



INDEPENDENT AUDITORS' REPORT

To the Members of ADVETA POWER PRIVATE LIMITED

Report on the Financial Statements

Opinion

We have audited the accompanying standalone Ind AS financial statements of **ADVETA POWER PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss (including other comprehensive income), Statement of Cash Flows and the statement of changes in equity for the year then ended, and a summary of significant accounting policies and other explanatory information. (collectively referred to as "Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) 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 Ind AS Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the 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 audit opinion on the Ind AS financial statements.

Key Audit Matters

We have determined that there are no key audit matters to communicate in our report.

Other Information

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

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

In connection with our audit of the Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. We have nothing to report in this regard.



Management's Responsibility for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act 2013 with respect to preparation of these Ind AS financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (financial performance including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards (Ind AS) prescribed under Section 133 of The Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibility for the Audit of the Ind AS Financial Statements

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

We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Ind AS financial statements are free from material misstatement.

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

- Identify and assess the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.



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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016, ("the order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we enclose in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the said order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Cash Flow and Statement of changes in equity dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified in Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021, from being appointed as a director in terms of section 164 (2) of the Act.



- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these Ind AS financial statements and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position;
 - ii. The Company did not have any material foreseeable losses on long term contracts including derivatives contracts.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For K.K. GARG & ASSOCIATES
Chartered Accountants
FRN: 010909N



(K. K. Garg)
Proprietor
M. No.: 089374

Place : New Delhi
Dated: 29.05.2021
UDIN : 21089374AAAABP1435

RE. : ADVETA POWER PRIVATE LIMITED

Annexure `A' to the Auditors' Report

ENCLOSURE TO AUDITORS' REPORT PURSUANT TO THE
COMPANIES (AUDITOR'S REPORT) ORDER'2016 UNDER
SECTION 143(11) OF COMPANIES ACT,2013.

- i. The company does not have fixed assets. Therefore, clause (i) of the para 3 of the order is not applicable to the Company.
- ii. The company does not have inventory of goods. Therefore, clause (ii) of the para 3 of the order is not applicable to the Company.
- iii. As per information & explanation given to us and the records before us, the company has not granted, secured or unsecured loans to companies, firms, Limited Liability partnerships and other parties covered in the register maintained under section 189 of the Companies Act'2013. Therefore the provisions of clause (iii) of the para 3 of the order are not applicable.
- iv. As per information & explanation given to us and the records before us, the company has not given any loan or guarantee, has not made any investment and has not provided any security. Therefore the provisions of clause (iv) of the para 3 of the order are not applicable.
- v. As per information & explanation given to us and the records before us, the company has not accepted any deposits from public.
- vi. The company is in the implementation stage. Therefore, clause (vi) of the para 3 of the order is not applicable to the Company.
- vii.a) According to the information and explanations given to us and as per records examined by us, the company is generally regular in depositing undisputed statutory dues including Income Tax, Cess and any other statutory dues applicable to it, with the appropriate authorities. As per information and explanations given to us the provisions of Provident Fund, Employee's State Insurance, Sales Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax were not applicable to the Company during the year. There are no arrears of undisputed statutory dues outstanding for a period of more than six months from the date on which they become payable.
- b) According to the information and explanations given to us and as per our verification of the records of the company, there are no dues of Income Tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax or Cess, which have not deposited on account of any dispute.



- viii. The company does not have any loans or borrowings from any financial institution, banks, government or debenture holders during the year. Therefore, clause (viii) of the para 3 of the order is not applicable to the Company.
- ix. The company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Therefore, clause (ix) of the para 3 of the order is not applicable to the Company.
- x. Based upon the audit procedures performed and as per information and explanations given by the management, we report that no fraud by the company or any fraud on the Company by its officers or employees has been noticed or reported during the course of our audit.
- xi. The company is a private limited company; as such provisions of section 197 of the Act are not applicable on company. Therefore, clause (xi) of the para 3 of the order is not applicable to the Company.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Therefore, clause (xii) of the para 3 of the order is not applicable to the Company.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with section 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards. As, the company is a private limited company; provisions of section 177 of the Act are not applicable on company
- xiv. According to the information and explanations given to us and based on our examination of the records of the company, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.



- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For K.K. GARG & ASSOCIATES
Chartered Accountants
(FRN-010909N)



Place : New Delhi
Dated:: 29.05.2021

A handwritten signature in blue ink, appearing to be "K. K. Garg", written in a cursive style.

(K. K. Garg)
Proprietor
(M.No.-089374)

RE. : ADVETA POWER PRIVATE LIMITED

Annexure - 'B' to the Auditors' Report

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of

Section 143 of the Companies Act, 2013 ("the Act")

We have audited the Internal financial controls over financial reporting of Adveta Power Private Limited ("the Company") as of March 31, 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

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

AUDITORS' RESPONSIBILITY

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

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

We believe that the audit evidences we have obtained are sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.



MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

- i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- iii) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

OPINION

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For K.K. GARG & ASSOCIATES
Chartered Accountants
(FRN-010909N)



(K. K. Garg)
Proprietor
(M.No.-089374)

Place : New Delhi
Dated :29.05.2021

Adveta Power Private Limited
Balance Sheet as at March 31, 2021

	Note No.	As at March 31, 2021	As at March 31, 2020
Assets			
Non-current assets			
a) Capital work-in-progress	3	29,136,549	29,136,549
b) Intangible assets under development	4	13,187	13,187
c) Deferred tax assets (net)		-	-
Total non-current assets		29,149,736	29,149,736
Current assets			
a) Financial assets			
(i) Cash and cash equivalents	5	100,735	102,830
b) Other current assets	6	51,828	37,139
Total current assets		152,563	139,969
Total Assets		29,302,299	29,289,705
Equity and Liabilities			
Equity			
a) Equity share capital	7	1,800,000	1,800,000
b) Other equity	8	(1,180,238)	(1,095,832)
Total equity		619,762	704,168
Liabilities			
Current liabilities			
a) Financial liabilities			
(i) Borrowings	9	25,701,380	25,701,380
(ii) Trade payables due to:	10		
Micro and Small Enterprise		-	-
Other than Micro and Small Enterprise		2,962,657	2,867,657
(iii) Other financial liabilities	11	17,000	15,000
b) Other current liabilities	12	1,500	1,500
Total current liabilities		28,682,537	28,585,537
Total Equity and Liabilities		29,302,299	29,289,705

Summary of significant accounting policies

The accompanying notes (1-30) are an integral part of the financial statements.
This is the Balance sheet referred to in our report of even date

K.K. Garg & Associates

Firm registration number: 10909N
Chartered Accountants



Per K.K. Garg

Proprietor

Membership No. 089374

**For and on behalf of the Board of Directors
of Adveta Power Private Limited**

Dr. Rajesh Jain

Director

DIN: 00013053

Ankesh Jain

Director

DIN: 03556647

Place - New Delhi

Date - May 29, 2021

Adveta Power Private Limited**Statement of Profit and Loss for the year ended March 31, 2021**

			(Amount in Rs.)
	Note No.	For the year ended March 31, 2021	For the year ended March 31, 2020
Income			
Revenue		-	-
Other income		-	-
Total income		-	-
Expenses			
Employee benefits expense		-	-
Finance costs	13	236	-
Depreciation and amortisation expense		-	-
Other expenses	14	84,170	127,949
Total expenses		84,406	127,949
Loss before exceptional items and tax		(84,406)	(127,949)
Exceptional items			
Loss before tax		(84,406)	(127,949)
Tax expense			
Current tax		-	-
Deferred tax (credit)/charge		-	-
Total tax expense		-	-
Loss for the year		(84,406)	(127,949)
Other comprehensive income			
<u>Items that will not be reclassified to Profit or Loss</u>			
Remeasurements of net defined benefit plans			-
Tax on above Items			-
Total other comprehensive income			-
Total comprehensive income for the year		(84,406)	(127,949)
Earning per equity share of Rs. 10 each:	15		
Basic earning per equity share (in Rs.)		(0.47)	(0.71)
Diluted earning per equity share (in Rs.)		(0.47)	(0.71)

Summary of significant accounting policies

The accompanying notes (1-30) are an integral part of the financial statements.
This is the Statement of Profit and Loss referred to in our report of even date

K.K. Garg & Associates

Firm registration number: 10909N

Per K.K. Garg

Proprietor

Membership No. 089374

**For and on behalf of the Board of Directors
of Adveta Power Private Limited**
Dr. Rajesh Jain

Director

DIN: 00013053

Ankesh Jain

Director

DIN: 03556647

Place : New Delhi

Date - May 29, 2021

Adveta Power Private Limited**Cash flow statement for the year ended March 31, 2021**

	For the year ended March 31, 2021	For the year ended March 31, 2020
A. Cash Flow from operating activities		
Loss before tax	(84,406)	(127,949)
Adjustment for		
Depreciation and amortisation expenses	-	-
Interest income	-	-
Operating profit before working capital changes	(84,406)	(127,949)
Movement in working capital		
Trade receivable	-	-
Other assets	(14,689)	(14,895)
Trade payable	97,000	237,152
Other financial liabilities	-	-
Other liabilities	-	(145,453)
Cash flow from operating activities post working capital changes	(2,095)	(51,145)
Income tax (paid)/refund (net)	-	-
Net cash flow from operating activities (A)	(2,095)	(51,145)
B. Cash flow from investing activities		
Purchase of property, plant and equipment & intangible assets (including capital advances)	-	-
Interest received	-	-
Net cash flow flow used in investing activities (B)	-	-
C. Cash flow from financing activities		
Proceeds from long term borrowings	-	-
Repayment of short term borrowings	-	-
Net cash flow flow used in financing activities (C)	-	-
Increase in net cash and cash equivalents (A+B+C)	(2,095)	(51,145)
Cash and cash equivalents at the beginning of the year (refer note 10)	102,830	153,975
Cash and cash equivalents at the end of the year (refer note 5)	100,735	102,830

Summary of significant accounting policies

The accompanying notes (1-30) are an integral part of the financial statements.

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

For K.K. Garg & Associates

Firm registration number: 10909N

Chartered Accountants

**Per K.K. Garg**

Proprietor

Membership No. 089374

**For and on behalf of the Board of Directors
of Adveta Power Private Limited**
Dr. Rajesh Jain

Director

DIN: 00013053

Ankesh Jain

Director

DIN: 03556647

Place - New Delhi

Date - May 29, 2021

Adveta Power Private Limited**Statement of Changes in Equity for the year ended March 31, 2021****A. Equity share capital**

(Amount in Rs.)

Opening balance as at April 01, 2019	1,800,000
Change during the year	-
Closing balance as at March 31, 2020	1,800,000
Change during the quarter	-
Closing balance as at March 31, 2021	1,800,000

B. Other equity

(Amount in Rs.)

	Reserves & Surplus	Total
	Retained Earnings	
Balance as at April 01, 2019	(967,883)	(967,883)
Profit / (Loss) for the year	(127,949)	(127,949)
Re-measurement of defined benefit obligation	-	-
Total comprehensive income for the year ended M	(127,949)	(127,949)
Transaction with owners		
Interim dividend	-	-
Tax on dividend	-	-
Balance as at March 31, 2020	(1,095,832)	(1,095,832)
Balance as at April 01, 2020	(1,095,832)	(1,095,832)
Profit / (Loss) for the year	(84,406)	(84,406)
Re-measurement of defined benefit obligation		
Total comprehensive income for the quarter ended	(1,180,238)	(1,180,238)
Transaction with owners		
Interim dividend		
Tax on dividend		
Balance as at March 31, 2021	(1,180,238)	(1,180,238)

Summary of significant accounting policies

The accompanying notes (1-30) are an integral part of the financial statements.

This is the Statement of Changes in Equity referred to in our report of even date

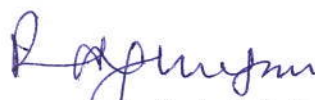
K.K. Garg & Associates

Firm registration number: 10909N


Per K.K. Garg

Proprietor

Membership No. 089374

**For and on behalf of the Board of Directors of Adveta Power Private Limited**

Dr. Rajesh Jain

Director

DIN: 00013053


Ankesh Jain

Director

DIN: 03556647

Place : New Delhi**Date :** May 29, 2021

Adveta Power Private Limited

Summary of significant accounting policies and other explanatory information to the financial statements for the year ended March 31, 2021.

1. i) Corporate information

The Company has been established with an object to engage in the business of Power generation, right from Project identification, construction and its operation to produce electricity from Renewable resources like Hydro, Solar and Wind and further supply of the same to the State Grid.

The Company has earlier been granted in-principle approval by the Government of Arunachal Pradesh, Itanagar for allotment of two Hydro Power Projects of 80 MW and 75 MW in the State of Arunachal Pradesh. The Company is planning to initiate steps to execute and revalidate the projects in upcoming years.

ii) Basis of preparation

The financial results of the Company have been prepared in accordance with Indian Accounting Standards (Ind-AS) notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended.

The financial results have been prepared on a historical cost basis except for the following assets and liabilities which have been measured at fair value or revalued amount:

- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments),
- Property, plant and equipment and intangible assets have been carried at deemed cost on the date of transition using the optional exemption allowed under Ind-AS 101.

2. Summary of Accounting Policies

a. Uses of estimates

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

b. Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

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

All other assets are classified as non-current.



Adveta Power Private Limited

Summary of significant accounting policies and other explanatory information to the financial statements for the year ended March 31, 2021.

A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

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

Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

c. Inventory

Inventories are valued as follows:

Stores, components, spares and others:

Stores, Components, & spares are valued at lower of cost or net realisable value. Cost of components, stores and spares is determined on a weighted average basis.

d. Property, Plant and Equipment

Recognition and initial measurement

Since there is no change in the functional currency, the Company has elected to continue with the carrying value for all of its Tangible/Intangible assets as recognised in its Indian GAAP financial statements as deemed cost at the transition date, viz., April 01, 2016.

Property, plant and equipment are stated at the cost of acquisition or construction less accumulated depreciation and write down for, impairment if any. Costs that are directly related to acquisition of asset are capitalized until the assets are ready to be put to use. Property, plant and equipment purchased in foreign currency are recorded at cost, based on the exchange rate on the date of purchase.

The Company identifies and determines cost of each component/ part of Property, plant and equipment separately, if the component/ part have a cost which is significant to the total cost of the Property, plant and equipment and has useful life that is materially different from that of the remaining asset.

Gains or losses arising from derecognition of Property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of Property, plant and equipment and are recognized in the statement of profit and loss when the Property, plant and equipment is derecognized. Cost of assets not ready for use at the balance sheet date is disclosed under capital work-in-progress.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate. **(Ind AS-16)**



Adveta Power Private Limited

Summary of significant accounting policies and other explanatory information to the financial statements for the year ended March 31, 2021.

Capital work-in-progress is stated at cost and not depreciated. Depreciation on capital work-in-progress commences when the assets are ready for their intended use.

e. Intangibles assets

Recognition and initial measurement

Using the deemed cost exemption available as per Ind AS-101, the Company has elected to carry forward the carrying value of intangible assets under Indian GAAP as on March 31, 2016 as book value of such assets under Ind-AS as at the transition date i.e. April 01, 2016.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method as appropriate and are treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Capital work-in-progress is stated at cost and not depreciated. Depreciation on capital work-in-progress commences when the assets are ready for their intended use.

f. Impairment of non-financial Assets

At each reporting date, the Company assesses whether there is any indication based on internal/external factors that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. 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 and the reduction is treated as an impairment loss and is recognised in the statement of profit and loss. If, at the reporting date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount. Impairment losses previously recognized are accordingly reversed in the statement of profit and loss.

g. Functional and presentation currency

The financial results are presented in Indian Rupees (INR) which is also the Company's functional currency.

Foreign Currencies

Transactions and balances

Transactions in foreign currencies are initially recorded at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.



Adveta Power Private Limited

Summary of significant accounting policies and other explanatory information to the financial statements for the year ended March 31, 2021.

h. Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability; or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

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

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

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

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

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

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

For assets and liabilities that are recognized in the financial results on a recurring basis, company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period or each case.

i. Revenue Recognition

Interest Income:

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

For all Financial Assets measured at amortised cost, interest income is recorded using the effective interest rate (EIR) i.e. the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial assets. The future cash flows include all other transaction costs paid or received, premiums or discounts if any, etc.



Adveta Power Private Limited

Summary of significant accounting policies and other explanatory information to the financial statements for the year ended March 31, 2021.

j. Financial Instruments

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

Initial recognition and measurement: - All financial assets are recognised initially at fair value and transaction cost that is attributable to the acquisition of the financial asset is also adjusted.

Subsequent measurement:-

i) Financial instruments at amortized cost – the financial instrument is measured at the amortized cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method.

ii) Financial assets at fair value through profit or loss (FVTPL) or fair value through other comprehensive income (FVOCI)

A financial asset is classified as FVTPL if it is classified as held for trading or is designated as such on initial recognition. In other cases, Company decides to classify the each financial instrument either as at FVOCI or FVTPL at initial recognition.

Financial asset

- Held-to-maturity financial assets

If Company, has positive intent and ability to hold debt securities to maturity, then such financial assets are classified as held to maturity. Held-to-maturity financial assets are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, held-to-maturity financial assets are measured at amortised cost using the effective interest method, less any impairment losses.

- Loans and receivables

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method, less any impairment losses. Loans and receivables comprise cash and cash equivalents, and trade and other receivables.



Adveta Power Private Limited

Summary of significant accounting policies and other explanatory information to the financial statements for the year ended March 31, 2021.

– Cash and Cash equivalents

Cash and cash equivalents comprise cash balances (Cash in hand, bank balances) and call deposits with maturities of three months or less from the acquisition date that are subject to an insignificant risk of changes in their fair value, and are used by the Company in the management of the short-term commitments.

– Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment

Financial liabilities

Company initially recognizes financial liabilities (including liabilities designated as at fair value through profit or loss or fair value through other comprehensive income) on the trade date, which is the date that the Company becomes a party to the contractual provisions of the instrument.

The Company derecognizes a financial liability when its contractual obligations are discharged, cancelled or expired.

Company classifies non-derivative financial liabilities into the other financial liabilities category. Such financial liabilities are recognized initially at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortized cost using the effective interest method.

k. Retirement and other employee benefits

Defined Contribution plan

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation other than the contribution payable to the provident fund. The Company recognizes contribution payable to the Provident Fund Scheme as an expense when an employee renders the related service. The Company has no obligation other than the contribution payable to the Provident Fund.

Defined benefit plans

The Company operates a defined benefit gratuity plan in India. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Remeasurements, comprising of actuarial gains and losses excluding amounts included in net interest on the net defined benefit liability are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Other Employee Benefits

Compensated absences

Liability in respect of compensated absences becoming due or expected to be availed within one year from the balance sheet date is recognised on the basis of undiscounted value of estimated amount required to be paid or estimated value of benefit expected to be availed by the



Adveta Power Private Limited

Summary of significant accounting policies and other explanatory information to the financial statements for the year ended March 31, 2021.

employees. Liability in respect of compensated absences becoming due or expected to be availed more than one year after the balance sheet date is estimated on the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method.

Other short term benefits

Expense in respect of other short-term benefits is recognized on the basis of amount paid or payable for the period during which services are rendered by the employees.

I. Provisions

General:

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of Profit and Loss net of any reimbursement.

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

m. Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period.

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

Potential ordinary shares shall be treated as dilutive when, and only when, their conversion to ordinary shares would decrease earnings per share or increase loss per share from continuing operations.

n. Leases

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



Adveta Power Private Limited

Summary of significant accounting policies and other explanatory information to the financial statements for the year ended March 31, 2021.

For arrangements entered into prior to April 01, 2016, the Company has determined whether the arrangement contain lease on the basis of facts and circumstances existing on the date of transition.

Financial Lease

Finance leases are capitalised at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Operating Lease

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

o. Taxes

Current income tax:

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

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits (Minimum alternate tax credit entitlement) and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized. Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part



Adveta Power Private Limited

Summary of significant accounting policies and other explanatory information to the financial statements for the year ended March 31, 2021.

of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

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

p. Contingent liabilities

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



Adveta Power Private Limited

Notes to the financial statements for the year ended March 31, 2021

Note 3 Capital work-in-progress

(Amount in Rs.)

Description	Amount
As at April 01, 2019	29,136,549
Add: Addition during the year	-
Less: Capitalisation during the year	-
As at April 01, 2020	29,136,549
Add: Addition during the year	-
Less: Capitalisation during the year	-
As at March 31, 2021	29,136,549

Note 4 Intangible assets under development

(Amount in Rs.)

Description	Amount
As at April 01, 2019	13,187
Add: Addition during the year	-
Less: Capitalisation during the year	-
As at April 01, 2020	13,187
Add: Addition during the year	-
Less: Capitalisation during the year	-
As at March 31, 2021	13,187

(Amount in Rs.)

	As at March 31, 2021	As at March 31, 2020
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Note 5 Cash and bank balances

Cash on hand	238	238
Balances with banks:		
Current accounts	100,497	102,592
	100,735	102,830

Note 6 Other current assets

Prepaid expenses	1,260	1,255
Balances with government authorities	50,568	35,884
	51,828	37,139



Adveta Power Private Limited

Notes to the financial statements for the year ended March 31, 2021

Note	7 Share capital	(Amount in Rs.)	
		As at March 31, 2021	As at March 31, 2020
	(a) Authorised share capital		
	(i) '200,000 (March 31, 2020: 200,000) equity shares of Rs. 10 each	2,000,000	2,000,000
	(ii) '5,000,000 (March 31, 2020: 5,000,000) preference shares of Rs. 10 each	50,000,000	50,000,000
		52,000,000	52,000,000
	(b) Issued, subscribed & paid up		
	180,000 (March 31, 2020: 180,000) equity shares of Rs.10 each fully paid up.	1,800,000	1,800,000
		1,800,000	1,800,000

(c) Terms/right attached to equity shares:

The Company has only one class of equity shares having a par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees. The dividend if any, proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. The Board of Directors has not proposed any dividend for current year and previous year.

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

(d) Reconciliation of number of equity shares

	As at March 31, 2021		As at March 31, 2020	
	No of shares	Amount	No of shares	Amount
Equity shares at the beginning of the year	180,000	1,800,000	180,000	1,800,000
Changes during the year	-	-	-	-
Equity shares at the end of the year	180,000	1,800,000	180,000	1,800,000

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

	As at March 31, 2021		As at March 31, 2020	
	No of shares	% holding	No of shares	% holding
Panacea Biotech Ltd.	90,000	50%	90,000	50%
PanEra Biotech Pvt. Ltd.	90,000	50%	90,000	50%
	180,000	100%	180,000	100%

(f) Reconciliation of 0.5% non-cumulative, non-convertible and non-participating redeemable preference shares ^

	As at March 31, 2021		As at March 31, 2020	
	No of shares	Amount	No of shares	Amount
Preference shares at the beginning of the year	2,570,138	25,701,380	2,570,138	25,701,380
Changes during the year	-	-	-	-
Preference shares at the end of the year	2,570,138	25,701,380	2,570,138	25,701,380

^ Clubbed under current borrowings. Refer note no 9

(g) Details of preference shareholders holding more than 5% of non-cumulative, non-convertible and non-participating redeemable preference shares

	As at March 31, 2021		As at March 31, 2020	
	No of shares	% holding	No of shares	% holding
PanEra Biotech Pvt. Ltd.	2,570,138	100%	2,570,138	100%

Note	8 Other equity	(Amount in Rs.)	
		As at March 31, 2021	As at March 31, 2020
	(i) Retained earnings		
	Opening balance	(1,095,832)	(967,883)
	Add: Net profit/(loss) for the current year	(84,406)	(127,949)
	Add: Remeasurements of the net defined benefit plans	-	-
	Closing balance	(1,180,238)	(1,095,832)



Adveta Power Private Limited**Notes to the financial statements for the year ended March 31, 2021**

		(Amount in Rs.)	
		As at March 31, 2021	As at March 31, 2020
Note 9	Current borrowings		
	Unsecured		
	Compound financial instrument	25,701,380	25,701,380
		25,701,380	25,701,380
Note 10	Trade payables		
	Trade payables dues to micro and small enterprises^		-
	Trade payables dues to other than micro and small enterprises	2,962,657	2,867,657
	(^ Refer note no 23)	2,962,657	2,867,657
Note 11	Other financial liabilities		
	Other Payable	17,000	15,000
		17,000	15,000
Note 12	Other current non financial liabilities		
	Statutory liabilities	1,500	1,500
		1,500	1,500
		For the year ended March 31, 2021	For the year ended March 31, 2020
Note 13	Finance costs		
	Bank charges	236	-
		236	-
Note 14	Other expenses		
	Rent for office	60,000	60,000
	Legal and professional charges	7,000	5,000
	Rates and taxes	600	3,980
	Insurance	1,570	1,580
	Travelling and conveyance expenses	-	42,389
	Payment to auditors (refer note no 20)	15,000	15,000
		84,170	127,949



Adveta Power Private Limited

Summary of significant accounting policies for the year ended March 31, 2021

15) Earnings per Share

(Amount in Rs.)

Particulars	As at March 31, 2021	As at March 31, 2020
Profit/(loss) attributable to equity shareholders	(84,406)	(127,949)
Weighted average number of equity shares	180,000	180,000
Nominal value per equity share	10	10
Earnings per equity share of Rs.10 each:		
Basic earning per equity share (in Rs.)	(0.47)	(0.71)
Diluted earning per equity share (in Rs.)	(0.47)	(0.71)

16) Contingencies and Commitments

(Amount in Rs.)

Particulars	As at March 31, 2021	As at March 31, 2020
Contingent liabilities	NIL	NIL
Capital and other commitment	NIL	NIL

17) In the opinion of the management, all the current assets, loans & advances have a value on realization in the ordinary course of business at least equal to the amount at which they are stated.

18) Estimated amount of contracts remaining to be executed on capital account, net of advances and not provided in the books are as follows:

(Amount in Rs.)

Particulars	As at March 31, 2021	As at March 31, 2020
Tangibles Assets	NIL	NIL
Intangible Assets	NIL	NIL
Total	NIL	NIL

19) Deferred Tax Liabilities/Assets (Net):

The Breakup of Deferred Tax Asset is as follows:

(Amount in Rs.)

Particulars	As at March 31, 2021	As at March 31, 2020
Deferred Tax Liabilities		
Difference in depreciation and amortization in block of fixed assets as per Income Tax Act and books of accounts	NIL	NIL
Gross Deferred Tax Liabilities	NIL	NIL
Deferred Tax Assets		
Effect of Expenditure debited to Profit and Loss Account in the current year but allowed for tax purposes in the following year	NIL	NIL
Gross Deferred Tax Assets	NIL	NIL
Net Deferred Tax (Asset) / Liability	NIL	NIL



Adveta Power Private Limited

Summary of significant accounting policies for the year ended March 31, 2021

20) Payment to Auditors includes the following:

(Amount in Rs.)

Particulars	As at March 31, 2021	As at March 31, 2020
Statutory Auditors		
- Statutory Audit Fees	15,000	15,000
- Certification Charges	-	-
Total	15,000	15,000

21) Segmental Information

Based on the identical business dealt in by the Company, which have similar risks and returns, and also the similar economic conditions under which the Company operates, the entire business has been considered as a single segment in terms of Accounting Standard – 17 on Segment Reporting issued by the Institute of Chartered Accountants of India.

22) Details of Pre-Operative Expenses relating to Fixed Assets:

(Amount in Rs.)

Particulars	As at April 01, 2020	Addition during the year	Capitalized during the year	As at March 31, 2021
Bank Charges	36,237	-	-	36,237
Books & Periodicals	5,400	-	-	5,400
Consultancy & Professional Charges	3,263,780	-	-	3,263,780
Fees & Taxes	34,149	-	-	34,149
General Expenses	30	-	-	30
Interest Paid on TDS	986	-	-	986
Interest Paid on Unsecured Loan	1,380	-	-	1,380
Labour Charges	5,15,400	-	-	5,15,400
Membership & Subscription	5,991	-	-	5,991
Meeting & Conferences	39,000	-	-	39,000
Postage	80	-	-	80
Printing & Stationery	9,362	-	-	9,362
Statutory Audit Fees	84,591	-	-	84,591
Tender Fees	50,000	-	-	50,000
Telephone & Internet	6,453	-	-	6,453
Upfront Premium and Processing Fee of the Project	23,250,000	-	-	23,250,000
Total	27,302,839	-	-	27,302,839

23) There is no due to Micro, Small & Medium Enterprise as per Micro Small and Medium Enterprise Development Act, 2006

24) Related Party Disclosure

A. List of related parties:-

a. Shareholders holding 50% stake each

1. Panacea Biotech Limited ("PBL")
2. PanEra Biotech Private Limited ("PanEra")



Adveta Power Private Limited

Summary of significant accounting policies for the year ended March 31, 2021

b. Subsidiaries/Joint Ventures (JV) of PBL

Radhika Heights Ltd. ("RHL") (Wholly-owned subsidiary ("WOS") of PBL)*;

Ravinder Heights Ltd. ("RVHL") (WOS of PBL)*;

Radicura Infra Ltd. (Indirect WOS of PBL through RHL)**;

Nirmala Buildwell Pvt. Ltd. (Indirect WOS of PBL through RHL) **;

Nirmala Organic Farms & Resorts Pvt. Ltd. (Indirect WOS of PBL through RHL) **;

Cabana Constructions Pvt Ltd. (Indirect WOS of PBL through RHL) **;

Cabana Structures Ltd. (Indirect WOS of PBL through RHL)**;

Sunanda Infra Ltd. (Indirect WOS of PBL through RHL)**;

Panacea Biotec (International) SA, Switzerland ("PBS") (WOS of PBL);

Panacea Biotec Germany GmbH ("PBG") (Indirect WOS of PBL through PBS);

Chiron Panacea Vaccines Pvt. Ltd. (Under Liquidation) (JV of PBL);

Panacea Biotec Pharma Ltd. ("PBPL") (WOS of PBL);

Meyten Realtech Private Ltd. ("Meyten") (WOS of PBL);

* Ceased to be WOS of PBL w.e.f. September 10, 2020

** Ceased to be Indirect WOS of PBL w.e.f. September 10, 2020.

c. Key Management Personnel :

Mr. Sushil Kumar Jain - Director

Dr. Rajesh Jain - Director

Mr. Ankesh Jain - Director

d. Enterprises over which person(s) having control or significant influence over the Company / Key management personnel(s) along with their relatives are able to exercise significant influence:

1. Neophar Alipro Limited

2. Lakshmi & Manager Holdings Limited ("LMH") and its subsidiaries, Trinidhi Finance Private Limited and Best General Insurance Company Limited.

3. First Lucre Partnership Co.

e. Enterprise over which PBL is exercising control in terms of IND-AS:

PanEra Biotec Private Limited (considered as Associate Company under Indian GAAP)

B. During the year, the Company had made transactions with Panacea Biotec Ltd. as follows:-

(Amount in Rs.)		
Particulars	March 31, 2021	March 31, 2020
I. Transactions made during the year		
Payment towards Lease Rent (excluding GST)	60,000	60,000
II. Year-end balances:		
Payable on account of Rent, Others, etc.	243,200	151,453

C. During the year, the Company had nil transactions with PanEra Biotec Private Limited.

- 25) The provision of payment of Gratuity Act 1972, Employee's Provident Fund and Miscellaneous Provisions Act 1952, and Employee's State Insurance Act, are not applicable to the Company and hence no provisions have been made.



Adveta Power Private Limited

Summary of significant accounting policies for the year ended March 31, 2021

27) Risk Management

A. Credit Risk

Credit risk management and Rating

The Company assesses and manages credit risk of financial assets based on following categories arrived on the basis of assumptions, inputs and factors specific to the class of financial assets.

A: Low credit risk on financial reporting date

B: Moderate credit risk

C: High credit risk

The Company provides for expected credit loss based on the following:

Asset group	Basis of categorization	Provision for expected credit loss
Low credit risk	Cash and cash equivalents, other bank balances, loans, trade receivables and other financial assets	-
Moderate credit risk	Trade receivables and other financial assets	-
High credit risk	Trade receivables	-

Based on business environment in which the Company operates, a default on a financial asset is considered when the counter party fails to make payments within the agreed time period as per contract. Loss rates reflecting defaults are based on actual credit loss experience and considering differences between current and historical economic conditions.

(Amount in Rs.)

Credit rating	Particulars	As at March 31, 2021	As at March 31, 2020
A: Low credit risk	Cash and cash equivalents, other bank balances, loans and other financial assets except trade receivables	100,735	102,830

B. Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due.

Management monitors rolling forecasts of the liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company takes into account the liquidity of the market in which the entity operates.

Contractual Maturities of financial liabilities

The tables below analyse the financial liabilities into relevant maturity groupings based on their contractual maturities.

(Amount in Rs.)

March 31, 2021	Less than and equal to 1 year	1 - 2 years	2 - 3 years	More than 3 years
Current				
i) Borrowings	25,701,380	-	-	-
ii) Trade Payables	2,962,657	-	-	-
iii) Other Financial Liabilities	17,000	-	-	-
Total	28,681,037	-	-	-



Adveta Power Private Limited

Summary of significant accounting policies for the year ended March 31, 2021

(Amount in Rs)				
March 31, 2020	Less than and equal to 1 year	1 - 2 years	2 - 3 years	More than 3 years
Current				
i) Borrowings	25,701,380	-	-	-
ii) Trade Payables	2,867,657	-	-	-
iii) Other Financial Liabilities	15,000	-	-	-
Total	28,584,037	-	-	-

Risk management

The Company's capital management objectives are

- to ensure the Company's ability to continue as a going concern
- to provide an adequate return to shareholders

The Company monitors capital on the basis of the carrying amount of equity less cash and cash equivalents as presented on the face of balance sheet. Management assesses the Company's capital requirements in order to maintain an efficient overall financing structure while avoiding excessive leverage. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of return capital to shareholders, issue new shares, or convert redeemable preference share into convertible preference shares or sell assets to reduce debt.

28) Capital Management Policies

The Company's capital management objectives are to ensure the Company's ability to continue as a going concern as well as to provide an adequate return to shareholders by pricing products and services commensurately with the level of risk.

The Company monitors capital on the basis of the carrying amount of equity plus its subordinated loan, less cash and cash equivalents as presented on the face of the statement of financial position and cash flow hedges recognized in other comprehensive income.

The Company manages its capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares. The amounts managed as capital by the Company are summarized as follows:

(Amount in Rs.)		
Particulars	As at March 31, 2021	As at March 31, 2020
Non-Current Borrowings		
Current Borrowings*	25,701,380	25,701,380
Cash and cash equivalents	100,735	102,830
Net debt	25,802,115	258,04,210
Total equity	664,762	704,168
Net debt to equity ratio	3881.4%	3664.5%

* Refer Sub-note 1

The Company is in process of executing its power projects which are expected to generate substantial cash flows in the long term. Presently the Company is exploring various options to



Adveta Power Private Limited

Summary of significant accounting policies for the year ended March 31, 2021

raise necessary capital to improve its financial position and to ensure execution of these projects.

*Sub- note 1:

Compound financial instrument

Under IND AS-109, a financial instrument should be classified by the issuer upon initial recognition as a financial liability or an equity instrument according to the substance of the contractual arrangement rather than its actual form and the definitions of financial liability and an equity instrument. Accordingly the company has classified non-cumulative non-convertible and non-participating redeemable preference shares from equity to liability.

29) Leases

Assets taken under Operating Lease Agreement:

a) The Company has taken an office space from Panacea Biotec Ltd., situated at Malpur, Baddi, Distt Solan, Himachal Pradesh, on operating lease. The Lease Agreements are generally cancellable and renewable by mutual consent on mutually agreed terms.

b) Lease payments for the year are Rs.60,000 (March 31, 2020: 60,000)

The total of minimum future lease payments under operating lease mentioned above:

Particulars	(Amount in Rs.)	
	As at March 31, 2021	As at March 31, 2020
Not later than 1 year	5,000	10,000
Later than 1 year but not later than 5 years	Nil	Nil
Later than 5 years	Nil	Nil

30) Previous year figures have been reworked, rearranged and reclassified wherever necessary to make them comparable with the current year's figures.

As per our separate report of even date attached

K.K. Garg & Associates

Firm registration number: 010909N
Chartered Accountants



Per K.K. Garg
Partner
Membership No. 089374

For and on behalf of the Board of Directors of Adveta Power Private Limited



Dr. Rajesh Jain
Director
DIN: 00013053



Ankesh Jain
Director
DIN: 03556647

Place - New Delhi
Date - May 29, 2021