

MITCON SOLAR ALLIANCE LIMITED

**Financial Statements
FY 2021- 2022**



J SINGH & ASSOCIATES (Regd.)
CHARTERED ACCOUNTANTS

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Independent Auditor's Report

To the Members of
MITCON Solar Alliance Limited

Report on the Audit of Ind AS Financial Statements

Opinion

We have audited the accompanying Ind AS financial statements of **MITCON Solar Alliance Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2022, and the Statement of Profit and Loss (including other comprehensive income), Statement of Cash Flows and Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended ("Ind AS") and the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022 , its profit, total comprehensive income and 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 Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

Other Information

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the Ind AS financial statements and our auditors' report thereon.

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

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

Management's and Board of Directors' Responsibilities for the Ind AS Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income and cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provision 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditors' Responsibilities 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 financial statements.

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

- Identify and assess the risks of material misstatements 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.

- 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 the accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of the management's use of 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 the 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.

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, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure 'A' a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- 2) As required by section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.



- (c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
- (e) On the basis of written representations received from the directors as on 31st March, 2022, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022, from being appointed as a director in terms of Section 164(2) of the Act.
- (f) 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 litigations which would impact its financial position in its Ind AS financial statements.
 - (ii) The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
 - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - (iv) The Management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:
 - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or
 - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries;
 - (v) The Management has represented, that, to the best of its knowledge and belief, as disclosed in the notes to accounts, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:
 - directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or
 - provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries; and
 - (vi) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the



representations under sub-clause (f)(iv) and (f)(v) contain any material misstatement;

- (g) The Company has neither declared nor paid any dividend during the financial year.
- (h) With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For J Singh & Associates
Chartered Accountants
(Firm Reg. No: 110266W)

SPDixit



CA. S. P. Dixit
(Partner)
(Membership No.: 041179).
UDIN : 22041179AKEERL4453
Place: Pune
Dated: 20th May, 2022.

Annexure "A" to the Independent Auditors' Report

The Annexure referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date

- (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 has maintained proper records showing full particulars of intangible assets during the year.
- 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 a regular programme of physical verification of its Property, Plant and Equipment by which all Property, Plant and Equipment are verified in a phased manner by the management at reasonable intervals; and no material discrepancies were noticed on such verification.
- c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the company.
- d) 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 revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
- e) According to the information and explanations given to us and the records examined by us, no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- (ii) a) The nature of business of the Company does not require it to have any inventory. Hence, the requirement of clause (ii) of paragraph 3 of the said 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 been sanctioned any working capital limits in excess of five crore rupees in aggregate from banks and financial institutions on the basis of security of current assets at any point of time of the year. Accordingly, clause 3(ii)(b) of the Order is not applicable to the Company.
- (iii) (a) In our opinion and according to the information and explanations given to us, The Company has not 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 or any other parties during the year, and hence sub-clauses iii (a), (d), (e), (f) under clause (iii) of the Order are not applicable.



- (b) The investments made, during the year are, prima facie, not prejudicial to the Company's interest.
- (c) In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amounts and receipts of interest are regular as per stipulation.
- (iv) In our opinion and according to information and explanations given to us, the Company has complied with provisions of Section 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposit from the public in accordance with the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.
- (vi) In our opinion and according to the information and explanations given to us, it has been explained to us that the maintenance of cost records has not been prescribed under section 148(1) of the Companies Act, 2013. Accordingly, clause 3(vi) of the Order is not applicable.
- (vii) According to the information and explanations given to us and the records of the Company examined by us, in respect of statutory dues:
- a) The Company has been generally regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Service Tax, Duty of Customs, Duty of Excise, Goods and Service Tax, Cess and other material statutory dues applicable to it to the appropriate authorities.
 - b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Goods and Service Tax, Cess and other material statutory dues in arrears as at 31st March, 2022 for a period of more than six months from the date they became payable.
 - c) There were no dues of income Tax, sales Tax, service Tax, duty of Customs and duty of excise or value added tax or goods and service Tax as at 31st March, 2022 on account of any disputes.
- (viii) According to the records of the Company examined by us and as per the information and explanations given to us, there were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.



- (ix) (a) According to the records of the Company examined by us and as per the information and explanations given to us, the Company has not defaulted during the year in repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) The Company has not taken any term loan during the year and there are no unutilised term loans at the beginning of the year and hence, reporting under clause (ix)(c) of the Order is not applicable.
- (d) On an overall examination of the Financial Statements of the Company, funds raised on short-term basis have, prima facie, not been utilised during the year for long-term purposes by the Company.
- (e) The Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries or associates during the year and hence, reporting under clause (ix)(e) of the Order is not applicable.
- (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries or associate companies.
- (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 and hence reporting under clause (x)(a) of the Order is not applicable.
- (b) The Company has not made any preferential allotment or private placement of shares or convertible debenture (fully or partly or optionally) during the year and hence reporting under clause (x)(b) of the Order is not applicable to Company.
- (xi) (a) To the best of our knowledge and according to the information and explanations given to us and based on audit procedures performed, no fraud by the Company and no fraud on the Company by its officers or employees has been noticed or reported during the year nor we have been reported of such case by the management.
- (b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) We have taken into consideration, the whistle blower complaints received by the Company during the year (and upto the date of this report) and provided to us, when performing our audit.
- (xii) According to the information and explanations given to us, the Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable to the Company.



- (xiii) To the best of our knowledge and according to the information and explanations given to us, all transactions with the related parties are in compliance with section 177 and 188 of the Companies Act, 2013, where applicable and the details of the related party transactions have been disclosed in the financial statements as required by the applicable Accounting Standards.
- (xiv) The size and nature of business of the Company does not require it to have any internal audit system. Hence, the requirement of clause (xiv)(a), (b) of paragraph 3 of the said Order is not applicable to the Company.
- (xv) To the best of our knowledge and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) (a) According to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable to the Company.
- (b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
- (d) According to the information and explanations provided to us during the course of audit, the Group does not have any CIC. Accordingly, the requirements of clause 3(xvi)(d) are not applicable.
- (xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.
- (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 accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans 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 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) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Companies Act, 2013 pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

For **J Singh & Associates**
Chartered Accountants
(Firm Reg. No: 110266W)

S.P. Dixit







CA. S. P. Dixit
(Partner)
Membership No.: 041179.
UDIN: 22041179AKEERL4453
Place: Pune
Dated: 20th May, 2022.

MITCON Solar Alliance Limited				
CIN U74999PN2018PLC176615				
Balance Sheet as at 31 March, 2022				
(All amount in rupees lakhs, unless otherwise stated)				
Particulars	Note No.	As at 31 March, 2022	As at 31 March, 2021	As at 1 April, 2020
ASSETS				
I. Non-current assets				
(a) Property, plant and equipment	3	2,409.00	2,528.26	2,648.67
(b) Capital work-in-progress		-	-	-
(c) Right-of-use assets		-	-	-
(d) Other intangible assets	4	253.43	264.99	276.55
(e) Intangible asset under development		-	-	-
(f) Financial assets				
(i) Investments	5	5.00	5.00	5.00
(ii) Loans		-	-	-
(iii) Other financial assets	6	87.58	79.62	72.30
(g) Deferred tax assets (net)	7	62.69	59.77	77.74
(h) Other non-current assets	8	0.68	0.04	0.74
		2,818.38	2,937.68	3,081.00
II. Current assets				
(a) Inventories		-	-	-
(b) Financial assets				
(i) Investments		-	-	-
(ii) Trade receivables	9	35.19	75.42	40.66
(iii) Cash and cash equivalents	10	74.82	42.93	26.05
(c) Current tax assets (net)	11	0.12	-	-
(d) Assets held for sale		-	-	-
(e) Other current assets	12	-	1.78	2.07
		110.13	120.13	68.78
Total Assets		2,928.51	3,057.81	3,149.78
EQUITY AND LIABILITIES				
Equity				
(a) Equity share capital	13	451.00	451.00	451.00
(b) Other equity	14	276.13	274.04	222.87
		727.13	725.04	673.87
Liabilities				
I. Non-current liabilities				
(a) Financial liabilities				
(i) Borrowings	15	1,984.35	2,136.57	2,273.98
(ii) Lease liabilities		-	-	-
(iii) Other financial liabilities	16	0.15	22.03	31.10
(b) Other non-current liabilities		-	-	-
(c) Deferred tax liability (net)		-	-	-
(d) Provisions	17	1.75	0.96	-
		1,986.25	2,159.56	2,305.08
II. Current liabilities				
(a) Financial liabilities				
(i) Borrowings		-	-	-
(ii) Current maturities of long-term borrowings	18	168.82	166.26	157.79
(i) Trade and other payables	19			
a) total outstanding dues of micro enterprises and small enterprises		-	-	-
b) total outstanding dues of creditors other than micro enterprises and small enterprises		41.10	5.78	11.16
(iii) Lease liabilities		-	-	-
(iii) Other financial liabilities		-	-	-
(b) Other current liabilities	20	5.22	1.15	0.64
(c) Provisions	21	-	0.02	1.24
(d) Current Tax Liabilities (net)		-	-	-
		215.14	173.21	170.83
Total Equity and Liabilities		2,928.51	3,057.81	3,149.78
Significant accounting policies				
The accompanying notes are an integral part of the financial statements.				
As per our attached report of even date 'For J Singh & Associates Chartered Accountants Firm Registration Number: 110266W		For and on behalf of the board of directors of MITCON Solar Alliance Limited		
				
S P Dixit Partner Membership Number: 041179 Place : Pune Date : 20th May 2022		HARSHAD VIJAY JOSHI Director DIN 07225599 Place : Pune Date : 20th May 2022	ANIRUDHA G SATHE Director DIN 07823335 Place : Pune Date : 20th May 2022	

MITCON Solar Alliance Limited**CIN - U74999PN2018PLC176615**

Statement of Profit and Loss for the year ended 31 March, 2022

(All amount in rupees lakhs, unless otherwise stated)

Particulars	Note No.	For the year ended 31 March, 2022	For the year ended 31 March, 2021
Income			
Revenue from operations	22	370.47	387.28
Other Income	23	8.21	9.85
Total Income		378.68	397.13
Expenses			
Purchase of Power	24	8.60	11.18
Changes in inventories of		-	-
Employee benefits expense	25	17.64	11.88
Finance costs	26	142.32	148.88
Depreciation and amortisation expense	27	130.82	132.07
Other Expenses	28	80.13	24.62
Total Expenses		379.51	328.63
Profit before exceptional items and tax		(0.83)	68.49
Exceptional items - (Expenses)/Income		-	-
Profit before tax		(0.83)	68.49
Tax expense	29	(2.92)	17.80
Current tax		-	-
Deferred tax		(2.92)	17.80
Profit for the year		2.09	50.69
Other Comprehensive Income		(0.05)	0.50
A. Other comprehensive income not to be reclassified to profit or loss in subsequent periods:		(0.05)	0.50
Re-measurement gains/(losses) on defined benefit plans		(0.07)	0.67
Income tax effect on above		0.02	(0.17)
Total comprehensive income for the year, net of tax		2.04	51.19
Earnings per equity share [nominal value per share ₹ 10/- (31 March 2022: ₹ 10/-)]	32		
Basic (In Rs.)		0.05	1.12
Diluted (In Rs.)		0.05	0.35
Significant accounting policies			
The accompanying notes are an integral part of the financial statements.			
As per our attached report of even date		For and on behalf of the board of directors of MITCON Solar Alliance Limited	
Chartered Accountants			
Firm Registration Number: 110266W			
			
S P Dixit		HARSHAD VIJAY JOSHI	ANIRUDHA G SATHE
Partner		Director	Director
Membership Number: 041179		DIN 07225599	DIN 07823335
Place : Pune		Place : Pune	Place : Pune
Date : 20th May 2022		Date : 20th May 2022	Date : 20th May 2022



MITCON Solar Alliance Limited CIN - U74999PN2018PLC176615 Statement of Cash Flow for the year ended 31 March, 2022 (All amount in rupees lakhs, unless otherwise stated)		
Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
A. Cash flow from operating activities		
Profit before Tax	(0.83)	68.49
Adjustments for:		
Depreciation and Amortisation	130.82	132.07
Loss on disposal of assets & Others		
Bad debts and Irrecoverable balances written off		0.28
Finance cost	142.32	148.88
Interest income	8.06	(7.32)
Operating profit before working capital changes	280.37	342.40
Working capital adjustments:		
(Increase)/ Decrease in loans	(16.59)	-
(Increase)/ Decrease in other financial assets	(7.96)	7.32
(Increase)/ Decrease in other assets	(0.64)	0.99
(Increase)/ Decrease in inventories		
(Increase)/ Decrease in trade receivables	40.23	(34.76)
Increase/ (Decrease) in other financial liabilities	(7.96)	8.47
Increase/ (Decrease) in provisions	(0.78)	0.27
Increase/ (Decrease) in trade and other payables	(35.32)	5.38
Increase/ (Decrease) in other liabilities		(0.51)
Cash (used in)/generated from operations	251.35	329.57
Direct taxes paid		
Net cash (used in)/from operating activities	251.35	329.57
B. Cash flow from investing activities		
Dividend Income	0.15	
Loans and deposit given to related parties		
Interest received	8.06	14.64
Net cash (used in)/from investing activities	8.21	14.64
C. Cash flow from financing activities		
Interest paid (finance cost)	(141.81)	(157.95)
Repayment of borrowing (Net)		128.93
Proceeds from issue of equity shares		
Net cash (used in)/from financing activities	(141.81)	(29.02)
Net (decrease)/increase in cash and cash equivalents (A + B + C)	117.75	315.19
Opening Cash and Cash equivalents (Refer Note 10)	42.93	26.05
Closing Cash and Cash equivalents (Refer Note 10)	74.82	42.93
Notes:		
1. Statement of cash flows has been prepared under the indirect method as set out in the Ind AS 7 "Statement of Cash Flows" as specified in the Companies (Indian Accounting Standards) Rules, 2015		
2. Expenditure on acquisition of fixed assets represents additions to property, plant and equipment and other intangible assets adjusted for movement of capital work in progress for property, plant and equipment and intangible asset under development during the year.		
3. Cash and cash equivalents included in the Statement of Cash Flows comprise the following:		
Particulars	As at 31 March, 2022	
Balance with Bank	74.82	42.93
Cash on hand	-	-
Cheques, drafts on hand	-	-
Total	74.82	42.93
As per our attached report of even date		
Chartered Accountants Firm Registration Number: 110266W		For and on behalf of the board of directors of MITCON Solar Alliance Limited
		
S P Dixit Partner Membership Number: 041179 Place : Pune Date : 20th May 2022		
		
		HARSHAD VIJAY JOSHI Director DIN 07225599 Place : Pune Date : 20th May 2022
		ANIRUDHA G SATHE Director DIN 07823335 Place : Pune Date : 20th May 2022

MITCON Solar Alliance Limited

CIN U74999PN2018PLC176615

Statement of changes in Equity for the year ended 31 March, 2022

(All amount in rupees lakhs, unless otherwise stated)

A. Share Capital (Refer Note 13)

Equity Shares of Rs 10 each issued, subscribed and fully paid	No. of Shares	Amount
As at 1-April-2020	45,10,000	451.00
Issue/(Reduction) during the year	-	-
As at 31-March-2021	45,10,000	451.00
Issue/(Reduction) during the year	-	-
As at 31-March-2022	45,10,000	451.00

B. Other Equity (Refer Note 14)

Particulars	Instruments entirely equity in nature	Reserves and Surplus			Items of OCI		Total other equity
		Securities Premium	General Reserve	Retained Earnings	FVOCI reserve	Foreign currency translation reserve	
As at 1-April-2020	-	450.00	-	(227.13)	-	-	222.87
Profit/(Loss) for the year	-	-	-	50.67	-	-	50.67
Other comprehensive income for the year	-	-	-	0.50	-	-	0.50
Premium on shares issued during the year	-	-	-	-	-	-	-
Utilised/transferred during the year	-	-	-	-	-	-	-
As at 31-March-2021	-	450.00	-	(175.96)	-	-	274.04
As at 01 April 2021	-	450.00	-	(175.96)	-	-	274.04
Preference shares issued during the year	-	-	-	-	-	-	-
Profit/(Loss) for the year	-	-	-	2.04	-	-	2.04
Other comprehensive income for the year	-	-	-	0.05	-	-	0.05
Premium on shares issued during the year	-	-	-	-	-	-	-
Utilised/transferred during the year	-	-	-	-	-	-	-
As at 31-March-2022	-	450.00	-	(173.87)	-	-	276.13

Significant accounting policies

2

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

As per our attached report of even date

For and on behalf of the board of directors
of MITCON Solar Alliance Limited

Chartered Accountants

Firm Registration Number: 110266W





S P Dixit

Partner

Membership Number: 041179

Place : Pune

Date : 20th May 2022



HARSHAD VIJAY JOSHI

Director

DIN 07225599

Place : Pune

Date : 20th May 2022



ANIRUDHA G SATHE

Director

DIN 07823335

Place : Pune

Date : 20th May 2022



MITCON Solar Alliance Limited
CIN - U74999PN2018PLC176615

Notes to the financial statements for the year ended March 31, 2022
(All amounts in Indian Rupees in lakhs, unless otherwise stated)

Note 1 Company overview

MITCON Solar Alliance Limited, incorporated on 15th May, 2018, is engaged into the business of generation of solar power. The Company is a limited company and is incorporated under the provisions of Companies Act applicable in India. The Company's Registered Office is located at 1st Floor, Kubera Chambers, Shivajinagar, Pune-411005
C.No. U74999PN2018PLC176615

Company details

The financial statements were authorised for issue in accordance with the resolution of the Board of Directors of the Company on 20th May, 2022

SIGNIFICANT ACCOUNTING POLICIES AND KEY ACCOUNTING ESTIMATES AND JUDGEMENTS SIGNIFICANT ACCOUNTING POLICIES

Note 2 POLICIES

2.1 Basis of preparation of Financial Statements

These financial statements are the separate financial statements of the Company (also called standalone financial statements) prepared in accordance with Indian Accounting Standards ('Ind AS') notified under Section 133 of the Companies Act, 2013, read together with the Companies (Indian Accounting Standards) Rules, 2015.

For all periods up to and including the year ended 31st March, 2021, the Company had prepared its financial statements in accordance with Accounting Standards notified under the Section 133 of the Companies Act, 2013, read together with Rule 7 of the Companies (Accounts) Rules, 2014 ('Previous GAAP'). Detailed explanation on how the transition from previous GAAP to Ind AS has affected the Company's Balance Sheet, financial performance and cash flows is given under Note 31.

These financial statements are the separate financial statements of the Company (also called standalone financial statements) prepared in accordance with Indian Accounting Standards ('Ind AS') notified under Section 133 of the Companies Act, 2013, read together with the Companies (Indian Accounting Standards) Rules, 2015

The financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value (refer accounting policy Note 2.3 (e) of summary of significant accounting policies regarding financial instruments). The accounting policies have been applied consistently over all the periods presented in these financial statements.

The financial statements are presented in INR in lakhs and all values are rounded to the nearest rupee, except when otherwise indicated.

2.2 Use of estimates

The preparation of financial statements in conformity with Indian Accounting Standards (IND AS) requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities, the disclosure of contingent liabilities at the date of the financial statements and reported amounts of revenues and expenses during the year. Application of accounting estimates involving complex and subjective judgements and the use of assumptions in these financial statements have been disclosed in note 38. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to financial statements.

2.3 Summary of significant accounting policies

a. Revenue recognition

Company recognizes revenue when it transfers control over a good or service to a customer i.e. when it has fulfilled all 5 steps as given by Ind AS 115. Revenue is measured at transaction price i.e. Consideration to which company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties and after considering effect of variable consideration, significant financing component. For contracts with multiple performance obligations, transaction price is allocated to different obligations based on their standalone selling price. In such case, revenue recognition criteria are applied for each performance obligation separately, in order to reflect the substance of the transaction and revenue is recognized separately for each obligation as and when the recognition criteria for the component is fulfilled.

For contracts that permit the customer to return, revenue is recognized to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur. Amounts included in revenue are net of returns, trade allowances, rebates, goods and service tax.

Sale of products

Revenue from Solar Power generation is recognised based on units generated. Revenue from sale of units generated is recognized when the Company transfers all significant risks and rewards of ownership to the buyer, while the Company retains neither continuing managerial involvement nor effective control over the units sold.

Sale of services

Revenue from services is recognized when the stage of completion can be measured reliably. Stage of completion is measured by the services performed till Balance Sheet date as a percentage of total services contracted.

Other income

Other income comprises of interest income, rental income, fair value gain on mutual funds (refer note no. 23)

Interest income

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

Dividend income

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

b. Property, plant and equipment ('PPE')

Measurement at recognition:

The company has elected to continue with the carrying value for all of its property, plant and equipment as recognised in the previous GAAP financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments in accordance with the relevant Ind AS, since there is no change in functional currency.

Property, plant and equipment are carried at the cost less accumulated depreciation and impairment losses (if any). The cost of fixed assets comprises its purchase price and other costs attributable to bringing such assets to its working condition for its intended use, including installation cost of employees capitalised.

The entire excess of sale proceeds over the net book value of fixed assets is credited to the statement of profit and loss.

Expenditure on re-conditioning, re-sitting and re-layout of machinery and equipment which do not increase the future benefits from the existing assets beyond the previously assessed standard of performance based on technical assessment, is not capitalized.

Capital work in progress and Capital advances :The cost of fixed assets not ready for their intended use before such date, are disclosed as capital work-in-progress. Indirect expenses on administration and supervision are charged to revenue. Advances given towards acquisition of fixed assets outstanding at each Balance Sheet date are disclosed as Other Non-Current Assets.

Derecognition: The carrying amount of an item of property, plant and equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the Derecognition of an item of property, plant and equipment is measured as the difference between the net disposal proceeds and the carrying amount of the item and is recognized in the Statement of Profit and Loss when the item is derecognized.

Depreciation/amortisation

Depreciation on fixed assets has been provided at the rates prescribed in Schedule II of Companies Act, 2013 on following basis:

Tangible fixed assets are depreciated on Straight line method with 1% salvage over the useful lives in accordance with Schedule II of Companies Act, 2013.

Estimated useful lives of assets are as follows:

Asset Type	Estimated useful life (in years)
Free Hold Land	-
Buildings	
Other buildings- Office premises	60 years
Plant and Machinery Includes solar panels and other equipments	25 years
Furniture and Fixtures	10 years
Office Equipments including Air Conditioners	05 years
Computers	
Computers	03 years
Electrical Installation	10 years
Intangible Assets	03 years

Freehold land is not depreciated. Leasehold land and Leasehold improvements are amortized over the period of the lease. Impairment.

Assets that have an indefinite useful life, for example goodwill, are not subject to amortization and are tested for impairment annually and whenever there is an indication that the asset may be impaired. Assets that are subject to depreciation and amortization and assets representing investments in subsidiary and associate companies are reviewed for impairment, whenever events or changes in circumstances indicate that carrying amount may not be recoverable. Such circumstances include, though are not limited to, significant or sustained decline in revenues or earnings and material adverse changes in the economic environment.

An impairment loss is recognized whenever the carrying amount of an asset or its cash generating unit (CGU) exceeds its recoverable amount. The recoverable amount of an asset is the greater of its fair value less cost to sell and value in use. To calculate value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market rates and the risk specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the CGU to which the asset belongs. Fair value less cost to sell is the best estimate of the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the cost of disposal.

Impairment losses, if any, are recognized in the Statement of Profit and Loss and included in depreciation and amortization expense. Impairment losses are reversed in the Statement of Profit and Loss only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had previously been recognized.

c. Intangible assets

The Company has elected to continue with the carrying value for all of its intangible assets as recognised in the previous GAAP financial statements as at the date of transition to Ind AS, measured as per the previous Indian GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments in accordance with the relevant Ind AS, since there is no change in functional currency.

Measurement at recognition: Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred. The useful lives of intangible assets are assessed as either finite or indefinite.

Amortisation : 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 amortisation period and the amortisation 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 amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation 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.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is

Derecognition: The carrying amount of an intangible asset is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the Derecognition of an intangible asset is measured as the difference between the net disposal proceeds and the carrying amount of the intangible asset and is recognized in the Statement of Profit and Loss when the asset is derecognized.

d. Impairment of non financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used.

Impairment losses of continuing operations are recognised in the statement of profit and loss.

For assets, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss.

e. 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.

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- > Debt instruments at amortised cost
- > Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- > Equity instruments measured at fair value through other comprehensive income (FVTOCI)
- > Debt instruments at fair value through Other Comprehensive Income (FVOCI)

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised 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 to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to loans trade receivables and other financial assets.

Debt instrument at FVTPL

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

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument by-instrument basis. The classification is made on initial recognition and is irrevocable.

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

Derecognition

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

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

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Impairment of financial assets

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

- 1) Financial assets that are debt instruments, and are measured at amortised cost e.g. deposits, loans, trade receivables, bank balance and other financial assets.
- 2) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115:

The Company follows 'simplified approach' for recognition of impairment loss allowance on Trade receivables.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime Expected Credit Losses (ECLs) at each reporting date, right from its initial recognition.

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

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The twelve-month ECL is a portion of the lifetime ECL which results from default events that are possible within twelve months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the statement of profit and loss. The balance sheet presentation for ECL on financial assets measured at amortised cost is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss; loans and borrowings; payables as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments.

Subsequent measurement

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

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR (effective interest rate) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit.

Derecognition

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

Reclassification of financial assets

Offsetting of financial instruments

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

f. 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.

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, except:

When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits 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 utilised, except:

- > When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- > In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

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 of the deferred tax asset to be utilised. Unrecognised 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 realised 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.

Sales/ value added taxes paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the amount of sales/ value added taxes paid, except:

- > When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable.
- > When receivables and payables are stated with the amount of tax included.
The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

g. Foreign currency transactions

The Company's financial statements are presented in INR which is the Company's presentation currency and functional currency of the company.

1. Initial recognition

Foreign currency transactions are recorded in the functional currency, by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction.

2. Conversion

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss, respectively).

h. Fair value measurement

The Company measures financial instruments at fair value at each balance sheet date. 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

- > 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.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a 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 recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above. This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

Disclosures for valuation methods, significant estimates and assumptions (note 38)

Financial instruments (including those carried at amortised cost) (note 39)

i. Retirement and other employee benefits

Retirement benefit in the form of provident fund and other funds 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. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the prepayment will lead to, for example, a reduction in future payment or a cash refund.

The Company operates a defined benefit gratuity plan, which requires contributions to be made to a separately administered fund. 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, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised 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.

Past service costs are recognised in profit or loss on the earlier of:

- 1 The date of the plan amendment or curtailment, and
- 2 The date that the Company recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the consolidated statement of profit and loss:

- 1 Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements;
- 2 Net interest expense or income

Accumulated leave, which is expected to be utilised within the next 12 months, is treated as a short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Company treats accumulated leave expected to be carried forward beyond twelve months, as a long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method as at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. The Company presents the leave as a current liability in the balance sheet, to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

Short-term employee benefits including salaries, bonuses and commission payable within twelve months after the end of the period in which the employees render the related services and non-monetary benefits (such as medical care) for current employees are estimated and measured on an undiscounted basis.

J. Provision and contingencies

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, 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.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

K. Leases

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Company. Contracts may contain both lease and non-lease components. The Company allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- > Fixed payments (including in-substance fixed payments), less any lease incentives receivable
- > Variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement
- > Amounts expected to be payable by the Company under residual value guarantees
- > The exercise price of a purchase option if the Company is reasonably certain to exercise that option, and payments of penalties for terminating the lease, if the lease term reflects the Company exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Company, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Company uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by the Company, which does not have recent third party financing and makes adjustments specific to the lease, e.g. term, country, currency and security.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period to produce a constant periodic rate of interest on the remaining balance of the liability for each period. Variable lease payments that depend on sales are recognized in profit or loss in the period in which the condition that triggers those payments. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The Company recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and statement of profit and loss depending upon the nature of modification.

Right-of-use assets are measured at cost comprising the following:

- a) the amount of the initial measurement of lease liability
- b) any lease payments made at or before the commencement date less any lease incentives received
- c) any initial direct costs, and
- d) restoration costs.

The right-of-use asset is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. If the Company is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

Payments associated with short-term leases of equipment and all leases of low-value assets are recognized on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less.

L. Transition to Ind AS 116

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified Ind AS 116 Leases which replaces the existing lease standard, Ind AS 17 Leases, and other interpretations. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lease accounting.

The Company has adopted Ind AS 116, effective annual reporting period beginning from 1st April, 2020 and applied the standard to all lease contracts existing on 1st April, 2019 using the modified retrospective method. Consequently, the Company recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the ROU asset the same value at which the lease liability is recognized.

m. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

n. Cash and cash equivalents

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

For the purpose of the financial statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts (if any) as they are considered an integral part of the Company's cash management.

o. Earnings per share ('EPS')

Basic earnings per share is calculated by dividing the net profit or loss attributable to equity holder of the company (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

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

p. Inventories

i. Raw materials, components, stores and spares are valued at lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost of raw materials, components and stores and spares is determined on First In First Out (FIFO) Basis.

ii. Work-in-progress and finished goods are valued at lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal/actual operating capacity as per the Indian Accounting standard 2.

iii. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

q. Cash flow statement

Cash flows are reported using the indirect method, whereby net profit/ (loss) before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular operating, investing and financing activities of the Company are segregated. Cash and cash equivalents in the cash flow statement comprise cash in hand and balance in bank in current accounts, deposit accounts.

r. Current versus non-current classification

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

a) expected to be realised or intended to be sold or consumed in normal operating cycle;

b) held primarily for the purpose of trading;

c) expected to be realised within twelve months after the reporting period; or

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

All other assets are classified as non-current. A liability is current when:

a) it is expected to be settled in normal operating cycle;

b) it is held primarily for the purpose of trading;

c) it is due to be settled within twelve months after the reporting period; or

d) there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

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

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

s. Cash dividend

The Company recognises a liability to make cash or non-cash distributions to equity holders when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

MITCON Solar Alliance Limited

Notes to the Financial Statements

(All amount in rupees lakhs, unless otherwise stated)

Note 3 : Property Plant & Equipment

Particulars	Freehold Land	Buildings	Roads - Non Carpeted	Plant & Machinery	Furniture and Fixture	Office Equipments	Total
Gross Block							
As at 1-April-2020	124.83	62.50	43.76	2,526.10	0.31	19.41	2,776.91
Additions	-	-	-	0.10	-	-	0.10
Other adjustments	-	-	-	-	-	-	-
Deductions/ Amortization	-	-	-	-	-	-	-
As at 31-March-2021	124.83	62.50	43.76	2,526.20	0.31	19.41	2,777.01
Additions	-	-	-	-	-	-	-
Other adjustments	-	-	-	-	-	-	-
Deductions/ Amortization	-	-	-	-	-	-	-
As at 31-March-2022	124.83	62.50	43.76	2,526.20	0.31	19.41	2,777.01
Depreciation							
As at 1-April-2020	-	4.28	15.82	106.19	0.03	1.91	128.23
For the year	-	3.93	14.59	100.04	0.03	1.93	120.52
Deductions/ Amortization	-	-	-	-	-	-	-
As at 31-March-2021	-	8.21	30.41	206.23	0.06	3.84	248.75
For the year	-	-	-	-	-	-	-
Deductions/ Amortization	-	-	-	-	-	-	-
As at 31-March-2022	-	12.11	43.76	306.26	0.09	5.77	248.75
Net Block							
As at 1-April-2020	124.83	58.22	27.94	2,419.91	0.28	17.50	2,648.68
As at 31-March-2021	124.83	54.29	13.35	2,319.97	0.25	15.57	2,528.26
As at 31-March-2022	124.83	50.39	-	2,219.94	0.22	13.64	2,409.02

MITCON Solar Alliance Limited

Notes to the Financial Statements

(All amount in rupees lakhs, unless otherwise stated)

Note 4 : Intangible Assets

Particulars	Computer Software	Total
Gross Block		
As at 1-April-2020	289.10	289.10
Additions	-	-
Deductions/ Amortization	-	-
As at 31-March-2021	289.10	289.10
Additions	-	-
Deductions/ Amortization	-	-
As at 31-March-2022	289.10	289.10
Depreciation		
As at 1-April-2020	12.55	12.55
For The Year	11.56	11.56
Deductions/ Amortization	-	-
As at 31-March-2021	24.11	24.11
For The Year	11.56	11.56
Deductions/ Amortization	-	-
As at 31-March-2022	35.67	35.67
Net Block		
As at 1-April-2020	276.55	276.55
As at 31-March-2021	264.99	264.99
As at 31-March-2022	253.43	253.43

Notes:

1. For transition to Ind AS, the company has elected to adopt as deemed cost, the carrying value of Intangible Asset measured as per I-GAAP less accumulated depreciation and cumulative impairment on the transition date of 1-April-2019. It has carried forward gross block and accumulated depreciation only for disclosure purposes.

2. For accounting policy on Depreciation and amortisation refer Note 2.3(b).

MITCON Solar Alliance Limited

Notes to the Financial Statements

(All amount in rupees lakhs, unless otherwise stated)

Note 5 : Non-current Investment

Particulars	Face Value per Unit (Rs)	As at 31 March, 2022		As at 31 March, 2021		As at 1 April, 2020	
		Nos.	₹ In Lakhs	Nos.	₹ In Lakhs	Nos.	₹ In Lakhs
Unquoted trade investments (valued at cost)							
The Greater Bombay Co-op Bank Ltd	10	50,000	5.00	50,000	5.00	50,000	5.00
Total			5.00		5.00		5.00

Notes:-

1. Details of quoted / unquoted investments:

Particulars	As at 31 March, 2022	As at 31 March, 2021	As at 1 April, 2020
(a) Aggregate amount of quoted investments and market value thereof:			
Book Value			
Market Value			
(b) Aggregate amount of unquoted investments (Book Value)	5.00	5.00	5.00
(c) Aggregate amount of impairment in value of investments			

2. Refer Note 38 for fair value disclosure of financial assets and financial liabilities and for fair value hierarchy.

3. Refer Note 39 on risk management objectives and policies for financial instruments.

MITCON Solar Alliance Limited

Notes to the Financial Statements

(All amount in rupees lakhs, unless otherwise stated)

Note 6 : Other financial assets - Non current

Particulars	As at 31 March, 2022	As at 31 March, 2021	As at 1 April, 2020
Security deposits	87.58	79.62	72.30
Total	87.58	79.62	72.30

Notes:-

1. Other financial assets are measured at amortised cost.

2. Refer Note 38 for fair value disclosure of financial assets and financial liabilities and for fair value hierarchy.

3. Refer Note 39 on risk management objectives and policies for financial instruments.

MITCON Solar Alliance Limited

Notes to the Financial Statements

(All amount in rupees lakhs, unless otherwise stated)

Note 7 : Deferred tax assets (net)

Particulars	As at 31 March, 2022	As at 31 March, 2021	As at 1 April, 2020
Deferred tax assets			
Disallowances under section 40(a)(i) and section 43B of the Income Tax Act, 1961	-	-	-
Provision for employee benefits [Provision disallowed under section 40 (a) / (ia) of the Income Tax Act, 1961	-	-	-
Provision for doubtful debts	-	-	-
MAT credit entitlement	-	-	-
Brought forward business losses and unabsorbed depreciation carried forward	472.96	377.69	377.69
Fair valuation of security deposit and debentures	44.68	41.75	43.65
Less : Deferred tax liability			
On difference between book balance and tax balance of PPE and intangible asset	454.95	359.67	343.60
Total	62.69	59.77	77.74

Notes:-**1. Reconciliation of deferred tax assets (net)**

Particulars	As at 31 March, 2022	As at 31 March, 2021	As at 1 April, 2020
Opening balance as of 1 April	59.77	77.74	
Tax income/(expense) during the year recognised in profit or loss	2.92	(17.80)	
Tax income/(expense) during the year	0.02	(0.17)	
Closing balance as at 31 March	62.70	59.77	77.74

MITCON Solar Alliance Limited

Notes to the Financial Statements

(All amount in rupees lakhs, unless otherwise stated)

Note 8 : Other non-current assets

Particulars	As at 31 March, 2022	As at 31 March, 2021	As at 1 April, 2020
Capital advances	-	-	-
Prepaid expenses	0.68	0.04	0.74
Total	0.68	0.04	0.74

Note 9 : Trade receivables

Particulars	As at 31 March, 2022	As at 31 March, 2021	As at 1 April, 2020
Trade receivables	35.19	75.42	40.66
Break-up for security details:			
Secured, considered good	-	-	-
Unsecured, considered good	35.19	75.42	40.66
Doubtful	-	-	-
Loss Allowance (for expected credit loss under simplified approach)	-	-	-
Total	35.19	75.42	40.66

Notes:-

- Trade receivable which have significant increase in credit risk :
- Trade receivables are measured at-amortised cost.
- Trade receivables due from private companies (other than those covered in Note 51) in which director of
- For related party receivables, refer Note 37
- Refer Note 38 for fair value disclosure of financial assets and financial liabilities and for fair value
- Refer Note 39 on credit risk of trade receivables, which explains how the Company manages and measures

2. Ageing for trade receivables – current outstanding as at March 31, 2022 is as follows:

Particulars:	Not Due	Outstanding for following periods from due date of paym				
		Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years
Undisputed trade receivables – consideredgood		35.19				
Undisputed trade receivables – which have significant increase in credit risk						
Undisputed trade receivables – creditimpaired						
Disputed trade receivables – consideredgood						
Disputed trade receivables – which have significant increase in credit risk						
Disputed trade receivables – creditimpaired						
		<u>35.19</u>				
Less: Allowance for doubtful trade receivables						
Total Trade receivables						

Ageing for trade receivables – current outstanding as at March 31, 2021 is as follows:

Particulars	Not Due	Outstanding for following periods from due date of paym				
		Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years
Undisputed trade receivables – consideredgood		75.42				
Undisputed trade receivables – which have significant increase in credit risk						
Undisputed trade receivables – creditimpaired						
Disputed trade receivables – consideredgood						
Disputed trade receivables – which have significant increase in credit risk						
Disputed trade receivables – creditimpaired						
		<u>75.42</u>				
Less: Allowance for doubtful trade receivables						
Total Trade receivables						

Ageing for trade receivables – current outstanding as at April 01, 2020 is as follows:

Particulars	Not Due	Outstanding for following periods from due date of paym				
		Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years
Undisputed trade receivables – consideredgood		40.66				
Undisputed trade receivables – which have significant increase in credit risk						
Undisputed trade receivables – creditimpaired						
Disputed trade receivables – consideredgood						
Disputed trade receivables – which have significant increase in credit risk						
Disputed trade receivables – creditimpaired						
		<u>40.66</u>				
Less: Allowance for doubtful trade receivables						
Total Trade receivables						

MITCON Solar Alliance Limited

Notes to the Financial Statements

(All amount in rupees lakhs, unless otherwise stated)

Note 10 : Cash and cash equivalents

Particulars	As at	As at	As at
	31 March, 2022	31 March, 2021	1 April, 2020
Balance with bank in current accounts and debit balance in cash credit accounts	74.82	42.93	26.05
Cash on hand	-	-	-
Cheques, drafts on hand	-	-	-
Total	74.82	42.93	26.05

MITCON Solar Alliance Limited

Notes to the Financial Statements

(All amount in rupees lakhs, unless otherwise stated)

Note 11 : Current tax assets (net)

Particulars	As at	As at	As at
	31 March, 2022	31 March, 2021	1 April, 2020
Tax paid in advance (Net of provision)	0.12	-	-
Deferred Tax Liability (Net) Total	-	-	-
Total	0.12	-	-

MITCON Solar Alliance Limited

Notes to the Financial Statements

(All amount in rupees lakhs, unless otherwise stated)

Note 12 : Other current assets

Particulars	As at	As at	As at
	31 March, 2022	31 March, 2021	1 April, 2020
Prepaid expenses	-	0.55	0.80
Advances for expenses/supply of goods and services			
from Others	-	1.23	1.27
from Related Parties	-	-	-
Balances with Indirect tax authorities	-	-	-
Total	-	1.78	2.07

MITCON Solar Alliance Limited

Notes to the Financial Statements

(All amount in rupees lakhs, unless otherwise stated)

Note 13 : Share capital
Authorised share capital

Particulars	As at 31 March, 2022		As at 31 March, 2021		As at 1 April, 2020	
	No. of shares	₹ in Lakhs	No. of shares	₹ in Lakhs	No. of shares	₹ in Lakhs
Equity shares of ₹ 10 each	50,00,000	500.00	50,00,000	500.00	50,00,000	500.00

Issued, subscribed and fully paid up

Particulars	As at 31 March, 2022		As at 31 March, 2021		As at 1 April, 2020	
	No. of shares	₹ in Lakhs	No. of shares	₹ in Lakhs	No. of shares	₹ in Lakhs
Equity shares of ₹ 10 each	45,10,000	451.00	45,10,000	451.00	45,10,000	451.00

Reconciliation of the number of equity shares and share capital

Particulars	As at 31 March, 2022		As at 31 March, 2021		As at 1 April, 2020	
	No. of shares	₹ in Lakhs	No. of shares	₹ in Lakhs	No. of shares	₹ in Lakhs
Issued, subscribed and fully paid up equity shares of ₹ 10 each outstanding at the beginning of the year	45,10,000.00	451.00	45,10,000.00	451.00	45,10,000	451.00
Shares issued during the year						
Issued, subscribed and fully paid up equity shares of ₹ 10 each outstanding at the end of the year	45,10,000	451.00	45,10,000	451.00	45,10,000	451.00

Terms/Rights attached to the equity shares

The Company has a single class of equity shares having a face value of ₹ 10 each. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets. The equity shares are entitled to receive dividend as declared from time to time. The voting rights of an equity shareholder are in proportion to its share of the paid-up equity capital of the Company. Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable have not been paid.

On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.

The Company does not have a holding/ultimate holding Company.

Number of Shares held by each shareholder holding more than 5% equity shares in the company

Equity share capital : (Equity shares of ₹ 10 each fully paid-up)	As at 31 March, 2022		As at 31 March, 2021		As at 1 April, 2020	
	No. of shares	% of shareholding	No. of shares	% of shareholding	No. of shares	% of shareholding
MITCON Sun Power Limited	33,05,001	73.28	33,05,001	73.28	33,05,001	73.28
Padumjee Paper Products Limited	12,04,999	26.72	12,04,999	26.72	12,04,999	26.72

Disclosure of Shareholding of Promoters

Disclosure of shareholding of promoters as at March 31, 2022 is as follows:

Promoter Name	As at 31st March, 2022		As at 31 March, 2021		% of changes during the year
	No. of shares	% of shareholding	No. of shares	% of shareholding	
MITCON Sun Power Limited	33,05,001	73.28	33,05,001	73.28	
Total	33,05,001	73.28	33,05,001	73.28	

Disclosure of shareholding of promoters as at March 31, 2021 is as follows:

Promoter Name	As at 31st March, 2021		As at 31 March, 2020		% of changes during the year
	No. of shares	% of shareholding	No. of shares	% of shareholding	
MITCON Sun Power Limited	33,05,001	73.28	33,05,001	73.28	
Total	33,05,001	73.28	33,05,001	73.28	

Disclosure of shareholding of promoters as at April 01, 2020 is as follows:

Promoter Name	As at 31st March, 2020		As at 31 March, 2020		% of changes during the year
	No. of shares	% of shareholding	No. of shares	% of shareholding	
MITCON Sun Power Limited	33,05,001	73.28	33,05,001	73.28	
Total	33,05,001	73.28	33,05,001	73.28	

MITCON Solar Alliance Limited**Notes to the Financial Statements**

(All amount in rupees lakhs, unless otherwise stated)

Note 14 : Other Equity

Particulars	As at	As at	As at
	31 March, 2022	31 March, 2021	1 April, 2020
Securities Premium			
Opening Balance	450.00	450.00	450.00
Add : Premium on shares issued during the year	-	-	-
Less: Utilised/transferred during the year	-	-	-
Closing Balance	450.00	450.00	450.00
Surplus in Statement of Profit & Loss			
Opening Balance	(175.96)	(227.13)	(227.13)
Add : Profit for the year	2.04	51.17	-
Add : Other Comprehensive Income/(Loss)	0.05	-	-
Less : Appropriations			
Transferred to General reserve	-	-	-
Final dividend	-	-	-
Tax on final dividend	-	-	-
Interim Dividend	-	-	-
Tax on interim dividend	-	-	-
Closing Balance	(173.87)	(175.96)	(227.13)
Total	276.13	274.04	222.87

MITCON Solar Alliance Limited

Notes to the Financial Statements

(All amount in rupees lakhs, unless otherwise stated)

Note 15 : Borrowings (Non-current)

Particulars	As at	As at	As at
	31 March, 2022	31 March, 2021	1 April, 2020
Secured term loans			
From banks	1,133.82	1,302.84	1,431.77
Unsecured			
Loan from MITCON Trusteeship Services Private Limited (Related Party)	-	-	1,000.00
Optionally Convertible Debentures	500.00	1,000.00	-
Non convertible preference shares	519.34	-	-
	2,153.17	2,302.84	2,431.77
Less: Current Maturities (refer Note 28)	168.82	166.26	157.79
Total	1,984.35	2,136.57	2,273.98

Notes:-

1. Borrowings are measured at amortised cost.
2. Maturity profile of Term Loans from Banks and Others (including current maturities)

Period	As at	As at	As at
	31 March, 2022	31 March, 2021	1 April, 2020
Less than three months	44.36	40.12	37.54
More three months and up to one year	139.64	126.20	132.74
More than one year and up to three years	428.76	387.41	372.47
More than three years and up to five years	521.06	474.53	463.42
Above five years	-	274.59	425.60

3. Refer Note 38 for fair value disclosure of financial assets and financial liabilities and for fair value hierarchy.
4. For explanations on the Company's Interest risk, Foreign currency risk and liquidity risk management processes, refer to Note 39

MITCON Solar Alliance Limited

Notes to the Financial Statements

(All amount in rupees lakhs, unless otherwise stated)

Note 15 : Borrowings (Non-current) (Continued)**5. Details of security as at 31-March-2022**

Particulars	Nature of security	Outstanding Loan Amount (including Current Maturities)	Number of instalment	Starting from	Ending on	Rate of interest 31 March 2022
<u>Loan from banks:-</u>						
The Greater Bombay Co-op. Bank Ltd	secured hypothecation of tariff receivable from M/s Pudumjee Papers Product Ltd. to be credited to the account with the bank and Corporate Guarantee of INR 150,000,000/- given by the Ultimate holding company i.e. M/s MITCON Consultancy & Engineering Services Limited.	1,133.82	59	31.10.2019	31.03.2024	10.15%
<u>Loan from others:-</u>						
		1,133.82				

Notes:

Term loan from The Greater Bombay Co-operative Bank - Balance outstanding amounting to INR 1133.82 Lakhs as on March, 31 2022

secured hypothecation of tariff receivable from M/s Pudumjee Papers Product Ltd. to be credited to the account with the bank and Corporate Guarantee of INR 150,000,000/- given by the Ultimate holding company i.e. M/s MITCON Consultancy & Engineering Services Limited. Further, hypothecation by way of charge on entire project of 4.90 MV AC Solar Photovoltaic Power Project at village Sonalwadi, Taluka Sangola, District Solapur, Maharashtra along with Building structure and non-carpeted road, Plant & Machinery, Furniture & Fixtures, Electrical installations & Equipment, Grid Connectivity Rights (both present and future) owned and belonging to the Company.

MITCON Solar Alliance Limited

Notes to the Financial Statements

(All amount in rupees lakhs, unless otherwise stated)

Note 15 : Borrowings (Non-current) (Continued)**6. Details of security as at 31-March-2021**

Particulars	Nature of security	Outstanding Loan Amount (including Current Maturities)	Number of instalment	Starting from	Ending on	Rate of interest 31 March 2021
<u>Loan from banks:-</u>						
The Greater Bombay Co-op. Bank Ltd	secured hypothecation of tariff receivable from M/s Pudumjee Papers Product Ltd. to be credited to the account with the bank and Corporate Guarantee of INR 150,000,000/- given by the Ultimate holding company i.e. M/s MITCON Consultancy & Engineering Services Limited.	1,302.84	71	31.10.2019	31.03.2024	10.15%
<u>Loan from others:-</u>						
		1,302.84				

Notes:

Term loan from The Greater Bombay Co-operative Bank - Balance outstanding amounting to INR 1302.84 Lakhs as on March, 31 2021

secured hypothecation of tariff receivable from M/s Pudumjee Papers Product Ltd. to be credited to the account with the bank and Corporate Guarantee of INR 150,000,000/- given by the Ultimate holding company i.e. M/s MITCON Consultancy & Engineering Services Limited. Further, hypothecation by way of charge on entire project of 4.90 MV AC Solar Photovoltaic Power Project at village Sonalwadi, Taluka Sangola, District Solapur, Maharashtra along with Building structure and non-carpeted road, Plant & Machinery, Furniture & Fixtures, Electrical installations & Equipment, Grid Connectivity Rights (both present and future) owned and belonging to the Company.

MITCON Solar Alliance Limited

Notes to the Financial Statements
(All amount in rupees lakhs, unless otherwise stated)

Note 15 : Borrowings (Non-current) (Continued)**7. Details of security as at 1-April-2020**

Particulars	Nature of security	Outstanding Loan Amount (including Current Maturities)	Number of instalment	Starting from	Ending on	Rate of interest 1 April 2020
<u>Loan from banks:-</u>						
The Greater Bombay Co-op. Bank Ltd	secured hypothecation of tariff receivable from M/s Pudinjee Papers Product Ltd. to be credited to the account with the bank and Corporate Guarantee of INR 150,000,000/- given by the Ultimate holding company i.e. M/s MITCON Consultancy & Engineering Services Limited.	1,431.77	76	31.10.2019	31.03.2024	10.15%
<u>Loan from others:-</u>						
		1,431.77				

Notes:

Term loan from The Greater Bombay Co-operative Bank - Balance outstanding amounting to INR 1431.77 Lakhs as on Apr, 2020 secured hypothecation of tariff receivable from M/s Pudinjee Papers Product Ltd. to be credited to the account with the bank and Corporate Guarantee of INR 150,000,000/- given by the Ultimate holding company i.e. M/s MITCON Consultancy & Engineering Services Limited. Further, hypothecation by way of charge on entire project of 4.90 MV AC Solar Photovoltaic Power Project at village Somalwadi, Taluka Sangola, District Solapur, Maharashtra along with Building structure and non-carpeted road, Plant & Machinery, Furniture & Fixtures, Electrical installations & Equipment, Grid Connectivity Rights (both present and future) owned and belonging to the Company.

MITCON Solar Alliance Limited

Notes to the Financial Statements

(All amount in rupees lakhs, unless otherwise stated)

Note 16 : Other financial liabilities (Non-current)

Particulars	As at	As at	As at
	31 March, 2022	31 March, 2021	1 April, 2020
Security deposits from related parties	-	-	-
Retention money from vendors	-	-	-
Payable for capital purchases	-	-	-
Interest accrued but not due on secured loan	0.15	22.03	31.10
Total	0.15	22.03	31.10

Notes:-

1. Other financial liabilities are measured at amortised cost.
2. Refer Note 38 for fair value disclosure of financial assets and financial liabilities and for fair value hierarchy.
3. Refer Note 39 on risk management objectives and policies for financial instruments.

MITCON Solar Alliance Limited

Notes to the Financial Statements

(All amount in rupees lakhs, unless otherwise stated)

Note 17 : Provisions (Non current)

Particulars	As at	As at	As at
	31 March, 2022	31 December, 2021	1 April, 2020
Provision for employee benefits			
Provision for gratuity	1.33	0.82	-
Provision for compensated absences	0.42	0.15	-
Total	1.75	0.97	-

MITCON Solar Alliance Limited

Notes to the Financial Statements

(All amount in rupees lakhs, unless otherwise stated)

Note 18 : Current maturities of long-term borrowings

Particulars	As at	As at	As at
	31 March, 2022	31 March, 2021	1 April, 2020
Secured loans from bank	168.82	166.26	157.79
Total	168.82	166.26	157.79

Notes:

1. Refer Note 38 for fair value disclosure of financial assets and financial liabilities and Note 53 for
2. For explanations on the company's Interest risk, foreign currency risk and liquidity risk

MITCON Solar Alliance Limited

Notes to the Financial Statements

(All amount in rupees lakhs, unless otherwise stated)

Note 19 : Trade and other payables

Particulars	As at	As at	As at
	31 March, 2022	31 March, 2021	1 April, 2020
Due to micro, small and medium enterprises	-	-	-
Due to other than micro, small and medium enterprises	41.10	5.78	11.16
Total	41.10	5.78	11.16

Notes:-

1. Trade and other payables are measured at amortised cost.
2. For related party disclosures, refer Note 37.
3. Refer Note 38 for fair value disclosure of financial assets and financial liabilities and for fair value hierarchy.
4. Refer Note 39 on risk management objectives and policies for financial instruments.

Ageing for trade payables outstanding as at March 31, 2022 is as follows:						
Particulars	Outstanding for following periods from due date of payment					
	Not Due	Less than 1 year	1 - 2 years	2- 3 years	2 - 3 years	More than 3 years
MSME*						
Others		41.10				
Disputed dues - MSME*						
Disputed dues - Others						
		41.10				
Accrued Expenses						
Total Trade payables						
*MSME as per the Micro, Small and Medium Enterprises Development Act, 2006						
Ageing for trade payables outstanding as at March 31, 2021 is as follows:						
Particulars	Outstanding for following periods from due date of payment					
	Not Due	Less than 1 year	1 - 2 years	2- 3 years	2 - 3 years	More than 3 years
MSME*						
Others		5.78				
Disputed dues - MSME*						
Disputed dues - Others						
		5.78				
Accrued Expenses						
Total Trade payables						
*MSME as per the Micro, Small and Medium Enterprises Development Act, 2006						
Ageing for trade payables outstanding as at March 31, 2020 is as follows:						
Particulars	Outstanding for following periods from due date of payment					
	Not Due	Less than 1 year	1 - 2 years	2- 3 years	2 - 3 years	More than 3 years
MSME*						
Others		11.16				
Disputed dues - MSME*						
Disputed dues - Others						
		11.16				
Accrued Expenses						
Total Trade payables						
*MSME as per the Micro, Small and Medium Enterprises Development Act, 2006						

MITCON Solar Alliance Limited

Notes to the Financial Statements

(All amount in rupees lakhs, unless otherwise stated)

Note 20 : Other current liabilities

Particulars	As at	As at	As at
	31 March, 2022	31 March, 2021	1 April, 2020
Contract liability - In respect of contracts with customers	-	-	-
Statutory dues including provident fund and tax deducted at source	5.21	1.15	0.64
Deferred Income	-	-	-
Other liabilities	-	-	-
Total	5.21	1.15	0.64

MITCON Solar Alliance Limited

Notes to the Financial Statements

(All amount in rupees lakhs, unless otherwise stated)

Note 21 : Provisions (Current)

Particulars	As at	As at	As at
	31 March, 2022	31 March, 2021	1 April, 2020
Provision for employee benefits			
Provision for gratuity	-	-	0.77
Provision for leave encashment	-	0.02	0.47
Tax Provision (Net of Advance Tax)	-	-	-
Tax Interim Dividend	-	-	-
Total	-	0.02	1.24

Notes:-

1. Also refer Note 17 : Provisions (Non current).

2. Employee benefits obligations

a. Gratuity

The Company provides gratuity for employees as per the Gratuity Act, 1972 and Company's Internal Gratuity Scheme. Employees who are in continuous service for a period of five years are eligible for gratuity. The amount of gratuity is payable on retirement or termination

b. Compensated absences

The leave obligation cover the Company's liability for earned leaves.

MITCON Solar Alliance Limited

Notes to the Financial Statements

(All amount in rupees lakhs, unless otherwise stated)

Note 22 : Revenue from operations

Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
Power generated from Solar energy	370.47	387.28
Total	370.47	387.28

Notes:-

1. For detailed disclosures, refer Note 36.

MITCON Solar Alliance Limited

Notes to the Financial Statements

(All amount in rupees lakhs, unless otherwise stated)

Note 23 : Other income

Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
Interest income on financial assets measured at amortised cost	8.06	7.32
Unwinding of interest on security deposits	8.06	7.32
Dividend income	0.15	-
Income from Consultancy Fees	-	2.25
Old Balances Write Back	-	0.28
Total	8.21	9.85 #

Notes:-

1. Fair value gain/(loss) on financial instruments at fair value through profit or loss relates to the gain/(loss) arising on fair value restatements of investment in mutual funds at balance sheet dates which are held as

MITCON Solar Alliance Limited

Notes to the Financial Statements

(All amount in rupees lakhs, unless otherwise stated)

Note 24 : Purchase of Power

Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
Power & Fuel	8.60	11.18
Total	8.60	11.18

MITCON Solar Alliance Limited		
Notes to the Financial Statements (All amount in rupees lakhs, unless otherwise stated)		
Note 25 : Employee benefits expense		
Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
Salaries, wages, bonus, etc	15.5	10.8
Gratuity	0.5	0.7
Contribution to provident and other funds	1.6	0.3
Welfare and training expenses	0.0	-
Provident and other funds' expenses	-	-
Total	17.64	11.88

MITCON Solar Alliance Limited		
Notes to the Financial Statements (All amount in rupees lakhs, unless otherwise stated)		
Note 26 : Finance costs		
Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
Interest on term loans	142.24	148.85
Interest on lease liability	-	-
Other finance cost	0.08	0.03
Total	142.32	148.88

MITCON Solar Alliance Limited		
Notes to the Financial Statements (All amount in rupees lakhs, unless otherwise stated)		
Note 27 : Depreciation and amortization expense		
Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
Depreciation and amortization expense		
Depreciation on Tangible	119.26	120.51
Depreciation on ROU Asset	-	-
Amortization on Intangible assets	11.56	11.56
Total	130.82	132.07

MITCON Solar Alliance Limited

Notes to the Financial Statements

(All amount in rupees lakhs, unless otherwise stated)

Note 28 : Other expenses

Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
Rent	1.38	2.02
Rates and taxes	0.04	2.10
Postage , Fax and Courier	-	-
Repairs and Maintenance	1.67	0.26
Laboratory Consumables	-	-
Travelling and conveyance	0.67	0.58
Advertisement Expenses	-	-
Printing and stationery	0.01	0.01
Telephone, Mobile Expenses	-	-
Professional charges	53.94	2.65
Registration and Legal Fees	5.48	0.84
Books & Periodicals Subscriptions and Membership	-	-
Auditor's remuneration	0.40	0.71
Power and Fuel	-	-
Director's sitting fees	-	-
Insurance	4.84	4.42
Donations	-	-
Spend on CSR activities	-	-
Housekeeping Expenses	-	-
Security Expenses	6.94	6.76
Net loss/(gain) on disposal of property, plant & Eq	-	-
Bad debts and irrecoverable balances written off	-	-
Provision for doubtful debts (net)	-	-
Exchange loss on translation of assets and liabilities	-	-
General Expenses	4.74	4.21
Communication expenses	0.02	0.06
Total	80.13	24.62

MITCON Solar Alliance Limited

Notes to the Financial Statements

(All amount in rupees lakhs, unless otherwise stated)

Note 29 : Income tax

The note below details the major components of income tax expenses for the year ended 31 March 2022 and 31 March 2021. The note further describes the significant estimates made in relation to company's income tax position, and also explains how the income tax expense is impacted by non-assessable and non-deductible items.

Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
Current tax		
Current income tax	-	-
(Excess)/short provision related to earlier years	-	-
Deferred tax		
MAT credit entitlement	-	-
Relating to origination and reversal or temporary difference	(2.92)	17.80
Income tax expense reported in the statement of profit and loss	(2.92)	17.80

Other Comprehensive Income (OCI)

Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
Deferred tax related to items recognised in OCI during the year		
Net loss/(gain) on actuarial gains and losses	0.02	(0.17)
Deferred tax charged to OCI	0.02	(0.17)

Reconciliation of tax expense and the accounting profit multiplied by applicable tax rate as notified under Income Tax Act, 1961 enacted in India for the years ended 31 March 2022 and 31 March 2021.

Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
Accounting profit before income tax expense	(0.83)	68.49
Tax @ 27.82% (31 March 2021: 27.82%)		17.81
Tax effect of adjustments in calculating taxable income:	(2.92)	(0.01)
Tax rate difference on book profit as per Minimum Alternate Tax		
Tax liability on Doubtful debt provision under MAT		
Deferred tax expenses accounted as no effect of timing differences on MAT liability		
Corporate Social Responsibility expenses/Donations (net)		
Prior period expenses		
Loss on sale/ Disposal of Asset (Net)		
Other disallowances under Income Tax Act		
Deferred tax expense on Ind AS entries	(2.93)	0.2
Deferred tax expense on OCI income	0.02	(0.17)
Profit on Sale of Investment		
Provision no longer required written back (disallowed earlier)		
MAT credit utilised		
(Excess)/short provision related to earlier years	-	-
Income tax expenses reported in the Statement of profit or loss	(2.92)	17.80

MITCON Solar Alliance Limited**Notes to the Financial Statements**

(All amounts in Rupee Lakhs, unless otherwise stated)

Note 30 : Disclosure pursuant to Ind AS 19 "Employee Benefits"**a. Defined contribution plans:**

The Company makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards Provident Fund and Family Pension Fund, which are defined contribution plan. The Company has no obligations other than to make the specified contribution. The contribution are charged to the Statement of Profit and Loss as they accrue. The amount recognised as expense towards contribution for the year is as follows:

Particulars	For the year ended 31	For the year ended 31
	March, 2022	March, 2021
Provident fund	0.27	0.21
Family pension fund	-	0.14
Total	0.27	0.35

b. Defined benefit plans:

The Company has a defined benefit gratuity plan for its employees. The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the Act, every employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the employee's length of service and salary at retirement age. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn) for each completed year of service as per the provisions of the Payment of Gratuity Act, 1972.

The amount recognised in Balance Sheet are as follows:

Particulars	As at	As at	As at
	31-March-2022	31-March-2021	1-April-2020
Present value of obligation at the end of period	0.82	0.82	0.77
Fair value of the plan assets at the end of period	-	-	-
Surplus / (Deficit)	(0.82)	(0.82)	(0.77)

Amounts reflected in the Balance Sheet

Current liability	-	-	-
Non-current liability	0.82	0.82	0.77
Net liability recognised in balance sheet	0.82	0.82	0.77

The amounts recognised in Statement of Profit and Loss are as follows:

Particulars	For the year ended 31	For the year ended 31
	March, 2022	March, 2021
Current service cost	0.39	0.67
Past service cost	-	-
Net interest (Income)/ Expense	0.05	0.05
Transfer In / (Out)	-	-
Amount charged to the Statement of Profit and Loss	0.44	0.72

MITCON Solar Alliance Limited

Notes to the Financial Statements

(All amounts in Rupee Lakhs, unless otherwise stated)

Note 30 : Disclosure pursuant to Ind AS 19 "Employee Benefits"

The amounts recognised in Statement of Other Comprehensive Income are as follows:

Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
Actuarial (gains)/losses arising from changes in financial assumptions	(0.44)	(0.37)
Actuarial (gains)/losses arising from changes in demographic assumptions	-	-
Actuarial (gains)/losses arising from changes in experience adjustments	0.38	(0.30)
Loss/(Gain) recognised in Other Comprehensive Income (OCI)	(0.07)	(0.67)

The changes in the present value of defined benefit obligation representing reconciliation of opening and closing balances thereof are as follows:

Particulars	As at 31-March-2022	As at 31-March-2021
Opening balance of the present value of defined benefit obligation	0.82	0.77
Current service cost	0.39	0.67
Interest cost	0.05	0.05
Actuarial (gains)/losses:	-	-
Actuarial (gains)/losses arising from changes in financial assumptions	0.08	(0.37)
Actuarial (gains)/losses arising from changes in demographic assumptions	-	-
Actuarial (gains)/losses arising from changes in experience adjustments	0.38	(0.30)
Benefit paid	-	-
Transfer In / (Out)	-	-
Closing balance of the present value of defined benefit obligation	1.72	0.82

Changes in the fair value of plan assets representing reconciliation of the opening and closing balances thereof are as follows:

Particulars	As at 31-March-2021	As at 31-March-2020	As at 1-April-2019
Opening balance of the fair value of the plan assets	-	-	-
Closing balance of the plan assets	-	-	-
Actual return on plan assets	-	-	-

Major categories of plan assets (As a % of total plan assets) :

Particulars	As at 31-March-2021	As at 31-March-2020	As at 1-April-2019
Funds managed by insurer	0%	0%	0%
Total	0%	0%	0%

Principal actuarial assumptions at the Balance Sheet date:

Particulars	As at	As at
	31-March-2022	31-March-2021
Discount rate	7.00%	6.30%
Salary growth rate	5.00%	5.00%
Expected average remaining working lives of employees	9.37 years	9.26 years
Withdrawal Rate		
Age upto 30 years	10.00%	10.00%
Age 31 - 40 years	10.00%	10.00%
Age 41 - 50 years	10.00%	10.00%
Age above 50 years	10.00%	10.00%
Mortality rate	IALM(2012-14) ult	IALM(2012-14) ult

Sensitivity analysis :

The sensitivity of defined obligation to changes in the weighted principal assumptions is :

Assumption	Impact on defined benefit obligation	
	As at	As at
	31-March-2022	31-March-2021
Discount rate		
1% decrease	(0.82)	0.07
1% increase	(0.82)	(0.06)
Future salary increase		
1% decrease	(0.82)	(0.06)
1% increase	(0.82)	0.06
Withdrawal Rate		
1% decrease	(0.82)	(0.01)
1% increase	(0.82)	0.01

The above sensitivity analysis is based on a change in assumption while holding all other assumptions constant. In practice, this is unlikely to occur and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of defined benefit obligation calculated with the Projected Unit Credit Method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

The method and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

The average duration of the defined benefit plan obligations at the end of the reporting period is as follows:

Particulars	As at	As at
	31-March-2022	31-March-2021
Weighted average duration of the plan (based on discounted cash flows using mortality, withdrawal rate and interest rate)	13.4 years	13.82 years

Expected future benefit payments :

The following payments are expected future benefit payments :

Particulars	As at	As at
	31-March-2022	31-March-2021
Less than a year	-	-
Between 1 - 2 years	-	-
Between 2 - 5 years	0.70	0.36
Over 5 years	2.07	1.34

Expected contributions for the next year

Particulars	As at	As at
	31-March-2022	31-March-2021
Expected contributions for the next year	1	1

Risk Exposure

Through its defined benefit plan, the Company is exposed to a number of risks, the most significant of which are detailed below:

i. **Discount rate risk:** Variations in the discount rate used to compute the present value of the liabilities may seem small, but in practice can have a significant impact on the defined benefit liabilities.

ii. **Future salary escalation and inflation risk:** Since price inflation and salary growth are linked economically, they are combined for disclosure purposes. Rising salaries will often result in higher future defined benefit payments resulting in a higher present value of liabilities especially unexpected salary increases provided at management's discretion may lead to uncertainties in estimating this increasing risk.

iii. **Asset-Liability mismatch risk:** Risk which arises if there is a mismatch in the duration of the assets relative to the liabilities. By matching duration with the defined benefit liabilities, the company is successfully able to neutralize valuation swings caused by interest rate movements.

iv. **Unfunded Plan Risk:** This represents unmanaged risk and a growing liability. There is an inherent risk here that the company may default on paying the benefits in adverse circumstances. Funding the plan removes volatility in company's financials and also benefit risk through return on the funds made available for the plan.

Funding policy:

There is no compulsion on the part of the Company to prefund the liability of the Plan. The Company's philosophy is to fund these benefits based on its own liquidity and the level of underfunding of the plan.

c. Compensated Absence

The company provides for accumulation of compensated absences by its employees. The employees can carry forward a portion of the unutilised compensated absences and utilise it in future periods to receive cash in lieu thereof as per company policy. The company records an obligation for compensated absences in the period in which the employee renders the service that increases this entitlement. The total liability recorded by the company towards this benefit as at 31-March-2022 is Rs. 0.42 lakhs (31-March-2021 : Rs. 0.15 lakhs; 1-April-2020 Rs.0.47 lakhs)

MITCON Solar Alliance Limited

Notes to the Financial Statements

(All amounts in Rupee Lakhs, unless otherwise stated)

Note 31 : Auditors' remuneration

Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
Audit fee		
- Statutory audit fee	0.40	0.60
Total	0.40	0.60

MITCON Solar Alliance Limited

Notes to the Financial Statements

(All amounts in Rupee Lakhs, unless otherwise stated)

Note 32 : Earnings per share

Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
Basic earnings per share		
Profit after tax as per accounts (A)	2.09	50.69
Weighted average number of equity shares outstanding (B)	45,10,000	45,10,000
Basic EPS of ordinary equity share (A/B) (in. Rs.)	0.05	1.12
Diluted earnings per share		
Profit after tax as per accounts	2.09	50.69
Adjustment on account of interest cost on optionally convertible debentures and tax thereon	-	-
Adjusted profit after tax (C)	2.09	50.69
Weighted average number of equity shares outstanding	45,10,000.00	45,10,000
Weighted average potential equity shares outstanding		1,00,00,000
Weighted average number of equity shares outstanding for computation of diluted earning per share (D)	45,10,000.00	1,45,10,000
Diluted EPS of ordinary equity share (C/D) (in. Rs.)	0.05	0.35
Face value per share (in. Rs.)	10.00	10.00

MITCON Solar Alliance Limited

Notes to the Financial Statements

(All amounts in Rupee Lakhs, unless otherwise stated)

Note 33 : Disclosure pursuant to The Micro, Small and Medium Enterprises Development Act 2006 (MSMED Act)

Amount due to suppliers covered under The Micro, Small and Medium Enterprises Development Act 2006 (MSMED Act) are disclosed in the financial statements based on the documents / information available with the Company.

Particulars	As at	As at	As at
	31 March, 2022	31 March, 2021	1 April, 2020
Principal amount payable to Micro And Small Enterprises (to the extent identified by the company from available information)	-	-	-
Amounts due for more than 45 days and remains to be outstanding	-	-	-
Interest on Amounts due for more than 45 days and remains to be outstanding (*)	-	-	-
Amount of payments made to suppliers beyond 45 days during the year	-	-	-
Estimated interest due and payable on above	-	-	-
Interest paid in terms of section 16 of the MSMED Act	-	-	-
Amount of interest accrued and remaining unpaid as at the end of the year (*)	-	-	-
The amount of estimated interest due and payable for the period from 1st April to actual date of payment or 15th May (*)	-	-	-
(*) Amount of previous year disclosed to the extent information available.	-	-	-

MITCON Solar Alliance Limited

Notes to the Financial Statements

(All amounts in Rupee Lakhs, unless otherwise stated)

Note 34 : Disclosure pursuant to Indian Accounting Standard (Ind AS) 108 "Operating Segment"

The business activities of the Company from which it earns revenues and incurs expenses; whose operating results are regularly reviewed by the chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available involve predominantly one operating segment. The Company operates within a single geographical segment 'India'.

Revenue contributed by any single customer does not exceed ten percent of the Company's total revenue.

MITCON Solar Alliance Limited

Notes to the Financial Statements

(All amounts in Rupee Lakhs, unless otherwise stated)

Note 35 : Disclosure pursuant to Ind AS 116 "Leases"

Where the Company is a lessee:

Particulars	For the year ended 31	For the year ended 31
	March, 2022	March, 2021
Expense recognised in respect of low value leases	1.38	2.02
Expense recognised in respect of short term leases		
Aggregate undiscounted commitments for short-term leases		

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Notes to the Financial Statements

(All amounts in Rupee Lakhs, unless otherwise stated)

Note 36 : Disclosure pursuant to Ind AS 115 "Revenue from Contracts with Customers"**a. Disaggregation of revenue**

Particulars	For the year ended 31	For the year ended 31
	March, 2022	March, 2021
Revenue From Power generated from Solar energy	370.47	387.28
Total	370.47	387.28
Revenue recognised at a point in time	370.47	387.28
Revenue recognised over a period of time	-	-
Total	370.47	387.28

b. Information About Performance Obligation**c. Contract balances**

Movement in contract balances during the year:

Particulars	As at 31 March, 2022	
	Contract assets	Contract liabilities
Opening balance	-	-
Closing Balance	-	-
Net Increase/ (Decrease)	-	-
Particulars	As at 31 March, 2021	
	Contract assets	Contract liabilities
Opening balance	-	-
Closing Balance	-	-
Net Increase/ (Decrease)	-	-

d. Cost to obtain the contract

(i) Amount of amortisation recognised in Profit and Loss during the year Rs. Nil. (previous year: Rs. Nil)

(ii) Amount recognised as assets as at 31 March, 2022: Rs. Nil. (31 March, 2021: Rs. Nil; 1 April, 2020: Rs. Nil)

e. Reconciliation of contracted price with revenue during the year

Particulars	For the year ended 31	For the year ended 31
	March, 2022	March, 2021
Contract Price	-	-
Adjustment for : Discounts, Incentives, Late delivery charges etc.	-	-
Revenue from contracts with customers	-	-

f. Remaining performance obligations: The aggregate amount of transaction price allocated to remaining performance obligations and expected conversion of the same into revenue is Rs. NIL (previous year Rs. NIL)

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Notes to the Financial Statements

(All amounts in Rupee Lakhs, unless otherwise stated)

Note 37 : Disclosure of related parties/related party transactions pursuant to Ind AS 24 "Related Party Disclosures"

a. Names of the other related party and status of transactions entered during the year :

Nature of relationship	Name of the related party	Transaction entered during the year (Yes/ No)
Ultimate Holding Company	MITCON Consultancy & Engineering Services Limited	Yes
Holding Company	MITCON Sun Power Limited	Yes
Fellow Subsidiary	MITCON Trusteeship Services Private Limited	Yes

b. Name of key management personnel and their relatives with whom transactions were carried out during the year :

Name of the related party	Nature of relationship
Mr. Harshad Vijay Joshi	Director
Mr. Anirudha Gangadhar Sathe	Director
Mr. Lalji Kedarnath Dwivedi	Director
Dr. Pradeep Raghunath Bavadekar	Director
Dr. Sandeep Sukhadeo Jadhav	Director

MITCON Solar Alliance Limited

Notes to the Financial Statements

(All amounts in Rupee Lakhs, unless otherwise stated)

Note 37 : Disclosure of related parties/related party transactions pursuant to Ind AS 24 "Related-Party Disclosures"

c. Related party transactions

Name of the party	Nature of transaction	For the year ended 31 March, 2022	For the year ended 31 March, 2021
A. Ultimate Holding Company MITCON Consultancy & Engineering Services Limited	Interest on Loan	-	-
	Rent	1.38	1.20
	Expense reimbursed	14.13	14.64
B. Fellow subsidiary MITCON Trusteeship Services Private Limited	Inter Corporate Loan converted into debentures	1,000.00	1,000.00
	Interest on Debentures	1.00	1.00

d. Amount due to/from related parties:

Nature of transaction	As at 31-March-2022	As at 31-March-2021	As at 1-April-2020
Account Receivable MITCON Consultancy & Engineering Services Limited			
Against Reimbursement of expenses	-	0.01	-
Account Payable MITCON Consultancy & Engineering Services Limited			
Against Reimbursement of expenses	14.13	-	8.92
MITCON Trusteeship Services Private Limited			
0.10% Optionally Convertible Debentures	1,000.00	1,000.00	-
Inter Corporate Loan	-	-	1,000.00
Interest on Loan	21.88	21.10	31.10
Interest on Debentures (net of TDS)	0.82	0.93	-

e. Corporate guarantees:

Nature of transaction	As at 31-March-2022	As at 31-March-2021	As at 1-April-2020
Corporate Guarantee issued on behalf of Company for availing loan from bank by Ultimate Holding Company	1,500.00	1,500.00	1,500.00

Terms and Conditions of transactions with Related Parties:

The transactions with related parties are made in the normal course of business and on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash.

MITCON Solar Alliance Limited

Notes to the Financial Statements

(All amounts in Rupee Lakhs, unless otherwise stated)

Note 38 : Fair value disclosures**a. Classification of financial assets**

Particulars	Note	As at 31 March, 2022	
		Carrying Value	Fair Value
(I) Measured at amortised cost			
Loans		-	-
Trade receivables	9	35.19	35.19
Cash and cash equivalents and other bank balances	10,	74.82	74.82
Others financial assets	6,	87.58	87.58
Subtotal (I)		197.59	197.59
(II) Measured at fair value through Profit or Loss			
Investments	5,	5.00	5.00
Subtotal (II)		5.00	5.00
Total (I+II)		202.59	202.59
As at 31 March, 2021			
Particulars	Note	As at 31 March, 2021	
		Carrying Value	Fair Value
(I) Measured at amortised cost			
Loans		-	-
Trade receivables	9	75.42	75.42
Cash and cash equivalents and other bank balances	10,	42.93	42.93
Others financial assets	6,	79.62	79.62
Subtotal (I)		197.97	197.97
(II) Measured at fair value through Profit or Loss			
Investments	5,	5.00	5.00
Subtotal (II)		5.00	5.00
Total (I+II)		202.97	202.97
As at 1 April, 2020			
Particulars	Note	As at 1 April, 2020	
		Carrying Value	Fair Value
(I) Measured at amortised cost			
Loans		-	-
Trade receivables	9	40.66	40.66
Cash and cash equivalents and other bank balances	10,	26.05	26.05
Others financial assets	6,	72.30	72.30
Subtotal (I)		139.01	139.01
(II) Measured at fair value through Profit or Loss			
Investments	5,	5.00	5.00
Subtotal (II)		5.00	5.00
Total (I+II)		144.01	144.01

b. Classification of financial liabilities			
Particulars	Note	As at 31 March, 2022	
		Carrying Value	Fair Value
Measured at amortised cost			
Borrowings	15, , 18	2,153.17	2,153.17
Trade and other payables	19	41.10	41.10
Other financial liabilities	16,	0.15	0.15
Total		2,194.41	2,194.41
As at 31 March, 2021			
Particulars	Note	As at 31 March, 2021	
		Carrying Value	Fair Value
Measured at amortised cost			
Borrowings	15, , 18	2,302.84	2,302.84
Trade and other payables	19	5.78	5.78
Other financial liabilities	16,	22.03	22.03
Total		2,330.65	2,330.65
As at 1 April, 2020			
Particulars	Note	As at 1 April, 2020	
		Carrying Value	Fair Value
Measured at amortised cost			
Borrowings	15, , 18	2,431.77	2,431.77
Trade and other payables	19	11.16	11.16
Other financial liabilities	16,	31.10	31.10
Total		2,474.03	2,474.03
c. Fair value hierarchy of financial assets and liabilities measured at fair value:			
<p>The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in an orderly transaction in the principal (or most advantageous) market at measurement date under the current market condition regardless of whether that price is directly observable or estimated using other valuation techniques.</p> <p>The Company has established the following fair value hierarchy that categorises the values into 3 levels. The inputs to valuation techniques used to measure fair value of financial instruments are:</p> <p>Level 1: This hierarchy uses quoted (unadjusted) prices in active markets for identical assets or liabilities. The fair value of all bonds which are traded in the stock exchanges is valued using the closing price or dealer quotations as at the reporting date.</p> <p>Level 2: The fair value of financial instruments that are not traded in an active market (for example traded bonds, over the counter derivatives) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on company specific estimates. The mutual fund units are valued using the closing Net Asset Value. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.</p> <p>Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.</p>			
Particulars	As at 31-March-2022	As at 31-March-2021	As at 1-April-2020
Level 1			
Level 2			
Financial Asset			
Investment	5.00	5.00	5.00
There has been no transfers between level 1 and level 2.			
Reconciliation of Level 3 Fair Value Measurements:			
Particulars	Carrying Value		
Balance as at 1-April-2020	5.00		
Add: Change in Value of Investment in Equity Shares measured at FVPL	-		
Balance as at 31-March-2021	5.00		
Add: Change in Value of Investment in Equity Shares measured at FVPL	-		
Balance as at 31-March-2022	5.00		

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Note 39 : Financial instruments risk management objectives and policies

The Company's principal financial liabilities comprises of borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the company's operations. The company's principal financial assets include trade and other receivables, investments and cash and cash equivalents that it derives directly from its operations.

The Company's activities exposes it to market risk including currency risk, interest rate risk and other price risk), credit risk, and liquidity risk. Company's overall risk management focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on its financial performance. The Company may use derivatives for hedging purposes. However, derivatives are not used for trading or as speculative instruments.

The sources of risks which the company is exposed to and their management is given below:

Risk	Exposure Arising From	Measurement	Management
a. Market risk			
i. Foreign currency risk	Financial asset and Liabilities not denominated in INR	Cash Flow forecasting Sensitivity analysis	Management follows established risk management policies, including when required, use of derivatives like foreign exchange forward contracts, where the economic conditions match the company's policy
ii. Interest rate risk	Long Term Borrowings at variable rates	Sensitivity analysis, Interest rate movements	(a) Portfolio Diversification (b) Derivative instruments
iii. Other price risk	Investments	Market movements	Diversification of mutual fund investments,
b. Credit risk			
	Trade receivables, Loans and Bank balances	Ageing analysis, Credit Rating	(a) Credit limit & credit worthiness monitoring (b) Criteria based approval process
c. Liquidity risk			
	Borrowings and Other Liabilities and Liquid Investments	Rolling cash flow forecasts, Broker Quotes	(a) Adequate unused credit lines and borrowing facilities (b) Portfolio Diversification

The Company manages market risk through a treasury department, which evaluates and exercises independent control over the entire process of market risk management. The treasury department recommends risk management objectives and policies, which are approved by senior management and the Audit and Risk Management Committee. The activities of this department include management of cash resources, implementing hedging strategies for foreign currency exposures, borrowing strategies and ensuring compliance with market risk limits and policies.

The Board of Directors reviews and agrees policies for managing each of these risks which are summarized below.

a. Market risk

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, commodity prices, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables and borrowings.

i. Foreign exchange rate:

The company is exposed to foreign exchange risk mainly through its capital purchases from overseas suppliers in various foreign currencies.

The company evaluates exchange rate exposure arising from foreign currency transactions and the company follows established risk management policies, including when required, use of derivatives like foreign exchange forward contracts to hedge exposure to foreign currency risk, where the economic conditions match the company's policy.

Financial Guarantees

The Company has given corporate guarantees as on 31 March 2022 amounting to Rs. Nil (31 March, 2021 Rs. Nil; 1 April, 2020: Rs. Nil)

iii. Liquidity risk management:

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at reasonable price. Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying businesses, company maintains flexibility in funding by maintaining availability under committed credit lines.

Management monitors rolling forecasts of the Company's liquidity position (comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows. This is carried out in accordance with practice and limits set by the Company. In addition, the company's liquidity management policy involves projecting cash flows and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

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Notes to the Financial Statements

(All amounts in Rupee Lakhs, unless otherwise stated)

Note 40 : Capital management

The capital management objective of the Company is to (a) maximise shareholder value and provide benefits to other stakeholders and (b) maintain an optimal capital structure to reduce the cost of capital.

For the purposes of the Company's capital management, capital includes issued equity share capital, share premium and all other equity.

In order to maintain or adjust the capital structure, the company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt. The Company monitors capital using debt-equity ratio, which is total debt less liquid investments and bank deposits divided by total equity.

Particulars	As at	As at	As at
	31 March, 2022	31 March, 2021	1 April, 2020
Total Debt (Bank and other borrowings)	2,153.17	2,302.84	2,431.77
Less: Liquid Investments and bank deposits	74.82	42.93	26.05
Net Debt (A)	2,078.35	2,259.91	2,405.72
Equity (B)	727.13	725.04	673.87
Debt to Equity (A/B)	2.86	3.12	3.57

In addition, the Company has financial covenants relating to the borrowing facilities that it has taken from the lenders like interest coverage service ratio, Debt to EBITDA, etc. which is maintained by the Company.

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Notes to the Financial Statements

(All amounts in Rupee Lakhs, unless otherwise stated)

Note 41 : Disclosure pursuant to Ind AS 101 "First time adoption of Indian Accounting Standards"

As stated in Note 2, these standalone financial statements, for the year ended 31-March-2022, are the first the Company has prepared in accordance with Ind AS. For periods up to and including the year ended 31-March-2021, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act, 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (IGAAP).

Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods ending on 31-March-2022, together with the comparative period data as at and for the year ended 31-March-2021, as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared as at 1-April-2020, the Company's date of transition to Ind AS. This note explains the principal adjustments made by the Company in restating its IGAAP financial statements, including the balance sheet as at 1-April-2020 and the financial statements as at and for the year ended 31-March-2021 and how the transition from IGAAP to Ind AS has affected the Company's financial position, financial performance and cash flows.

a. Exemptions Availed:

Ind AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has elected to apply the following exemptions:

1 Deemed cost for property, plant and equipment and intangible assets:

The Company has elected to continue with the carrying value of all of its plant and equipment and intangible assets as recognised as of 1-April-2020 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date and carried forward gross block and accumulated depreciation only for disclosure purposes.

2 Fair Value of Financials Assets and Liabilities:

As per Ind AS exemption the Company has not fair valued the financial assets and liabilities retrospectively and has measured the same prospectively.

b. Exceptions applied:

1 Estimates

The estimates at 1-April-2020 and at 31-March-2021 are consistent with those made for the same dates in accordance with Indian GAAP (after adjustments to reflect any differences in accounting policies) apart from the following items where application of Indian GAAP did not require estimation:

FVTOCI – unquoted equity shares

FVTPL – debt securities

Impairment of financial assets based on expected credit loss model

Fair valuation of financial instruments carried at FVTPL

Determination of the discounted value of financial instruments carried at amortised cost

The estimates used by the Company to present these amounts in accordance with Ind AS reflect conditions at 1-April-2020, the date of transition to Ind AS and as of 31-March-2021.

2 Derecognition of financial assets and liabilities

Ind AS 101, requires first time adopter to apply the derecognition provisions of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. However, Ind AS 101 allows a first-time adopter to apply the derecognition requirements of Ind AS 109, retrospectively from a date of the company's choosing, provided that the information needed to apply Ind AS 109 to financial assets and financial liabilities de-recognised as a result of past transaction was obtained at the time of initially accounting of transactions. The Company has elected to apply the derecognition provisions of Ind AS 109 prospectively from date of transition to Ind AS.

Explanation of transition to Ind AS

An explanation of how the transition from Indian GAAP to Ind AS has affected the Company's financial position, financial performance and cash flow is set out in the following tables and notes that accompany the tables. The reconciliations include-

- equity reconciliation as at 1-April-2020;

- equity reconciliation as at 31-March-2021;

- profit reconciliation for the year ended 31-March-2021.

There are no material adjustments to the cash flow statements

c. Effect of Ind AS adoption on Balance Sheet as at 1-April-2020

Particulars	Note No.	Indian GAAP	Effects of transition to Ind AS	Ind-AS
ASSETS				
I. Non-current assets		3,205.26	(124.25)	3,081.01
(a) Property, plant and equipment		2,648.67	-	2,648.67
(b) Capital work-in-progress		-	-	-
(c) Right-of-use assets		-	-	-
(d) Other intangible assets		276.55	-	276.55
(e) Financial assets		-	-	-
(i) Investments		5.00	-	5.00
(ii) Loans	1, 4	240.94	(168.64)	72.30
(iii) Other financial assets		-	-	-
(f) Deferred tax assets (net)	3	34.10	43.65	77.75
(g) Other non-current assets	4	-	0.74	0.74
II. Current assets		68.77	-	68.77
(a) Inventories		-	-	-
(b) Financial assets		-	-	-
(i) Investments		-	-	-
(ii) Trade receivables		40.66	-	40.66
(iii) Cash and cash equivalents		26.05	-	26.05
(iv) Bank balance other than (iii) above		-	-	-
(v) Loans	4	2.07	(2.07)	-
(vi) Other financial assets		-	-	-
(c) Current tax assets (net)		-	-	-
(d) Assets held for sale		-	-	-
(e) Other current assets	4	-	2.07	2.07
Total Assets		3,274.03	(124.25)	3,149.78
EQUITY AND LIABILITIES				
Equity		798.12	(124.25)	673.87
(a) Equity share capital		451.00	-	451.00
(b) Other equity		347.12	(124.25)	222.87
Liabilities				
I. Non-current liabilities		2,305.08	-	2,305.08
(a) Financial liabilities				
(i) Borrowings		2,273.98	-	2,273.98
(ii) Lease liabilities		-	-	-
(iii) Other financial liabilities		31.10	-	31.10
(b) Other non-current liabilities		-	-	-
(b) Provisions		-	-	-
II. Current liabilities		170.83	(0.00)	170.83
(a) Financial liabilities				
(i) Borrowings		-	-	-
(i) Current maturities of long-term borrowings	4	-	157.79	157.79
(i) Trade and other payables		-	-	-
a) total outstanding dues of micro enterprises and small enterprises		-	-	-
b) total outstanding dues of creditors other than micro enterprises and small enterprises	4	10.43	0.73	11.16
(ii) Lease liabilities		-	-	-
(iii) Other financial liabilities		-	-	-
(b) Other current liabilities	4	160.40	(159.76)	0.64
(c) Provisions	4	-	1.25	1.25
(d) Current Tax Liabilities (net)		-	-	-
Total Equity and Liabilities		3,274.03	(124.25)	3,149.78

d. Effect of Ind AS adoption on Balance Sheet as at 31-March-2021

Particulars	Note No.	Indian GAAP	Effects of transition to Ind AS	Ind-AS
ASSETS				
I. Non-current assets		3,056.51	(118.83)	2,937.68
(a) Property, plant and equipment		2,528.26	-	2,528.26
(b) Capital work-in-progress		-	-	-
(c) Right-of-use assets		-	-	-
(d) Other intangible assets		264.99	-	264.99
(e) Intangible asset under development		-	-	-
(f) Financial assets		-	-	-
(i) Investments		5.00	-	5.00
(ii) Loans	1, 4	240.24	(160.62)	79.62
(iii) Other financial assets		-	-	-
(g) Deferred tax assets (net)	3	18.02	41.75	59.78
(h) Other non-current assets	4	-	0.04	0.04
II. Current assets		120.13	-	120.13
(a) Inventories		-	-	-
(b) Financial assets		-	-	-
(i) Investments		-	-	-
(ii) Trade receivables		75.42	-	75.42
(iii) Cash and cash equivalents		42.93	-	42.93
(iv) Bank balance other than (iii) above		-	-	-
(v) Loans	4	1.78	(1.78)	-
(vi) Other financial assets		-	-	-
(c) Current tax assets (net)		-	-	-
(d) Assets held for sale		-	-	-
(e) Other current assets	4	-	1.78	1.78
Total Assets		3,176.64	(118.83)	3,057.81
EQUITY AND LIABILITIES				
Equity		843.88	(118.83)	725.04
(a) Equity share capital		451.00	-	451.00
(b) Other equity		392.88	(118.83)	274.04
Liabilities				
I. Non-current liabilities		2,159.55	-	2,159.55
(a) Financial liabilities		-	-	-
(i) Borrowings		2,136.57	-	2,136.57
(ii) Lease liabilities		-	-	-
(iii) Other financial liabilities		22.03	-	22.03
(b) Other non-current liabilities		-	-	-
(b) Provisions		0.95	-	0.95
II. Current liabilities		173.22	-	173.22
(a) Financial liabilities		-	-	-
(i) Borrowings		-	-	-
(ii) Current maturities of long-term borrowings	4	-	166.26	166.26
(i) Trade and other payables		-	-	-
a) total outstanding dues of micro enterprises and small enterprises		-	-	-
b) total outstanding dues of creditors other than micro enterprises and small enterprises		5.78	-	5.78
(ii) Lease liabilities		-	-	-
(iii) Other financial liabilities		-	-	-
(b) Other current liabilities	4	167.42	(166.26)	1.15
(c) Provisions		0.02	-	0.02
Total Equity and Liabilities		3,176.64	(118.83)	3,057.81

e. Statement of reconciliation of equity under Ind AS and equity reported under IGAAP as at 1-April-2020 and 31-March-2021

Particulars	Notes	As at 31 March, 2021	As at 1 April, 2020
Equity as per Indian GAAP		843.88	798.12
Net impact of Fair valuation of Interest Free Security Deposits		(160.58)	(167.90)
Deferred Tax Impact on above		41.75	43.65
Equity as per Ind AS		725.04	673.87

f. Effect of Ind AS adoption on the Statement of Profit and Loss for the period ended March 31, 2021:

Particulars	Note No.	Indian GAAP	Effects of transition to Ind AS	Ind-AS
Income				
Revenue from operations		387.28	-	387.28
Other income	1	2.53	7.32	9.84
Total Income		389.80	7.32	397.12
Expenses				
Operating Costs		11.18	-	11.18
Changes in inventories		-	-	-
Employee benefits expense	2	11.21	0.67	11.88
Finance costs		148.88	-	148.88
Depreciation and amortisation expense		132.07	-	132.07
Other Expenses		24.63	-	24.63
Total Expenses		327.97	0.67	328.65
Profit before exceptional items and tax		61.83	6.65	68.47
Exceptional items - (Expenses)/Income				
Profit before tax		61.83	6.65	68.47
Tax expense				
Current tax		-	-	-
Deferred tax	3	16.07	1.73	17.80
Profit for the year		45.76	4.92	50.68
Other Comprehensive Income				
		-	0.50	0.50
		-	0.50	0.50
A. Other comprehensive income not to be reclassified to profit or loss in subsequent periods:				
Re-measurement gains/(losses) on defined benefit plan	2	-	0.67	0.67
Income tax effect on above	3	-	(0.17)	(0.17)
Total comprehensive income for the year, net of tax		45.76	5.42	51.17

g. Statement of reconciliation of total comprehensive income for the period ended March 31, 2021:

Particulars	Notes	As at 31 March, 2021
Profit for the year as per Indian GAAP		45.76
Interest income on security deposit	1	7.32
Re-measurement gains/(losses) on defined benefit plans	2	(0.67)
Deferred tax impact on above	3	(1.73)
Profit for the year as per Ind AS		50.68
Other comprehensive income (net)	2, 3	0.50
Total comprehensive income for the year, net of tax as per Ind AS		51.17

Notes:

- 1 Under Indian GAAP, interest-free lease security deposits paid are reported at their transaction values. Under Ind AS, interest-free security deposits are measured at fair value on initial recognition and at amortised cost on subsequent recognition. The difference between the transaction value and fair value of the deposit at initial recognition are charged off. The fair value of security deposit is unwound over the period of the deposit to recognize an interest income.
- 2 Actuarial gains and losses pertaining to defined benefit obligations and re-measurement pertaining to return on plan assets are recognised in Other Comprehensive Income in accordance with Ind AS 19 and are not reclassified to profit or loss. Further, there are certain other items (as presented in OCI) that are accounted in Other Comprehensive Income and subsequently reclassified to Profit or Loss in accordance with Ind AS requirements.
- 3 Deferred tax under Ind AS has been recognised for temporary differences between tax base and the book base of the relevant assets and liabilities. Under I-GAAP the deferred tax was accounted based on timing differences impacting the Statement of Profit and Loss for the period.
- 4 The previous year I-GAAP figures have been reclassified/regrouped to make them comparable with Ind AS presentation.

MITCON Solar Alliance Limited

Notes to the Financial Statements

(All amounts in Rupee Lakhs, unless otherwise stated)

Note 42 :

During the previous year, the company has converted existing loan from MITCON Trusteeship Services Private Limited into 0.10%

Note 43: Ind AS notified but not effective

Recent pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 1st, 2022, as below:

Ind AS 103 - Reference to Conceptual Framework

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 16 - Proceeds before intended use

The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, an entity will recognise such sales proceeds and related cost in profit or loss. The Company does not expect the amendments to have any impact in its recognition of its property, plant and equipment in its financial statements.

Ind AS 37 - Onerous Contracts - Costs of Fulfilling a Contract

The amendments specify that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification and the Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 109 - Annual Improvements to Ind AS (2021)

The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability. The Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 106 - Annual Improvements to Ind AS (2021)

The amendments remove the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives were described in that illustration. The Company does not expect the amendment to have any significant impact in its financial statements.

Note 44 : Note on Covid-19 Impact

The Company has considered the possible effects of the COVID-19 pandemic on the carrying amounts of property, plant and equipment, investments, receivables and other current assets. Based on the above assessment the Company is of the view that carrying amounts of property, plant and equipment, investments, receivables and other current assets are realizable and there is no impact on the business activity of the Company.

Management believes that it has taken into account all the possible impact of known events arising from COVID 19 pandemic in the preparation of the standalone financial results. However, the impact assessment of COVID 19 is a continuing process given the uncertainties associated with its nature and duration. The Company has also evaluated the impact of the same on the aforementioned risks i.e. credit risk, liquidity risk, market risk and does not foresee any material impact on account of the same.

MITCON Solar Alliance Limited

Notes to the Financial Statements

(All amounts in Rupee Lakhs, unless otherwise stated)

NOTE 45: ADDITIONAL REGULATORY INFORMATION REQUIRED BY SCHEDULE III TO THE COMPANIES ACT, 2013

- (i) The Company does not have any benami property held in its name. No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.
- (ii) The Company has not been declared wilful defaulter by any bank or financial institution or other lender or government or any government authority.
- (iii) The Company has complied with the requirement with respect to number of layers as prescribed under section 2(87) of the Companies Act.
- (iv) Utilisation of borrowed funds and share premium

I The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), 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

II The Company has not received any fund from any person(s) or entity(ies), 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

(v) There is no income surrendered or disclosed as income during the year in tax assessments under the Income Tax Act, 1961 (such

(vi) The Company has not traded or invested in crypto currency or virtual currency during the year.

(vii) The Company does not have any charges or satisfaction of charges which is yet to be registered with Registrar of Companies

Note 46 :

Previous year figures have been regrouped / reclassified wherever necessary to conform with current year's classification/ disclosure.

As per our attached report of even date

For and on behalf of the board of directors
of MITCON Solar Alliance Limited

Chartered Accountants

Firm Registration Number: 110266W



S P Dixit
Partner
Membership Number: 041179
Place : Pune
Date : 20th May 2022



HARSHAD VIJAY JOSHI
Director
DIN 07225599
Place : Pune
Date : 20th May 2022



ANIRUDHA G SATHE
Director
DIN 07823335
Place : Pune
Date : 20th May 2022

