



NELLAI RENEWABLES

PRIVATE LIMITED

(A STATKRAFT GROUP COMPANY)

ANNUAL REPORT

2023-24

INDEX

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NOTICE

NOTICE IS HEREBY GIVEN THAT THE (4th) FOURTH ANNUAL GENERAL MEETING OF THE MEMBERS OF NELLAI RENEWABLES PRIVATE LIMITED WILL BE HELD ON MONDAY THE 30TH DAY OF SEPTEMBER, 2024 AT IST 12:30 PM THROUGH AUDIO VISUAL MEANS VIA MICROSOFT TEAMS MEETING ([Join the meeting now](#)) IN ACCORDANCE WITH MCA GENERAL CIRCULAR NO. 14/2020, 17/2020, 20/2020, 2/2021, 19/2021, 21/2021, 2/2022, 10/2022, 09/2023 AND OTHER CIRCULARS ISSUED BY THE MINISTRY OF CORPORATE AFFAIRS, TO TRANSACT THE FOLLOWING BUSINESS:

ORDINARY BUSINESS

Item No. 1 - To receive, consider and adopt the audited financial statements of the Company for the financial year ended on 31st March, 2024 together with the Reports of the Board of Directors and the Auditors thereon.

To consider and if thought fit to pass with or without modification, the following resolution as an **ORDINARY RESOLUTION:**

“RESOLVED THAT the Audited Financial Statements including the Audited Balance Sheet, Statement of Profit and Loss Account, Cash Flow Statement along with the schedules, notes and disclosures appended thereto together with the Directors’ Report and the Auditors’ report thereon for the financial year ended 31st March, 2024 be and are hereby received, considered and adopted by the members of the company.”

SPECIAL BUSINESS

ITEM NO. 2: Approval of Related Party Transactions

To consider and if thought fit to pass with or without modification, the following resolution as an **ORDINARY RESOLUTION:**

“RESOLVED THAT pursuant to the provisions of section 188 of the Companies Act, 2013 (as amended or re-enacted from time to time) read related thereto, so far as applicable, the consent of the shareholders be and is hereby accorded for entering into the Related Party Transactions by the company with effect from 1st April, 2024 up to 31st March, 2025 on Arm’s Length Basis and in ordinary course of business as mentioned below and that the said contract be executed by signature of any two directors of the company:

Name of the Related Party and Nature of Relationship	Nature, Duration, Particulars, Material Terms and Conditions of the Contract and arrangement	Value of transaction (Rs)	Any advance paid or received
Statkraft India Private Limited (Being common subsidiary of ultimate	Service agreement entered to avail the general management, HR, IT, Accounting, Market Access and other Services (01.04.2024-31.03.2025)	50 million	Nil

Holding Company, Statkraft AS)			
	Service Agreement to avail sublease of office premise (01.04.2024-31.03.2025)	5 million	Nil
	Interest pay-out (01.04.2024-31.03.2025)	40 million	Nil
	Service agreement entered to provide the general management, HR, IT, Accounting, Market Access and other Services (01.04.2024-31.03.2025)	10 million	Nil
	Sale of Asset (networking equipments) (01.04.2024-31.03.2025)	5 million	Nil
Statkraft Markets Private Limited (Being common subsidiary of ultimate Holding Company, Statkraft AS)	Service agreement entered to avail the general management, HR, IT, Accounting, Market Access and other Services (01.04.2024-31.03.2025)	5 million	Nil
	Service agreement entered to provide the general management, HR, IT, Accounting, Market Access and other Services (01.04.2024-31.03.2025)	5 million	Nil
Khidrat Renewable Energy Private Limited (Being common subsidiary of ultimate Holding Company, Statkraft AS)	Service agreement entered to provide the general management, HR, IT, Accounting, Market Access and other Services (01.04.2024-31.03.2025)	50 million	Nil
Mandakini Jal Urja Private Limited (Formerly known as Lanco Mandakini Hydro Energy Private Limited) (Being common subsidiary of ultimate Holding Company, Statkraft AS)	Service agreement entered to provide the general management, HR, IT, Accounting, Market Access and other Services (01.04.2024-31.03.2025)	10 million	Nil

Statkraft AS (The ultimate Holding Company)	Service agreement entered to avail the general management, HR and IT Services (01.04.2024-31.03.2025)	50 million	Nil
	Service agreement entered to provide the general management, HR, IT, Accounting, Market Access and other Services (01.04.2024-31.03.2025)	10 million	Nil
	Guarantee fee Commission (01.04.2024-31.03.2025)	50 million	Nil
Sourya Manthan Renewable Energy Private Limited (Being common subsidiary of ultimate Holding Company, Statkraft AS)	Service agreement entered to provide the general management, HR, IT, Accounting, Market Access and other Services (01.04.2024-31.03.2025)	5 million	Nil
Cannice Renewables Energy Private Limited (Being common subsidiary of ultimate Holding Company, Statkraft AS)	Service agreement entered to provide the general management, HR, IT, Accounting, Market Access and other Services (01.04.2024-31.03.2025)	5 million	Nil
Foxtrot Solar Renewables Energy Private Limited (Being common subsidiary of ultimate Holding Company, Statkraft AS)	Service agreement entered to provide the general management, HR, IT, Accounting, Market Access and other Services (01.04.2024-31.03.2025)	5 million	Nil
Vishnupriya Farms Private Limited (Being common subsidiary of ultimate Holding Company, Statkraft AS)	Service agreement entered to provide the general management, HR, IT, Accounting, Market Access and other Services (01.04.2024-31.03.2025)	10 million	Nil

Tidong Power Generation Private Limited (Being common subsidiary of ultimate Holding Company, Statkraft AS)	Service agreement entered to provide the general management, HR, IT, Accounting, Market Access and other Services (01.04.2024-31.03.2025)	5 million	Nil
	Service agreement entered to avail the general management, HR, IT, Accounting, Market Access and other Services (01.04.2024-31.03.2025)	5 million	Nil
Mandakini Jal Urja Private Limited (Formerly known as Lanco Mandakini Hydro Energy Private Limited) (Being common subsidiary of ultimate Holding Company, Statkraft AS)	Service agreement entered to avail the general management, HR, IT, Accounting, Market Access and other Services (01.04.2024-31.03.2025)	10 million	Nil
Statkraft Development Spain (Being common subsidiary of ultimate Holding Company, Statkraft AS)	Expense on Services towards - General management services, HR, IT, Accounting and business support services, including reimbursement of expenses (01.04.2024-31.03.2025)	5 million	Nil
Statkraft Energi AS (Being common subsidiary of ultimate Holding Company, Statkraft AS)	Service agreement entered to avail the O&M and production related Services (01.04.2024-31.03.2025)	5 million	Nil
Statkraft UK (Being common subsidiary of ultimate Holding Company, Statkraft AS)	Service agreement entered to avail the general management, HR, IT, Accounting, Market Access and other Services (01.04.2024-31.03.2025)	0.1 million	Nil

RESOLVED FURTHER THAT pursuant to the provisions of the Companies Act, 2013 (as amended or reenacted from time to time), any of the Director or Company Secretary of the Company be and are hereby authorized to do the necessary entries in the Register of contracts or arrangements in which directors are interested and authenticate them."



NELLAI RENEWABLES PRIVATE LIMITED

CIN: U40108DL2020PTC363557

Registered office address:

401, 4th Floor, D-1, Salcon Rasvilas Building,
Saket District Area, Saket New Delhi-110 017.

Office: +91 11 6616 1200

Telefax: +91 11 6616 1299

www.statkraft.com, www.statkraft.in

Email: secretarial.nellai@statkraft.com

**By Order of the Board of Directors
For Nellai Renewables Private Limited**

Sd/-

Nishtha Sachdeva

Company Secretary

Membership No. 71511

Address: 66-A C-7 Lawrence Road

Keshav Puram New Delhi-110035

Place: Delhi

Dated: 06.09.2024

NOTES:

1. Explanatory Statement setting out the material facts concerning item no 2, i.e. special business to be transacted at the general meeting pursuant to Section 102 of the Companies Act, 2013, is annexed hereto and forms part of the Notice.
2. In view of the COVID-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its General Circular nos. 14/2020 and 17/2020 dated April 8, 2020 and April 13, 2020 respectively, in relation to "Clarification on passing of ordinary and special resolutions by companies under the Companies Act, 2013 and the rules made thereunder on account of the threat posed by Covid-19", General Circular no. 20/2020 dated May 5, 2020, General Circular nos. 02/2021 and 21/2021 dated January 13, 2021, December 14, 2021, 2/2022 dated May 05, 2022 and 09/2023 dated 25th September 2023 respectively in relation to "Clarification on holding of Annual General Meeting (AGM) through video conferencing (VC) or other audio visual means (OAVM)", (collectively referred to as "MCA Circulars") permitted the holding of the Annual General Meeting ("AGM") through VC/OAVM. In compliance with the MCA Circulars, the company is also providing a facility to attend the AGM of the Company through VC/OAVM.
3. The members who have not yet registered their e- mail ids with the Company may contact secretarial.nellai@statkraft.com for registering their e-mail ids on or before IST 6:00 P.M. on 29th September, 2024. The Company shall send the notice to such members whose e-mail ids get registered within the aforesaid time enabling them to participate in the meeting and cast their votes.
4. If there is any change in the e-mail ID already registered with the Company, members are requested to immediately notify such change to the Company.
5. In terms of the aforesaid Circulars, the businesses set out in the Notice will be transacted by the members only through the e-voting system provided during the meeting while participating through VC facility.
6. The facility of voting will be given through show of hands and will be provided during the meeting electronically. In order to vote members may go on the top right corner of the screen and open the poll section, where they have to select an appropriate option to the resolution.
7. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on poll on his behalf. A proxy need not be a member of the Company.
8. Pursuant to provisions of Section 105 of the Companies Act, 2013, read with the applicable rules thereon, a person can act as a proxy on behalf of members not exceeding fifty and holding in aggregate not more than ten percent of the total share capital of the Company carrying voting rights, may appoint a single person as proxy, who shall not act as a proxy for any other member.
9. Proxies, if any, in order to be effective must be received at the Company's Registered Office before the time fixed for holding the meeting. Proxies shall not have any right to speak at the meeting. The proxy form in Form MGT-11 is duly annexed.

10. Corporate members intending to send their authorized representatives to attend the meeting are requested to send to the Company a certified copy of the board resolution authorizing their representative to attend and vote on their behalf at the meeting.
11. Members are requested to bring their Attendance Slip (duly annexed with this notice) to the meeting, only bonafide Members/Proxy holders, in possession of valid Attendance Slips duly filled and signed will be permitted to attend the meeting.
12. The proxy holder is requested to carry the identity proof to attend the Meeting.
13. All documents referred to in the Notice will be available for inspection in physical at the Company's Registered Office during normal business hours on working days up to the date of the Annual General Meeting.
14. The Statutory Registers as required by the act under Section 171 and 189 of the Companies Act, 2013 will be available for inspection by the members of the Company at the Annual General Meeting.

Explanatory Statement

ITEM NO. 2: Approval of Related Party Transactions

The Company might enter into certain transactions with related party in its ordinary course of business and on arm's length basis. The approximate amount of indicative transactions is Rs. 345.1 million. Although the provisions of Section 188 of the Companies Act, 2013 does not apply on the company, as the transactions entered into by the company are in its ordinary course of business and are on arm's length basis, the approval of Board of directors has been accorded in their meeting held on 16th April, 2024 for the indicative list of Related Party Transactions and the approval of the members is sought to give them an insight on the Related Party Transactions which may be entered by the company in the financial year 2024-2025.

The list of indicative transaction along with all the details of such transaction for the year 2024-2025 is as follows:

Name of the Related Party and Nature of Relationship	Nature, Duration, Particulars, Material Terms and Conditions of the Contract and arrangement	Value of transaction (Rs)	Any advance paid or received
Statkraft India Private Limited (Being common subsidiary of ultimate Holding Company, Statkraft AS)	Service agreement entered to avail the general management, HR, IT, Accounting, Market Access and other Services (01.04.2024-31.03.2025)	50 million	Nil
	Service Agreement to avail sublease of office premise (01.04.2024-31.03.2025)	5 million	Nil
	Interest pay-out (01.04.2024-31.03.2025)	40 million	Nil
	Service agreement entered to provide the general management, HR, IT, Accounting, Market Access and other Services (01.04.2024-31.03.2025)	10 million	Nil
	Sale of Asset (networking equipments) (01.04.2024-31.03.2025)	5 million	Nil

Statkraft Markets Private Limited (Being common subsidiary of ultimate Holding Company, Statkraft AS)	Service agreement entered to avail the general management, HR, IT, Accounting, Market Access and other Services (01.04.2024-31.03.2025)	5 million	Nil
	Service agreement entered to provide the general management, HR, IT, Accounting, Market Access and other Services (01.04.2024-31.03.2025)	5 million	Nil
Khidrat Renewable Energy Private Limited (Being common subsidiary of ultimate Holding Company, Statkraft AS)	Service agreement entered to provide the general management, HR, IT, Accounting, Market Access and other Services (01.04.2024-31.03.2025)	50 million	Nil
Mandakini Jal Urja Private Limited (Formerly known as Lanco Mandakini Hydro Energy Private Limited) (Being common subsidiary of ultimate Holding Company, Statkraft AS)	Service agreement entered to provide the general management, HR, IT, Accounting, Market Access and other Services (01.04.2024-31.03.2025)	10 million	Nil
Statkraft AS (The ultimate Holding Company)	Service agreement entered to avail the general management, HR and IT Services (01.04.2024-31.03.2025)	50 million	Nil
	Service agreement entered to provide the general management, HR, IT, Accounting, Market Access and other Services (01.04.2024-31.03.2025)	10 million	Nil
	Guarantee fee Commission (01.04.2024-31.03.2025)	50 million	Nil
Sourya Manthan Renewable Energy Private Limited (Being common subsidiary of ultimate Holding Company, Statkraft AS)	Service agreement entered to provide the general management, HR, IT, Accounting, Market Access and other Services (01.04.2024-31.03.2025)	5 million	Nil

Cannice Renewables Energy Private Limited (Being common subsidiary of ultimate Holding Company, Statkraft AS)	Service agreement entered to provide the general management, HR, IT, Accounting, Market Access and other Services (01.04.2024-31.03.2025)	5 million	Nil
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Vishnupriya Farms Private Limited (Being common subsidiary of ultimate Holding Company, Statkraft AS)	Service agreement entered to provide the general management, HR, IT, Accounting, Market Access and other Services (01.04.2024-31.03.2025)	10 million	Nil
Tidong Power Generation Private Limited (Being common subsidiary of ultimate Holding Company, Statkraft AS)	Service agreement entered to provide the general management, HR, IT, Accounting, Market Access and other Services (01.04.2024-31.03.2025)	5 million	Nil
	Service agreement entered to avail the general management, HR, IT, Accounting, Market Access and other Services (01.04.2024-31.03.2025)	5 million	Nil
Mandakini Jal Urja Private Limited (Formerly known as Lanco Mandakini Hydro Energy Private Limited) (Being common subsidiary of ultimate Holding Company, Statkraft AS)	Service agreement entered to avail the general management, HR, IT, Accounting, Market Access and other Services (01.04.2024-31.03.2025)	10 million	Nil
Statkraft Development Spain (Being common subsidiary of ultimate Holding Company, Statkraft AS)	Expense on Services towards - General management services, HR, IT, Accounting and business support services, including reimbursement of expenses (01.04.2024-31.03.2025)	5 million	Nil

Holding Company, Statkraft AS)			
Statkraft Energi AS (Being common subsidiary of ultimate Holding Company, Statkraft AS)	Service agreement entered to avail the O&M and production related Services (01.04.2024-31.03.2025)	5 million	Nil
Statkraft UK (Being common subsidiary of ultimate Holding Company, Statkraft AS)	Service agreement entered to avail the general management, HR, IT, Accounting, Market Access and other Services (01.04.2024-31.03.2025)	0.1 million	Nil

The directors recommend the resolution as Item No. 2 of the accompanying notice for acceptance by the members as an ordinary resolution.

None of the Directors, Key Managerial Personnel (“KMP”) of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution set out at Item No. 2 of the Notice.

The register of contracts with related party and contracts and bodies etc. in which directors are interested maintained under the Companies Act, 2013 will be available for inspection in physical or in electronic form during specified business hours at the Registered Office of the company and copies thereof shall also be made available for inspection in physical or electronic form at the Registered Office of the company, and also at the Meeting.

**By Order of the Board of Directors
For Nellai Renewables Private Limited**

**Sd/-
Nishtha Sachdeva
Company Secretary
Membership No. 71511
Address: 66-A C-7 Lawrence Road,
Keshav Puram, New Delhi-110035**

**Place: Delhi
Dated: 06.09.2024**

**FORM NO. MGT 11
 PROXY FORM**

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

Venue of the Meeting will be deemed as 401, 4th Floor, D-1, Salcon Rasvilas Building, Saket District Centre, Saket, New Delhi-110017.

Date & Time:

Name of the Member(s)	
Registered office	
E-mail id	
Folio No./ Client Id	
DP ID	

I/We being the member(s) ofshares of the above-named company, hereby appoint

1. Name_____
 - Address.....
 - Email Id.....
 - Signature....., or failing him
2. Name_____
 - Address.....
 - Email Id.....
 - Signature....., or failing him
3. Name_____
 - Address.....
 - Email Id.....
 - Signature.....,

of as my/our proxy to attend and vote (on a poll) for me/us on my/our behalf at the Annual General Meeting of the Company to be held on Monday the 30th day of September, 2024 at 12:30 P.M. at 401, 4th Floor, D-1, Salcon Rasvilas Building, Saket District Centre, Saket, New Delhi-110017. (VC/OAVM available)

Resolution No.

1. To receive, consider and adopt the audited financial statements of the Company for the financial year ended on 31st March, 2024 together with the Reports of the Board of Directors and the Auditors thereon.

2. Approval of Related Party Transactions

Signed this ____ day of ____, 2024

Signature of shareholder

Signature of Proxy holder(s)

AFFIX
REVENUE
STAMP OF

Note: 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.

ATTENDANCE SLIP

4th Annual General Meeting of Nellai Renewables Private Limited – 30th September, 2024

1.	Full name of the Shareholder/ Proxy/Authorized Representative:		
2.	Folio No. /Client Id:		
3.	If Proxy/Authorized Representative, Full Name of Shareholder:		

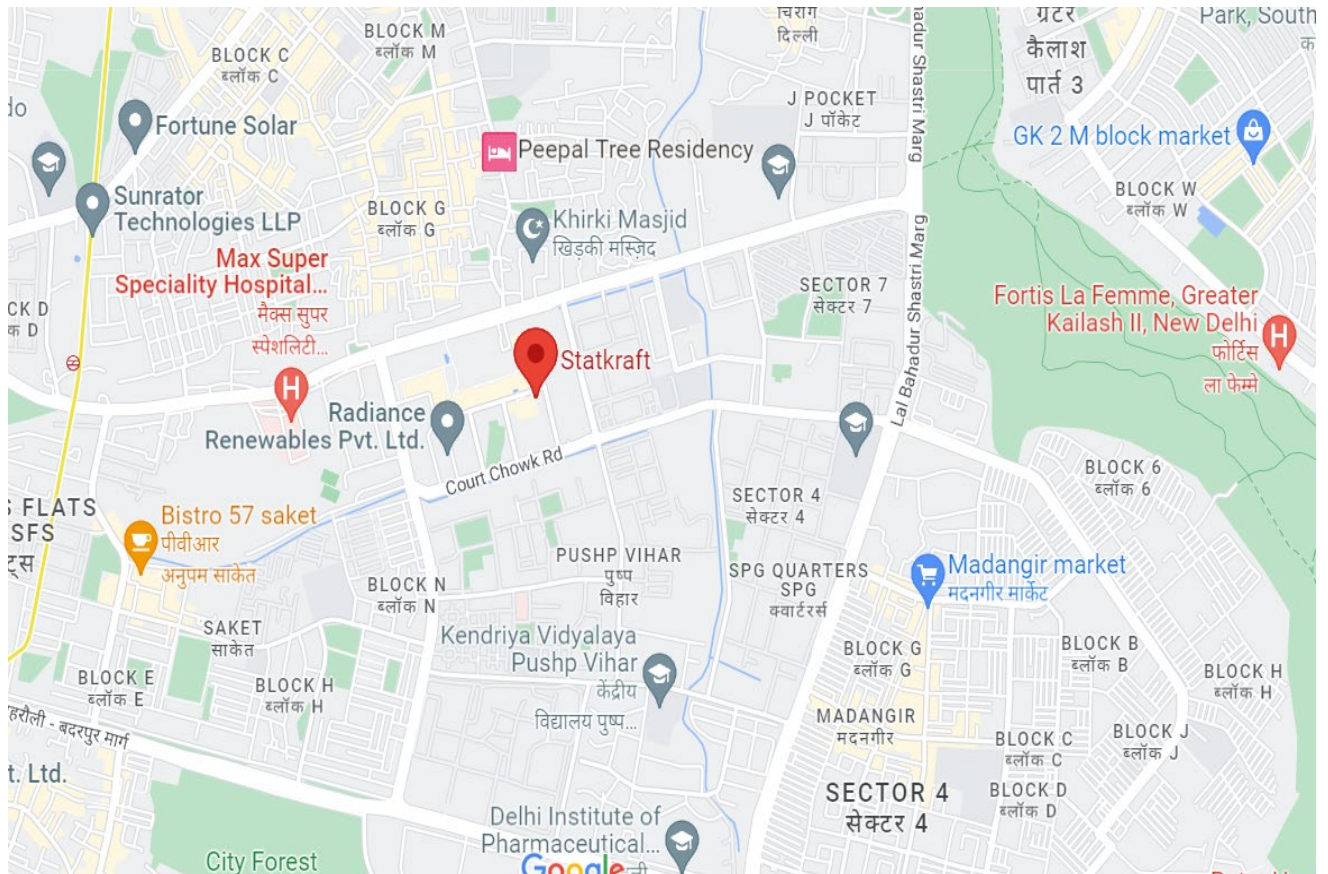
I hereby record my presence at the 04th Annual General Meeting of the Company held Monday the 30th day of September, 2024 at 12:30 P.M.

Signature of the Shareholder/ Proxy Holder/Authorized Representative

Note: This attendance slip is to be handover at the entrance of the Meeting Hall.

Location of the registered office

401, 4th Floor, D-1, Salcon Rasvilas Building, Saket District Centre, Saket, New Delhi-110017.



DIRECTOR'S REPORT

Dear Members,

The Board of Directors hereby submits the 04th Director's Report of the Company ("the Company"), along with the audited financial statements, for the financial year ended 31st March, 2024.

1. FINANCIAL RESULTS SUMMARY

The summarized financial results of the company for the year ended 31st March, 2024, as compared with the previous year ended 31st March, 2023, are as under:

Amount in Thousand (INR)

Particulars	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Total Revenue (A)	424,350.35	350,753.92
Expenses:		
Purchase of power -trading	-	-
Employee benefit Exp	28,510.98	17,630.82
Finance Cost	282,301.37	164,986.41
Depreciation	125,624.32	100,457.34
Other Exp	101,370.38	99,998.32
Total Expenses: (B)	537,807.05	383,072.89
Impairment	-	479,404.52
Profit/(Loss) for the Year (before tax) (A-B)	(113,456.70)	(511,723.50)
Tax Expense	-	-

Profit/(Loss) for the Year (after tax)	(113,456.70)	(511,723.50)
Earnings /(Loss) per Equity share (of INR 10each) Basic	(1.29)	(5.97)
Earnings /(Loss) per Equity share (of INR 10each) Diluted	(1.29)	(5.97)

Your company has incurred net loss during the year.

2. OVERALL PERFORMANCE AND THE STATEMENTS OF AFFAIRS OF THE COMPANY ARE AS UNDER:

2.1 MANAGEMENT DISCUSSION AND ANALYSIS

Management Discussion and Analysis Report for the year under consideration, is presented as under:

Nellai is a 55 MWAC Solar Power project at Tirunelveli which achieved its Commercial Operation date on 25th May, 2022. The Nellai Solar Plant has been constructed over an area of approximately 200 acres to accommodate 55 MWAC (76 MWDC) capacity. The area receives sunshine around 300 days in a year, providing an estimated net generation of 123.6 GWh per annum and a capacity utilization factor of 18.56%(DC).

For FY2023-24, The plant has produced 115.4 GWh of power in this financial year as against 124.6 GWh targeted production. This is mainly on account of lower-than-expected irradiation and minor breakdowns. The plant and grid availability has been 99.91% & 99.71% respectively through this period.

The project is a group captive project, under this mechanism, our customers will own a minimum share of 26% and will buy 100% of the power through long term Power Purchase Agreements.

2.2 FINANCIAL ANALYSIS AND REVIEW OF OPERATIONS: Amount in Thousand (INR)

Total revenue from operations of your Company during the year was INR 408,887.80 other income INR 15,462.55 and the total expenditure during the same time was INR 537,807.05 (including impairment). Your Company is engaged in the business of generation, purchase, sell, distribution,

trade, import, export or otherwise to deal in all forms of electrical power. Your company has incurred a net loss (INR 113,456.70) from the current year operations.

Resource Utilization:**i) Fixed Assets: Amount in Thousand (INR)**

The gross fixed asset as at 31st March, 2024 are INR 3,571,503.75 as compared to INR 3,567,890.86 in the previous year including Capital work in progress.

ii) Current Assets: Amount in Thousand (INR)

The current assets as on 31st March, 2024 are INR 145,817.36 as against INR 132,513.31 in the previous year.

3. INTERNAL FINANCIAL CONTROL AND SYSTEM

The Company's internal control systems commensurate with the nature of its business and the size and complexity of functions & operations. These systems are routinely tested and also certified by the Statutory Auditors of the Company and cover key areas of the Company. The Board is of the view that policies, system and procedures adopted by the Company provide for suitable internal financial controls and are operating effectively.

4. DIVIDEND

Since the company has not generated any profit for the period, the Board of Directors have decided not to declare any dividend for the financial year 2023-24.

5. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION PROVIDENT FUND

The provisions of the section 124(2) of Companies Act, 2013 does not apply on the company, as the company has not declared any dividend.

6. RESERVES

Since the company has not generated any profit for the period, the Directors do not propose to transfer any amount to the General Reserves.

7. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY AFTER 31ST MARCH, 2024

There were no material changes and commitments affecting the financial position of the

Company after 31st March, 2024.

8. CAPITAL STRUCTURE

Amount in Thousand(INR)

Authorised Share Capital

The Authorised Share Capital of the company is 92,00,00.00 (Ninety-TwoCrore).

Paid-up Share Capital

During the year there has been no change in the paid-up share capital.

As on 31st March, 2024, the Paid-up Share Capital of the company was 8,76,923.08 (Eighty-Seven Crore Sixty-Nine Lakhs Twenty-Three Thousand and Eighty Only) divided into 8,76,92,308 (Eight Crore Seventy-Six Lakhs Ninety-Two Thousand Three Hundred and Eight) Equity Shares of INR 10 (Ten) each.

9. ANNUAL RETURN

The Annual Return as required under Section 92 and Section 134 of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 is available on the Company's website at the link <https://www.statkraft.in/statutory-information/>.

10. DIRECTORS AND KEY MANEGERIAL PERSONNEL

10.1 CHANGES IN DIRECTORS

During the financial year 2023-2024, the following changes took place in the directorshipof the company.

- Ms. Tima Iyer Utne was regularized as Director in Annual General meeting held on 27th September, 2023.
- Mr. Alfio Edwin Gutierrez Boudri was appointed as Additional Director of the company with effect from 28th April, 2023, and further regularized as Director in Annual General meeting held on 27th September, 2023.
- Mr. Rahul Varshney was regularized as Director of the Company in Annual General meeting held on 27th September, 2023. Mr. Rahul Varshney resigned from the office of Director of the company with effect from 10th April, 2024.

And further Mr. Sanjeev Mehra and Mr. Gauri Shankar Mishra resigned from their position as Directors of the Company with effect from 5th April, 2024.

As on 31st March, 2024 following were the Director's of the Company:

Sr. No	Name of Director	Category
1	Ms. Tima Iyer Utne	Non-executive Director
2	Mr. Alfio Edwin Gutierrez Boudri	Non-executive Director
3	Mr. Sanjeev Mehra*	Non -executive Director
4	Mr. Gauri Shankar Mishra*	Non-executive Director
5	Mr. Rahul Varshney*	Non-executive Director

* Mr. Sanjeev Mehra and Mr. Gauri Shankar Mishra resigned from their position as Directors of the Company with effect from 5th April, 2024 and Mr. Rahul Varshney resigned from his position as Director of the Company with effect from 10th April, 2024.

As on the date of this report following are the Directors of the company:

Sr. No	Name of Director	Category
1	Ms. Tima Iyer Utne	Non-executive Director
2	Mr. Alfio Edwin Gutierrez Boudri	Non-executive Director

As per the declarations received by the directors, none of the Directors of the Company are disqualified from being appointed as Directors as specified in Section 164 (2) (a) and (b) of the Companies Act, 2013.

10.2 CHANGES IN KEY MANAGERIAL PERSONNEL

There was no change in KMP during the year under review, however after the closure of financial year, Ms. Ira Srivastava (A65496) resigned from her position as Company Secretary of the company with effect from 12th April, 2024 and Ms. Nishtha Sachdeva (A71511) has been appointed as the Company Secretary of the Company with effect from 16th April, 2024.

11. BOARD MEETINGS

During the Financial Year 2023-24, the Board met 3 times i.e. on 26th June, 2023, 22nd September, 2023 and 21st December, 2023.

Attendance of Directors:

Name of the Director	Meeting Attended	% of Attendance
Mr. Sanjeev Mehra	2/3	67
Ms. Tima Iyer Utne	3/3	100
Mr. Rahul Varshney	3/3	100
Mr. Gauri Shankar Mishra	3/3	100
Mr. Alfio Edwin Gutierrez Boudri	3/3	100

12. DECLARATION BY INDEPENDENT DIRECTORS

The provisions of Section 149(6) of the Companies Act, 2013 pertaining to the appointment of Independent Directors does not apply to your Company.

13. POLICY ON SELECTION OF DIRECTORS

The Company believes that an enlightened Board consciously creates a culture of leadership to provide a long-term vision and policy approach to improve the quality of governance. The Board Members should have adequate time and expertise and experience to contribute to effective Board performance. The policy requires the Directors to be of high integrity with relevant expertise and experience so as to have a diverse Board and should limit their directorship in other companies in such a way that it does not interfere with their role as directors of the Company.

14. HOLDING, SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

Your Company does not have any Subsidiary, Joint Venture or Associate Company. However, your Company is a Subsidiary of Statkraft IH Holding AS, a Company based in Norway.

15. CORPORATE SOCIAL RESPONSIBILITY

At present, the provisions of Section 135 of the Companies Act, 2013 pertaining to Corporate Social Responsibility is not applicable on the company.

16. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO
16.1 CONSERVATION OF ENERGY

(i) the steps taken or impact on conservation of energy;	The company has consistently aimed to build an organization that contributes positively to society and promotes energy conservation. By maintaining a strong focus on energy efficiency over the years, the company has effectively utilized resources to foster a healthy and safe environment.
(ii) the steps taken by the company for utilising alternate sources of energy;	The Statkraft Group is a leading producer and seller of renewable energy in the country. In addition to its core focus on solar energy production, the company actively incorporates alternative energy sources into its daily operations.
(iii) the capital investment on energy conservation equipments.	The cost of the Nellai project is capitalized and included as part of the capital investment in energy conservation equipment.

16.2 TECHNOLOGY ABSORPTION

(i) the efforts made towards technology absorption;	The company has developed a robust IT infrastructure that is both energy-efficient and modern, enhancing its ability to adopt new technologies effectively.
(ii) the benefits derived like product improvement, cost reduction, product development or import substitution;	The company provides advanced technology solutions and has developed resources to enhance work efficiency, enabling it to deliver top-quality products and services to its customer.
(iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-	N.A.

iv) the expenditure incurred on Research and Development.	<p>The company possesses in-house design and development capabilities for research and development, aimed at improving products and ensuring compliance with all relevant regulations.</p> <p>The R&D department is involved in the full spectrum of activities, including the design, development, testing, and implementation of new advanced technologies.</p> <p>Expenses related to R&D activities undertaken by the company are categorized under a separate heading.</p>
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16.3 FOREIGN EXCHANGE EARNINGS AND OUTGO

The details of earnings of foreign exchange and the expenditure in foreign currency during the period under review are as under:

Income in Foreign Currency Amount in Thousand (INR)

Particulars	For the year ended 31 st March, 2024	For the year ended 31 st March, 2023
Export of Goods and Services	688.35	391.19
Total	688.35	391.19

Expenditure in Foreign Currency Amount in Thousand (INR)

Particulars	For the year ended 31 st March, 2024	For the year ended 31 st March, 2023
Legal and Professional fees	23,115.22	11,554.80
Purchase of Solar Module	0	4,048.43
Guarantee fees	94,191.68	14,979.48

Total	1,17,306.90	30,582.71
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17. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

There are no Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013.

18. PARTICULARS OF CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

All related party transactions were in the ordinary course of business and negotiated on arm's length basis and are intended to facilitate the interest of the Company. As a prudent measure and good governance practice the Company has been placing such transactions before the Board or the Shareholders depending on the transaction value for their approval.

Information on transactions with related parties pursuant to Section 134(3)(h) of the Act read with rule 8(2) of the Companies (Accounts) Rules, 2014 are given in Annexure I in Form **AOC- 2** and the same forms part of this report.

19. STATUTORY AUDITORS

M/s Walker Chandiok & Co LLP, Chartered Accountants (Firm Registration Number 001076N/N500013), was appointed as Statutory Auditors at 02nd Annual General Meeting up to the conclusion of 07th Annual General Meeting of the Company.

20. EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITORS IN THEIR REPORTS

A. STATUTORY AUDITORS:

The notes on financial statement referred to in the Auditors' Report are self-explanatory and do not call for any further comments. There are no qualifications, reservations or adverse remarks made by the Auditors in their report.

B. SECRETARIAL AUDITORS:

The Secretarial Auditors' Report given by MAK & Co., Company Secretaries, is self-explanatory and does not call for any further comments. There are no qualifications, reservations or adverse remarks made by the Auditors in their report. A copy of the Secretarial Audit Report is annexed with the present report as Annexure II in **Form MR-3**.

C. INTERNAL AUDITORS:

The Internal Auditors' Report given by M/s Agarwal Singhania & Co, Chartered Accountants, is self-explanatory and does not call for any further comments. There are no qualifications, reservations or adverse remarks made by the Auditors in their report.

21. REPORT ON FRAUDS U/S 143 (12) OF THE COMPANIES ACT, 2013 AS GIVEN BY AUDITOR

The Auditors during the performance of their duties have not identified any offence of fraud committed by the company or its officers or employees. Therefore, no frauds have been reported to the Central Government under Section 143 (12) of the Companies Act, 2013.

22. COST AUDITORS

During the financial year under review, Cost audit is not applicable to the Company.

23. CREDIT RATING

Provisions relating Credit Rating under the Act were not applicable to the Company during financial year 2023-24. However, pursuant to Facility Agreement for the credit facility obtained by the Company from the Barclays Bank, the Company has appointed CRISIL Limited, which has assigned rating of CRISIL AA-/Positive (Outlook revised from 'Stable'; Rating Reaffirmed) on 20th July 2023.

Link to credit rating:

https://www.crisil.com/mnt/winshare/Ratings/RatingList/RatingDocs/NellaiRenewablesPrivateLimited_July%202023_RR_322042.html#:~:text=CRISIL%20Ratings%20has%20revised%20its%20outlook%20on%20the,%E2%80%98Stable%E2%80%99%20and%20reaffirmed%20the%20rating%20at%20%27CRISIL%20AA-%27

24. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS INFUTURE

During the period under review, no significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

25. DIRECTOR'S RESPONSIBILITY STATEMENT

Your directors state that:

- a. in the preparation of the annual accounts for the year ended 31st March, 2024, the applicable Accounting Standards have been followed and there are no material departures;

- b. appropriate accounting policies have been selected and applied consistently, and have made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company and profit and loss of the Company as at 31st March, 2024;
- c. proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safe guarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. the Directors have prepared the annual accounts on a going concern basis.
- e. the Directors have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and were operating effectively; and
- f. the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and those systems were adequate and operating effectively.

26. GENERAL

Your directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

- a) Issue of equity shares with differential rights as to dividend, voting rights or otherwise;
- b) Issue of sweat equity shares and issue of shares under ESOP scheme to employees of the Company;

27. SECRETARIAL STANDARDS

Your Company has duly complied with the provisions of Secretarial Standards-1 and Secretarial Standards-2 as issued by the Institute of Company Secretaries of India.

28. PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

The industrial relations scenario continued to be cordial. The company regards its employees as a great asset and accords high priority to training and development of employees.

The information required pursuant to Section 197 of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of managerial Personnel) Rules, 2014 is prepared and are kept in the records of the Company Secretary and shall be sent to the members, if required.

28.1 HUMAN RESOURCE MANAGEMENT

Your Company strongly believes that people are our most valued assets and important for the organization. The Company engages effectively with its employees for building and sustaining a high-performing business and retaining talent. In today's competitive environment it is of utmost importance to hire the right kind of talent at the right time which has been carried out successfully during the year under review. In order to uphold the values of ethical conduct and compliance to our Statkraft Way document, your Company ensured that all new joiners and existing employees of the Company undertook a training and awareness program to familiarize with the requirements of the principles on which the Company is operating.

To make the performance assessment more transparent, objective and bring in the culture of individual accountability towards their role, the Key Result Areas (KRAs) of all employees were set in line with the Departmental Objectives which in turn were set in accordance with Business Objectives (BOs) of the Company in consultation with their respective departmental heads. This gave each employee a clear picture and understanding of the area and scope of his responsibility and delivery standards.

29. RISK MANAGEMENT

The Company manages and monitors the principal risks and uncertainties that can impact its ability to achieve its strategic objectives and foresee any element of risk, which may threaten the existence of the Company.

30. DISCLOSURES:

(i) Public Deposits

The Company has neither accepted nor renewed any deposits from public within the meaning of Section 73 to Section 76 of the Companies Act, 2013 read with Companies (Acceptance of Deposit) Rules, 2014, during the year under review.

(ii) Change in the nature of business

During the year under review, there was no change in nature of business of the Company.

(iii) Whistle Blower Policy

The Company has established a mechanism under its Whistle Blower Policy at group level for employees to report to the management instances of unethical behavior, actual or suspected fraud or violation of the Company's code of conduct for employees and supplier. The

employees have been provided access to the policy document and have access to the line management or the Corporate Audit at head office to report any wrongdoing.

(iv) Website

The company has developed its website for India operations for its customers and agencies. Website is www.statkraft.in

(v) Maintenance of Cost Records

Maintenance of cost records as specified by the Central Government under sub-section of section 148 of the Companies Act, 2013, for the financial year ended 31st March, 2024 is not applicable to the Company.

31. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

Pursuant to the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 read with Rules as amended up to date, the Company had constituted Internal Complaints Committee (ICC). The ICC was constituted, and ICC members were given training by an outside expert on how to receive and address the complaints received. The Company has also taken steps in creating awareness about familiarization to the said policy having been put in place and conducted sessions for the employees.

As per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the disclosures required to be made are as under:

S. No.	Particulars	Details
1.	Number of complaints of sexual harassment received during the year	Nil
2.	Number of complaints disposed off during the year	Nil
3.	Number of cases pending for more than ninety days	Nil
4.	Number of workshops or awareness programme against sexual harassment carried out	Nil
5.	Nature of action taken by the employer or District Officer	Nil

32. AUDIT COMMITTEE

During the period under review, the provisions of Section 177 of the Companies Act, 2013 pertaining to Audit Committee are not applicable to the Company.

33. VIGIL MECHANISM

The company has established a vigil mechanism for Directors and employees to report genuine concerns and to also provide for adequate safeguards against victimization of employees and directors who avail of the vigil mechanism.

It also provides direct access to the director nominated to play the role of audit committee for the purpose of vigil mechanism to whom other directors and employees may report their concerns. Mr. Alfio Edwin Gutierrez Boudri, Director of the Company was nominated director for Vigil Mechanism in the company.

34. NOMINATION & REMUNERATION COMMITTEE

During the period under review, the requirement of constitution of the Nomination and Remuneration Committee is not applicable to your company as it does not fall under the criterion laid under of Section 178(1) of the Companies Act, 2013 read with rules framed thereunder.

35. THE DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (31 OF 2016) DURING THE YEAR ALONGWITH THEIR STATUS AS AT THE END OF THE FINANCIAL YEAR

There is no such application made or proceeding pending under The Insolvency and Bankruptcy Code, 2016 during the year.

36. THE DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF

This clause is not applicable on the company.

37. ISIN OF THE COMPANY

The Ministry of Corporate Affairs has amended the Companies (Prospectus and Allotment of Securities) Rules, 2014 by introducing Rule 9B, effective October 27, 2023. This rule mandates specified companies to issue securities only in dematerialized form; and to facilitate the dematerialization of all its securities.

To comply with this regulation, the Company has obtained an ISIN (INE0YTU01018) from the National Securities Depository Limited after the closure of the financial year.

38. DESIGNATED PERSON FOR REPORTING WITH RESPECT TO BENEFICIAL INTEREST IN SHARES OF THE COMPANY

The Ministry of Corporate Affairs has amended Rule 9 of the Companies (Management and Administration) Rules, 2014, effective October 27, 2023. This amendment requires companies to designate a person responsible for providing information and extending cooperation to the Registrar or any authorized officer regarding beneficial interests in the company's shares.

In compliance with the above, the Company has designated Ms. Nishtha Sachdeva, Company Secretary, as the Designated Person for reporting of beneficial interest.

39. ACKNOWLEDGMENT

Your directors place on records their appreciation for employees at all levels, who have contributed to the improvement in the performance of your Company.

Your directors would like to thank all stakeholders, namely, clients, shareholders, advisors, generators, exchange, regulatory authorities, central and state governments, statutory authorities, agencies and bankers for the continuous support given by them to the Company and its Management.

**By Order of the Board of Directors
For Nellai Renewables Private Limited**

Name:	Sd/-
Designation:	Tima Iyer Utne
DIN:	Director
Address:	06839949
	MOLLER VEI 21 B
	HOVIK Norway 1363

Sd/-
Alfio Edwin Gutierrez Boudri
Director
10138104
401, D-1, Salcon Rasvilas
Building New Delhi, India -
110017

Place: Delhi
Date: 06.09.2024

ANNEXURE I**FORM NO. AOC- 2**

(Pursuant to Clause (h) of Sub-Section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014

1. Details of material contracts or arrangement or transactions not at arm's length basis:

Name of Related Party and Nature of Relationship	Nature of contracts/ arrangement/ transactions	Duration of contracts/ arrangement/ transactions	Salient terms of contracts/ arrangements/ transactions including the value, if any	Justification for entering into such contracts or arrangement or transactions	Date(s) of approval by the Board, if any	Amount paid as advance , if any	Date on which the special resolution was passed in General Meeting as required under first proviso to Section 188
N/A							

2. Details of material contracts or arrangement or transactions at arm's length basis:

Amount in Thousand (Rs.)						
S. No.	Name of Related Party and Nature of Relationship	Nature of contracts/ arrangement/ transactions	Duration of contracts/ arrangement/ transactions	Salient terms of contracts/ arrangements/ transactions including the value, if any	Date(s) of approval by the Board/ shareholders , if any	Amount paid as advance , if any
1.	Statkraft India Pvt Ltd (Being common subsidiary of ultimate Holding Company, Statkraft AS)	Retainership and business support expenses Amt: 27,652.88	01.04.2023 - 31.03.2024	Legal service agreement entered to avail the general management, HR, IT, Accounting, Market Access and other Services	21.12.2023	Nil
2.	Statkraft India Pvt Ltd (Being common subsidiary of ultimate Holding Company, Statkraft AS)	Management service income Amt: 25.06	01.04.2023 - 31.03.2024	Legal service agreement entered to avail the general management, HR, IT, Accounting, Market Access and other Services	21.12.2023	Nil
3.	Statkraft Markets Pvt. Ltd. (Being common subsidiary of ultimate Holding Company, Statkraft AS)	Retainership and business support expenses Amt: 4,333.99	01.04.2023 - 31.03.2024	Legal service agreement entered to avail the general management, HR, IT, Accounting, Market Access and other Services	21.12.2023	Nil
4.	Statkraft Markets	Management	01.04.2023	Legal service agreement	21.12.2023	Nil

	Pvt. Ltd. (Being common subsidiary of ultimate Holding Company, Statkraft AS)	service income Amt: 1,111.17	- 31.03.2024	entered to avail the general management, HR, IT, Accounting, Market Access and other Services		
5.	Statkraft AS (Ultimate Holding Company)	Retainership and business support expenses Amt: 19,879.15	01.04.2023 - 31.03.2024	Legal service agreement entered to avail the general management, HR and IT Services	26.06.2023 and 21.12.2023	Nil
6.	Statkraft AS (Ultimate Holding Company)	Management service income Amt: 648.43	01.04.2023 - 31.03.2024	Legal service agreement entered to avail the general management, HR and IT Services	26.06.2023 and 21.12.2023	Nil
7.	Statkraft UK Ltd (Being common subsidiary of ultimate Holding Company, Statkraft AS)	Retainership and business support expenses Amt: 308.01	01.04.2023 - 31.03.2024	Legal service agreement entered to avail the general management, HR and IT Services	26.06.2023	Nil
8.	Statkraft Energy AS (Being common subsidiary of ultimate Holding Company, Statkraft AS)	Retainership and business support expenses Amt: 2,728.24	01.04.2023 - 31.03.2024	Legal service agreement entered to avail the general management, HR and IT Services	21.12.2023	Nil
9.	SK Development Spain (Being common subsidiary of ultimate Holding Company, Statkraft AS)	Retainership and business support expenses Amt: 162.99	01.04.2023 - 31.03.2024	Legal service agreement entered to avail the general management, HR and IT Services	21.12.2023	Nil
10.	Mandakini Jal Urja Private Limited (Formerly known as Lanco Mandakini Hydro Energy Private Limited) (Being common subsidiary of ultimate Holding Company, Statkraft AS)	Retainership and business support expenses Amt: 62.26	01.04.2023 - 31.03.2024	Legal service agreement entered to avail the general management, HR and IT Services	21.12.2023	Nil
11.	Mandakini Jal Urja Private Limited (Formerly known as Lanco Mandakini Hydro Energy Private Limited) (Being common subsidiary of ultimate Holding Company, Statkraft AS)	Management service income Amt: 1,989.53	01.04.2023 - 31.03.2024	Legal service agreement entered to avail the general management, HR and IT Services	21.12.2023	Nil

12.	Statkraft Germany GmbH (Being common subsidiary of ultimate Holding Company, Statkraft AS)	Retainership and business support expenses Amt: 36.83	01.04.2023 - 31.03.2024	Legal service agreement entered to avail the general management, HR and IT Services		Nil
13.	Tidong Power Generation Private Ltd (Being common subsidiary of ultimate Holding Company, Statkraft AS)	Retainership and business support expenses Amt: 72.95	01.04.2023 - 31.03.2024	Legal service agreement entered to Provide the general management, HR, IT, Accounting, Market Access and other Services	21.12.2023	Nil
14.	Tidong Power Generation Private Ltd (Being common subsidiary of ultimate Holding Company, Statkraft AS)	Management service income Amt: 29.23	01.04.2023 - 31.03.2024	Legal service agreement entered to Provide the general management, HR, IT, Accounting, Market Access and other Services	21.12.2023	Nil
15.	Statkraft Holding Singapore Pte Ltd (Being common subsidiary of ultimate Holding Company, Statkraft AS)	Management service income Amt: 39.92	01.04.2023 - 31.03.2024	Legal service agreement entered to avail the general management, HR and IT Services		Nil
16.	Cannice Renewables Energy Private Limited (Being common subsidiary of ultimate Holding Company, Statkraft AS)	Management service income Amt: 706.57	01.04.2023 - 31.03.2024	Legal service agreement entered to Provide the general management, HR, IT, Accounting, Market Access and other Services	21.12.2023	Nil
17.	Foxtrot Solar Renewables Energy Private Limited (Being common subsidiary of ultimate Holding Company, Statkraft AS)	Management service income Amt: 10.78	01.04.2023 - 31.03.2024	Legal service agreement entered to Provide the general management, HR, IT, Accounting, Market Access and other Services	21.12.2023	Nil
18.	Khidrat Renewable Energy Private Limited (Being common subsidiary of ultimate Holding Company, Statkraft AS)	Management service income Amt: 5,566.29	01.04.2023 - 31.03.2024	Legal service agreement entered to Provide the general management, HR, IT, Accounting, Market Access and other Services	21.12.2023	Nil
19.	Sourya Manthan Renewable Energy Private Limited	Management service income Amt: 10.78	01.04.2023 - 31.03.2024	Legal service agreement entered to Provide the general management,	21.12.2023	Nil

	(Being common subsidiary of ultimate Holding Company, Statkraft AS)			HR, IT, Accounting, Market Access and other Services		
20.	Vishnupriya Farms Private Limited (Being common subsidiary of ultimate Holding Company, Statkraft AS)	Management service income Amt: 252.85	01.04.2023 - 31.03.2024	Legal service agreement entered to Provide the general management, HR, IT, Accounting, Market Access and other Services	21.12.2023	Nil

**By Order of the Board of Directors
For Nellai Renewables Private Limited**

Name:
Designation:
DIN:
Address:

Sd/-
Tima Iyer Utne
Director
06839949
MOLLER VEI 21 B
HOVIK Norway 1363

Sd/-
Alfio Edwin Gutierrez Boudri
Director
10138104
401, D-1, Salcon Rasvilas
Building New Delhi, India -
110017

Place: Delhi
Date: 06.09.2024



MAKS & CO.

Company Secretaries

FRN: P2018UP067700

O: 516, Wave Silver Tower, Sector 18, Noida – 201301

E: services@forecoreprofessionals.com

MR-3

Secretarial Audit Report

For the Financial Year Ended March 31, 2023

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

To,

The Members,

Nellai Renewables Private Limited

401, 4th Floor, D-1, Salcon Rasvilas Building,

Saket District Area, Saket, New Delhi-110017 (“the Company”)

[CIN: U40108DL2020PTC363557]

We have conducted secretarial audit of the compliance of applicable statutory provisions and adherence to good corporate practices by **Nellai Renewables Private Limited** (hereinafter referred as “the Company”) for the financial year ended March 31, 2024 (“**Audit Period**”). The secretarial audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Limitation of the Auditors

- (i) Based on our verification of the Company’s 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, generally, complied with the statutory provisions listed hereunder; and
- (ii) Based on the management representation, confirmation and explanation wherever required by us, the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

Auditors Responsibility

- (i) Our responsibility is to express the opinion on the compliance with the applicable laws and maintenance of records based on audit. We conducted our audit in accordance with the Guidance Note on Secretarial Audit (“**Guidance Note**”) and Auditing Standards issued by the Institute of Company Secretaries of India (“**ICSI**”). The Guidance Note and Auditing Standards require that we comply with statutory and regulatory requirements and also that we plan and perform the audit so as to obtain reasonable assurance about compliance with applicable laws and maintenance of records.
- (ii) Due to the inherent limitations of an audit including internal, financial and operating controls, there is an unavoidable risk that some misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with the Standards.



- (iii) 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 Board processes and compliance-mechanism.

The Members are requested to read Secretarial Audit Report ("**Report**") along with our letter dated September 06, 2024 an enclosed herewith to this Report as **Annexure – A.**

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial period ended on March 31, 2024 according to the applicable 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 Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings, as applicable;
- v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (*Not applicable to the Company during the audit period*);
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (*Not applicable to the Company during the audit period*);
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (*Not applicable to the Company during the audit period*);
 - d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 {or the erstwhile Securities and Exchange Board of India (Share Based Employees Benefits) Regulations, 2014}; (*Not applicable to the Company during the audit period*)



-
- e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; *(Not applicable to the Company during the audit period);*
 - 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 clients *(Not applicable since the Company is not registered as Registrar to Issue and Share Transfer Agent during the period);*
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 *(Not applicable to the Company during the audit period).*
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2021 *(Not applicable to the Company during the audit period);* and
 - i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 *(Not applicable to the Company during the audit period).*
- 2. We have relied upon the representation made by the Company, its officers for systems and mechanism framed by the Company and basis that there are adequate systems and processes in the Company, commensurate with the size and operations of the Company, to monitor and ensure compliance of other Act, Laws and Regulations specifically applicable to the Company.
 - 3. We have also examined compliance with the applicable clauses of the Secretarial Standards issued by the Institute of Company Secretaries of India, with respect to board and general meetings (hereinafter referred as '**Secretarial Standards**'). We noted that the Company is generally regular in complying with the Secretarial Standards.
 - 4. During the period under review, to the best of our knowledge and belief and according to the information and explanations given to us, the Company has been regular in compliance with the provisions of the Acts, Rules, Regulations and Secretarial Standards and other applicable laws including labour and environmental laws, as applicable to it.
 - 5. We further report that compliance of applicable financial laws including direct and indirect tax laws and maintenance of financial records and books of accounts by the Company has not been reviewed in this audit since the same has been subject to review by the Statutory Auditors and other designated professionals.
 - 6. We further report that:
 - i. The Board of Directors of the Company is constituted with Non-Executive Directors on the Board of the Company. The Company is not required to appoint Independent Director and Woman Director as per the provisions of Companies Act, 2013. Changes in the composition of Board of



MAKS & CO.

Company Secretaries

FRN: P2018UP067700

O: 516, Wave Silver Tower, Sector 18, Noida – 201301

E: services@forecoreprofessionals.com

Directors that took place during the year under review were carried out in compliance with the provisions of the Act.

- ii. Adequate notice is given to all directors to schedule the Board Meetings. Notice and Agenda with notes to Agenda of Board meetings was sent at least seven days in advance of the meeting except in certain cases where meeting was held at shorter notice and a system exists for directors to seek and obtain further information and clarifications on the agenda items before the meetings and for their meaningful participation at the meetings.
- iii. Decisions of Board/Committee were carried through majority. We have been informed that there were no dissenting members' views on any of the matters during the year that were required to be captured and recorded as part of the minutes.
- iv. 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.
- v. We further report that during the audit period the Company had no specific actions having bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, standards, guidelines etc.

For M/s. MAKS & Co.,
Company Secretaries
[FRN P2018UP067700]

Sd/-

Satish Kumar Nirankar

Partner

Membership No.: F9605

COP No.: 19993

Peer View No.: 2064/2022

UDIN: F009605F001158302

Place: Noida (U.P.)

Date: September 06, 2024



MAKS & CO.

Company Secretaries

FRN: P2018UP067700

O: 516, Wave Silver Tower, Sector 18, Noida – 201301

E: services@forecoreprofessionals.com

Annexure – A to Secretarial Audit Report dated September 06, 2024

To,

The Members,

Nellai Renewables Private Limited

401, 4th Floor, D-1, Salcon Rasvilas Building,

Saket District Area, Saket, New Delhi-110017 (“the Company”)

[CIN: U40108DL2020PTC363557]

The Secretarial Audit Report dated September 06, 2024 is to be read with this Letter.

1. The compliance of provisions of all laws, rules, regulations and standards applicable to **Nellai Renewables Private Limited** [hereinafter referred as ‘the **Company**’] is the responsibility of the management of the Company. Our examination was limited to the verification of records and procedures on test check basis for the purpose of issue of the Secretarial Audit Report.
2. Maintenance of secretarial and other records of applicable laws is the responsibility of the management of the Company. Our responsibility is to issue Secretarial Audit Report, based on the audit of the relevant records maintained and furnished to us by the Company, along with explanations where so required.
3. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices followed provide a reasonable basis for the purpose of issue of the Secretarial Audit Report.
4. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company as it is taken care in the statutory audit process.
5. We have obtained the management’s representation about the compliance of laws, rules and regulations and happening of events, wherever required.
6. This Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For M/s. MAKS & Co.,

Company Secretaries

[FRN P2018UP067700]

Sd/-

Satish Kumar Nirankar

Partner

Membership No.: F9605

COP No.: 19993

Peer View No.: 2064/2022

UDIN: F009605F001158302

Place: Noida (U.P.)

Date: September 06, 2024

Walker Chandiok & Co LLP

21st Floor, DLF Square
Jacaranda Marg, DLF Phase II,
Gurugram - 122 002
Haryana, India

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Independent Auditor's Report

To the Members of Nellai Renewables Private Limited

Report on the Audit of the Financial Statements

Opinion

1. We have audited the accompanying financial statements of Nellai Renewables Private Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2024, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view, in conformity with the Accounting Standards specified under section 133 of the Act, read with the Companies (Accounting Standards) Rules, 2021 and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2024, and its loss and its cash flows for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independent Auditor's Report to the members of Nellai Renewables Private Limited on the financial statements for the year ended 31 March 2024 (cont'd)

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

4. The Company's Board of Directors are responsible for the other information. The other information does not include the financial statements and our auditor's report thereon.

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

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

The Directors' report is not made available to us at the date of auditors' report. We have nothing to report in this regard.

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

5. The accompanying financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards specified under section 133 of the Act, read with the Companies (Accounting Standards) Rules, 2021 and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
6. In preparing the financial statements, the Board of Directors 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
7. The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

8. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
9. As part of an audit in accordance with Standards on Auditing specified under section 143(10) of the Act, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

Independent Auditor's Report to the members of Nellai Renewables Private Limited on the financial statements for the year ended 31 March 2024 (cont'd)

- 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 with reference to financial statements 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 Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern; and
 - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
10. 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.

Report on Other Legal and Regulatory Requirements

11. Based on our audit, we report that the provisions of section 197 read with Schedule V to the Act are not applicable to the Company since the Company is not a public company as defined under section 2(71) of the Act. Accordingly, reporting under section 197(16) is not applicable.
12. As required by the Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act, we give in the Annexure A a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
13. Further to our comments in Annexure A, as required by section 143(3) of the Act, based on our audit, we report, to the extent applicable, that:
- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the accompanying financial statements;
 - 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 except for the matter stated in paragraph 13(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended). Further, the back-up of the books of accounts and other books and papers of the Company maintained in electronic mode has not been maintained on servers physically located in India, on a daily basis;
 - c) The financial statements dealt with by this report are in agreement with the books of account;
 - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act read with the Companies (Accounting Standards) Rules, 2021;
 - e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2024 from being appointed as a director in terms of section 164(2) of the Act;

Independent Auditor's Report to the members of Nellai Renewables Private Limited on the financial statements for the year ended 31 March 2024 (cont'd)

- f) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph 13(b) above on reporting under section 143(3)(b) of the Act and paragraph 13(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended);
- g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company as on 31 March 2024 and operating effectiveness of such controls, refer to our separate report in Annexure B wherein we have expressed an unmodified opinion; and
- h) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigation which would impact its financial position as at 31 March 2024;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2024;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2024;
 - iv.
 - a. The management has represented that, to the best of its knowledge and belief, as disclosed in note 35(iv) to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any persons or entities, including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;
 - b. The management has represented that, to the best of its knowledge and belief, as disclosed in note 35(v) to the financial statements, no funds have been received by the Company from any persons or entities, including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
 - c. Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.
 - v. The Company has not declared or paid any dividend during the year ended 31 March 2024; and
 - vi. As stated in note 37 to the financial statements and based on our examination which included test checks, except for instances mentioned below, the Company, in respect of financial year commencing on 1 April 2023, has used accounting software for maintaining its books of account which have a feature of recording audit trail (edit log) facility and the same have been operated throughout the year for all relevant transactions recorded in the software. However,
 - a. The audit trail feature was not enabled at the database level for the accounting software to log any direct data changes, used for maintenance of accounting records by the Company.
 - b. The accounting software used for maintenance of employee information and timesheet records did not capture the details of when changes were made i.e., timestamp and what changes were

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Independent Auditor's Report to the members of Nellai Renewables Private Limited on the financial statements for the year ended 31 March 2024 (cont'd)

made i.e., old and new values at the application level. Further, the accounting software is operated by a third-party software service provider. In the absence of any information on the existence of audit trail feature in the 'Independent Service Auditor's Assurance Reports on the Description of Controls, their Design and Operating Effectiveness' ('Type 2 report' issued in accordance with ISAE 3402, Assurance Reports on Controls at a Service Organization), we are unable to comment on whether audit trail feature with respect to the database of the said software was enabled and operated throughout the year.

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013

Kartik Gogia

Partner

Membership No.: 512371

UDIN:

Place: Gurugram

Date: 6 September 2024

Walker Chandio & Co LLP

Annexure A referred to in paragraph 12 of the Independent Auditor's Report of even date to the members of Nellai Renewables Private Limited on the financial statements for the year ended 31 March 2024

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.

(B) The Company does not have any intangible assets and accordingly, reporting under clause 3(i)(a)(B) of the Order is not applicable to the Company.
- (b) The property, plant and equipment have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of physical verification programme adopted by the Company, is reasonable having regard to the size of the Company and the nature of its assets.
- (c) The title deeds of all the immovable properties held by the Company, disclosed in Note 12 to the financial statements, are held in the name of the Company.
- (d) The Company has adopted cost model for its Property, Plant and Equipment. Accordingly, reporting under clause 3(i)(d) of the Order is not applicable to the Company.
- (e) No proceedings have been initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended) and rules made thereunder.
- (ii) (a) The Company does not hold any inventory. Accordingly, reporting under clause 3(ii)(a) of the Order is not applicable to the Company.

(b) The Company has not been sanctioned working capital limits by banks or financial institutions on the basis of security of current assets at any point of time during the year. Accordingly, reporting under clause 3(ii)(b) of the Order is not applicable to the Company.
- (iii) The Company has not made any investment in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or any other parties during the year. Accordingly, reporting under clause 3(iii) of the Order is not applicable to the Company.
- (iv) The Company has not entered into any transaction covered under sections 185 and 186 of the Act. Accordingly, reporting under clause 3(iv) of the Order is not applicable to the Company.
- (v) In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits or there are no amounts which have been deemed to be deposits within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.
- (vi) The Central Government has not specified maintenance of cost records under sub-section (1) of section 148 of the Act, in respect of Company's business activities. Accordingly, reporting under clause 3(vi) of the Order is not applicable.
- (vii)(a) In our opinion and according to the information and explanations given to us, undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, have generally been regularly deposited with the appropriate authorities by the Company, though there have been slight delays in a few cases. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable. (b) According to the information and

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Annexure A referred to in paragraph 12 of the Independent Auditor's Report of even date to the members of Nellai Renewables Private Limited on the financial statements for the year ended 31 March 2024 (cont'd)

explanations given to us, we report that there are no statutory dues referred to in subclause (a) above that have not been deposited with the appropriate authorities on account of any dispute.

- (viii) According to the information and explanations given to us, we report that no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been previously recorded in the books of accounts.
- (ix)(a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of its loans or borrowings or in the payment of interest thereon to any lender.
- (b) According to the information and explanations given to us including representation received from the management of the Company, and on the basis of our audit procedures, we report that the Company has not been declared a willful defaulter by any bank or financial institution or government or any government authority.
- (c) In our opinion and according to the information and explanations given to us, the Company has not raised any money by way of term loans during the year and there has been no utilisation during the current year of the term loans obtained by the Company during any previous years. Accordingly, reporting under clause 3(ix)(c) of the Order is not applicable to the Company.
- (d) In our opinion and according to the information and explanations given to us, the Company has not raised any funds on short term basis during the year. Accordingly, reporting under clause 3(ix)(d) of the Order is not applicable to the Company.
- (e) According to the information and explanations given to us, we report that the Company does not have any subsidiaries, associates or joint ventures. Accordingly, reporting under clause 3(ix)(e) and clause 3(ix)(f) of the Order is not applicable to the Company.
- (x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments), during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or (fully, partially or optionally) convertible debentures during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- (xi)(a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company has been noticed or reported during the period covered by our audit.
- (b) According to the information and explanations given to us including the representation made to us by the management of the Company, no report under sub-section 12 of section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014, with the Central Government for the period covered by our audit.
- (c) According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year.
- (xii) The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.

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Annexure A referred to in paragraph 12 of the Independent Auditor's Report of even date to the members of Nellai Renewables Private Limited on the financial statements for the year ended 31 March 2024 (cont'd)

- (xiii) In our opinion and according to the information and explanations given to us, all transactions entered into by the Company, with the related parties are in compliance with section 188 of the Act. The details of such related party transactions have been disclosed in the standalone financial statements etc., as required under Accounting Standard (AS) 18, Related Party Disclosures specified in Companies (Accounting Standards) Rules, 2021 as prescribed under section 133 of the Act. Further, according to the information and explanations given to us, the Company is not required to constitute an audit committee under section 177 of the Act.
- (xiv) (a) In our opinion and according to the information and explanations given to us, the Company has an internal audit system which is commensurate with the size and nature of its business as required under the provisions of section 138 of the Act.

(b) We have considered the reports issued by the Internal Auditors of the Company till date for the period under audit.
- (xv) According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and accordingly, reporting under clause 3(xv) of the Order with respect to compliance with the provisions of section 192 of the Act are not applicable to the Company.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clauses 3(xvi)(a), (b) and (c) of the Order are not applicable to the Company.

(d) Based on the information and explanations given to us and as represented by the management of the Company, the Group (as defined in Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CIC.
- (xvii) The Company has not incurred any cash losses in the current financial year as well as the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information in the financial statements, our knowledge of the plans of the Board of Directors and management and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) According to the information and explanations given to us, the Company does not meet the criteria as specified under sub-section (1) of section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 and according, reporting under clause 3(xx) of the Order is not applicable to the Company.

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Annexure A referred to in paragraph 12 of the Independent Auditor's Report of even date to the members of Nellai Renewables Private Limited on the financial statements for the year ended 31 March 2024 (cont'd)

- (xxi) The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Kartik Gogia
Partner
Membership No.: 512371

UDIN:

Place: Gurugram
Date: 6 September 2024

Annexure B to the Independent Auditor's Report of even date to the members of Nellai Renewables Private Limited on the financial statements for the year ended 31 March 2024

Independent Auditor's Report on the internal financial controls with reference to the financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the financial statements of Nellai Renewables Private Limited ('the Company') as at and for the year ended 31 March 2024, we have audited the internal financial controls with reference to financial statements of the Company as at that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal financial control with reference to financial statement criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ('the Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to the 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 Act.

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Financial Statements

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the ICAI prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. 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 with reference to financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

6. A company's internal financial controls with reference to 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 controls with reference to financial statements include 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.

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Annexure B to the Independent Auditor's Report of even date to the members of Nellai Renewables Private Limited on the financial statements for the year ended 31 March 2024 (cont'd)

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

7. Because of the inherent limitations of internal financial controls with reference to 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 with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 March 2024, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For Walker Chandiok & Co LLP

Chartered Accountants

Firm's Registration No.: 001076N/N500013

Kartik Gogia

Partner

Membership No.: 512371

UDIN:

Place: Gurugram

Date: 6 September 2024

Nellai Renewables Private Limited
Balance Sheet as at 31 March 2024
(All amounts in Thousand Rupees unless otherwise stated)

	Note	As at 31 March 2024	As at 31 March 2023
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	3	8,76,923.08	8,76,923.08
Reserves and surplus	4	(7,15,213.74)	(6,01,757.04)
		1,61,709.34	2,75,166.04
Non-current liabilities			
Long-term borrowings	5	3,78,000.00	25,77,838.74
Long-term provisions	7	1,67,966.10	1,67,238.08
		5,45,966.10	27,45,076.82
Current liabilities			
Short term borrowings	8	21,99,838.74	-
Trade payables	9		
(i) Total outstanding dues of micro enterprises and small enterprises; and		8,656.01	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		16,566.96	24,429.15
Other current liabilities	10	1,18,678.26	75,913.07
Short-term provisions	11	159.58	144.20
		23,43,899.55	1,00,486.42
		30,51,574.99	31,20,729.28
ASSETS			
Non-current assets			
Property, plant and equipment	12	28,65,744.21	29,87,755.00
Capital work-in-progress	13	38,404.27	-
Long-term loans and advances	14	1,539.15	390.97
Other non-current assets	15	70.00	70.00
		29,05,757.63	29,88,215.97
Current assets			
Trade receivables	16	35,230.16	34,902.12
Cash and bank balances	17	88,730.62	33,533.79
Short-term loans and advances	18	8,742.43	8,827.41
Other current assets	19	13,114.15	55,249.99
		1,45,817.36	1,32,513.31
		30,51,574.99	31,20,729.28

Summary of significant accounting policies

2

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

This is the Balance Sheet referred to in our report of even date.

For Walker Chandiok & Co LLP

Chartered Accountants
Firms Registration Number: 001076N/N500013

Kartik Gogia

Partner
Membership No: 512371

Place : Gurugram

Date : 06 September 2024

For and on behalf of the Board of Directors of

Nellai Renewables Private Limited
CIN : U40108DL2020PTC363557

Tima Iyer Utne

Director
DIN:06839949

Place : New Delhi

Date : 06 September 2024

Alfio Edwin Gutierrez Boudri

Director
DIN:10138104

Place : New Delhi

Date : 06 September 2024

Nishtha Sachdeva

Company Secretary
Membership No.: 71511

Place : New Delhi

Date : 06 September 2024

Nellai Renewables Private Limited
Statement of Profit and Loss for the year ended 31 March 2024
(All amounts in Thousand Rupees unless otherwise stated)

	Note	For the year ended 31 March 2024	For the year ended 31 March 2023
Income			
Revenue from operations	20	4,08,887.80	3,48,513.14
Other income	21	15,462.55	2,240.78
		4,24,350.35	3,50,753.92
Expenses			
Employee benefits expense	22	28,510.98	17,630.82
Finance costs	23	2,82,301.37	1,64,986.41
Depreciation expense	12	1,25,624.32	1,00,457.34
Other expenses	24	1,01,370.38	99,998.32
		5,37,807.05	3,83,072.89
Loss before tax and exceptional items		(1,13,456.70)	(32,318.97)
Exceptional item			
- Impairment of property, plant and equipments	12	-	4,79,404.52
Loss before tax		(1,13,456.70)	(5,11,723.49)
Tax expenses		-	-
Net loss after tax for the year		(1,13,456.70)	(5,11,723.49)
Earnings per share (Nominal value of Rs 10 each)	27		
-Basic (in Rs.)		(1.29)	(5.97)
-Diluted (in Rs.)		(1.29)	(5.97)
Summary of significant accounting policies	2		

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

This is the Statement of Profit and Loss referred to in our report of even date.

For Walker Chandiok & Co LLP
Chartered Accountants
Firms Registration Number: 001076N/N500013

For and on behalf of the Board of Directors of
Nellai Renewables Private Limited
CIN : U40108DL2020PTC363557

Kartik Gogia
Partner
Membership No: 512371

Tima Iyer Utne
Director
DIN:06839949

Alfio Edwin Gutierrez Boudri
Director
DIN:10138104

Place : Gurugram
Date : 06 September 2024

Place : New Delhi
Date : 06 September 2024

Place : New Delhi
Date : 06 September 2024

Nishtha Sachdeva
Company Secretary
Membership No.: 71511

Place : New Delhi
Date : 06 September 2024

Nellai Renewables Private Limited
Cash Flow Statement for the year ended 31 March 2024
(All amounts in Thousand Rupees unless otherwise stated)

	For the year ended 31 March 2024	For the year ended 31 March 2023
Cash flows from operating activities		
Loss before tax	(1,13,456.70)	(5,11,723.49)
Adjustments for:		
Depreciation expense	1,25,624.32	1,00,457.34
Impairment of property, plant and equipment	-	4,79,404.52
Foreign exchange (gain)/loss (net)	(131.32)	22,769.72
Finance costs	2,82,301.37	1,64,986.41
Interest income	(3,204.13)	(2,038.97)
Profit on sale of property, plant and equipment (net)	-	(10.12)
Operating profit before working capital changes and other adjustments:	2,91,133.54	2,53,845.41
Changes in working capital and other adjustment:		
Trade receivables	(328.05)	(34,902.12)
Loans and advances	84.98	(8,407.81)
Other current and non-current asset	42,462.13	10,757.81
Trade payables	925.16	(33,037.82)
Other current liabilities	82,268.15	(35,201.96)
Provisions - current and non-current	743.40	1,63,005.93
Net cash flows from operating activities before taxes	4,17,289.31	3,16,059.44
Income taxes paid (net of refund)	(1,148.18)	(262.14)
Net cash flows from operating activities (A)	4,16,141.13	3,15,797.30
Cash flows from investing activities		
Purchase of property, plant and equipment (including capital advances and capital creditors)	(81,497.79)	(23,80,806.71)
Proceeds from sale of property, plant and equipment	-	11.12
Movement in bank deposits (net)	(16,000.00)	-
Interest received	2,877.84	2,017.56
Net cash used in investing activities (B)	(94,619.95)	(23,78,778.03)
Cash flows from financing activities		
Proceeds from non-current borrowings	-	20,77,838.74
Repayment of current borrowings	-	(1,94,945.00)
Proceeds from issue of equity shares	-	2,25,519.23
Finance cost paid	(2,82,324.35)	(1,73,900.95)
Net cash (used in)/ flows from financing activities (C)	(2,82,324.35)	19,34,512.02
Net increase/ (decrease) in cash and cash equivalents	39,196.83	(1,28,468.71)
Cash and cash equivalents at the beginning of the year	33,533.79	1,62,002.50
Cash and cash equivalent at the end of the year (Refer note below)	72,730.62	33,533.79
Cash and cash equivalent comprises of:		
Balances with banks in current account	14,730.62	19,533.79
Balances with banks in deposit accounts (with original maturity of less than 3 months)	58,000.00	14,000.00
Total of cash and cash equivalent (refer note 17)	72,730.62	33,533.79

Note:

The above cash flow statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard - 3 on 'Cash Flows Statements' as specified under section 133 of Companies Act, 2013 read with the Companies (Accounting Standards) Rules, 2021.

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

This is the Cash Flow Statement referred to in our report of even date.

For Walker Chandiok & Co LLP
Chartered Accountants
Firms Registration Number: 001076N/N500013

For and on behalf of the Board of Directors of
Nellai Renewables Private Limited
CIN : U40108DL2020PTC363557

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Company Secretary
Membership No.: 71511

Place : New Delhi
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1 Corporate Information

Nellai Renewables Private Limited ("the Company") is a private limited Company incorporated in India on 05 May 2020 under the provisions of the Companies Act, 2013. The address of its registered office is 401, 4th Floor, D-1, Salcon Rasvillas Building, Saket District Area Saket, New Delhi, India 110017. Statkraft IH Holding AS, Norway ('the Holding Company') holds 76% shares. The Company's ultimate holding Company is Statkraft AS, Norway.

The Company has commissioned 76 MW DC capacity solar power project near Ettankulam village in the state of Tamil Nadu, South India on 23 May 2022.

2 Summary of significant accounting policies

(a) Basis of preparation

The financial statements of the Company have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the accounting standards notified under section 133 of the Companies Act 2013, read with Companies (Accounting Standards) Rules, 2021. The financial statements have been prepared on going concern basis under historical cost convention on accrual basis in accordance with generally accepted accounting principles in India.

:- The accounting policy adopted in the preparation of financial statements are consistent with those of previous year.

:- The financial statements are presented in INR and all values are rounded to the nearest thousand with two decimals except where otherwise indicated and;

:- All assets and liabilities have been classified as current or non-current, wherever applicable as per operating cycle of the Company as per guidance as set out in the Schedule III to the Companies Act 2013.

(b) Use of estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

(c) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Revenue from sale of electricity

Revenue from sale of power is accounted when electricity units are delivered at the metering point in terms of Power Purchase Agreement and with reasonable degree of certainty of collection at the time of accrual.

Interest

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate.

(d) Property, plant and equipment

Property, plant and equipment are carried at cost less accumulated depreciation and accumulated impairment losses, if any. Cost includes its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates. It includes other costs 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.

When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in Statement of profit and loss as incurred.

Subsequent expenditures relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the costs of the item can be measured reliably. Repairs and maintenance costs are charged to the Statement of profit and loss when incurred. An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively.

The Company consider constructive obligations and records a provisions for decommissioning costs of the solar power plants. Decommissioning cost are provided for a value of expected cost to settle the obligation and are recognised as part of cost of the relevant asset.

The estimated future cost of decommissioning are reviewed annually and adjusted as appropriate. Change in estimated future cost are added to or deducted from the cost of the asset.

(d) Property, plant and equipment (cont'd)

Depreciation:

Depreciation on property, plant and equipment is provided on the straight-line method over the useful lives of assets estimated by the Management. Depreciation for the assets purchased/sold during the year is proportionately charged. Depreciation is calculated on a pro-rata basis from the date of installation till the date the assets are sold or disposed. The Management estimates the useful lives for the property, plant and equipment as follows:

Assets classification	Useful life
Office equipments	5-10 years
Building*	3-30 years
Vehicles	8 years
Plant and equipment*	12-30 years

* For these classes of assets, based on an internal assessment and technical evaluation carried out by the Company, the management believes that the useful lives as given above and residual value 5%, best represent the period over which the management expects to use these assets and its residual value. Hence the useful lives for these assets is different from the useful lives as prescribed under Part C of schedule II of the Act.

Capital work in progress:

Expenditure incurred on assets under construction (including a project) is carried at cost under capital work in progress (CWIP). Such costs comprise purchase price of assets including import duties and non-refundable taxes (after deducting trade discounts and rebates), expenditure in relation to survey and investigation activities of projects, cost of site preparation, initial delivery and handling charges, installation and assembly costs, etc.

Costs including manpower support, consultancy and professional fees, travel and conveyance expenses, depreciation on assets used in construction of project, interest during construction and other costs that are 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 are accumulated under "Capital work in progress" and subsequently allocated on systematic basis over major immovable assets, other than land. Net pre-commissioning income/expenditure is adjusted directly in the cost of related assets.

(e) Impairment of assets

The Company periodically assesses whether there is any indication that an asset or a group of assets comprising a cash generating unit may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. For an asset or group of assets that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the statement of profit and loss. The recoverable amount is higher of the asset's, net selling price and value in use.

After recognition of impairment loss, depreciation is provided on the revised carrying amount of the asset, less its residual value (if any), over its remaining useful life. If at the balance sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciable historical cost. An impairment loss is reversed only to the extent that the carrying amount of asset does not exceed the net book value that would have been determined; if no impairment loss had been recognised.

Management uses the estimated future cash flows in assessing value in use for Property, plant and Equipments. Future estimated cash flows are discounted to their present value using a discount rate that reflects the current market assessments of the time value of money. The inputs to the valuation models are taken from observable markets where possible, but where this is not feasible a degree of judgement is required in establishing fair values. judgements include consideration of inputs such as energy generation, tariff rates, discount rate, tax rates, inflation rates, etc.

(f) Foreign currency transactions and translation

Initial recognition: Transactions in the foreign currency are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transactions.

Measurement of foreign currency monetary items at the balance sheet date: Monetary items denominated in foreign currencies at the year end are restated at the exchange rates prevailing on the date of balance sheet.

Treatment of exchange differences: The exchange difference arising on the settlement of monetary items or on reporting these items at rate different from the rates at which these were initially recorded are recognized as income/expense in the statement of profit and loss in the period in which they arise.

(g) Employee benefits

Short-term employee benefits

Employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, bonus and ex-gratia. The undiscounted amount of short-term employee benefits to be paid in exchange for employee services is recognised as an expense as the related service is rendered by employees.

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays specified contributions to a separate entity and has no obligation to pay any further amounts. The Company makes specified monthly contributions towards employee provident fund to Government administered provident fund scheme which is a defined contribution plan. The Company's contribution is recognised as an expense in the statement of profit and loss during the year in which the employee renders the related service.

Defined benefit plans

The Company's gratuity benefit scheme is a defined benefit plan. The Company's net obligation in respect of the defined benefit plan 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 calculation of the Company's obligation under each of the two plans is performed annually by a qualified actuary using the projected unit credit method.

The Company recognises all actuarial gains and losses arising from defined benefit plans immediately in the statement of profit and loss. All expenses related to defined benefit plans are recognised in employee benefits expense in the statement of profit and loss.

Compensated absences

The employees can carry-forward a portion of the unutilised accrued compensated absences and utilise it in future service periods or receive cash compensation on termination of employment. Since the compensated absences do not fall due wholly within twelve months after the end of the period in which the employees render the related service and are also not expected to be utilized wholly within twelve months after the end of such period, the benefit is classified as a long-term employee benefit. The Company records an obligation for such compensated absences in the period in which the employee renders the services that increase this entitlement. The obligation is measured on the basis of independent actuarial valuation using the projected unit credit method.

(h) Taxation

Income-tax expense comprises current tax (i.e. amount of tax for the period determined in accordance with the Income-tax law) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the period). The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in future; however, where there is unabsorbed depreciation or carried forward business loss under taxation laws, deferred tax assets are recognised only if there is a virtual certainty of realisation of such assets.

Deferred tax assets/ liabilities are reviewed as at each balance sheet date and written down or written up to reflect the amount that is reasonably/ virtually certain (as the case may be) to be realised.

The Company offsets, the current tax assets and liabilities (on a year on year basis) and deferred tax assets and liabilities, where it has a legally enforceable right and where it intends to settle such assets and liabilities on a net basis.

Minimum Alternative Tax (MAT) credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income-tax during the specified period. In the year in which the MAT credit becomes eligible to be recognised as an asset in accordance with the recommendations contained in the guidance note issued by Institute of Chartered Accountants of India ('ICAI'), the said asset is created by way of a credit to the statement of profit and loss. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal tax during the specified period.

(i) Provisions and contingent liabilities

A provision is recognised when the Company has a present obligation as a result of past events, for which it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made. Provisions are reviewed regularly and are adjusted where necessary to reflect the current best estimate of the obligation. When the Company expects a provision to be reimbursed, the reimbursement is recognised as a separate asset only when reimbursement is virtually certain.

A disclosure for contingent liabilities is made where there is a possible obligation or a present obligation that may probably not require an outflow of resources. When there is a possible or a present obligation where the likelihood of outflow of resources is remote, no provision or disclosure is made.

Provision for onerous contracts, i.e. contracts where the expected unavoidable cost of meeting the obligations under the contract exceed the economic benefits expected to be received under it, are recognised when it is probable that an outflow of resources embodying economic benefits will be required to settle a present obligation as a result of an obligating event based on a reliable estimate of such obligation.

(j) Borrowing cost

Borrowing cost include interest, amortisation of ancillary cost incurred. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the statement of profit and loss over the tenure of the loan. Borrowing cost, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction/development of the qualifying asset upto the date of capitalisation of such asset is added to the cost of the assets. The unamortized portion of ancillary costs incurred in connection with the arrangement of borrowings is included under 'other non-current and current assets'.

(k) Earnings per share

The basic earnings per share is computed by dividing the net profit/ (loss) attributable to equity shareholders for the year by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the net profit by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the year, unless issued at a later date. In computing diluted earnings per share, only potential equity shares that are dilutive and that either reduces earnings per share or increases loss per share are included. The number of shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for the share splits.

(l) Cash and cash equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

(m) Subsequent events

Based on the nature of the event, the Company identifies the events occurring between the balance sheet date and the date on which the financial statements are approved as 'Adjusting Event' and 'Non-adjusting event'. Adjustments to assets and liabilities are made for events occurring after the balance sheet date that provide additional information materially affecting the determination of the amounts relating to conditions existing at the balance sheet date or because of statutory requirements or because of their special nature. For non-adjusting events, the Company may provide a disclosure in the financial statements considering the nature of the transaction.

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3 Share capital

Particulars	As at 31 March 2024	As at 31 March 2023
Authorised share capital		
92,000,000 equity shares of par value of Rs.10 each (31 March 2023 - 92,000,000 equity shares)	9,20,000.00	9,20,000.00
Issued, subscribed and paid up equity shares		
87,692,308 equity shares of par value of Rs.10 each (31 March 2023 - 87,692,308 equity shares)	8,76,923.08	8,76,923.08
	8,76,923.08	8,76,923.08

(i) Reconciliation of equity shares outstanding at the beginning and at the end of the reporting period:

Particulars	As at 31 March 2024		As at 31 March 2023	
	Number of shares	Amount	Number of shares	Amount
Balance at the beginning of the year	8,76,92,308	8,76,923.08	6,00,00,000	6,00,000.00
Add: equity shares issued during the year	-	-	2,76,92,308	2,76,923.08
Balance at the end of the year	8,76,92,308	8,76,923.08	8,76,92,308	8,76,923.08

(ii) The rights, preferences and restrictions attaching to each class of shares including restrictions on the distribution of dividends and the repayment of capital:

The Company has only one class of shares referred to as equity shares having par value of Rs 10 each. Each holder of the equity share, as reflected in the records of the Company, is entitled to one vote in respect of each share held for all matters submitted to vote in the shareholders' meeting.

The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors (BOD) is subject to the approval of the shareholders in the ensuing annual general meeting except interim dividend where approval of Board of Directors is considered sufficient.

(iii) Details of equity shareholders holding more than 5% equity shares in the Company:

Name of the shareholder	As at 31 March 2024		As at 31 March 2023	
	Number of shares	% holding	Number of shares	% holding
Statkraft IH Holding AS	6,48,92,307	74.00%	6,48,92,307	74.00%
K L Concast Private Limited	60,00,000	6.84%	60,00,000	6.84%

(iv) Shares in respect of equity in the company held by its Holding Company, including shares held by subsidiaries of the Holding Company:

Name of the shareholder	As at 31 March 2024		As at 31 March 2023	
	Number of shares	Amount	Number of shares	Amount
Statkraft India Private Limited	1	0.01	1	0.01
Statkraft IH Holding AS	6,48,92,307	6,48,923.07	6,48,92,307	6,48,923.07

(v) Shareholding of promoters

Name of the Promoter	As at 31 March 2024		
	Number of shares	% of Shares	% Change during the year
Statkraft India Private Limited	1	0.00%	0.00%
Statkraft IH Holding AS	6,48,92,307	74%	0.00%
Name of the Promoter	As at 31 March 2023		
	Number of shares	% of Shares	% Change during the year
Statkraft India Private Limited	1	0.00%	100.00%
Statkraft IH Holding AS	6,48,92,307	74%	46.15%

(vi) The Company was incorporated on 05 May 2020 and there has been no buy back of shares, issue of shares by way of bonus shares or issue of shares pursuant to contract without payment being received in cash.

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4 Reserves and surplus

Particulars	Deficit in the statement of profit and loss
Opening balance	(90,033.55)
Net loss for the year	(5,11,723.49)
Balance at the 31 March 2023	(6,01,757.04)
Net loss for the year	(1,13,456.70)
Balance at the 31 March 2024	(7,15,213.74)

5 Long-term borrowings

Particulars	As at 31 March 2024	As at 31 March 2023
Unsecured term loan		
From banks (refer note (i))	-	21,99,838.74
From related party (refer note (ii)) (Refer note 29)	3,78,000.00	3,78,000.00
	3,78,000.00	25,77,838.74

Note (i): Term loan from banks is repayable at maturity due on November 2024. Interest is payable on monthly basis. Interest rate is fixed at each drawdown which ranges between 6.40% to 7.36% (31 March 2023 - 6.95% to 7.81%). The term loan is guaranteed by way of stand by letter of credit issued to the bank by the ultimate Holding Company - Statkraft AS.

Note (ii): Term loan from Statkraft India Private Limited is repayable on demand after the term of 3 years or on a call back from lender. Interest rate is fixed at 10.37% per annum.

6 Deferred tax liabilities (net)

Particulars	As at 31 March 2024	As at 31 March 2023
<i>Deferred tax liability</i>		
Excess of depreciation allowable under Income tax laws	(2,33,144.29)	(1,20,913.46)
Total deferred tax liability	(2,33,144.29)	(1,20,913.46)
<i>Deferred tax assets</i>		
Provision for employee benefits	689.64	223.78
Unabsorbed depreciation	1,50,188.84	38,423.86
Impairment on property, plant and equipments	82,265.82	82,265.82
Total deferred tax assets	2,33,144.29	1,20,913.46
Net deferred tax liability/(asset)*	-	-

*In view of unabsorbed depreciation at the close of the year and the significant timing differences, deferred tax assets have been recognised only to the extent of deferred tax liabilities on timing differences accounted for, in the absence of virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realised.

7 Long-term provisions

Particulars	As at 31 March 2024	As at 31 March 2023
Provision for employee benefits		
Gratuity (Refer note 28)	2,829.86	1,838.43
Compensated absences	1,533.57	1,796.98
Provision for decommissioning liability*	1,63,602.67	1,63,602.67
	1,67,966.10	1,67,238.08

*Note:-	
Particulars	Amount in thousands
As at 1 April 2022	-
Additions during the year	1,63,602.67
As at 1 April 2023	1,63,602.67
Additions during the year	-
As at 31 March 2024	1,63,602.67

During the previous year, the Company had assessed decommissioning liability at the reporting date for its captive solar power plant. Basis on review/assessment, the decommissioning liability had been recognized as at 31 March 2023 as per AS 29 (Provisions, Contingent liabilities and contingent assets) and have been accounted for.

8 Short-term borrowings

Particulars	As at 31 March 2024	As at 31 March 2023
Unsecured term loan		
From banks (refer note 5(i))	21,99,838.74	-
	21,99,838.74	-

9 Trade payables

Particulars	As at 31 March 2024	As at 31 March 2023
Total outstanding dues of micro enterprises and small enterprises; (refer note below)	8,656.01	-
Total outstanding dues of creditors other than micro enterprises and small enterprises*	16,566.96	24,429.15
	25,222.97	24,429.15

* includes Rs. 14,907.37 thousand (31 March 2023: Rs. 18,264.09 thousand) payable to related parties (Refer note 29)

(i) Disclosure under Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act, 2006")

Particulars	As at 31 March 2024	As at 31 March 2023
The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier at the end of each accounting year;	8,656.01	-
The amount of interest paid by the buyer in terms of section 16, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
The 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 this act;	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23.	-	-

(ii) Trade payable ageing schedule (outstanding from date of transaction)

Particulars	As at 31 March 2024	As at 31 March 2023
i) Undisputed dues - Micro and small enterprises		
Not due	4,581.47	-
Less than 1 year	4,074.54	-
1-2 years	-	-
2-3 years	-	-
More than 3 years	-	-
	8,656.01	-
ii) Undisputed dues - Others		
Not due	1,534.94	7,770.09
Less than 1 year	14,723.35	16,622.01
1-2 years	308.67	37.05
2-3 years	-	-
More than 3 years	-	-
	16,566.96	24,429.15
Total	25,222.97	24,429.15

10 Other current liabilities

Particulars	As at 31 March 2024	As at 31 March 2023
Capital creditors		
-Dues to micro enterprises and small enterprises (refer note below)	18,115.29	-
-Dues to creditors other than micro enterprises and small enterprises*	-	57,595.27
Other payables:		
- Employees related payables	1,592.11	625.00
- Statutory dues	18,546.25	2,149.59
- Guarantee fee payable**	64,904.38	-
- Interest accrued but not due (Refer note 29)	15,520.23	15,543.21
	1,18,678.26	75,913.07

* Includes Rs. Nil thousand (31 March 2023: Rs. 26,769.04 thousand) payable to related parties (Refer note 29)

** Guarantee fee payable to related party (Refer note 29)

(i) Disclosure under Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act, 2006")

Particulars	As at 31 March 2024	As at 31 March 2023
The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier at the end of each accounting year;	18,115.29	-
The amount of interest paid by the buyer in terms of section 16, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
The 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 this act;	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23.	-	-

11 Short-term provisions

Particulars	As at 31 March 2024	As at 31 March 2023
Provision for employee benefits		
- Gratuity (Refer note 28)	95.56	52.26
- Compensated absences	64.02	91.94
	159.58	144.20

Nellai Renewables Private Limited

Notes to the financial statements for the year ended 31 March 2024

(All amounts in Thousand Rupees unless otherwise stated)

12 Property, plant and equipments

Description	Gross block				Accumulated depreciation and impairment					Net block
	As at 01 April 2023	Additions during the year	Deletions during the year	As at 31 March 2024	As at 01 April 2023	Charge for the year	Impairment loss	Deletions	As at 31 March 2024	As at 31 March 2024
Freehold land	1,28,542.74	1,036.89	-	1,29,579.63	17,787.47	-	-	-	17,787.47	1,11,792.16
Buildings	73,138.98	-	-	73,138.98	12,280.93	6,878.00	-	-	19,158.93	53,980.05
Plant and equipments	33,54,588.08	-	-	33,54,588.08	5,47,954.80	1,17,020.91	-	-	6,64,975.71	26,89,612.37
Office equipments	8,874.00	2,576.65	-	11,450.65	2,047.43	1,316.65	-	-	3,364.08	8,086.57
Motor vehicle	2,747.06	-	-	2,747.06	65.24	408.76	-	-	474.00	2,273.06
Total	35,67,890.86	3,613.54	-	35,71,504.40	5,80,135.87	1,25,624.32	-	-	7,05,760.19	28,65,744.21

Description	Gross block				Accumulated depreciation and impairment					Net block
	As at 01 April 2022	Additions during the year	Deletions during the year	As at 31 March 2023	As at 01 April 2022	Charge for the year	Impairment loss *	Deletions	As at 31 March 2023	As at 31 March 2023
Freehold land	1,28,542.74	-	-	1,28,542.74	-	-	17,787.47	-	17,787.47	1,10,755.27
Buildings	416.42	72,722.56	-	73,138.98	87.91	2,419.12	9,773.90	-	12,280.93	60,858.05
Plant and machinery	-	33,54,588.08	-	33,54,588.08	-	97,204.96	4,50,749.84	-	5,47,954.80	28,06,633.28
Office equipments	468.97	8,425.03	20.00	8,874.00	205.10	768.02	1,093.31	19.00	2,047.43	6,826.57
Motor vehicle	-	2,747.06	-	2,747.06	-	65.24	-	-	65.24	2,681.82
Total	1,29,428.13	34,38,482.73	20.00	35,67,890.86	293.01	1,00,457.34	4,79,404.52	19.00	5,80,135.87	29,87,755.00

***Note:**

During the previous year, due to certain impairment indicators, the Company had conducted impairment assessment on value of Plant and equipments and recognised impairment loss in the value of these assets amounting to Rs. 4,79,404.52 thousands, charged in the Statement of Profit and Loss.

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13 Capital work-in-progress

Particulars	As at 31 March 2024	As at 31 March 2023
Opening	-	29,64,866.46
Additions		
Purchases/cost incurred during the year	37,170.00	2,55,683.62
Finance costs	-	32,728.66
Salaries and wages	-	2,647.33
Decommissioning liability	-	1,63,602.67
Other expenses	1,234.27	16,206.92
Capitalised during the year	-	(34,35,735.67)
Closing	38,404.27	-

The ageing schedule for capital work in progress is set-out below :

Projects in progress*	As at 31 March 2024	As at 31 March 2023
Less than 1 year	38,404.27	-
1-2 years	-	-
2-3 years	-	-
More than 3 years	-	-
	38,404.27	-

Note: In the previous year, Capital work-in-progress represents expenditure incurred in respect of 76 MW DC capacity solar power project near Ettankulam village in the state of Tamil Nadu, South India. Plant had achieved Commissioning on 23 May 2022. Project cost incurred till date 31 March 2023 includes development costs and other direct expenditure pertaining to the project.

*The Company does not have any capital work in progress whose completion is overdue or significantly exceeded its costs compared to its original plan.

14 Long-term loans and advances

Particulars	As at 31 March 2024	As at 31 March 2023
Unsecured, Considered good		
Prepaid income tax	1,539.15	390.97
	1,539.15	390.97

15 Other non-current assets

Particulars	As at 31 March 2024	As at 31 March 2023
Unsecured, considered good		
Security deposits	70.00	70.00
	70.00	70.00

16 Trade receivables

Particulars	As at 31 March 2024	As at 31 March 2023
Unsecured, considered good		
Trade receivables	35,230.16	34,902.12
	35,230.16	34,902.12

(i) Trade receivables ageing schedule (outstanding from date of transaction)

Particulars	As at 31 March 2024	As at 31 March 2023
i) Undisputed trade receivables - considered good		
Unbilled	35,230.16	34,902.12
Less than 6 months	-	-
6 months - 1 year	-	-
1-2 years	-	-
2-3 years	-	-
More than 3 years	-	-
Total	35,230.16	34,902.12

17 Cash and bank balances

Particulars	As at 31 March 2024	As at 31 March 2023
Cash and cash equivalents:		
Cash in hand	-	-
Balance with banks		
- in current accounts	14,730.62	19,533.79
- in deposit accounts (with original maturity of less than 3 months)	58,000.00	14,000.00
	72,730.62	33,533.79
Other bank balances		
- in deposit accounts (with remaining maturity of more than 3 months but less than 12 months)	16,000.00	-
	88,730.62	33,533.79

18 Short-term loans and advances

Particulars	As at 31 March 2024	As at 31 March 2023
Unsecured, considered good		
Prepaid expenses	7,218.36	6,499.41
Advances to employees	211.74	-
Advances to suppliers and service providers	1,312.33	2,328.00
	8,742.43	8,827.41

19 Other current assets

Particulars	As at 31 March 2024	As at 31 March 2023
Unsecured, considered good		
Interest accrued on bank deposits	347.70	21.41
Other receivables*	12,766.45	228.58
Security deposits	-	55,000.00
	13,114.15	55,249.99

* Receivable from related parties Rs. 12,766.45 (31 March 2023: Rs. 201.08) (Refer note 29)

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20 Revenue from operations

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2022
Sale of electricity	4,08,887.80	3,48,513.14
	4,08,887.80	3,48,513.14

21 Other income

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Interest income on bank deposits	3,204.13	2,038.97
Management service fees	12,127.10	-
Foreign exchange gain (net)	131.32	-
Profit on sale of property, plant and equipment (net)	-	10.12
Miscellaneous income	-	191.69
	15,462.55	2,240.78

22 Employee benefits expense

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Salaries, wages and bonus	27,458.51	19,178.98
Contributions to provident and other funds	1,042.97	850.36
Staff welfare expenses	9.50	248.81
	28,510.98	20,278.15
Less: Amount transferred to capital work-in-progress	-	(2,647.33)
	28,510.98	17,630.82

23 Finance costs

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Interest on borrowings	1,88,109.32	1,82,696.73
Other borrowing costs*	94,192.05	14,979.48
Interest on delayed payment of statutory dues	-	38.86
	2,82,301.37	1,97,715.07
Less: Amount transferred to capital work-in-progress	-	(32,728.66)
	2,82,301.37	1,64,986.41

*Other borrowing costs includes Rs. 4,30,59.05 thousand (31 March 2023 Rs. Nil thousand) pertaining to prior year.

24 Other expenses

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Legal and professional fees	2,027.69	5,004.45
Auditor's remuneration (refer note 26)	621.70	733.60
Retainership and business support expenses	58,259.73	54,018.20
Travelling and conveyance	4,165.77	5,064.73
Rates and taxes	2,373.10	2,710.28
Power and fuel expense	5,583.51	4,626.37
Foreign exchange loss (net)	-	22,769.72
-Operation and maintenance services	16,404.09	9,308.78
-Office maintenance	821.37	1,105.93
-Others	3,793.16	4,768.31
Insurance	5,927.43	5,147.93
Rent	767.61	-
Meetings and seminar expenses	90.39	275.54
Miscellaneous expenses	534.83	671.40
	1,01,370.38	1,16,205.24
Less: Amount transferred to capital work-in-progress	-	(16,206.92)
	1,01,370.38	99,998.32

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25 Contingent liabilities and commitments

Contingent liabilities

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

Commitments

There are no pending commitments pending to be executed with respect to capital work in progress.

26 Auditors' remuneration (including goods and services tax)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
(a) Statutory audit	590.00	590.00
(b) Tax audit	30.00	118.00
(c) Others (including reimbursement)	1.70	25.60
	621.70	733.60

27 Earnings / (loss) per share

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
(a) Net loss attributable to equity shareholders	(1,13,456.70)	(5,11,723.49)
(b) Weighted average number of equity shares of Rs 10 each outstanding for computing earnings per share	8,76,92,308	8,56,81,771
(c) Weighted average number of equity shares of Rs 10 each outstanding for computing diluted earnings per share	8,76,92,308	8,56,81,771
(e) Basic earnings / (loss) per share	(1.29)	(5.97)
(f) Diluted earnings / (loss) per share*	(1.29)	(5.97)

* Potential equity shares as at 31 March 2024 and 31 March 2023 are anti-dilutive therefore, effects of anti-dilutive equity shares are ignored for calculating diluted earning per share.

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Nellai Renewables Private Limited
Notes to the financial statements for the year ended 31 March 2024

(All amounts in Thousand Rupees unless otherwise stated)

28 Employee benefits
Defined contribution plans

The Company makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards provident fund, which is a defined contribution plan. The Company has no obligations other than to make the specified contributions. The contributions are charged to the statement of profit and loss. The amount recognised as expense towards contribution to provident fund for the year aggregates to Rs. 1,042.97 thousands (Previous year: Rs. 850.36 thousands).

Defined benefit plans

In accordance with applicable Indian laws, the Company provides for gratuity, a defined benefit retirement plan (Gratuity Plan). The Gratuity plan provides a lump sum payment to vested employees, at retirement or termination of employment, an amount based on the respective employee's last drawn salary and the years of employment with the Company.

A. The following tables sets out the status of the gratuity amounts recognised in the Company's financial statements as at 31 March 2024

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Obligations at the beginning of the year	1,890.69	1,211.56
Current service cost	638.59	474.17
Interest cost	139.72	87.96
Actuarial loss	453.88	228.07
Benefits paid	-	(111.07)
Amount transferred to affiliate Company	(197.46)	-
Obligation at the year end	2,925.42	1,890.69
(i) Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Present value of defined benefit obligation	2,925.42	1,890.69
Net asset / (liability) recognised in the balance sheet	2,925.42	1,890.69
Current	95.56	52.26
Non-current	2,829.86	1,838.43
(ii) Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Expense recognized in statement of profit and loss		
Current service cost	638.59	474.17
Interest cost	139.72	87.96
Net actuarial (gain)/ loss recognized in the year	453.88	228.07
Expenses recognized in the statement of profit and loss	1,232.19	790.20
Actuarial assumptions		
Discount factor (see note below)	7.25%	7.39%
Salary increase (see note below)	10%	10%
Retirement age	65 Years	65 Years
Mortality table	IALM (2012-14)	IALM (2012-14)
Withdrawal rate		
Ages	Withdrawal rate (%)	
Up to 30 years	0.00	0.00
From 31 to 44 years	10.00	10.00
Above 44 years	0.00	0.00
Sensitivity analysis of the defined benefit obligation		
a) Impact of the change in discount rate		
Present value of obligation at the end of the period	2,925.42	1,890.69
Impact due to increase of 0.50%	(245.25)	(160.44)
Impact due to decrease of 0.50 %	274.21	180.33
b) Impact of the change in salary increase		
Present value of obligation at the end of the period	2,925.42	1,890.69
Impact due to increase of 0.50%	265.67	174.84
Impact due to decrease of 0.50 %	(240.45)	(157.43)

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Nellai Renewables Private Limited

Notes to the financial statements for the year ended 31 March 2024

(All amounts in Thousand Rupees unless otherwise stated)

Experience history

Particulars	As at 31 March 2024	As at 31 March 2023
Present value of obligation at the end of the year	2,925.42	1,890.69
Surplus/(Deficit)	2,925.42	1,890.69
Experience adjustment on plan liabilities	(412.04)	(248.97)
Experience adjustment on plan assets	-	-

The principal assumptions are the discount rate and salary growth rate. The discount rate is generally based upon the yields available on the Government securities as at the balance sheet date for the estimated term of obligations.

The estimates of future salary increases considering inflation, seniority, promotion and other relevant factors.

Amount for the current and previous three years are as follows:-

Gratuity:

Description	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
Defined benefits obligations	2,925.42	1,890.69	1,211.56	-
Experience adjustments on plan liabilities loss	412.04	248.97	-	-

B. Compensated absences

For determination of the compensated absences liability of the Company, the following actuarial assumptions were used:

Description	For the year ended 31 March 2024	For the year ended 31 March 2023
Discount rate	7.25%	7.39%
Future salary increase	10%	10%
Mortality table	IALM 12-14	IALM 12-14

Withdrawal rate

Ages	Withdrawal rate (%)	Withdrawal rate (%)
Up to 30 years	0.00	0.00
From 31 to 44 years	10.00	10.00
Above 44 years	0.00	0.00

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29 Related parties

(i) Relationships

- (a) Name of related parties where control exists
- Statkraft AS (Ultimate Holding Company)
 - Statkraft IH Holding AS, (Holding Company)
- (b) Other related parties with whom transactions have taken place during the year (Parties under common control)
- Statkraft India Private Limited
 - Statkraft Markets Private Limited
 - Statkraft UK Ltd
 - Statkraft Energy AS
 - East Laois Solar Farm
 - Clonfad Solar
 - Statkraft Ireland Ltd
 - Khidrat Renewable Energy Private Limited
 - Mandakini Jal Urja Private Limited (formerly known as "Lanco Mandakini Hydro Energy Private Limited")
 - Vishnupriya Farms Private Limited
 - Solarcentury Holdings Ltd
 - Statkraft Sverige AB
 - Statkraft Holding Singapore Pte Limited
 - Tidong Power Generation Private Limited
 - Foxtrot Solar Renewables Energy Private Limited
 - Cannice Renewables Energy Private Limited
 - SK Development Spain
 - Statkraft Germany GmbH
 - Surya Manthan Renewable Energy Private Limited
- (c) Key management personnel:
- | | |
|----------------------------------|--|
| Sanjeev Mehra | : Director (till 05 April 2024) |
| Mr. Alfio Edwin Gutierrez Boudri | : Director (with effect from 28 April 2023) |
| Rahul Varshnev | : Director (with effect from 23 March 2023 till 10 April 2024) |
| Tima Iyer Utne | : Director (with effect from 23 March 2023) |
| Gauri Shankar Mishra | : Director (till 05 April 2024) |
| Pradeep Kumar Yadav | : Director (till 23 March 2023) |

(ii) Transactions with related party during the year

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
- Statkraft IH Holding AS		
Issue of share capital	-	2,04,923.08
- Statkraft India Private Limited		
Retainership and business support expenses	27,652.88	29,241.60
Loan received	-	3,78,000.00
Management service income	25.06	-
Finance costs	39,305.99	35,117.65
- Statkraft Market Private Limited		
Retainership and business support expenses	4,333.99	2,644.57
Loan paid	-	(1,94,945.00)
Management service income	1,111.17	-
Finance costs	-	1,944.32
- Statkraft AS		
Repair and maintenance expense	-	4,048.43
Retainership and business support expenses	19,879.15	10,643.08
Reimbursement of expenses	1,736.51	-
Management service income	648.43	93.95
Guarantee fees	94,191.68	14,979.48
- Statkraft UK Ltd		
Retainership and business support expenses	308.01	269.89
- Statkraft Energy AS		
Retainership and business support expenses	2,728.24	502.98
- East Laois Solar Farm		
Retainership and business support expenses	-	1.59
Management service income	-	88.86
- Clonfad Solar		
Retainership and business support expenses	-	1.59
Management service income	-	7.30
- Statkraft Ireland Ltd		
Management service income	-	201.08
- SK Development Spain		
Retainership and business support expenses	162.99	-
- Mandakini Jal Urja Private Limited		
Retainership and business support expenses	62.26	-
Management service income	1,989.53	-
- Statkraft Germany GmbH		
Retainership and business support expenses	36.83	-
- Tidong Power Generation Private Ltd		
Retainership and business support expenses	72.95	-
Management service income	29.23	-
- Statkraft Holding Singapore Pte Ltd		
Management service income	39.92	-
- Cannice Renewables Energy Private Limited		
Management service income	706.57	-

Transactions with related party during the year (cont'd)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
- Foxtrot Solar Renewables Energy Private Limited		
Management service income	10.78	-
- Khidrat Renewable Energy Private Limited		
Management service income	5,566.29	-
- Sourya Manthan Renewable Energy Private Limited		
Management service income	10.78	-
- Vishnupriya Farms Private Limited		
Management service income	252.85	-

(iii) Related party closing balances as at the balance sheet date

Particulars	As at 31 March 2024	As at 31 March 2023
(a) Trade payables		
- Statkraft India Private Limited	7,367.79	13,525.30
- Statkraft AS	5,196.54	2,300.95
- Statkraft UK Ltd	268.11	61.55
- Solarcentury Holdings Ltd	-	37.05
- Statkraft Market Private Limited	905.68	1,886.56
- Statkraft Energy AS	893.10	452.69
- Tidong POWER Generation private LTD	66.77	-
- Mandakini Jal Urja Pvt. Ltd.	56.98	-
- SK Development Spain	124.31	-
- Statkraft Germany GmbH	28.09	-
(b) Interest accrued on borrowing		
- Statkraft India Private Limited	2,996.28	2,996.00
(c) Guarantee fee payable		
- Statkraft AS	64,904.38	-
(d) Other current liabilities		
- Statkraft India Private Limited	-	22,096.72
- Statkraft AS	-	2,555.87
- Statkraft Sverige AB	-	36.41
- Solarcentury Holdings Ltd	-	1,110.47
- Statkraft Market Private Limited	-	969.58
(e) Short term borrowings		
- Statkraft India Private Limited	3,78,000.00	3,78,000.00
(f) Employee recovery receivable		
- Statkraft Ireland Ltd	-	201.08
- Statkraft AS	1,736.51	-
(g) Other recoverables		
- Khidrat Renewable Energy Private Limited	6,046.15	-
- Mandakini Jal Urja Private Limited	2,154.09	-
- Statkraft Markets Private Limited	1,200.07	-
- Cannice Renewables Energy Private Limited	773.90	-
- Vishnupriya Farms Private Limited	273.08	-
- Statkraft Ireland Limited	201.08	-
- Statkraft AS	200.85	-
- Statkraft India Pvt. (Delhi)	82.76	-
- Statkraft Holding Singapore Pte Limited	43.11	-
- Tidong Power Generation Private Limited	31.57	-
- Foxtrot Solar Renewables Energy Private Limited	11.64	-
- Sourya Manthan Renewable Energy Private Limited	11.64	-
(h) Guarantee taken for borrowings		
- Statkraft AS	21,99,838.74	21,99,838.74

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30 Foreign currency exposure

The Company has unhedged foreign currency exposure as below:

(In thousands)

Particulars	As at 31 March 2024 (In foreign currency)	As at 31 March 2024 (In Indian rupees)	As at 31 March 2023 (In foreign currency)	As at 31 March 2023 (In Indian rupees)
GBP	2.54	266.42	12.05	1,209.07
NOK	2,809.67	21,592.32	657.13	5,246.07
SEK	-	-	4.15	36.41
EUR	1.83	164.58	-	-
USD	587.65	49,013.11	34.64	2,643.30

Note: There has been no imports during the year ended 31 March 2024 (Rs. Nil thousands 31 March 2023).

31 Segment reporting

Based on guiding principles in the Accounting Standard 17 - "Segment Reporting" ('AS-17'), the primary business segment of the Company is to develop, finance, invest, build, install, own and operate electricity generating stations in India based on solar technology having installed capacity of 55 MW for private industrial, commercial or other customers. Further, the Company operates only in India and, hence, it is construed that the Company has only a single geographical segment. Since the Company has a single business segment and a single geographical segment, disclosures pertaining to the primary and secondary segments as per AS-17 have not been presented.

32 Expenditure in foreign currency (on accrual basis)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Retainership and business support expenses	23,115.22	11,554.80
Repairs and maintenance expense	-	4,048.43
Guarantee fees	94,191.68	14,979.48
	1,17,306.90	30,582.71

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33 Analytical ratios

Ratio	Measurement Unit	Formula	31 March 2024	31 March 2023	Variance	Remarks
Current ratio	Times	Current assets / Current liabilities	0.06	1.32	-95%	Refer Note A below.
Debt equity ratio	Times	Total debt / Shareholder's equity	15.94	9.37	70%	Refer Note B below.
Debt Service Coverage Ratio	Times	Earnings available for debt service (profit before tax - depreciation - interest on borrowings) / Debt service	1.04	1.37	24%	Refer Note C below.
Return on equity ratio	Percentage	Net profits after taxes - Preference dividend (if any) / Average shareholder's equity	-52%	-130%	60%	Refer Note B below.
Return on Investment	Percentage	Interest income on bank deposits / Bank deposits	4%	15%	71%	Refer Note D below.
Trade receivables turnover ratio	Times	Net sales / Average accounts receivable	11.66	19.97	42%	Refer Note E below.
Trade payables turnover ratio	Times	Net purchases (other expenses) / Average trade payables	4.08	2.44	-67%	Refer Note F below.
Net capital turnover ratio	Times	Net sales / working capital	(0.19)	10.89	102%	Refer Note G below.
Net profit ratio	Percentage	Net profit after tax / Net sales	-28%	-147%	81%	Refer Note E below.
Return on capital employed	Percentage	Earning before interest and taxes / Capital employed (Shareholder's fund + borrowing (Long term and short term))	6%	-12%	151%	Refer Note H below.

Notes:

- A** The change in ratio is due to increase in current liabilities on account of reclassification of borrowing from long term to short term as per the repayment schedule.
- B** The change in ratio on account of losses incurred during the year due to which the shareholder's equity has decreased.
- C** The change in ratio is less than 25% as compared to previous year and hence, no explanation required to be furnished.
- D** The change in ratio is due to fixed deposits increased close to year end due to which interest income has not increased proportionately.
- E** The change in ratio on account of increase in revenue from operation due to the plant being operational throughout the year.
- F** The change in ratio on account of change in average of account payable during the current year .
- G** The change in ratio on account of decrease in working capital during the year .
- H** The increase is on account of increased earnings due to the plant being operational throughout the year.

(This space has been intentionally left blank)

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

35 Additional disclosures

- (i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.
- (ii) The Company does not have any transactions with struck off companies.
- (iii) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (iv) The Company has not advanced or loaned or invested funds to any other persons or entities, including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- (v) The Company has not received any fund from any persons or entities, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
- (vi) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.
- (vii) The Company has not been declared as wilful defaulter by any bank or financial institution or other lender and the Company has used the fund raised from borrowings from banks and financial institutions for the purpose for which it was taken.
- (viii) The Company does not have any charges or satisfaction which is yet to be registered with Registrar of Companies beyond the statutory period.

36 During the year ended 31 March 2024, the Company has incurred net loss of Rs. 1,13,456.70 thousands (31 March 2023: Rs. 5,11,723.49 thousands) and as at 31 March 2024, the Company has an accumulated losses of Rs. 7,15,213.74 thousands (31 March 2023: Rs. 6,01,757.04 thousands). Additionally, the current liabilities of the Company as at 31 March 2024 exceed its current assets by Rs. 21,98,082.19 thousands (31 March 2023, current assets position of Rs. 32,026.89 thousands) on account of repayments of borrowings to external lenders which are due within the next 12 months. However, the Company has a positive net worth of Rs. 1,61,709.34 thousands (31 March 2023: Rs. 2,75,166.04 thousands) along with positive EBITDA amounting to Rs. 2,94,468.99 thousands (31 March 2023: Rs. 2,33,124.78) thousands) and cash flows from operations amounting to Rs. 4,16,141.13 thousands (31 March 2023: Rs. 3,15,797.30 thousands). The ultimate holding company, Statkraft AS has provided stand by letter of credit for the aforesaid outstanding borrowings which are due in 12 months from the balance sheet date and the Company is in negotiations with other lenders for refinancing its existing facilities and is confident that such refinancing will be completed. Accordingly, basis these factors and the future business projections, the Company will be able to meet its commitments for the next one year. Therefore, the Company's management believes that the Company will be able to generate positive cash flows and discharge its liabilities as and when it falls due for payment in the normal course of business and accordingly, the going concern basis of accounting is considered appropriate.

37 The Ministry of Corporate Affairs (MCA) has prescribed a new requirement for companies under the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 inserted by the Companies (Accounts) Amendment Rules 2021 requiring companies, which uses accounting software for maintaining its books of account, shall use only such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled.

The Company, in respect of financial year commencing on 1 April 2023, has used accounting software for maintaining its books of account which have the feature of recording audit trail (edit log) and the same have been operated throughout the year for all relevant transactions recorded in the software except for the following instances:

- (i) The audit trail feature was not enabled at the database level for the accounting software to log any direct data changes, used for maintenance of all accounting records by the Company. Management is in the process of implementing audit trail at database level and is testing the impact of such implementation on its system.
- (ii) The accounting software used for maintenance of employee information and timesheet records did not capture the details of when changes were made i.e., timestamp and what changes were made i.e., old and new values. Further, this accounting software is operated by a third-party software service provider. In the absence of any information on existence of audit trail (edit logs) for any direct changes made at the database level in the 'Independent Service Auditor's Assurance Report on the Description of Controls, their Design and Operating Effectiveness' ('Type 2 report' issued in accordance with ISAE 3402, Assurance Reports on Controls at a Service Organization), does not provide any information on existence of audit trail (edit logs) for any direct changes made at the database level.

38 The Company has established a comprehensive system of maintenance of information and documents as required by the transfer pricing legislation under Sections 92-92F of the Income-tax Act, 1961. Since the law requires existence of such information and documentation to be contemporaneous in nature, the Company is in the process of updating the documentation for the international transactions entered into with the associated enterprises during the financial year and expects such records to be in existence latest by such date as required under law. Based on the transfer pricing assessment done by the management for current year, the management is of the opinion that its international transactions are at arm's length and the transfer pricing legislation under Section 92-92F of the Income-tax Act, 1961 will not have any impact on the financial statements.

39 Previous year figures have been regrouped/reclassified, wherever necessary, to confirm to this year's classification provided such classifications are not material.

These are the notes to the financial statements referred to in our report of even date.

For Walker Chandio & Co LLP
 Chartered Accountants
 Firms Registration Number: 001076N/N500013

For and on behalf of the Board of Directors of
Nellai Renewables Private Limited
 CIN : U40108DL2020PTC363557

Kartik Gogia
 Partner
 Membership No: 512371

Tima Iyer Utne
 Director
 DIN:06839949

Alfio Edwin Gutierrez Boudri
 Director
 DIN:10138104

Place : Gurugram
Date : 06 September 2024

Place : New Delhi
Date : 06 September 2024

Place : New Delhi
Date : 06 September 2024

Nishtha Sachdeva
 Company Secretary
 Membership No.: 71511

Place : New Delhi
Date : 06 September 2024

LIST OF DIRECTORS AS ON 31ST MARCH, 2024

Sl. No.	Name of Directors	DIN	Date of Appointment	Address	Designation
1.	Mr. Sanjeev Mehra	02626778	05.05.2020	523, Abhinav Apartment, B-12 Vasundhara Enclave, Delhi -110096	Director
2.	Ms. Tima Iyer Utne	06839949	23.03.2023	Moller Vei, 21 B, Hovik, Norway 1363	Director
3.	Mr. Rahul Varshney*	03516721	23.03.2023	601, Tower-7, Lotus Boulevard Sector-100, Noida, Uttar Pradesh, India, 201304	Director
4.	Mr. Gauri Shankar Mishra*	08739236	05.05.2020	Great Value Sharanam, Flat No. 1901, Tower L, Near Pathway School, Sector 107, Noida, Uttar Pradesh - 201301	Director
5.	Mr. Alfio Edwin Gutierrez Boudri*	10138104	28.04.2023	Statkraft India Private Limited 401, D-1, Salcon Rasvilas Building New Delhi, India - 110017	Director

* Mr. Sanjeev Mehra and Mr. Gauri Shankar Mishra resigned from their position as Directors of the Company with effect from 5th April, 2024 and Mr. Rahul Varshney resigned from his position as Director of the Company with effect from 10th April, 2024.

**Certified True Copy
For Nellai Renewables Private Limited**

**Sd/-
Nishtha Sachdeva
Company Secretary
Membership No. 71511
Address: 66-A C-7 Lawrence Road
Keshav Puram, New Delhi-110035**

