expense	(15.91)	(14.52)	-
Depreciation and amortisation	-	-	-
Interest expense	(0.01)	(0.01)	-
Other expense	(22.33)	(55.63)	(9.56)
Income tax expense	(6.54)	(0.96)	**0.88**
Profit from continuing operations	**12.79**	**1.35**	**(8.68)**
Profit from discontinued operations	-	-	-
Profit for the year	**12.79**	**1.35**	**(8.68)**
Other comprehensive income	-	-	-
Total comprehensive income	**12.79**	**1.35**	**(8.68)**
Dividend received	**-**	**-**	**-**

₹ in Lakhs

Reconciliation of carrying amount	NEESL Private Limited		IIPL
	As at 31 March 2020	As at 31 March 2019	As at 31 March 2020
Opening net assets	22.94	11.20	-
Shares issued during the year	-	-	0.01
Profit for the year	12.79	1.35	(8.68)
Capital expenditure annuity reserve	(10.39)	10.39	-
Other comprehensive income	-	-	-
Closing net assets	**25.34**	**22.94**	**(8.67)**
Group share in %	26.00%	26.00%	49.00%
Group share in INR	6.59	5.96	-
Goodwill	-	-	-
Carrying amount	**6.59**	**5.96**	**-**

The Group has invested ₹ 490 in IIPL, a newly incorporated joint venture. IIPL had not commenced its operations till 31 March 2020 and incurred losses on account of pre-operative expenses. The Group has restricted its share in losses of IIPL to the extent of its interest in joint venture of ₹ 490. Accordingly, the Group has not recognised its share of losses of IIPL amounting to ₹ 4.25 Lakhs.

50 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 ₹ 153.15 Lakhs (31 March 2019: ₹ 82.09 Lakhs) pertaining to employers' contribution to provident fund is recognised as an expense and included in "Employee benefits expense" in note 36.

(ii) Superannuation fund

The parent company pays fixed contribution to superannuation fund to a separate trust. Amount of ₹ 221.41 Lakhs (31 March 2019: ₹213.91 Lakhs) pertaining to employers' contribution to superannuation fund is recognised as an expense and included in "Employee benefits expense" in note 36.

(iii) Pension fund

The Group voluntary contributes 6% to an external pension fund for its employees of subsidiaries. Amount of ₹ 444.40 Lakhs (31 March 2019: ₹ 467.54 Lakhs) is recognised as an expense and included in "Employee benefits expense" in note 36.

b) 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 ₹ 354.59 Lakhs (31 March 2019: ₹ (-)100.11 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.

c) Defined benefit plan (gratuity)

The parent company operates a gratuity plan for its regular employees which provides lump sum benefits linked to the qualifying salary and completed years of service with the parent company at the time of separation. Regular 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

Company name	As at 31 March 2020	As at 31 March 2019
Net defined benefit (asset)/liability:	116.90	140.02
Gratuity	**116.90**	**140.02**
Non-current	113.95	136.73
Current	2.95	3.29

(i) Movement in net defined benefit (asset)/liability

₹ in Lakhs

Company name	Defined benefit obligation	Fair value of plan assets	Net defined benefit liability/(asset)
Balance as at 1 April 2019	**272.12**	**132.10**	**140.02**
Included in profit or loss:			
Current service cost	117.82	-	117.82
Past service cost	-	-	-
Net Interest cost	21.09	16.42	4.67
Total amount recognised in profit or loss	**138.91**	**16.42**	**122.49**
Included in other comprehensive income (OCI):			
Remeasurement loss/(gain) arising from:			
Financial assumptions	85.21	-	85.21
Experience adjustment	(93.14)	-	(93.14)
Return on plan assets excluding interest income	-	4.18	(4.18)
Total amount recognised in OCI	**(7.93)**	**4.18**	**(12.11)**
Other			
Contributions paid by the employer	-	148.10	(148.10)
Acquisition adjustment	14.60	-	14.60
Adjustment in plan assets	-	-	-
Benefits paid	(9.59)	(9.59)	-
Balance as at 31 March 2020	**427.29**	**310.39**	**116.90**

₹ in Lakhs

Company name	Defined benefit obligation	Fair value of plan assets	Net defined benefit liability/(asset)
Balance as at 1 April 2018	**142.27**	**6.51**	**135.76**
Included in profit or loss:			
Current service cost	74.89	-	74.89
Past service cost	-	-	-
Net Interest cost	11.09	1.00	10.09
Total amount recognised in profit or loss	**85.98**	**1.00**	**84.98**
Included in other comprehensive income (OCI):			
Remeasurement loss/(gain) arising from:			
Financial assumptions	2.15	-	2.15
Experience adjustment	38.74	-	38.74
Return on plan assets excluding interest income	-	6.86	(6.86)
Total amount recognised in OCI	**40.89**	**6.86**	**34.03**
Other			
Contributions paid by the employer	-	114.20	(114.20)
Acquisition adjustment	5.70	-	5.70
Adjustment in plan assets	-	6.25	(6.25)
Benefits paid	(2.72)	(2.72)	-
Balance as at 31 March 2019	**272.12**	**132.10**	**140.02**

(ii) Plan assets

The plan assets of the parent company are managed by Life Insurance Corporation of India through a trust managed by the parent company in terms of an insurance policy taken to fund obligations of the parent company. Information on categories of plan assets as at 31 March 2020 and 31 March 2019 has not been provided by Life Insurance Corporation of India. Actual return on plan assets is ₹ 20.60 Lakhs (31 March 2019: ₹ 7.86 Lakhs).

(iii) Actuarial assumptions

The following were the principal actuarial assumptions at the reporting date:

Particulars	As at 31 March 2020	As at 31 March 2019
Discount rate	6.75%	7.75%
Salary escalation rate	6.50%	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

Particulars	Increase	Decrease
As at 31 March 2020		
Discount rate (0.5% movement)	(32.21)	35.86
Salary escalation rate (0.5% movement)	32.22	(30.22)
As at 31 March 2019		
Discount rate (0.5% movement)	(20.77)	23.10
Salary escalation rate (0.5% movement)	23.39	(21.19)

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 valuation date can impact the liability.

(vi) Expected maturity analysis of the defined benefit plans in future years

₹ in Lakhs

Particulars	As at 31 March 2020	As at 31 March 2019
Less than 1 year	2.95	3.30
Between 1-2 years	6.05	2.50
Between 2-5 years	28.16	13.28
Over 5 years	370.95	253.04
Total	**408.11**	**272.12**

Expected contributions to post-employment benefit plans for the year ending 31 March 2021 are ₹ 146.41 Lakhs.

The weighted average duration of the defined benefit plan obligation as at 31 March 2020 is 18.88 years (31 March 2019: 19.77 years).

51 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 and USD 500,000 for other consultancy. Total grant amounting to ₹ 880.94 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 ₹ Nil (31 March 2019: ₹ 290.73 Lakhs) as grant from World Bank. The Group has recognised ₹ 311.66 Lakhs (31 March 2019: ₹ 420.42 Lakhs) as grant income for the year (refer note 34).

52 Disclosure as per Ind AS 21 'The Effects of Changes in Foreign Exchange Rates'

The amount of exchange differences (net) debited to the statement of profit and loss is ₹ 12,661.61 Lakhs (31 March 2018: credited to Statement of profit and loss ₹ 3,281.92 Lakhs).

53 Disclosure as per Ind AS 33 'Earnings per Share'

₹ in Lakhs

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Basic earnings per share* [A/B]	0.33	1.54
Diluted earnings per share* [A/C]	0.33	1.51
Nominal value per share	10.00	10.00

**rounded upto two decimal places*

a) Profit attributable to equity shareholders of parent company [A] (₹ in Lakhs)	3,119.20	10,073.76
b) Weighted average number of equity shares		

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Opening balance of issued equity shares	675,204,350	462,000,000
Effect of shares issued during the year, if any	264,660,322	191,591,854
Weighted average number of equity shares for Basic EPS [B]	**939,864,672**	**653,591,854**
Effect of dilution	815,902	13,477,391
Weighted average number of equity shares for Diluted EPS [C]	**940,680,574**	**667,069,246**

54 Contingent liabilities and commitments

₹ in Lakhs

Particulars	As at 31 March 2020	As at 31 March 2019
Contingent liabilities		
Claims against the parent company not acknowledged as debt (VAT paid under protest)	7,876.26	9,291.06
Bank guarantees- lien against fixed deposits	1,124.24	2,027.90
Total	**9,000.50**	**11,318.96**
Commitments		
Estimated value of contract to be executed on capital/revenue account and not provided for in the books of accounts	1,350,584.52	1,383,403.70
Commitment of further investments in Maple Leaf amounting to USD 10 Millions	7,538.59	6,917.13
Total	**1,358,123.11**	**1,390,320.83**

55 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 sells 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 2020	For the year ended 31 March 2019
(i)	**Nature of goods and services**		
	Sale of goods		
	Ujala Scheme	11,567.29	37,231.30
	Agricultural Demand Side Management	3,968.03	13,249.56
	Street light projects	34,304.10	34,140.86
	Solar lamps	4,339.17	15,395.60
	Solar street light projects	10,818.31	7,307.51
	Building projects	852.06	1,758.06
	E-Vehicle	69.78	-
	Others	1,207.22	2,445.00
	Total [A]	**67,125.96**	**111,527.89**
	Rendering of services		
	Solar street light projects	91,122.45	64,290.18
	Building projects	5,488.55	1,982.10
	Smart Meter	5,930.45	50.00
	Agricultural Demand Side Management	2,235.38	521.14
	Solar street light projects	2,591.49	354.92
	Solar power	1,104.94	55.46
	Solar lamps	255.75	191.57
	E-Vehicle	1,744.34	1,228.79
	Others	2,108.51	3,399.81
	Total [B]	**112,581.86**	**72,073.97**
	Industrial engine and component		
	Sale of goods	42,878.13	37,459.26
	Operation and maintenance services	26,153.25	24,023.47
	Total [C]	**69,031.38**	**61,482.73**
	Total [A + B + C]	**248,739.20**	**245,084.59**
(ii)	**Timing of revenue recognition**		
	Products and services transferred at a point in time	110,004.09	148,987.15
	Products and services transferred over time	138,735.11	96,097.44
	Total	**248,739.20**	**245,084.59**

c) **Reconciliation of revenue recognised with contract price:**

₹ in Lakhs

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Contract price	248,739.20	245,084.59
Adjustments	-	-
Revenue from operations	248,739.20	245,084.59

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 2020	As at 31 March 2019
Trade receivables	285,544.09	194,375.67
Non-current unbilled revenue	850.91	1,080.93
Current unbilled revenue	10,989.09	2,462.17
Advances from customers	4,644.09	1,308.50
Unearned revenue	66.64	1,957.67

The amount of revenue recognised in current year from performance obligations satisfied (or partially satisfied) in previous periods, mainly due to delay in issuance of completion certificate by competent authorities is ₹ 2,111.45 Lakhs (31 March 2019: ₹ 3,956.70 Lakhs).

The Company recognized revenue of ₹ 1,957.67 Lakhs arising from opening unearned revenue from customers as at 1 April 2019. There have been no significant changes in unearned revenue during the year ended 31 March 2020.

Significant increase in advances from customers during the year ended 31 March 2020 is on account of cash received, excluding amounts recognised as revenue or adjusted against expenses during the year ended 31 March 2020.

e) **Practical expedients applied as per Ind AS 115:**

(i) The Group has applied the practical expedient as per para 121 of Ind AS 115 and 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, 2020, 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 with effect from 1 April 2018. 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.

56 Disclosure as per Ind AS 116 on 'Leases'

a) Operating leases

Effective 1 April 2019, the Group adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on 1 April 2019 using the modified retrospective method. Accordingly, comparative information has not been restated and continues to be reported under Ind AS 17.

The Group recorded the lease liability at the present value of the remaining lease payments discounted at the incremental borrowing rate at the date of initial application and the right of use asset at an amount equal to lease liability, adjusted by the amount of deferred rent and operating lease liabilities any prepaid or accrued lease payments relating to that lease recognised in the balance sheet immediately before the date of initial application.

In parent company, leasehold land has been reclassified and presented as Right of Use assets. In the statement of profit and loss for the current period, lease expenses have changed from other expenses to depreciation and amortization expenses for the right-of-use lease assets and finance cost for interest accrued on lease liability.

The weighted average incremental borrowing rate applied to lease liabilities as at April 1, 2019 is 10.05% for parent company and 3.50% for subsidiaries.

The following is the summary of practical expedients elected on initial application:

(i) Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date

(ii) Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application

(iii) Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application.

(iv) Used hindsight when determining the lease term if the contract contains options to extend or terminate the lease.

(v) Applied the practical expedient to grandfather the assessment of which transactions are leases. Accordingly, Ind AS 116 is applied only to contracts that were previously identified as leases under Ind AS 17.

The Company has taken certain residential/office premises, warehouses and vehicles under non-cancellable operating lease arrangements.

The adoption of new accounting standard resulted in recognition of right of use asset of ₹ 2,921.69 Lakhs and lease liability of ₹ 2,844.31 Lakhs on April 01, 2019 and reclassification of deferred rent and operating lease liabilities of ₹ 99.71 Lakhs and ₹ 22.33 Lakhs respectively.

₹ in Lakhs

Particulars	Right of use assets	Lease liabilities
Opening balance as at April 01, 2019	2,921.69	2,844.31
Reclass of leasehold land	743.64	-
Additions during the year	2,892.61	2,879.99
Depreciation for the year	(2,128.20)	-
Accretion of interest	-	377.17
Payments	-	(2,269.64)
Foreign exchange fluctuation	42.38	22.98
Closing balance as at March 31, 2020	**4,472.12**	**3,854.81**

Bifurcation of lease liabilities

₹ in Lakhs

Particulars	As at 31 March 2020	As at 1 April 2019
Current	1,998.50	1,859.62
Non-current	1,856.31	984.68
Total	**3,854.81**	**2,844.30**

During the year ended 31 March 2020, the Company has recognised ₹ 2,128.20 Lakhs and ₹ 377.17 Lakhs as depreciation of right-of-use assets and interest expense on lease liabilities respectively in the statement of profit and loss and cash outflow for leases of ₹ 2,269.64 Lakhs in statement of cash flows. The Company has recognised an expense of ₹ 304.19 Lakhs on account of short term leases.

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 ₹ 38.08 Lakhs (31 March 2019: ₹ 16.72 Lakhs).

Disclosure as per Ind AS 17 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 ended 31 March 2019 to the Statement of Profit and Loss amounts to ₹ 2,015.59 Lakhs.

Total future minimum lease payments due under non-cancellable operating leases are as follows:

₹ in Lakhs

Particulars	As at 31 March 2019
Less than one year	1,370.95
Between one and five years	2,410.64
More than five years	-
Total	**3,781.59**

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 ended 31 March 2019 in the statement of profit and loss is ₹ 115.53 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 2020	As at 31 March 2019
Less than one year	2,517.17	1,159.05
Between one and five years	9,560.60	4,405.29
More than five years	765.26	353.48
Total minimum lease payments	**12,843.03**	**5,917.82**
Unearned finance income	2,843.25	1,204.79
Present value of minimum lease payments	**9,999.78**	**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 2020	As at 31 March 2019
Less than one year	2,396.90	1,127.00
Between one and five years	7,186.83	3,383.96
More than five years	426.38	202.07
Present value of minimum lease payments	**10,010.11**	**4,713.03**

(ii) The group also leases out energy saving equipment 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 2020	As at 31 March 2019
Less than one year	411.07	325.69
Between one and five years	1,868.73	2,006.99
More than five years	4,195.10	3,636.83
Total minimum lease payments	**6,474.90**	**5,969.51**
Unearned finance income	2,511.84	2,106.13
Present value of minimum lease payments	**3,963.06**	**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 2020	As at 31 March 2019
Less than one year	395.69	76.23
Between one and five years	1,439.34	1,117.17
More than five years	2,128.03	2,669.98
Present value of minimum lease payments	**3,963.06**	**3,863.38**

57 Standards issued but not yet effective

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Group's financial statements are not expected to have a significant impact on the Group's financial statements. The Group has not early adopted any amendment, standard or interpretation that has been issued but is not yet effective.

58 Impact of COVID-19

The COVID-19 pandemic has been rapidly spreading throughout the world, including India and other countries and governments have been taking significant measures to curb the spread of the virus including imposing mandatory lockdowns and restriction in activities. The Group has made an initial assessment of its likely adverse impact on business and its associated financial risks. The Group is in the business of implementing energy efficiency projects (ESCO) and other projects which are of public importance, emphasized to be an essential service. By taking a number of proactive steps, the Group ensured continued operations in nearly all areas including implementation, operations and maintenance of streetlights, solar and smart meter projects. In a few cases, capitalization (resultant revenue recognition) and supply & execution of certain projects may have been delayed but the Group does not envisage any material impact on the profits and financial position of the Group. As a matter of abundant caution, the Group has issued notices under 'force majeure' clause, wherever necessary, under its agreements with clients. The Group believes that the impact due to the outbreak of COVID-19 is likely to be short-term in nature and does not anticipate any medium to long-term risks in the Group's ability to continue as a going concern. Impact assessment of COVID-19 is a continuing process considering the uncertainty involved thereon. The Group will continue to closely monitor any material changes to the future economic conditions and assess its impact thereon.

As per our audit report of even date annexed.
For KK Soni & Co.
Chartered Accountants
(FRN 000947N)

Sant Sujat Soni
Partner
(Membership No.- 094227)

For and on behalf of the Board of Directors

Rajat Kumar Sud
Managing Director
DIN : 06582245

S. Gopal
Director Commercial
DIN : 08339439

Pooja Shukla
Company Secretary

Lokesh Kr. Aggarwal
CFO

Place : New Delhi
Date : 21st December, 2020

Form AOC-1

Salient features of the financial statement of subsidiaries, associates and joint ventures for the year ended March 31, 2020, 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 Energy Pro 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 Manu-facturing Limited	Edina Power Limited	EPSL Trigenera-tion 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	Not Applicable
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.	93.0760	93.0760	93.0760	93.0760	93.0760	82.5169	82.5169	93.0760	45.8772	82.5169	82.5169	93.0760	93.0760	1.0000
6	Share capital	32,746.09	4,588.79	1,861.52	23,792.55	23,792.55	6,207.65	7,048.19	3,723.04	0.05	0.00	165.04	0.09	0.09	10.00
7	Reserves and surplus	4,364.33	(325.73)	(272.74)	(16.61)	(6,808.09)	969.28	(282.49)	7,522.86	(187.10)	339.49	(285.63)	(O.Q9)	1,115.90	(49.04)
8	Total assets	75,565.77	4,405.14	1,688.08	59,569.80	56,336.99	15,719.85	8,259.71	27,979.06	443.97	1,061.13	1,014.41	-	3,759.15	645.29
9	Total Liabilities	38,455.35	142.07	99.30	35,793.86	39,352.52	8,542.91	1,494.01	16,733.16	631.02	721.64	1,135.01	-	2,643.16	684.33
10	Investments	1,721.69	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Turnover	1,886.54	403.41	184.72	-	-	-	8,190.56	62,447.71	753.23	23.65	-	-	7,086.28	867.71
12	Profit before taxation	2,774.05	9.54	42.36	(5.27)	(2,772.65)	108.18	(556.30)	312.42	17.37	(4.25)	(13.54)	(17.20)	467.11	(62.71)
13	Provision for taxation	(22.20)	(1.81)	(8.05)	(2.06)	(216.96)	-	93.06	14.62	(1.99)	-	-	-	(14.26)	15.08
14	Profit after taxation	2,751.84	7.72	34.32	(7.33)	(2,989.61)	108.18	(463.23)	327.04	15.38	(4.25)	(13.54)	(17.20)	452.86	(47.63)
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, 2020		
				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-20	2,600	0.26	26%	Bv virtue of shareholdinl!	6.59	0.63	-	-
2	Intellismart Infrastructure Pvt Ltd	13-Nov-19	31-Mar-20	49	0.00	49%	Bv virtue of shareholdinl!	-	-	-	-

Note:

1. Amount ofinvcstmcnt 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 have been liquidated or sold during the year. Intellismart Infrastructure Pvt Ltd was yet to commence operations on 31 March 2020. The roup does not have any investment in associate.

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