

Serial Number: [●]

**AVAADA SOLARISE ENERGY PRIVATE LIMITED**  
Avaada Solarise Energy Private Limited, incorporated in India with limited liability on September 5, 2018 under the Companies Act, 2013) at New Delhi

**Registered Office:** 910/19 Suryakiran,| Kasturba Gandhi Marg, New Delhi – 110001

**Corporate Office:** 406, Hubtown Solaris, N.S.Phadke Marg, Andheri East, Mumbai-400069**Telephone:** 011-68172100 | **Website:** [www.avaadaenergy.com/solarise/](http://www.avaadaenergy.com/solarise/)  
| **Email address:** [avaadasolarise@avaada.com](mailto:avaadasolarise@avaada.com) |  
**CIN:** U40300DL2018PTC338280 | **PAN:** AARCA2636G| **Fax:** NA

INFORMATION MEMORANDUM AND PRIVATE PLACEMENT OFFER LETTER BY WAY OF PRIVATE PLACEMENT (THE “ISSUE”) BY AVAADA SOLARISE ENERGY PRIVATE LIMITED (THE “ISSUER” / “COMPANY”) FOR ISSUE OF 4,990 SECURED, REDEEMABLE, RATED, LISTED NON-CONVERTIBLE DEBENTURES OF A FACE VALUE OF INR 10,00,000 EACH, AGGREGATING TO INR 499,00,00,000 (“DEBENTURES”) (AS THE BASE ISSUE SIZE). THIS ISSUANCE WOULD BE UNDER THE ELECTRONIC BOOK MECHANISM FOR ISSUANCE OF DEBT SECURITIES ON PRIVATE PLACEMENT BASIS AS PER SEBI CIRCULAR SEBI/HO/DDHS/P/CIR/2021/613 DATED 10 AUGUST 2021 (“OPERATIONAL GUIDELINES”) ISSUED BY SEBI UNDER SEBI (ISSUE AND LISTING OF NON-CONVERTIBLE SECURITIES) REGULATIONS, 2021. THE COMPANY INTENDS TO USE BSE’S ELECTRONIC BIDDING PLATFORM (“BSE-BOND EBP”) FOR THIS ISSUE. THIS INFORMATION MEMORANDUM IS BEING UPLOADED ON THE BSE BOND- EBP TO COMPLY WITH THE SEBI OPERATIONAL CIRCULAR READ WITH THE OPERATIONAL GUIDELINES FOR ISSUANCE OF SECURITIES ON PRIVATE PLACEMENT BASIS THROUGH THE ELECTRONIC BOOK MECHANISM ISSUED BY BSE LIMITED (“BSE”) VIDE THEIR NOTICE 20180928-24 DATED 28 SEPTEMBER 2018 AND AN OFFER WILL BE MADE BY ISSUE OF THE SIGNED PRIVATE PLACEMENT OFFER CUM APPLICATION LETTER AFTER COMPLETION OF THE BIDDING PROCESS ON ISSUE/BID CLOSING DATE, TO SUCCESFUL BIDDER IN ACCORDANCE WITH THE PROVISIONS OF THE COMPANIES ACT, 2013 AND RELATED RULES.

THIS INFORMATION MEMORANDUM DATED [●] (“INFORMATION MEMORANDUM”) IS PREPARED IN CONFORMITY WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE AND LISTING OF NON-CONVERTIBLE SECURITIES) REGULATIONS, 2021 ISSUED VIDE NOTIFICATION NO. SEBI/LAD-NRO/GN/2021/39 DATED 9 AUGUST 2021 AS AMENDED FROM TIME TO TIME.

NEITHER THE ISSUER NOR ANY OF ITS PROMOTERS OR DIRECTORS HAS BEEN DECLARED AS A WILFUL DEFAULTER.

This Information Memorandum contains relevant information and disclosures required for issue of the Debentures. The issue of the Debentures comprised in the Issue and described under this Information Memorandum has been authorised by the Issuer through resolutions passed by the Board of Directors of the Issuer on 10 February 2022 and the Memorandum and Articles of Association of the Issuer. The Issuer has adequate limits under Section 180(1)(c) to issue the Debentures and does not require a separate shareholders resolution for the same.

GENERAL RISKS

Investment in debt and debt related securities involves a degree of risk and investors should not invest any funds in the debt instruments, unless they understand the terms and conditions and can afford to take the risks attached to such investments. For taking an investment decision, potential investors must rely on their own examination of the Issuer, the Issue, this Information Memorandum including the risks involved. As the issue is being made on a private placement basis, the Debentures have not been recommended or approved by SEBI nor does SEBI guarantee the accuracy or adequacy of this document. Investment in debt and debt related securities involves a degree of risk and investors s are advised to take an informed decision and consider with their advisers, of the suitability of the Debentures in the light of their particular financial circumstances and investment objectives and risk profile, and of all information set forth in this Information Memorandum, including the section entitled “Risk Factors”, before investing.

CREDIT RATING

The Debentures have been rated *Provisional CRISIL AAA* with stable outlook by *CRISIL Ratings Limited* for an amount up to INR 499,00,00,000 vide its letter dated February 3, 2022. Instruments with this rating are considered to have the highest degree of safety regarding timely servicing of financial obligations. Such instruments carry lowest credit risk. The above rating is not a recommendation to buy, sell or hold securities and investors should take their own decisions. The rating may be subject to revision or withdrawal at any time by the assigning rating agency and the rating should be evaluated independently of any other rating. The rating agency has the right to suspend, withdraw the rating at any time on the basis of new information etc. Please refer to Annexure C of this Information Memorandum for rationale for the above rating.

LISTING

The Debentures offered through this Information Memorandum are initially proposed to be listed on the Wholesale Debt Market (“WDM”) Segment of the BSE Limited (“BSE”). The Issuer has obtained “in-principle” approval from BSE on [●], for listing the NCDs offered through this Issue. The Issuer, with prior notice to the Debenture Trustee, may get the Debentures listed on other material stock exchanges as it deems fit. The Issuer shall comply with the requirements of the listing agreement to the extent applicable to it on a continuous basis. The Issuer intends to use electronic book mechanism as available on the website of the BSE.

ISSUE PROGRAMME\*

ISSUE/BID OPENING DATE	ISSUE/BID CLOSING DATE	DATE OF EARLIEST CLOSING OF THE ISSUE, IF ANY	PAY-IN DATE/DEEMED DATE OF ALLOTMENT
February 28, 2022	February 28, 2022	Not Applicable	March 2, 2022

\*The subscription list for the Issue shall remain open for subscription during market hours for the period indicated above. The Issuer reserves the right to change the Issue Closing Date and in such an event, the Pay-in date and Deemed Date of Allotment for the NCDs may also be revised by the Issuer at its sole and absolute discretion. In the event of any change in the above issue programme, the Issuer will intimate the investors about the revised issue programme in accordance with the BSE Operational Guidelines.

DETAILS ABOUT ELIGIBLE INVESTORS

The Eligible Investors are: (a) trust; (b) portfolio managers registered with SEBI; (c) association of persons; (d) companies and bodies corporate including public sector undertakings; (e) commercial banks; (f) financial institutions; (g) insurance companies; (h) mutual funds; (i) foreign portfolio investors; (j) other foreign entities allowed by SEBI and RBI; (k) any other investor eligible to invest in these Debentures. The present issue of debentures is not underwritten.

COUPON	COUPON PAYMENT FREQUENCY	FINAL REDEMPTION DATE	REDEMPTION AMOUNT
6.75% p.a.p.q.	Quarterly (at the end of each calendar quarter starting from March 31, 2022) Please refer to Annexure E of this Information Memorandum for cash flow statement	February 28, 2025	499,00,00,000

The Issue shall be subject to the provisions of the Companies Act, 2013, (the “Companies Act”), the rules notified pursuant to the Companies Act, the Memorandum and Articles of Association of the Issuer, the terms and conditions of this Information Memorandum filed with the BSE and any other material stock exchanges, as applicable, the Application Form, and other terms and conditions as may be incorporated in the Debenture Trust Deed and other documents in relation to each such Issue.

THIS INFORMATION MEMORANDUM ALSO CONSTITUTES A PRIVATE PLACEMENT OFFER CUM APPLICATION LETTER AND INCORPORATES DISCLOSURES REQUIRED UNDER FORM PAS-4 OF THE COMPANIES (PROSPECTUS AND ALLOTMENT OF SECURITIES) RULES, 2014

DETAILS OF KMP

COMPLIANCE OFFICER	COMPANY SECRETARY	CHIEF FINANCIAL OFFICER	PROMOTERS
Ms Aadishri Sahasrabuddhe Tel No. 022- 61408000 Email: <a href="mailto:avaadasolarise@avaada.com">avaadasolarise@avaada.com</a>	Ms Aadishri Sahasrabuddhe Tel No. 022- 61408000 Email: <a href="mailto:avaadasolarise@avaada.com">avaadasolarise@avaada.com</a>	NA Tel No: NA Email: NA	Avaada Energy Private Limited Tel No. 022-61408000 Email: <a href="mailto:avaadaenergy@avaada.com">avaadaenergy@avaada.com</a>
DETAILS OF KEY INTERMEDIARIES DEBENTURE TRUSTEE TO THE ISSUE	REGISTRAR TO THE ISSUE	CREDIT RATING AGENCY	
  Catalyst Trusteeship Limited Address: 810, 8th floor, Kailash building, 26 Kasturba Gandhi Marg, New Delhi 110001 Tel No. +91 (11) 43029101 Fax No: +91 (22) 49220505 Email: <a href="mailto:sameer.trikha@ctltrustee.com">sameer.trikha@ctltrustee.com</a> Contact Person: Mr.Sameer Trikha	  Link Intime India Private Limited Address: C-101,247 Park, L.B.S Marg, Vikhroli (west). Mumbai- 400 083 Tel No. +91 22 49186000 Fax No: + 91 22 4918 6060 Email: <a href="mailto:mumbai@linkintime.co.in">mumbai@linkintime.co.in</a> Contact Person: Mr. Amit Dabhade	 An S&P Global Company  CRISIL Ratings Limited Address: CRISIL House, Central Avenue, Hiranandani Business Park, Powai, Mumbai- 400 076, India Tel No. 022 33423000 Fax No: + 9122 33423000 Email: <a href="mailto:Ruchita.pandya@crisil.com">Ruchita.pandya@crisil.com</a> Contact Person: Ruchita Pandya	

## **CLIMATE BOND CERTIFICATION**

The NCDs are certified as “Climate Bonds Standard Certified” vide letter and certification dated 14<sup>th</sup> December, 2021 by the Climate Bonds Standard Board based on application made by the Issuer and a Third Party verification report provided by KPMG India. The letter, certification and the Third Party Assurance report are attached in Annexure L & Annexure M. Instruments with this certification are considered to conform to Climate Bonds Standard which lays out clear requirements for use of proceeds consistent with the Paris Agreement goal of 2 Degrees Celsius warming, selection of projects, management of proceeds and reporting which are the components of the Green Bond Principles. The Climate Bonds Standard Board operates legally as an advisory committee of the Climate Bonds Initiative Board and oversees the development of the Climate Bonds Standard. Neither the Climate Bonds Standard Board nor any organisation, individual or other person forming part of, or representing, the Climate Bonds Standard Board (together, "CBSB") accepts or owes any duty, liability or responsibility of any kind whatsoever to any issuer which wishes to apply for any of its bonds to be certified under the Climate Bonds Certification Scheme ("Scheme"), or to any issuer whose bonds may at any time be certified under the Scheme or to any other person or body whatsoever, whether with respect to the award or withdrawal of any certification under the Scheme or otherwise. All advice or recommendations with respect to any certification under the Scheme or otherwise that CBSB provides to the Climate Bonds Initiative Board is provided to it in an advisory capacity only and is not to be treated as provided or offered to any other person.

## **TABLE OF CONTENTS**

PART 1: DISCLAIMERS.....	1
PART 2: DEFINITIONS AND ABBREVIATIONS.....	7
PART 3: FORWARD LOOKING STATEMENTS .....	12
PART 4: RISK FACTORS .....	14
PART 5: ISSUE DETAILS .....	22
PART 6: MATERIAL AGREEMENTS/ DOCUMENTS .....	47
PART 7: STATUTORY AND REGULATORY DISCLOSURES- COMPANIES ACT, 2013.....	48
PART 8: STATUTORY AND REGULATORY DISCLOSURES- SEBI NCS REGULATIONS ....	64
PART 9: DISCLOSURES AS PER THE SEBI DUE DILIGENCE CIRCULAR .....	99
PART 10: ISSUE PROCEDURE .....	103
PART 11: DECLARATION .....	115
PART 12: GREEN BOND FRAMEWORK.....	117
ANNEXURE A: APPLICATION FORM .....	121
ANNEXURE B: BOARD RESOLUTIONS AUTHORISING THE ISSUE.....	129
ANNEXURE C: RATING LETTER OF CRISIL ALONGWITH RATING RATIONALE.....	139
ANNEXURE D: CONSENT OF DEBENTURE TRUSTEE .....	144
ANNEXURE E: FINANCIAL STATEMENTS.....	146
ANNEXURE F: CONSENT OF REGISTRAR TO THE ISSUE .....	152
ANNEXURE G: IN-PRINCIPLE APPROVAL OF THE BSE.....	153
ANNEXURE I: DOCUMENTS WHICH HAVE BEEN/ARE PROPOSED TO BE EXECUTED IN CONNECTION WITH THE ISSUE AND SUBSCRIPTION OF THE DEBENTURES .....	156
ANNEXURE J: RELATED PARTY TRANSACTIONS ENTERED DURING THE LAST THREE FINANCIAL YEARS .....	157
ANNEXURE K: DETAILS OF PENDING LITIGATIONS .....	159
ANNEXURE L: INDEPENDENT ASSURANCE STATEMENT .....	161
ANNEXURE M: GREEN BOND CERTIFICATE.....	164
ANNEXURE N: CORPORATE GUARANTEE .....	165
ANNEXURE O: COPIES OF AUDITORS' REPORT AND RELEVANT EXTRACTS OF FINANCIAL STATEMENTS .....	166

## **PART 1: DISCLAIMERS**

### **ISSUER'S DISCLAIMER**

The distribution of this Information Memorandum and the Issue, to be initially listed on the WDM segment of the BSE, is being made strictly on a private placement basis. This Information Memorandum is not intended to be circulated to any person other than Eligible Investors. Multiple copies hereof or of any Information Memorandum given to the same entity shall be deemed to be given to the same person and shall be treated as such. It does not constitute and shall not be deemed to constitute an offer or an invitation to subscribe to the Debentures to the public of India in general. This Information Memorandum should not be construed to be a prospectus or a statement in lieu of prospectus under the Companies Act. Apart from this Information Memorandum, no offer document or prospectus has been or will be prepared in connection with the offering of the Debentures or in relation to the Issuer nor is such a prospectus required to be registered under applicable laws.

This Information Memorandum has been prepared in conformity with the SEBI NCS Regulations, Companies Act and the rules thereunder.

This Information Memorandum has been prepared to provide general information about the Issuer to potential Investors to whom it is addressed and who are willing and eligible to subscribe to the Debentures. This Information Memorandum does not purport to contain all the information that any potential Eligible Investor may require. Neither this Information Memorandum nor any other information supplied in connection with the Debentures is intended to provide the basis of any credit or other evaluation and any recipient of this Information Memorandum should not consider such receipt a recommendation to purchase any Debentures. Each Eligible Investor contemplating purchasing any Debentures should make its own independent investigation of the financial condition and affairs of the Issuer, and its own appraisal of the creditworthiness of the Issuer as well as the structure of the Issue. Potential Investors should consult their own financial, legal, tax and other professional advisors as to the risks and investment considerations arising from an investment in the Debentures and should possess the appropriate resources to analyse such investment and the suitability of such investment to such Investor's particular circumstances. It is the responsibility of the potential Investors to also ensure that they will sell these Debentures in strict accordance with this Information Memorandum, the Debenture Trust Deed and applicable laws, so that the sale does not constitute an offer to the public, within the meaning of the Companies Act. Neither the intermediaries nor their agents nor advisors associated with the Issue undertake to review the financial condition nor affairs of the Issuer during the life of the arrangements contemplated by this Information Memorandum or have any responsibility to advise any Eligible Investor or potential Eligible Investors on the Debentures of any information coming to the attention of any other intermediary.

The Issuer, having made all reasonable inquiries, accepts responsibility for, and confirms that this Information Memorandum contains all information with regard to the Issuer and the Issue, that the information contained in this Information Memorandum is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which make this Information Memorandum as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect. The Issuer has no side letter with any debt securities holder except the ones disclosed in this Information Memorandum. Any covenants later added shall be disclosed on the stock exchange website where the Debentures are listed. No person has been authorised to give any information or to make any representation not contained or incorporated by reference in this Information Memorandum or in any material made available by the Issuer to any potential Eligible Investor pursuant

hereto and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer. The legal advisors to the Issuer and any other intermediaries and their agents or advisors associated with the Issue have not separately verified the information contained herein. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility is accepted by any such intermediary as to the accuracy or completeness of the information contained in this Information Memorandum or any other information provided by the Issuer. Accordingly, the legal advisors to the Issuer and other intermediaries associated with the Issue shall have no liability in relation to the information contained in this Information Memorandum or any other information provided by the Issuer in connection with the Issue.

The Issuer does not undertake to update the Information Memorandum to reflect subsequent events after the date of the Information Memorandum and thus it should not be relied upon with respect to such subsequent events without first confirming its accuracy with the Issuer.

Neither the delivery of this Information Memorandum nor any Issue made hereunder shall, under any circumstances, constitute a representation or create any implication that there has been no change in the affairs of the Issuer since the date hereof.

**This Information Memorandum and the contents hereof and thereof are restricted only for the intended recipient(s) who have been addressed directly and specifically through a communication by the or on behalf of the Issuer and only such recipients are eligible to apply for the Debentures. All Investors are required to comply with the relevant regulations/guidelines applicable to them for investing in this Issue. The contents of this Information Memorandum and any other information supplied in connection with this Information Memorandum or the Debentures are intended to be used only by those potential Investors to whom it is distributed. It is not intended for distribution to any other person and should not be reproduced by them or the disseminated recipient.**

Each copy of this Information Memorandum will be serially numbered and the person, to whom a copy of the Information Memorandum is sent, is alone entitled to apply for the Debentures. No invitation is being made to any persons other than those to whom application forms along with this Information Memorandum have been sent. Any application by a person to whom the Information Memorandum has not been sent by or on behalf of the Issuer shall be rejected without assigning any reason.

Invitations, offers and allotment of the Debentures shall only be made pursuant to this Information Memorandum. You may not be and are not authorised to (1) deliver this Information Memorandum or any other information supplied in connection with this Information Memorandum or the Debentures to any other person; or (2) reproduce this Information Memorandum or any other information supplied in connection with this Information Memorandum or the Debentures in any manner whatsoever, except for secondary market trade(s)/discussion(s) purpose to the potential investor(s). Any distribution or reproduction of this Information Memorandum in whole or in part or any public announcement or any announcement to third parties regarding the contents of this Information Memorandum or any other information supplied in connection with this Information Memorandum or the Debentures. Failure to comply with this instruction may result in a violation of the Companies Act, the SEBI NCS Regulations or other applicable laws of India and other jurisdictions. This Information Memorandum has been prepared by the Issuer for providing information in connection with the proposed Issue described in this Information Memorandum.

Each person receiving this Information Memorandum acknowledges that such person has been afforded an opportunity to request and to review and has received all additional information considered by it to be necessary to verify the accuracy of or to supplement the information herein and such person has not

relied on any intermediary associated with the Issue in connection with its investigation of the accuracy of such information or its investment decision. Each person in possession of this Information Memorandum should carefully read and retain this Information Memorandum. However, each such person in possession of this Information Memorandum is not to construe the contents of this Information Memorandum as investment, legal, accounting, regulatory or tax advice, and such persons in possession of this Information Memorandum should consult with their own advisors as to all legal, accounting, regulatory, tax, financial and related matters concerning an investment in the Debentures.

Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of the Issuer and the offer including the risks involved. The Debentures have not been recommended or approved by the any regulatory authority in India, including the SEBI nor does SEBI guarantee the accuracy or adequacy of this Information Memorandum. Specific attention of investors is invited to the statement of ‘Risk factors’ given on page number 14 under the Part 4 (*Risk Factors*) of this Information Memorandum.

The Issue will be a domestic issue restricted to India and no steps have been taken or will be taken to facilitate the Issue in any jurisdictions other than India. This Information Memorandum is not intended for distribution to, or use by, any person or entity in any jurisdiction or country where distribution or use of such information would be contrary to law or regulation. This Information Memorandum does not constitute, nor may it be used for or in connection with, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such an offer or solicitation. Persons into whose possession this Information Memorandum comes are required to inform themselves about and to observe any such restrictions. This Information Memorandum is made available to Investors in the Issue on the strict understanding that it is confidential and may not be transmitted to others, whether in electronic form or otherwise.

#### **DISCLAIMER IN RESPECT OF JURISDICTION**

The Issue will be made to the Investors as specified under “Eligible Investors” of this Information Memorandum, who shall be specifically approached by the Issuer. This Information Memorandum does not constitute an offer to sell or an invitation to subscribe to the Debentures offered hereby to any person to whom it is not specifically addressed. Any disputes arising out of this Issue will be subject to the jurisdiction of the courts of New Delhi. This Information Memorandum does not constitute an offer to sell or an invitation to subscribe to the Debentures herein, in any jurisdiction and to any person to whom it is unlawful to make an offer or invitation in such jurisdiction.

#### **DISCLAIMER CLAUSE OF SEBI**

As per the provisions of the SEBI NCS Regulations, it is not stipulated that a copy of this Information Memorandum has to be filed with or submitted to the SEBI for its review/approval. It is to be distinctly understood that this Information Memorandum should not in any way be deemed or construed to have been approved or vetted by SEBI and that this Issue is not recommended or approved by SEBI. SEBI does not take any responsibility either for the financial soundness of any proposal for which the Debentures are issued/ proposed to be issued, or for the correctness of the statements made or opinions expressed in this Information Memorandum.

#### **DISCLAIMER CLAUSE OF THE BSE**

As required, a copy of this Information Memorandum has been submitted to BSE Limited. It is to be distinctly understood that the aforesaid submission or hosting the same on the website of BSE in terms of the SEBI NCS Regulations, should not in any way be deemed or construed to mean that this

Information Memorandum has been cleared or approved by BSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Information Memorandum; nor does it warrant that the Issuer's Debentures will be listed or will continue to be listed on the BSE; nor does it take any responsibility for the financial or other soundness of the Issuer, its promoters, its management or any scheme or project of the Issuer.

Every person who desires to apply for or otherwise acquire any securities of the Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against BSE whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.

#### **DISCLAIMER CLAUSE OF THE CREDIT RATING AGENCY**

All credit ratings assigned are subject to certain limitations and disclaimers. Please read these limitations and disclaimers on the website of the Credit Rating Agency. In addition, rating definitions and the terms of use of such ratings are available on the public website of the Credit Rating Agency. Published ratings, criteria, and methodologies are available from this site at all times. Code of conduct, confidentiality, conflicts of interest, affiliate firewall, compliance, and other relevant policies and procedures may also apply.

Ratings are opinions on credit quality and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. The Credit Rating Agency has based its ratings on information obtained from sources believed by it to be accurate and reliable. The Credit Rating Agency does not, however, guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities or instruments are rated by the Credit Rating Agency have paid a credit rating fee, based on the amount and type of bank facilities/instruments.

#### **DISCLAIMER CLAUSE OF THE ARRANGERS**

The Issuer has authorized ICICI Bank Limited and Axis Bank Limited (the "Arrangers") to distribute, in accordance with applicable law, this Information Memorandum in connection with the proposed transaction outlined in it (the "Transaction") and the NCDs.

The role of the Arrangers is confined to marketing, bidding for (wherever applicable and authorized) and placement of the Debentures on the basis of this Information Memorandum as prepared by the Issuer. The Issuer has prepared this Information Memorandum and the Issuer is solely responsible for its contents. The Issuer will comply with all the laws, rules and regulations and has obtained all governmental, regulatory and corporate approvals for the issuance of the NCDs. All the information contained in this Information Memorandum has been provided by the Issuer or is from publicly available information, and such information has not been independently verified by the Arrangers. No representation or warranty, expressed or implied, is or will be made, and no responsibility or liability is or will be accepted, by the Arrangers or their Affiliates for the accuracy, completeness, reliability, correctness or fairness of this Information Memorandum or any of the information or opinions contained therein, and the Arrangers hereby expressly disclaim, to the fullest extent permitted by law, any responsibility for the contents of this Information Memorandum and any liability, whether arising in tort or contract or otherwise, relating to or resulting from this Information Memorandum or any information or errors contained therein or any omissions therefrom. The Arrangers or any of its directors, employees, affiliates or representatives do not accept any responsibility and/or liability for

any loss or damage arising of whatever nature and extent in connection with the use of any of the information contained in this Information Memorandum.

You should carefully read and retain this Information Memorandum. However, you are not to construe the contents of this Information Memorandum as investment, legal, accounting, regulatory or tax advice, and you should consult with your own advisors as to all legal, accounting, regulatory, tax, financial and related matters concerning an investment in the NCDs.

ICICI Bank Limited and Axis Bank Limited may subscribe/purchase and hold the NCDs for their own account or for the accounts of their customers or enter into other transactions (including derivatives) relating to the NCDs at the same time as the offering of the NCDs. ICICI Bank Limited and Axis Bank Limited may have engaged in or may in the future engage in other dealings in the ordinary course of business with the Issuer and/or its subsidiaries and Affiliates.

Nothing in this Information Memorandum constitutes an offer of securities for sale in any other jurisdiction, other than India, where such offer or placement would be in violation of any law, rule or regulation.

## **CONFIDENTIALITY**

The information and data contained herein is submitted to each recipient of this Information Memorandum on a strictly private and confidential basis. By accepting a copy of this Information Memorandum or any other information supplied in connection with this Information Memorandum or the Debentures, each recipient agrees that neither it nor any of its employees or advisors will use the information contained herein for any purpose other than evaluating the specific transactions described herein or will divulge to any other party any such information. This Information Memorandum or any other information supplied in connection with this Information Memorandum or the Debentures must not be photocopied, reproduced, extracted or distributed in full or in part to any person other than the recipient without the prior written consent of the Issuer.

## **CAUTIONARY NOTE**

The Investors have confirmed that they, (i) are knowledgeable and experienced in financial and business matters, have expertise in assessing credit, market and all other relevant risk and are capable of evaluating, and have evaluated, independently the merits, risks and suitability of purchasing the Debentures; (ii) understand that the Issuer has not provided, and will not provide, any material or other information regarding the Debentures, except as included in this Information Memorandum, (iii) have not requested the Issuer to provide it with any such material or other information, (iv) have not relied on any investigation that any person acting on their behalf may have conducted with respect to the Debentures, (v) have made their own investment decision regarding the Debentures based on their own knowledge (and information they have or which is publicly available) with respect to the Debentures or the Issuer, (vi) have had access to such information as deemed necessary or appropriate in connection with purchase of the Debentures, (vii) are not relying upon, and have not relied upon, any statement, representation or warranty made by any person, including, without limitation, the Issuer, and (viii) understand that, by purchase or holding of the Debentures, they are assuming and are capable of bearing the risk of loss that may occur with respect to the Debentures, including the possibility that they may lose all or a substantial portion of their investment in the Debentures, and they will not look to the Debenture Trustee appointed for the Debentures for all or part of any such loss or losses that they may suffer.



Neither this Information Memorandum nor any other information supplied in connection with the Issue is intended to provide the basis of any credit or other evaluation and any recipient of this Information Memorandum should not consider such receipt as a recommendation to purchase any Debentures. Each Eligible Investor contemplating purchasing any Debentures should make its own independent investigation of the financial condition and affairs of the Issuer, and its own appraisal of the creditworthiness of the Issuer. Potential Investors should consult their own financial, legal, tax and other professional advisors as to the risks and investment considerations arising from an investment in the Debentures and should possess the appropriate resources to analyse such investment and the suitability of such investment to such Investor's particular circumstances. This Information Memorandum is made available to potential Investors on the strict understanding that it is confidential. Recipients shall not be entitled to use any of the information otherwise than for the purpose of deciding whether or not to invest in the Debentures.

No person, including any employee of the Issuer, has been authorised any information or to make any representation not contained in this Information Memorandum. Any information or representation not contained herein must not be relied upon as having been authorised on behalf of the Issuer. Neither the delivery of this Information Memorandum at any time nor any statement made in connection with the offering of the Debentures shall under the circumstances imply that any information/ representation contained herein is correct at any time subsequent to the date of this Information Memorandum. The distribution of this Information Memorandum or the Application Forms and the offer, sale, pledge or disposal of the Debentures may be restricted by law in certain jurisdictions. This Information Memorandum does not constitute an offer to sell or an invitation to subscribe to the Debentures in any other jurisdiction and to any person to whom it is unlawful to make such offer or invitation in such jurisdiction. Persons into whose possession this Information Memorandum comes are required by the Issuer to inform themselves about and observe any such restrictions.

## **PART 2: DEFINITIONS AND ABBREVIATIONS**

In this Information Memorandum, unless the context otherwise requires, the terms defined and abbreviations expanded below shall have the same meaning as stated in this section. References to statutes, rules, regulations, guidelines and policies will be deemed to include all amendments and modifications notified thereto.

Further, unless otherwise indicated or the context otherwise requires, all references to “Avaada Solarise Energy Private Limited” or “ASEPL” or to the “Issuer” or the “Company” is to *Avaada Solarise Energy Private Limited*. References to “we”, “us” or “our” is to *Avaada Solarise Energy Private Limited*, its subsidiaries, associates and joint ventures, on a consolidated basis, and references to “you” are to the prospective Investors in the Debentures.

Notwithstanding anything contained in this Information Memorandum, in case of any inconsistency or repugnancy between this Information Memorandum and the Debenture Trust Deed, the Debenture Trust Deed shall prevail.

### **Issue Related Terms**

<b>Term</b>	<b>Description</b>
Allot/ Allotment/ Allotted	Unless the context otherwise requires or implies, the allotment of the Debentures pursuant to the Issue
Application Form	The form in which an Eligible Investor can apply for subscription to the Debentures as attached in <b>Annexure A</b> to this Information Memorandum
Authorisation	(a) any authorisation, clearance, consent, ruling, permit, approval, resolution, grant, concession, licence, waiver, exemption, no-objection certificate, filing, certification, notarisation, lodgement or registration issued by any Governmental Agency or any third party (including the Environmental Permits); and  (b) in relation to anything which will be fully or partly prohibited or restricted by law or regulation if a Governmental Agency intervenes or acts in any way within a specified period after lodgement, filing, registration or notification, the expiry of that period without intervention or action.
Business Days	A day (other than a Saturday or a Sunday) on which banks are open for general business in Mumbai and Delhi (if applicable)
Credit Rating Agency	CRISIL Ratings Limited
DRR	Debenture Redemption Reserve required under Section 71 of the Companies Act
Debt Listing Agreement	The debt listing agreement, as amended from time to time, entered into by the Issuer with the BSE for the listing of the Debentures and any other recognized stock exchange to which the Issuer may apply for the listing of

<b>Term</b>	<b>Description</b>
	the Debentures subsequently after giving prior notice to the Debenture Trustee.
Debentures	4,990 secured, redeemable, rated, listed non-convertible debentures of a face value of INR 10,00,000 each aggregating INR 499,00,00,000 for cash at par issued by the Issuer
Debenture Holder(s)	the persons who are, for the time being and from time to time, the holders of the Debentures and whose names appear in the Register of Beneficial Owners
Debenture Trustee/Trustee	Trustee for the Debenture Holders, in this case being Catalyst Trusteeship Limited
Debenture Trust Deed	means the trust deed to be entered into between the Debenture Trustee and the Issuer in relation to the Issue
Debenture Trustee Regulations	Securities and Exchange Board of India (Debenture Trustee) Regulations, 1993, as amended from time to time
Deemed Date of Allotment	Pay-in Date, i.e. the date on which the subscription amount is credited to the account of the Issuer
Depository	NSDL and/or CDSL, as the context requires
Event of Default	shall have the meaning assigned to such term under the Debenture Trust Deed
Final Redemption Date	the date falling on expiry of 2 (two) years 363 (three hundred sixty-three) days after the Deemed Date of Allotment
Governmental Agency	<p>(a) government (central, state or otherwise) or sovereign state;</p> <p>(b) governmental agency, semi-governmental or judicial or quasi-judicial or regulatory or supervisory or administrative entity, department or authority, any stock exchange, court or tribunal or any political subdivision thereof; or</p> <p>(c) international organization, agency or authority that has the power to regulate or supervise the Issuer or the Secured Parties,</p> <p>including, without limitation, any stock exchange or any self-regulatory organisation, established under any Applicable Law</p>
Information Memorandum	This Information Memorandum
Coupon	in INR, the interest payable on the Coupon Payment Date on the aggregate outstanding Nominal Value of the Debentures at the Coupon Rate

<b>Term</b>	<b>Description</b>
Coupon Payment Dates	(a) firstly, 31 March 2022, (b) thereafter, each date falling at the expiry of every financial quarter from the previous Coupon Payment Date, with the last Coupon Payment Date falling on the Final Redemption Date
Coupon Period	Every calendar quarter end starting from March 31, 2022
Interest Rate	6.75% p.a.p.q
Majority Resolution	(a) a resolution passed at a meeting of the Debenture Holders duly convened and held or  (b) written instructions, given  by a majority representing not less than 75% (seventy-five percent) of the aggregate nominal value of the outstanding Debentures
Nominal Value	INR 10,00,000/- (Indian Rupees Ten Lakhs only) being the nominal value of each Debenture
Obligor	Issuer, other Restricted Group members and Avaada Energy Private Limited (as the security provider)
Offtaker	Bangalore Electricity Supply Company Limited
Project	Solar power generation facility of contracted capacity of 150 MW, located at Village Tirumani & Rayacharlu, Taluka: Pavagada, District: Tumkur, Karnataka State
Issue	Issue by way of private placement of Debentures by the Issuer pursuant to the terms of this Information Memorandum
Record Date	In connection with a debenture payment, the date falling 15 (fifteen) days prior to the due date on which that debenture payment is to be paid by the Company to the Debenture Holders.
Register of Beneficial Owners	the register of beneficial owners of the Debentures maintained in the records of the Depository
Registrar/Registrar to the Issue	Registrar to this Issue, in this case being Link Intime India Private Limited
Secured Parties	the Debenture Holders and the Debenture Trustee
Sponsor	Avaada Ventures Private Limited, a company validly existing under the Companies Act, 2013 and bearing CIN U40106MH2007PTC318041 and having its registered office at Unit No 406, 4th Floor, Hubtown Solaris, N S Phadke Road, Near Gokhle Flyover, Andheri East, Mumbai

<b>Term</b>	<b>Description</b>
Trading Day	all trading days of the stock exchanges for non-convertible securities, excluding Saturdays, Sundays and bank holidays, as specified by SEBI.

#### **Conventional and General Terms, Abbreviations and References to Other Business Entities**

<b>Abbreviation</b>	<b>Full form</b>
BSE	BSE Limited
BSE Operational Guidelines	Updated operational guidelines for issuance of securities on private placement basis through the electronic book mechanism issued by BSE vide their notice 20180928-24 dated 28 September 2018
CDSL	Central Depository Services (India) Limited
Depositories Act	The Depositories Act, 1996, as amended
Depository Participant/ DP	A depository participant as defined under the Depositories Act
DP ID	Depository Participant Identification Number
Equity Shares	Equity shares of the Issuer of Face Value of INR 10/- each
Financial Year/ Fiscal Year/ FY	Period of 12 months ended on 31 March of that particular year
Government / GoI	Government of the Republic of India
GAAP	Generally Accepted Accounting Principles
IT Act	The Indian Income Tax Act, 1961, as amended from time to time
NEFT	National Electronic Funds Transfer
Companies Act	The Companies Act, 2013, as amended from time to time
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
PAS Rules	Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended from time to time
p.a.	Per annum
PAN	Permanent Account Number
RBI	The Reserve Bank of India constituted under the RBI Act

<b>Abbreviation</b>	<b>Full form</b>
RBI Act	Reserve Bank of India Act, 1934, as amended from time to time
RoC / ROC	The Registrar of Companies, Maharashtra
RTGS	Real Time Gross Settlement
Rs./INR	Indian Rupees
SEBI	The Securities and Exchange Board of India constituted under the SEBI Act
SEBI Act	The Securities and Exchange Board of India Act, 1992, as amended from time to time
SEBI Defaults (Procedure) Circular	SEBI circular bearing reference number SEBI/HO/MIRSD/CRADT/CIR/P/2020/203 dated 13 October 2020, and any applicable notices, circulars or orders issued in relation thereto
SEBI Due Diligence Circular	SEBI circular on ‘Creation of Security in issuance of listed debt securities and ‘due diligence’ by debenture trustee(s)’ dated 3 November 2020 bearing reference number SEBI/HO/MIRSD/CRADT/CIR/P/2020/218
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended
SEBI LODR Regulations	SEBI (Listing Obligations and Disclosure Requirements), 2015, as amended
SEBI NCS Regulations	SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021, as may be amended from time to time and shall include any statutory amendment or re-enactment thereof from time to time
SEBI Operational Circular	SEBI circular on ‘Operational Circular for issue and listing of Non-convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper’ dated 10 August 2021 bearing reference number SEBI/HO/DDHS/P/CIR/2021/613
SEBI REF Circular	SEBI circular on ‘Contribution by Issuers of listed or proposed to be listed debt securities towards creation of Recovery Expense Fund’ dated 22 October 2020 bearing reference no. SEBI/HO/MIRSD/CRADT/CIR/P/2020/207
WDM	Wholesale Debt Market

### **PART 3: FORWARD LOOKING STATEMENTS**

Certain statements in this Information Memorandum are not historical facts but are “forward-looking” in nature. Forward-looking statements appear throughout this Information Memorandum, including, without limitation, under the section titled “*Risk Factors*”. Forward-looking statements include statements concerning the Issuer’s plans or financial performance, capital expenditure, etc. If any, the Issuer’s competitive strengths and weaknesses and the trends the Issuer anticipates in the industry, along with the political and legal environment, and geographical locations, in which the Issuer operates, and other information that is not historical information.

Words such as “aims”, “anticipate”, “believe”, “could”, “continue”, “estimate”, “expect”, “future”, “goal”, “intend”, “is likely to”, “may”, “plan”, “predict”, “project”, “seek”, “should”, “targets”, “would” and similar expressions, or variations of such expressions, are intended to identify and may be deemed to be forward-looking statements but are not the exclusive means of identifying such statements.

By their nature, forward-looking statements involve inherent risks and uncertainties, both general and specific, and assumptions about the Issuer, and risks exist that the predictions, forecasts, projections and other forward-looking statements will not be achieved.

These risks, uncertainties and other factors include, among other things, those listed under the section titled “*Risk Factors*” of this Information Memorandum, as well as those included elsewhere in this Information Memorandum. Prospective Investors should be aware that a number of important factors could cause actual results to differ materially from the plans, objectives, expectations, estimates and intentions expressed in such forward-looking statements. These factors include, but are not limited, to:

- Growth prospects of the Indian information technology sector and related policy developments;
- General, political, economic, social and business conditions in Indian and other global markets;
- The Issuer’s ability to successfully implement its strategy, growth and expansion plans;
- Competition in the Indian markets;
- Adverse rulings against the Issuer by courts or tribunals in the legal proceedings;
- Inability of the Issuer to employ substantial number of qualified personnel for operating its business and project operations;
- Occurrence of strikes, work stoppages and/or increased wage demands by the employees/labour employed for the Issuer’s business operations, resulting in a material adverse effect on the business of the Issuer, results of operations and cash flows;
- Availability of adequate debt and equity financing at reasonable terms;
- Inability of the Issuer to obtain or maintain adequate insurance cover for its projects;
- Performance of the Indian debt and equity markets; and
- Changes in laws and regulations applicable to companies in India, including foreign exchange control regulations in India.

For a further discussion of factors that could cause the Issuer's actual results to differ, please refer to the section titled "*Risk Factors*" of this Information Memorandum. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. Although the Issuer believes that the expectations reflected in such forward-looking statements are reasonable at this time, the Issuer cannot assure Investors that such expectations will prove to be correct. Given these uncertainties, the Investors are cautioned not to place undue reliance on such forward-looking statements. If any of these risks and uncertainties materialize, or if any of the Issuer's underlying assumptions prove to be incorrect, the Issuer's actual results of operations or financial condition could differ materially from that described herein as anticipated, believed, estimated or expected. All subsequent forward-looking statements attributable to the Issuer are expressly qualified in their entirety by reference to these cautionary statements. As a result, actual future gains or losses could materially differ from those that have been estimated. The Issuer undertakes no obligation to update forward-looking statements to reflect events or circumstances after the date hereof.

Forward looking statements speak only as of the date of this Information Memorandum. None of the Issuer, its directors, its officers or any of their respective affiliates or associates has any obligation to update or otherwise revise any statement reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition.



## **PART 4: RISK FACTORS**

Issuer believes that the following factors may affect its ability to fulfil its obligations under the Debentures. All of these factors are contingencies which may or may not occur and the Issuer is not in a position to express a view on the likelihood of any such contingency occurring. These risks may include, among others, business aspects, equity market, bond market, interest rate, market volatility and economic, political and regulatory risks and any combination of these and other risks. Prospective Eligible Investors should carefully consider all the information in this Information Memorandum, including the risks and uncertainties described below, before making an investment in the Debentures. Eligible Investors should also carefully consider risks of Guarantor(s) before making an investment in the Debentures. To obtain a complete understanding, prospective Eligible Investors should read this section in conjunction with the remaining sections of this Information Memorandum, as well as the other financial and statistical information contained in this Information Memorandum. If any of the following risks, or other risks that are not currently known or are now deemed immaterial, actually occur, the Issuer's business, results of operations and financial condition could suffer, the price of the Debentures could decline, and the Eligible Investor may lose all or part of their investment. More than one risk factor may have simultaneous effect with regard to the Debentures such that the effect of a particular risk factor may not be predictable. In addition, more than one risk factor may have a compounding effect which may not be predictable. No assurance can be given as to the effect that any combination of risk factors may have on the value of the Debentures. The inability of the Issuer to pay interest, principal or other amounts on or in connection with the Debentures may occur for other reasons which may not be considered significant risks by the Issuer based on information currently available to them or which they may not currently be able to anticipate. You must rely on your own examination of the Issuer and this Issue, including the risks and uncertainties involved.

The ordering of the risk factors is intended to facilitate ease of reading and reference and does not in any manner indicate the importance of one risk factor over another. Certain risks set out below are in the context of the Restricted Group Issuers. Adverse impact on the business, financial conditions, cash flows and results of operations of the Restricted Group Issuers are likely to have an impact on our business and operations.

### **[A] Operational risks related to solar projects of Issuers of the Restricted Group:**

#### **1. Our business is subject to seasonal fluctuations and natural calamities that could have a material adverse effect on our business, operational performance and financial condition.**

The electricity generated and revenue earned for Issuer are dependent on suitable solar irradiation and associated weather conditions. The Issuer has experienced seasonal and yearly fluctuations in the past and may experience the same in future also. Future performance of the Issuer may significantly vary from its past performance as one of the key factors of revenue generation (which in turn depends on solar irradiation) is beyond the control of the Issuer. Thus, investor's expectation of revenue, EBITDA and debt servicing may be affected due to above factors and past performance of the Company may not be a good indicator of its future performance.

#### **2. Counterparties to our PPAs may not fulfil their obligations which could result in a material adverse impact on our business, operations, cash flows and financial condition.**

The projects of the Restricted Group have executed long term offtake agreements (power purchase agreement, PPA) with respective off-takers. 45% of the offtake is tied up with the Solar Energy Corporation of India (SECI) and 38% with Bangalore Electricity Supply

Company Ltd. (BESCOM) for tenor of 25 years. These are entities owned by Central government and Karnataka state Government respectively. The rest of the capacity has been tied up with Commercial and Industrial (C&I) off takers for a tenor of 17 years (weighted average basis) with reputable business profile and creditworthiness. As per terms of the PPA, Off takers are required to make timely payments within specific timelines failure to do so may affect the cash flow position of the issuer(s). Inability or unwillingness by one or many off takers to fulfil its contractual obligations or accept delivery of power may result in an adverse impact on the Issuer's business, financial condition, results of operations and its cash flows.

**3. Pre-mature termination of PPA due to default on part of Issuer.**

The PPAs may be terminated prematurely by the counterparties for a variety of reasons such as failure to comply with any material terms of PPA etc. If a PPA is terminated by the counterparty due to a default by the Company, the Company may be exposed to additional liability and also could affect its business, financial condition and results of operations adversely.

**4. Operational interruptions may reduce energy production below our expectations and repairing any failure could require us to expend significant capital and other resources.**

Our Projects may not continue to perform as they have in the past or as they are expected due to risks of equipment failure due to, amongst other things, local conditions, wear and tear, latent defect, design error or operator error, or early obsolescence, force majeure events, which could have a material adverse effect on our assets, liabilities, business, prospects, financial condition, results of operations and cash flows. Operational problems (including the conditions surrounding our solar panels) may reduce energy production below our expectations and repairing any failure could require us to expend significant amounts of capital and other resources.

Solar modules degrade over time due to several external factors such as UV exposure and weather cycles, which could result in reduced lifespan of the modules. In addition, in the event that solar modules are damaged, and we do not have sufficient spare parts, obtaining replacement solar modules may also require significant sourcing lead time, particularly if sources for such replacements are located outside of India. If we were to experience a shortage of or inability to acquire critical spare parts or replacement solar modules, we could incur significant delays in returning facilities to full operation, which could potentially affect our generating ability and cause us to breach our minimum delivery commitments under our PPAs.

Inconsistencies in the quality of solar panels, PV modules, balance-of-system equipment or maintenance services for our project may affect the system efficiency of the plant. While our solar panels, inverters, modules and other system components are generally covered by manufacturers' warranties, any failure to operate as specified, may require us to make a claim against the manufacturer under such warranty which may or may not be covered on a case to case basis. Moreover, we may incur unexpected expenses if the suppliers of components in our solar project default on their warranty obligations. Warranties and guarantees may be subject to caps and limited by the ability of the vendor to satisfy its obligations under the warranty or guarantee.

**5. Availability of power grid network owned by central Government or state Government and its dispatch regime may materially and adversely affect our business, prospects, financial condition, results of operations and cash flows.**

The ability to deliver electricity to our various counterparties requires the availability of and access to interconnection facilities and transmission systems which we do not own or control, and the extent and reliability of the power grid network owned by central Government or state Government and its dispatch regime may affect our business and financial condition.

*Grid stability:* PPA has no provision of “take-or-pay”. Thus, any downtime in grid will hinder the Company in supplying the electricity generated which will result in no payment of tariffs by the off-taker. Such kind of events which are outside control of the Company could reduce the net power generation and adversely affect Company’s revenues and financial condition.

*Curtailment:* State electricity boards may order the curtailment of renewable energy production despite their being accorded a “must-run” status. There have been a few instances in the past where renewable energy producers have been directed to scale back operations and this may occur in the event of extraordinary circumstances such as a fall in demand due to any unexpected change in weather patterns or variations in macroeconomic indicators. The curtailment could also be as a result of transmission congestion owing to a mismatch between generation and transmission capacity. Such curtailment of renewable energy production may interrupt our operations and may have an adverse effect on operations and cash flows.

**6. Reliance on promoter entity for management support and various ancillary support services.**

We rely on AEPL for certain key aspects of our business as well as ancillary support services. Any failure by AEPL to provide these services on commercially reasonable terms or at all and any failure by us to make alternative arrangements could have a material adverse effect on our operations and cash flows.

As subsidiaries of AEPL, we rely on the leadership and resources of AEPL for numerous aspects of our operations, services and overhead functions such as operations and maintenance of our project including billing and revenue collection, finance, legal and secretarial services, strategy and management. We acquire such services and support from AEPL. Any disruptions in continuity of such services may have an adverse impact on the operations and cash flows of the Issuer.

**7. Changes in the policies, laws & regulations adopted by governmental entities could adversely affect our business, financial performance and results of operations.**

The renewable power industry is heavily influenced by Government regulations and policies, as well as policies adopted by electric utilities companies including “must-run” status which means that any renewable power that is generated must always be accepted by the grid. There can be no assurance that the Government will continue to maintain the “must-run” status for renewable energy or that the state electricity boards will not make any orders to curtail the generation of renewable energy.

*Import Energy costs:* Some of the Companies in the Restricted Group import energy from the grid during night time for auxiliary consumption. The rates for such import energy may vary widely and impact the cost of operating the project.

Our business and financial performance could be adversely affected by any unfavorable changes in or interpretations of existing laws, or the promulgation of new more stringent laws.

**8. Two projects of the Restricted Group Issuers are dependent on solar park authorities for providing common infrastructure. Any shortfall in performance of duties of solar parks may adversely affect our business, financial performance and results of operations.**

Two of the Issuers in the Restricted Group are dependent on the solar park to continue to provide connectivity and other associated infrastructure. If solar park authority does not provide service, or terminates agreement, project would be impacted. Projects in a Solar Park are located on land sub-leased from solar park, and we are not aware of original land owners nor have any privity of contract with original land owners. Potential disputes on land may affect the project

**9. Our business depends on availability of manpower. Any shortfall in supply of such resources may impact performance of our projects.**

Photovoltaic solar power generation projects comprise majority of solar panels installed in open area. During operations, we need constant module cleaning on a periodic basis (sometimes twice in a month or with higher frequency). Cleaning of the modules is a labour intensive activity and our inability to arrange for suitable manpower for cleaning. Any shortage of manpower may result in reduced generation due to dust formation on modules.

**10. Other operational activities which are critical for our operations and performance**

*Forecasting and DSM:* Projects are required to forecast and schedule power, and are subject to penalties for any deviation. We may not be able to accurately forecast our generation given that it is dependent on weather.

**11. Issuers are required to maintain certain licenses, approvals, registrations, consents and permits in the ordinary course of business, and the failure to maintain them may materially and adversely affect their operations**

The renewable energy business is highly regulated and the Issuer is required to have a number of licenses, approvals, registrations, consents and permits (including health and safety standards) to operate in India. In addition, the Issuer may need to apply for approvals, including the renewal of approvals which may expire, from time to time, as and when required in the ordinary course of business. If the Issuer fail to obtain or renew such licenses, approvals, registrations, consents and permits in a timely manner, they may not be able to operate the solar power projects in accordance with the terms of the PPAs and applicable law, which could affect Issuer's financial condition. Further, the Issuer may be required to pay fines or incur remedial costs for such failures, which may have a material adverse effect on Issuer's financial condition.

**12. Issuers are involved in certain legal and other proceedings, which may not be decided in their favour.**

We are currently and may, from time to time, be involved in legal proceedings in the ordinary course of our business. We may be required to devote management and financial resources in such legal proceedings. For details of certain material outstanding legal proceedings, see Annexure K. There is no assurance that these legal proceedings and regulatory matters will be decided in favour of the respective entities. If a significant number of these disputes are

determined against us, there could be a material and adverse impact on our business, financial condition and results of operations.

**13. Force Majeure risk.**

The operation of the Issuer's projects may be disrupted for reasons that are beyond its control. These include, among other things, the occurrence of explosions, fires, earthquakes and other natural disasters, prolonged spells of abnormal rainfall, breakdown, failure or substandard performance of equipment, improper installation or operation of equipment, accidents, operational problems, transportation interruptions, epidemics/ pandemics, disruptions due to lockdowns imposed on account of pandemic, other environmental risks and labour disputes. In addition, the project may be affected by vested interests that arise during project maintenance and operations that are used to instigate the local community or by natural calamities leading to social unrest.

**[B] Financial Risk in relation to the issuance**

**1. Credit risk and Rating of the Issuer may change adversely**

Potential investors should be aware that receipt of the principal amount, coupon payments and any other amounts that may be due in respect of the Debt Securities is subject to the credit risk of the Issuer. Potential investors assume the risk that the Issuer will not be able to satisfy their obligations under the Debt Securities. In the event that bankruptcy proceedings or composition, scheme of arrangement or similar proceedings to avert bankruptcy are instituted by or against Issuers, the payment of sums due on the Debt Securities may not be made or may be substantially reduced or delayed.

The credit rating of the Issuer depends on a number of factors. One of the key factors is the credit rating of the off-takers. Any downward change in the credit rating of the off-takers may negatively impact the credit rating of the Issuer and may in turn impact the Coupon, overall financial performance and tradability of the NCDs in the market. Any change in the financial/business profile of the Issuer may also adversely affect the credit rating. The credit rating is also dependent on the ratings of the off takers. Any such changes may influence the coupon, overall financial performance and tradability of the securities in the market.

**2. Issuer may not be able to refinance the security at the end of the stipulated tenor**

The securities have a significant bullet component at the end of the tenor. The issuer may not be able to refinance the securities at the end of the tenor due to possible adverse/unfavorable market conditions prevailing at point of time.

**3. The secondary market for debt securities may be illiquid**

In India, the secondary market for corporate NCDs is relatively small and illiquid as compared to more developed markets. Even if there is a secondary market for the debt securities it is not likely to provide significant liquidity. Potential investors may have to hold the securities till maturity to realize any value from their investment.

**[C] Risks in relation to the non-convertible securities**

**1. The Debentures may not be a suitable investment for all purchasers.**

Potential Eligible Investors should ensure that they understand the nature of the Debentures and the extent of their exposure to risk, that they have sufficient knowledge, experience and access to professional advisers to make their own legal, tax, accounting and financial evaluation of the merits and risks of investment in the Debentures and that they consider the suitability of the Debentures as an investment in the light of their own circumstances and financial condition.

**2. Modification, waivers and substitution**

The conditions of the Debentures shall contain provisions for calling meetings of Debenture Holders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Debenture Holders including Debenture Holders who did not attend and vote at the relevant meeting and Debenture Holders who voted in a manner contrary to the majority.

**3. Changes in interest rates may affect the price of the Issuer's Debentures.**

All securities where a fixed rate of interest is offered, such as the Debentures, are subject to price risk. Interest rates are highly sensitive and fluctuations thereof are dependent upon many factors which are beyond the Issuer's control, including the monetary policies of the RBI, de-regulation of the financial services sector in India, domestic and international economic and political conditions, inflation and other factors. The price of such securities will vary inversely with changes in prevailing interest rates, i.e. when interest rates rise, prices of fixed income securities fall and when interest rates drop, the prices increase. The extent of fall or rise in the prices is a function of the existing coupon, days to maturity and the increase or decrease in the level of prevailing interest rates. Increased rates of interest, which frequently accompany inflation and/or a growing economy, are likely to have a negative effect on the price of the Debentures.

**4. Uncertain trading market**

The Issuer intends to list the Debentures on the WDM segment of the BSE and such other recognized stock exchanges that the Issuer may deem fit after giving prior notice to the Debenture Trustee. The Issuer cannot provide any guarantee that the Debentures will be frequently traded on the BSE or such other stock exchanges on which the Debentures are listed and that there would be any market for the Debentures.

**5. Security created in relation to the Debentures**

While Debentures will be secured 100%, the Debenture Holders may not be able to recover the full amounts in connection with the Debentures from a sale or disposition of the assets charged as Security. Failure or delay to recover the expected value from a sale or disposition of the assets charged as Security in connection with the Debentures could expose the holders to a potential loss.

**6. Maintenance of security cover or full recovery of the security in case of enforcement**

As the Debentures will be subordinated to certain liabilities preferred by law, in the event of bankruptcy, liquidation or winding-up, there may not be sufficient security cover remaining to pay amounts due to the Debenture Holders, which could expose the Debenture Holders to a potential loss.

## **RISKS IN RELATION TO THE DEBENTURES**

- (i) Any downgrading in credit rating of the Company’s Debentures may affect the value of NCDs and thus the Company’s ability to raise further debts.**

The Debentures being issued under this Placement Memorandum have been rated “CRISIL AAA/ Stable” (“CRISIL TRIPLE A rating with stable outlook”) by CRISIL Limited and “CARE AAA/ Stable” (“CARE TRIPLE A rating with stable outlook”) by CARE Ratings Limited. The Issuer cannot guarantee that these ratings will not be downgraded. Any downgrade in the above credit ratings may lower the value of the Debentures and may also affect the Issuer’s ability to raise further debt.

- (ii) Taxation**

Potential purchasers and sellers of the Debentures should be aware that they may be required to pay stamp duties or other documentary charges/taxes in accordance with the laws and practices of India. Payment and/or delivery of any amount due in respect of the Debentures will be conditional upon the payment of all applicable taxes, duties and/or expenses. Potential Investors who are in any doubt as to their tax position should consult their own independent tax advisers. In addition, potential Investors should be aware that tax regulations and their application by the relevant taxation authorities change from time to time. Accordingly, it is not possible to predict the precise tax treatment which will apply at any given time.

- (iii) Listing of Debentures**

There is no guarantee that the Debentures issued pursuant to this issue will be listed on the Stock Exchange in a timely manner, or at all.

The Company intends to list the Debentures on the Stock Exchange. In accordance with Indian law and

practice, permissions for listing and trading of the Debentures issued pursuant to this issue will not be granted until after the Debentures have been issued and allotted. Approval for listing and trading will require all relevant documents authorising the issuing of Debentures to be submitted. There could be a failure or delay in listing the Debentures on the Stock Exchange. Any failure or delay in obtaining the approval would restrict an investor’s ability to trade in the Debentures.

The Company shall seek listing permission from Stock Exchanges within 4 (four) trading days from the closure of the Issue. In case of delay in listing of the Debentures beyond 4 (four) trading days from closure of the Issue, the Company (i) shall pay penal interest to the Debenture Holders, of 1.00% (one percent) per annum over and above the Coupon Rate from the Deemed Date of Allotment to the date of listing of Debentures and (ii) be permitted to utilise the issue proceeds of its subsequent two privately placed issuances of securities only after receiving final listing approval from Stock Exchange.

- (iv) Refusal of listing of any security of the issuer during last three years by any of the stock exchanges in India or abroad**

This is maiden issue by the issuer and there is no history of any such refusal.

**(iv) Limited or sporadic trading of non-convertible securities of the issuer on the stock exchanges**

It is not possible to predict if and to what extent a secondary market may develop in the Debentures or at what price the Debentures will trade in the secondary market or whether such market will be liquid or illiquid. Once the Debentures are listed or quoted or admitted to trading, no assurance is given that any such listing or quotation or admission to trading will be maintained. The fact that the Debentures may be so listed or quoted or admitted to trading does not necessarily lead to greater liquidity than if they were not so listed or quoted or admitted to trading.

The Issuer may, but is not obliged to, at any time purchase the Debentures at any price in the open market or by tender or private agreement where permitted by law. Any Debentures so purchased may be resold or surrendered for cancellation. The more limited the secondary market is, the more difficult it may be for holders of the Debentures to realise value for the Debentures prior to redemption of the Debentures.

**(v) Future legal and regulatory restrictions**

Future government policies and changes in laws and regulations in India and comments, statements or policy changes by any licensor or regulator, including but not limited to the SEBI or the RBI, may adversely affect the Debentures. The timing and content of any new law or regulation is not within the Issuer's control and such new law, regulation, comment, statement or policy change could have an adverse effect on market for and the price of the Debentures.

**(vi) Risk in relation to any default in compliance with the material covenants such as creation of security as per terms agreed, default in payment of interest, default in redemption or repayment, default in payment of penal interest for existing term loan**

There is a risk that there may be default in compliance with any covenant of Existing lenders. However, a confirmation is taken from existing lender that the account is standard. Further existing lenders will be repaid immediately on disbursement to funds by debenture holders and no dues certificate will be obtained from existing lenders in 30 days.



## PART 5: ISSUE DETAILS

1.	Security Name	6.75% ASEPL 2025
2.	Issuer	Avaada Solarise Energy Private Limited
3.	Type of Instrument	Secured, redeemable, rated, listed non-convertible debentures
4.	Nature of Instrument	Secured
5.	Seniority	Senior
6.	Eligible Investors	(a) Trust; (b) portfolio managers registered with SEBI; (c) association of persons; (d) companies and bodies corporate including public sector undertakings; (e) commercial banks; (f) financial institutions; (g) insurance companies; (h) mutual funds; (i) foreign portfolio investors; (j) other foreign entities allowed by SEBI and RBI; (k) infrastructure debt funds; and (l) any other investor eligible to invest in these Debentures in accordance with applicable law.
7.	Listing	<p>Proposed to be listed on the WDM segment of BSE. The Issuer will ensure that the Debentures are listed on the BSE within 4 (four) Trading Days from the Issue Closing Date or such other period as may be prescribed under applicable law.</p> <p>The Stock Exchange(s) shall list the debt securities only upon receipt of a due diligence certificate as per format specified in Annexure B of the SEBI Due Diligence Circular from the Debenture Trustee confirming creation of charge and execution of the Debenture Trust Deed.</p> <p>In the event there is any delay in listing of the Debentures beyond 4 (four) Trading Days from the Issue/ Bid Closing Date, the Company shall:</p> <p>(i) pay to the Debenture Holders, penal interest of 1% per annum over the Coupon Rate for the period of delay from the Deemed Date of Allotment until the listing of the Debentures is completed, and</p> <p>(ii) be permitted to utilise the issue proceeds of its 2 (two) subsequent privately placed issuances of securities only after receiving final listing approval from the Stock Exchange.</p>
8.	Rating of the Debentures	Provisional CRISIL AAA by CRISIL Rating Limited
9.	Issue Size	INR 499,00,00,000/-
10.	Minimum subscription	As the Issue under this Information Memorandum will be made on private placement basis, the requirement of minimum subscription shall not be applicable to the Issue

11.	Option to retain oversubscription amount (Amount)	N.A.
12.	Objects of the issue / purpose for which there is requirement of funds	<p>The proceeds shall be utilised by the Issuer towards the following:</p> <ol style="list-style-type: none"> <li>1. refinancing (A) the existing financial indebtedness availed from the existing lenders and (B) promoter loans;</li> <li>2. payment of capital creditors;</li> <li>3. various purposes in the normal course of business including capital expenditure and/or augmentation of working capital of the Company;</li> <li>4. toward payment of transaction expenses; and/or</li> <li>5. creation of DSRA in accordance with the terms of the Debenture Trust Deed and other Finance Documents</li> </ol>
13.	Details of the utilization of the Proceeds	<p>The percentage of the issue proceeds earmarked for each of the above objects is as follows:</p> <p>Atleast 95% of the issue proceeds to be utilised toward refinancing (A) the existing financial indebtedness availed from the existing lenders and (B) promoter loans. Balance proceeds available (if any) will be utilised towards end uses mentions in above point no 12 (Objects of the issue) sub point 2 to 5.</p>
14.	Coupon Rate	6.75% p.a.p.q. Coupon on the Debentures payable on each Coupon Payment Date
15.	Step Up/Step Down Coupon Rate	<p>The Coupon Rate shall be immediately increased by:</p> <ol style="list-style-type: none"> <li>(a) 0.25 (zero point two five) per cent per annum for every notch of rating downgrade until 'AA' in respect of the Debentures;</li> <li>(b) 1% (one percent) per annum for each notch of rating downgrade from 'AA-',</li> </ol> <p>in each case, from the date of such downgrade of the credit rating of the Debentures and no further action will be required from the Debenture Trustee.</p> <p>Each downgrade of the credit rating of the Debentures by one notch shall be a separate rating change, notwithstanding a simultaneous downgrade of the credit rating of the Debentures by two or more notches. It is clarified that, in case, credit rating from multiple Credit Rating Agencies is available, the</p>

		lowest rating available shall be considered for the purpose of this paragraph.
16.	Coupon Payment Frequency	Every calendar quarter end starting from March 31, 2022
17.	Coupon payment dates	(a) firstly, 31 March 2022, (b) thereafter, each date falling at the expiry of every financial quarter from the previous Coupon Payment Date, with the last Coupon Payment Date falling on the Final Redemption Date
18.	Coupon Type	Fixed
19.	Coupon Reset Process (including rates, spread, effective date, interest rate cap and floor etc.)	Not Applicable
20.	Day Count Basis	Actual/ Actual
21.	Interest on Application	Not Applicable
22.	Default Interest Rate	<p>(a) Without prejudice to the rights of the Debenture Holders under the Finance Documents, if (a) the Company fails to pay any amount payable by it under a Finance Document (the “<b>Unpaid Sum</b>”) or (b) upon the occurrence of an Event of Default (other than non-payment related Event of Default), the additional interest shall accrue at the rate of 2% per annum (including any applicable Taxes, required to be paid) on (i) in case of occurrence of non-payment related Event of Default, the Unpaid Sum and (ii) in case of any other Event of Default, on the outstanding secured obligations over and above the Coupon Rate (and any other amounts payable by the Company under the Finance Documents) from such due date up to the date of actual payment or until the Event of Default is cured.</p> <p>(b) The Company hereby undertakes and agrees that it shall pay an additional interest of 1.0% (one percent) per annum or such higher rate as may be stipulated by SEBI, over and above Coupon Rate in case there is any delay in the creation or perfection of the transaction security within the stipulated timeline for respective security.</p>
23.	Tenor	Door to door tenor of 2 (two) years 363 (three hundred sixty-three) days from Deemed Date of Allotment
24.	Redemption Date	<p>(a) the Scheduled Redemption Date;</p> <p>(b) the Mandatory Redemption Date; and</p>

		(c) the Final Redemption Date
25.	Redemption Amount	As detailed under the section “Cash flow emanating from the non-convertible securities by way of illustration”.
26.	Redemption Premium/ Discount	Not applicable
27.	Issue Price	At par i.e., at INR 10,00,000 (Indian Rupees Ten Lakhs only) per Debenture.
28.	Discount at which security is issued and the effective yield as a result of such discount.	Not applicable
29.	Put Date	Not Applicable
30.	Put Price	Not Applicable
31.	Call Date	Not Applicable
32.	Call Price	Not Applicable
33.	Put Notification Time (Timelines by which the investor need to intimate Issuer before exercising the put)	Not Applicable
34.	Call Notification Time (Timelines by which the Issuer need to intimate investor before exercising the call)	Not Applicable
35.	Face Value	Rs.10,00,000 (Rupees Ten lakhs only) per Debenture
36.	Minimum Application and in multiples of thereafter	Minimum of 1 (one) Debenture and multiples of 1(one) Debenture.
37.	Issue Timing	Issue/Bid Opening Date: February 28, 2022  Issue/Bid Closing Date: February 28, 2022  Pay in Date: March 2, 2022  Deemed Date of Allotment: March 2, 2022
38.	Settlement mode of the Instrument	Dematerialised form only

39.	Manner of bidding in the issue	Open bidding
40.	Manner of allotment in the issue	Uniform yield allotment
41.	Manner of settlement in the issue	Through clearing corporation i.e. ICCL
42.	Settlement cycle	T+1
43.	Depository	NSDL and/or CDSL, as the context requires
44.	Disclosure of Coupon / redemption dates	Please refer to the clause on Coupon Payment Date and Redemption Date above.
45.	Record date	In connection with a debenture payment, the date falling 15 (fifteen) days prior to the due date on which that debenture payment is to be paid by the Company to the Debenture Holders.
46.	All covenants of the issue (including side letters, accelerated payment clause, etc.)	<p>Covenants customary to transactions of this nature including, but not limited to:</p> <ul style="list-style-type: none"> <li>(a) Information covenants;</li> <li>(b) Financial covenants;</li> <li>(c) Authorisations;</li> <li>(d) Compliance with laws;</li> <li>(e) Ranking;</li> <li>(f) Asset cover;</li> <li>(g) Negative pledge;</li> <li>(h) Disposals;</li> <li>(i) Arm's length dealings;</li> <li>(j) Loans or credit;</li> <li>(k) No guarantees;</li> <li>(l) Financial indebtedness;</li> <li>(m) Merger and reorganisation;</li> <li>(n) Business;</li> <li>(o) Acquisitions and investments;</li> <li>(p) Expenditure and liabilities;</li> </ul>

		<ul style="list-style-type: none"> <li>(q) Constitutional documents;</li> <li>(r) Change in financial year</li> <li>(s) Share capital;</li> <li>(t) Taxes;</li> <li>(u) Use of proceeds;</li> <li>(v) Listing;</li> <li>(w) Management systems, safety audit and environment audit;</li> <li>(x) Anti-money laundering and sanctions;</li> <li>(y) Reserves: As per the terms of the Debenture Trust Deed, the reserves which are required to be created by the Company: debenture redemption reserve, debenture service reserve, working capital reserve and inverter maintenance/replacement reserve;</li> <li>(z) Environmental matters;</li> <li>(aa) Further assurances;</li> <li>(bb) SEBI operational circular;</li> <li>(cc) Filings with the stock exchange;</li> <li>(dd) Restricted payments;</li> <li>(ee) FATCA compliance;</li> <li>(ff) Restricted payments</li> <li>(gg) Cash sweep;</li> <li>(hh) Insurance;</li> <li>(ii) Subordination.</li> <li>(jj) Issuance of Debentures as more particularly detailed in the Debenture Trust Deed</li> </ul>
47.	Representations and Warranties	<ul style="list-style-type: none"> <li>1. Status;</li> <li>2. Binding obligations;</li> <li>3. Non-conflict with other obligations;</li> <li>4. Power and authority;</li> <li>5. Validity and admissibility of evidence;</li> </ul>

		<ul style="list-style-type: none"> <li>6. No filing or stamp taxes;</li> <li>7. Taxes;</li> <li>8. No default;</li> <li>9. Defaulter list;</li> <li>10. Business;</li> <li>11. Compliance with applicable law;</li> <li>12. No misleading information;</li> <li>13. Financial statements;</li> <li>14. Financial indebtedness, encumbrances and guarantees;</li> <li>15. Security and ranking;</li> <li>16. Legal and beneficial ownership;</li> <li>17. No proceedings pending or threatened;</li> <li>18. No immunity;</li> <li>19. Solvency;</li> <li>20. Authorised signatories;</li> <li>21. Anti-terrorism laws;</li> <li>22. Anti-corruption laws;</li> <li>23. Insurance;</li> <li>24. Intellectual property;</li> <li>25. Project Documents and Project;</li> <li>26. Title to Project Land and other Secured Assets;</li> <li>27. No other business;</li> <li>28. Environmental laws;</li> <li>29. Related party transactions;</li> <li>30. Shareholding;</li> <li>31. Governing law and enforcement;</li> <li>32. Environment and social matters</li> <li>33. Balance in the existing bank accounts;</li> </ul>
--	--	--

		<p>34. ISIN</p> <p>as more particularly detailed in the Debenture Trust Deed.</p>
48.	<p>Description regarding Security (where applicable) including type of security (movable/immovable/tangible etc.), type of charge (pledge/ hypothecation/ mortgage etc.), date of creation of security/ likely date of creation of security, minimum security cover, revaluation, replacement of security interest to the debenture holder over and above the coupon rate as specified in the Debenture Trust Deed and disclosed in the Information Memorandum</p>	<p><b><i>Type and Nature of Security:</i></b></p> <ul style="list-style-type: none"> <li>i. the substitution right in respect of the Implementation Support Agreements and the Sub-Lease Agreements, duly acknowledged and consented to by the Lessor, in accordance with the terms of the Substitution Letter;</li> <li>ii. first ranking charge over all moveable fixed assets, current assets and bank accounts of the Company and monies standing to the credit of such bank accounts, both present and future;</li> <li>iii. first ranking charge by way of assignment/ security over rights under project documents, including the power purchase agreement(s);</li> <li>iv. first ranking exclusive charge on the reserves maintained by the Company in connection with the Debentures, both present and future;</li> <li>v. a first ranking exclusive pledge over up to 99.99% of the total issued and paid up share capital of the Company and 100% of the compulsorily convertible debentures by its shareholders.</li> <li>vi. an irrevocable and unconditional corporate guarantee from each Guarantor (on a joint and several basis) in favour of the Debenture Trustee, in accordance with the terms of the Deed of Guarantee;</li> <li>vii. security / charge over such other additional assets and having such ranking as may be required by the Debenture Holders, in each case, in the form and manner required by the Debenture Holders</li> </ul>
49.	Finance Documents	<p>The Finance Documents include:</p> <ul style="list-style-type: none"> <li>(a) the Debenture Trust Deed;</li> <li>(b) the Debenture Trustee Agreement;</li> <li>(c) this Information Memorandum;</li> <li>(d) the Deed of Guarantee;</li> <li>(e) the Inter Se Agreement</li> <li>(f) the Accounts Agreement;</li> </ul>



		<p>(g) each Security Document; and</p> <p>(h) any other document that may be designated as a “Finance Document” by the Debenture Trustee.</p>
50.	Project Documents	<p>(a) the power purchase agreement(s);</p> <p>(b) the EPC contract(s);</p> <p>(c) the implementation support agreement, if any;</p> <p>(d) the insurance contracts;</p> <p>(e) all approvals, clearances, licenses, etc. including but not limited to approvals related to capacity allocation received from and agreements entered into with statutory and other authorities in respect of the Project;</p> <p>(f) documents relating to the allotment of land, purchase of the land (as applicable) for the Project;</p> <p>(g) any material equipment supply agreements or agreement of a similar nature to which the Company is a party;</p> <p>(h) all bonds, letters of credit or guarantees issued in respect of the above-mentioned documents; and</p> <p>(i) all other agreements to be specified by the Debenture Trustee, including but not limited to the ownership, development, construction, maintenance and operation of the Project.</p>
51.	Transaction Documents	Finance Documents; and Project Documents
52.	Security Documents	<p>(a) the Substitution Letter;</p> <p>(b) the Deed(s) of Hypothecation and the related powers of attorney;</p> <p>(c) the Share Pledge Agreement and the related powers of attorney; and</p> <p>(d) any other document that is designated as a Security Document by the Debenture Trustee.</p> <p>The above assets, over which security/charge/assignment is created, are collectively referred to as “<b>Secured Assets</b>”.</p>
53.	Restricted Payments and Restricted Payment Conditions	<p>(a) The Issuer shall not (and shall ensure that no other member of the Restricted Group shall) without prior written approval of the Debenture Trustee:</p>

		<p>(i) declare, pay or make any dividend or other payment or distribution of any kind on or in respect of any of its shares;</p> <p>(ii) pay, repay or prepay any principal, interest or other amount on or in respect of, or redeem, purchase or defease any financial indebtedness given to any group company or shareholder or Sponsor;</p> <p>(iii) pay, repay or prepay any principal, interest or other amount on or in respect of, or redeem, purchase or defease any financial indebtedness (including subordinated debt) or other liabilities owed by any member of the Restricted Group actually or contingently, to any of its shareholders or any member of the group or Sponsor;</p> <p>(iv) create any deposits to secure any financial indebtedness at any group company, except to the extent permitted under the Debenture Trust Deed and other Transaction Documents;</p> <p>(v) undertake any investment in any entity other than an investment which is permitted by the Debenture Trustee; and</p> <p>(vi) make payment of any management fees which is not part of the Company's budget (which has been approved by the Debenture Trustee) to the Sponsor or any other group company of the promoter,</p> <p>(collectively "<b>Restricted Payments</b>"), unless a certificate is provided by the Issuer to the Debenture Trustee evidencing satisfaction of the Restricted Payment Conditions:-</p> <p>The above Restricted Payment provisions are subject to the terms/carve outs specifically set out under the Debenture Trust Deed.</p> <p>For the purpose of this paragraph, "<b>Restricted Payment Conditions</b>" means each of the following:</p> <p>(a) no Event of Default has occurred and is continuing under the Finance Documents;</p> <p>(b) no event of default (howsoever described) under any common Finance Document (other than the Finance Documents) has occurred and is continuing;</p> <p>(c) <del>(b)</del> each member of the Restricted Group has met its debt servicing and reserve obligations, including</p>
--	--	---

		<p>without limitation, the requirement to maintain debt service reserve amount/ debt servicing reserve, debenture redemption reserve, working capital reserve, inverter maintenance reserve, each as required to be maintained under the common finance documents to which such member of Restricted Group is a party;</p> <p>(d) each member of the Restricted Group has maintained adequate funds for meeting all contingent liabilities which have crystallized and/or have become payable;</p> <p>(e) the debt service coverage ratio (in respect of the Restricted Group) is not less than 1.45 (one point four five) times; and</p> <p>(f) the offtakers in respect of the power project of each member of the Restricted Group have made payment of at least 90% of the amounts due and payable under all invoices issued by such member of the Restricted Group.</p>
54.	Change in Control	<p>a. In the event that a Change of Control is proposed, the Company shall provide written notice to the Debenture Holders at least 30 (thirty) days prior to the occurrence of such proposed Change of Control. Upon the receipt of such notice, the Debenture Holders by way of a Majority Resolution may either accept or reject such proposed Change of Control. It is clarified that if the Debenture Holders do not accept or reject a proposed Change of Control by way of a Majority Resolution as per this sub-clause, then the Change of Control will not be deemed to be approved by the Debenture Holders.</p> <p>b. If any Change of Control is not approved by way of a Majority Resolution, then the Company shall be required to redeem the Debentures in full by payment of the outstanding secured obligations, within 45 (forty-five) days from the date of occurrence of such Change of Control event. Nothing stated under this clause (b) will apply in case the Company does not undertake a proposed Change of Control which has been intimated to the Debenture Holders as per sub-clause (i) above.</p> <p>c. Notwithstanding anything contained in this clause, the Company shall not be required to redeem the Debentures as per this clause if the relevant Change of Control which is notified pursuant to sub-clause (a) above does not materialize in the opinion of the Debenture Holders by way of a Majority Resolution.</p> <p><b>“Change of Control”</b> means the occurrence of any of the following events:</p>

		<ul style="list-style-type: none"> <li>(a) the promoter not controlling or ceasing to control any member of the Restricted Group;</li> <li>(b) the promoter not owing or ceasing to own (whether directly or indirectly) 100% (one hundred percent) of the total issued and paid-up share capital on a fully diluted basis, of any member of the Restricted Group (other than Avaada SataraMH Private Limited);</li> <li>(c) the promoter not owing or ceasing to own (whether directly or indirectly) 74% (seventy four percent) of the total issued and paid up share capital on a fully diluted basis, in Avaada SataraMH Private Limited;</li> <li>(d) the individual promoter group, (directly through the Sponsor) not owing or ceasing to own (whether directly or indirectly) 26% (twenty six percent) of the total issued and paid up share capital on a fully diluted basis, in the Promoter;</li> <li>(e) the individual promoter group (through the Sponsor) and Global Renewable Synergy Company Limited, collectively, not owing or ceasing to own (whether directly or indirectly) 51% (fifty one percent) of the total issued and paid up share capital on a fully diluted basis, in the promoter;</li> <li>(f) Mr. Vineet Mittal ceasing to remain a key management personnel in the promoter; or</li> <li>(g) any failure to comply with with the provisions relating to Mr. Vineet Mittal's role and responsibilities in the Company as set out in the Debenture Trust Deed</li> </ul>
55.	Conditions Precedent to Disbursement	<p><b>1. TRANSACTION PARTIES</b></p> <ul style="list-style-type: none"> <li>(a) An up-to-date certified true copy of the constitutional documents of the Issuer amended or modified (as required) to the satisfaction of the Debenture Trustee to give effect to the provisions of the Finance Documents.</li> <li>(b) A certified true copy of a resolution of the board of directors of the Issuer: <ul style="list-style-type: none"> <li>(i) approving the terms of, and the transactions contemplated by, the Finance Documents to which it is a party and resolving that it execute the Finance Documents to which it is a party;</li> <li>(ii) approving the appointment of the Debenture Trustee, the Rating Agency, the account bank, and each other intermediary as may be relevant;</li> </ul> </li> </ul>

		<ul style="list-style-type: none"> <li>(iii) authorising the Debenture Trustee to be the signatory in respect of the accounts as required pursuant to the Accounts Agreement;</li> <li>(iv) authorising creation and perfection of the security over the Secured Assets;</li> <li>(v) authorising a director or key managerial persons to execute the Finance Documents to which it is a party on its behalf; and</li> <li>(vi) authorising a specified Person or Persons including key managerial persons, on its behalf, to sign and/or dispatch all documents and notices (including a subscription request certificate) to be signed and/or dispatched by it under or in connection with the Finance Documents to which it is a party</li> </ul> <p>(c) A certified true copy of a resolution of the board of directors of each Obligor other than the Issuer in respect of the below (to the extent applicable to it):</p> <ul style="list-style-type: none"> <li>(i) approving the terms of, and the transactions contemplated by, the Finance Documents to which it is a party and resolving that it execute the Finance Documents to which it is a party;</li> <li>(ii) authorising creation and perfection of the security over the Secured Assets;</li> <li>(iii) authorising a director or key managerial persons to execute the Finance Documents to which it is a party on its behalf; and</li> <li>(iv) authorising a specified Person or Persons including key managerial persons, on its behalf, to sign and/or dispatch all documents and notices to be signed and/or dispatched by it under or in connection with the Finance Documents to which it is a party.</li> </ul> <p>(d) A certified true copy of the specimen of the signature and ‘know your customer’ documents of each Person authorised pursuant to the resolutions referred to in paragraphs 1(b) and 1(c) above.</p> <p>(e) A certificate from the Issuer, signed by a director/authorised signatory, in the format as set out under the Debenture Trust Deed.</p> <p>(f) A certificate from each obligor (other than the Issuer), signed by a director/authorised signatory, in the format as set out under the Debenture Trust Deed</p>
--	--	---

		<p>(g) A certificate from an independent chartered accountant in relation to the Issuer in the format as set out under the Debenture Trust Deed.</p> <p>(h) A certificate from an independent chartered accountant in relation to each obligor (other than the Issuer) in the format as set out under the Debenture Trust Deed</p> <p><b>2. FINANCIAL INFORMATION</b></p> <p>(a) A certified true copy of the audited financial statements on a standalone basis for the financial year ended 31 March 2021 along with half-yearly financial statements on a standalone basis for the period ending on 30 September 2021, in relation to each obligor.</p> <p><b>3. PROJECT AND PROJECT DOCUMENTS</b></p> <p>(a) A scanned copy of each project document, as required by the Debenture Trustee.</p> <p>(b) A certified true copy of the commissioning certificate issued by the relevant Governmental Agency certifying the occurrence of the commercial operation date.</p> <p>(c) Evidence satisfactory to the Debenture Trustee that tariff as per the power purchase agreement(s) are being received by the Issuer.</p> <p>(d) A copy of signed technical due diligence report and energy yield assessment report in relation to the Project, in the form and substance satisfactory to the Debenture Holders.</p> <p><b>4. SECURED ASSETS AND FINANCE DOCUMENTS</b></p> <p>(a) Originals of each Finance Document set out below, duly stamped and executed by each party to such Finance Document:</p> <p style="padding-left: 40px;">(i) this Deed;</p> <p style="padding-left: 40px;">(ii) the Debenture Trustee Agreement;</p> <p style="padding-left: 40px;">(iii) the Deed of Guarantee;</p> <p style="padding-left: 40px;">(iv) the Accounts Agreement;</p> <p style="padding-left: 40px;">(v) the Deed of Hypothecation along with related power to attorney (duly notarised); and</p>
--	--	--

		<p>(vi) the Inter Se Agreement.</p> <p>(b) A copy of the final Offer Document.</p> <p>(c) A copy of the no-objection certificate from the Offtaker, in form and substance satisfactory to the Debenture Trustee, if required.</p> <p>(d) Evidence satisfactory to the Debenture Trustee that each of the Existing Lenders - Outgoing, have issued a conditional no objection certificate in the form and manner satisfactory to the Debenture Trustee.</p> <p><b>5. LEGAL OPINION AND DUE DILIGENCE</b></p> <p>(a) A legal opinion from Trilegal, as the legal counsel to the Debenture Trustee in respect of the legal authority, enforceability, effectiveness, and validity of the Finance Documents which are to be executed as conditions precedent in accordance with the terms of the Debenture Trust Deed.</p> <p>(b) A legal opinion from Trilegal, as the legal counsel to the Debenture Trustee in respect of the validity and enforceability of the relevant Project Documents as required by the Debenture Trustee.</p> <p>(c) A letter issued by Trilegal, as the legal counsel to the Debenture Trustee, in relation to the satisfaction of the conditions precedent set out here, unless otherwise deferred or waived by the Debenture Trustee.</p> <p><b>6. OTHER DOCUMENTS AND EVIDENCE</b></p> <p>(a) Evidence that the Issuer has received an ISIN in relation to the Debentures.</p> <p>(b) Evidence that the Issuer has paid INR 1,000 (Indian Rupees One Thousand) to settle the trust in accordance with the terms of the Debenture Trust Deed and as required under the Debenture Trustee Agreement.</p> <p>(c) A consent letter from the Debenture Trustee to the Issuer consenting to act as the debenture trustee on behalf of and for the benefit of the Debenture Holders.</p> <p>(d) Evidence satisfactory to the Debenture Trustee (in the form of the Accounts Agreement) that (i) the account bank has been appointed in respect of the accounts and (ii) the Debenture Trustee has been appointed as the joint signatory along with Issuer with respect to the</p>
--	--	---

		<p>Accounts in accordance with the Accounts Agreement.</p> <p>(e) Evidence satisfactory to the Debenture Trustee that the Registrar and Transfer Agent has been appointed in connection with the Debentures.</p> <p>(f) Evidence satisfactory to the Debenture Trustee that the Rating Agency has been appointed in connection with the Debentures.</p> <p>(g) Evidence satisfactory the Debenture Trustee of the completion of all ‘know your customer’ formalities in connection with the Obligors.</p> <p>(h) Evidence satisfactory to the Debenture Trustee that all the fees due from the Issuer to the Debenture Trustee in connection with the transactions contemplated under the Finance Documents have been duly paid.</p> <p>(i) A copy of any other authorisation or other document, opinion or assurance which the Debenture Trustee considers to be necessary or desirable in connection with the entry into and performance of the transactions contemplated by any Finance Document or for the validity and enforceability of any Finance Document, to the satisfaction of the Debenture Trustee.</p> <p>(j) Evidence satisfactory to the Debenture Trustee that the obligors have delivered a signed disclosure letter to the Debenture Trustee, in a form as may be acceptable to the Debenture Trustee.</p> <p>(k) A certificate duly certified by the statutory auditors/independent chartered accountant/letter from the Stock Exchange certifying creation and the form of Recovery Expense Fund by the Issuer prior to the opening of the issue.</p> <p>(l) A report submitted by an insurance advisor to the satisfaction of the Debenture Trustee.</p> <p>(m) A green bond certificate for the Debentures from the climate bond initiative.</p> <p><b>7. RATING AND LISTING</b></p> <p>(a) A certified true copy of the provisional rating letter from the Rating Agency.</p> <p>(b) A certified true copy of the provisional rating rationale issued by the Rating Agency for the Debentures.</p>
--	--	---



		<p>(c) A copy of the in-principle listing approval from the Stock Exchange for the listing of the Debentures.</p> <p>(d) A copy of the duly executed pre-authorisation letter from the Company to the Account Bank along with the duly accepted consent letter from the Account Bank, to the Debenture Trustee in accordance with the SEBI Operational Circular.</p> <p>(e) The Issuer shall deliver to the Debenture Trustee, a copy of the duly stamped and executed listing agreement executed between the Issuer and the relevant Stock Exchange in relation to the listing of the Debentures.</p> <p>(f) Evidence that the Issuer has entered into a tripartite agreement with the Depository and the registrar to the issue of Debentures.</p> <p>(g) The Issuer shall have paid the regulatory fees required to be paid to the Stock Exchange in accordance with Schedule VI of the SEBI NCS Regulations.</p> <p>Details of the account balances maintained in the existing bank accounts as on the date of the Debenture Trust Deed.</p>
56.	Condition Subsequent to Disbursement	<p>a. Evidence satisfactory to the Debenture Trustee that relevant subscription proceeds are remitted by the Issuer to the existing lenders – outgoing in relation to the existing financial indebtedness.</p> <p>b. Evidence satisfactory to the Debenture Trustee that the Issuer has filed a return of allotment of securities pursuant to allotment of the Debentures, with the relevant RoC, by filing Form PAS-3 in accordance with Rule 14(4) of the Prospectus and Allotment of Securities Rules, and a copy of the resolution of the Board authorising the allotment of the Debentures to the Debenture Holders.</p> <p>c. A certified true copy of the final rating rationale issued by the Rating Agency for the Debentures.</p> <p>d. Evidence that the ISIN numbers in relation to the Debentures have been issued.</p> <p>e. The Company shall provide to the Debenture Trustee evidence satisfactory to the Debenture Trustee in respect of the payment of stamp duty in respect of the Debentures.</p> <p>f. The Company shall provide to the Debenture Trustee evidence satisfactory to the Debenture Trustee that the Debentures have been credited to the depository account of the subscriber of the Debentures and</p>

		<p>certified copies of the register and index of beneficial owners maintained by the Depository in connection with the Debentures.</p> <p>g. The relevant obligors shall file the Form CHG-4 with the relevant RoC in relation to the satisfaction of the charge over the secured assets, pursuant to the full repayment of the relevant existing financial indebtedness along with a copy of no dues from each of the existing lenders – outgoing (in relation to each of the existing financial indebtedness availed from such lenders), and deliver a copy of the such Form CHG-4 to the Debenture Trustee.</p> <p>h. The Issuer shall provide to the Debenture Trustee evidence satisfactory to the Debenture Trustee that all filings with Information Utility as may be required under the IBC, have been made by the Debenture Trustee or the Company, as the case may be.</p> <p>i. Payment of all fees due under the Transaction Documents.</p> <p>j. Evidence that each Account has been opened by the Issuer with the account bank and each account is operational.</p> <p>k. Originals of the Share Pledge Agreement together with related power of attorney (duly notarised), duly stamped and executed by each party.</p> <p>l. Evidence satisfactory to the Debenture Trustee that the entire share capital of Issuer is held by its shareholders in dematerialised form, and that the pledge over 99.99% (ninety- nine point nine-nine percent) of the total and issued share capital of the Issuer (on a Fully Diluted Basis) has been created, and the promoter has deposited each Deposit Document (as defined in the Share Pledge Agreement) with the Debenture Trustee in accordance with the Share Pledge Agreement.</p> <p>m. Evidence satisfactory to the Debenture Trustee of filing Form 28 along with the delivery of the pledge master report and the pledge creation forms in accordance with the Share Pledge Agreement.</p> <p>n. Evidence of filing of Form CHG-9 by the Promoter and the Issuer with the relevant RoC in respect of the Share Pledge Agreement and the Deed of Hypothecation along with a copy of the certificate of registration of charge issued by the relevant RoC.</p> <p>o. The Issuer shall ensure that the Debenture Trustee shall make the relevant filings in respect of the Deed</p>
--	--	--

		<p>of Hypothecation with the Central Registry and the Company shall provide all assistance necessary and desirable enabling the Debenture Trustee to make the relevant filing.</p> <p>p. Evidence satisfactory to the Debenture Trustee that the Issuer has transferred all monies lying to the credit of the existing bank accounts into the accounts.</p> <p>q. Evidence that all insurance contracts have been obtained in relation to each project, in accordance with the terms of the Transaction Documents to the satisfaction of the Debenture Trustee and the insurance contracts have been assigned, in favour of the Debenture Trustee, with the Debenture Trustee being duly endorsed as a 'beneficial/loss payee' for each Insurance Contract.</p> <p>r. The Issuer shall deliver to the Debenture Trustee, a certificate from an independent chartered accountant, stating the end-use of the proceeds of the Debentures, substantially in the form and manner satisfactory to the Debenture Trustee.</p> <p>s. Evidence satisfactory to the Debenture Trustee that standing instructions have been provided to the existing account bank to transfer the receivables of the Company from the existing bank accounts into the accounts with instructions for not accepting any other direct payment from the existing bank accounts.</p> <p>t. Evidence satisfactory to the Debenture Trustee that suitable arrangements have been made by way of amendments to its existing arrangements/ agreements with other entities, for the deposit of all the receivables of the Company by such entities in the accounts.</p> <p>u. The Company shall ensure that the Debenture Trustee shall make the relevant filings in respect of the Deed of Hypothecation with the Central Registry, and the Company and each Obligor shall provide all assistance necessary and desirable enabling the Debenture Trustee to make the relevant filing.</p> <p>v. Original of the Substitution Letter duly issued by the Lessor to the Company, with a copy to the Debenture Trustee and/or the Debenture Holders, to be provided.</p> <p>w. Certificate under section 281 (1) (ii) of Income Tax Act, 1961 to be obtained.</p>
--	--	---

57.	Event of Default (including manner of voting /conditions of joining Inter Creditor Agreement)	<p>The events of default include, <i>inter alia</i>:</p> <ul style="list-style-type: none"> <li>(a) Non-payment;</li> <li>(b) Non-compliance with financial covenants;</li> <li>(c) Misrepresentation;</li> <li>(d) Cross-default;</li> <li>(e) Insolvency;</li> <li>(f) Insolvency proceedings;</li> <li>(g) Judgments; creditors' process;</li> <li>(h) Moratorium;</li> <li>(i) Expropriation;</li> <li>(j) Cessation of business;</li> <li>(k) Repudiation and rescission;</li> <li>(l) Unlawfulness and invalidity;</li> <li>(m) Any event likely to have Material adverse effect;</li> <li>(n) Delay in listing of debentures; and</li> <li>(o) Non-compliance under Project and Project related documents.</li> </ul> <p>Without prejudice to the rights of the Debenture Trustee and the Debenture Holders as set out in the Debenture Trust Deed, the Debenture Trustee shall, in accordance with the SEBI Defaults (Procedure) Circular, send a notice to the Debenture Holders within the timeline and in accordance with the mode of delivery of notice mentioned in the SEBI Defaults (Procedure) Circular, for convening a meeting of all the Debenture Holders within the timeline specified in the SEBI Defaults (Procedure) Circular. If the Event of Default is cured or rectified within the intervening period between the date of the aforementioned notice from the Debenture Trustee to the date the aforementioned meeting is convened, no such meeting of the Debenture Holders shall be required. The Debenture Trustee shall maintain the details of the providing and receipt of such notice in accordance with the SEBI Defaults (Procedure) Circular. However, it is clarified that the Debenture Trustee shall not take any enforcement action in the event the Debenture Holders dissent to the enforcement of the Transaction Security by way of a Super Majority Approval.</p> <p>Without prejudice to the above, the Debenture Trustee shall ensure compliance with all other provisions of the SEBI</p>
-----	---	---

		<p>Defaults (Procedure) Circular, including in relation to the entering into, and the performance of any obligations under any inter-creditor agreement pursuant to the Stressed Assets Framework or any resolution plan (including the resolution plan being finalised within the time period prescribed in the SEBI Defaults (Procedure) Circular), and exiting of the inter-creditor agreement on the occurrence of the matters prescribed under the SEBI Defaults (Procedure) Circular.</p> <p>In the event the Recovery Expense Fund is proposed to be utilised pursuant to the occurrence of an Event of Default, the Debenture Trustee shall follow the procedure set out in the SEBI REF Circular.</p>
58.	Consequences of Events of Default	<p>Upon the occurrence of an Event of Default, the Debenture Trustee (acting in accordance with the Debenture Trust Deed) may, and shall, if so directed by the Majority Debenture Holders:</p> <ul style="list-style-type: none"> <li>a) declare all or a part of the Debentures, together with all other amounts accrued or outstanding under the Finance Documents, to be immediately due and payable, whereupon they shall become immediately due and payable;</li> <li>b) exercise any or all of its rights, discretions, powers and remedies under the Finance Documents and under applicable law (including to enforce the security created under the Security Documents, to make a demand under the Deed of Guarantee, to utilise the amounts lying in the Recovery Expense Fund in accordance with the SEBI REF Circular etc.);</li> <li>c) initiate, insolvency proceedings / recovery proceedings/ exercise rights available to recover the amounts in relation to the Debentures;</li> <li>d) appoint additional auditors and other consultants or professional advisers in connection with any Secured Assets;</li> <li>e) appoint a receiver in respect of the Secured Assets;</li> <li>f) take any actions in respect of the SEBI Defaults (Procedure) Circular in accordance with the provisions of the Debenture Trust Deed (including but not limited to for enforcement of the Security or for entering into an intercreditor agreement, as decided by the Debenture Holders in accordance with the terms of the SEBI Defaults (Procedure) Circular);</li> <li>g) appoint a nominee director on the board of directors of the Issuer in accordance with the Debenture Trust Deed; and</li> </ul>

		h) Stipulate any additional conditions in respect of the Debentures and/or require any amendment or modification to the Finance Documents.
59.	Instructions/Consent/Decision making by the Debenture Trustee	<p>All references to the consent or discretion or agreement or waivers or any actions of the Debenture Trustee under the Debenture Trust Deed or any other Finance Document shall mean the Debenture Trustee acting in accordance with the consent of the Debenture Holders, holding 75% of the Debentures (by value) unless specifically provided otherwise. Notwithstanding anything to the contrary contained in any Finance Document, any actions required to be taken by the Debenture Trustee under the following circumstances will not require any approval or consent from the Debenture Holders:</p> <p>(a) any actions in relation to determination of amount of monies to be transferred from the relevant escrow accounts of the Restricted Group entities to ensure that each of them have funds available to meet their respective payment obligations, in accordance with the terms of the Inter Se Agreement;</p> <p>(b) testing of the debt service coverage ratio for undertaking cash sweep on a semi-annual basis (based on the certificate issued by an independent chartered accountant, on behalf of the Issuer); and</p> <p>(c) allowing any Restricted Payments to be made by the Issuer based on the certificate provided by the Issuer, evidencing satisfaction of Restricted Payment Conditions.</p>
60.	Creation of recovery expense fund	The Issuer shall create and maintain the Recovery Expense Fund in relation to the Debentures, up to the amounts prescribed under the SEBI REF Circular, in accordance with and within the timelines prescribed in the SEBI REF Circular. The amounts in the Recovery Expense Fund may be utilised by the Debenture Trustee on and after occurrence of an Event of Default under the terms of the Debenture Trust Deed, in accordance with the procedure set out in the SEBI REF Circular.
61.	Conditions for breach of covenants (as specified in Debenture Trust Deed)	A breach of a covenant, subject to the cure periods specified therein (if any), is an Event of Default under the Debenture Trust Deed and in accordance, with the terms of the Debenture Trust Deed, all remedies are available as particularly described above.
62.	Provisions related to Cross Default Clause	Events which shall lead to a cross default under the terms of the Debenture Trust Deed include:

		<p>(a) Any Financial Indebtedness of any Obligor is not paid when due nor within any originally applicable grace period;</p> <p>(b) Any Financial Indebtedness of any Obligor is declared to be or otherwise becomes due and payable prior to its specified maturity as a result of an event of default (howsoever described);</p> <p>(c) Any commitment for any Financial Indebtedness of any Obligor is cancelled or suspended by a creditor of that Obligor as a result of an event of default (howsoever described);</p> <p>(d) Any creditor of any Obligor becomes entitled to and declares any Financial Indebtedness of such person due and payable prior to its specified maturity as a result of an event of default (howsoever described).</p>
63.	Debenture Trustee	<p>The Issuer has received the consent of Catalyst Trusteeship Limited to act as the Trustee on behalf of the Holders. The Trustee consent letter is attached hereto as <b>Annexure D</b>.</p> <p>The Trustee has been appointed pursuant to the Trustee Agreement. The terms of the Trustee Agreement are typical to the transactions of such nature and are in compliance with the requirements of applicable law. The fee charged by the Trustee shall be as specified in fee letter.</p>
64.	Role and Responsibilities of Debenture Trustee	<p>(a) The Debenture Trustee shall, until the Final Settlement Date, adhere to and comply with its obligations and responsibilities under the SEBI Defaults (Procedure) Circular and the SEBI REF Circular;</p> <p>(b) The Debenture Trustee shall comply with the provisions of the Indian Trusts Act, 1882 and all other Applicable Law; and</p> <p>(c) As provided in the Debenture Trust Deed, the Debenture Trustee Appointment Agreement and the SEBI (Debenture Trustee) Regulations, 1993.</p>
65.	Due Diligence	<p><b><i>Due diligence certificate</i></b></p> <p><b><i>Due diligence certificate as per the format specified in Annexure A of the SEBI Circular No. SEBI/HO/MIRSD/CRADT/CIR/P/2020/218 dated November 03, 2020 has been appended to the PM</i></b></p> <p><b><u>Process of Due Diligence carried out by the Debenture Trustee</u></b></p>

		<p>Due Diligence (<b>DD</b>) will be carried out as per DT regulations and circulars issued by SEBI from time to time, which broadly includes following:</p> <ul style="list-style-type: none"> <li>Chartered Accountant (<b>CA</b>) appointed by DT will be doing independent DD as per scope provided, regarding Security given for the issue by the company.</li> <li>CA will verify and ensure that the asset provided by the issuer for creation of security are free from any encumbrances or necessary permission or consent has been obtained from existing charge holders.</li> <li>CA will be doing independent DD as per information provided by the Issuer company.</li> <li>Periodical DD will be carried out as per SEBI circulars from time to time as per nature of security provided.</li> <li>Necessary DD certificate will be issued and will be available on Stock Exchanges from time to time for information of DHs.</li> <li>DD will be carried out for maintenance of security cover depending on information provided by the issuer company and CA appointed by DT or DT himself will not be responsible for misinformation provided by issuer company.</li> </ul>
66.	Risk factors pertaining to the Issue	As set out in Part 4 (Risk Factors) of this Information Memorandum.
67.	Governing Law and Jurisdiction	Indian Law; New Delhi
68.	Inconsistency provision	In case there is any inconsistency between Information Memorandum and the Debenture Trust Deed, the terms of the Debenture Trust Deed shall prevail

*Notes:*

- (a) *If there is any change in Coupon Rate pursuant to any event including lapse of certain time period or downgrade in rating, then such new Coupon Rate and events which lead to such change should be disclosed.*
- (b) *The list of documents which has been executed in connection with the issue and subscription of the Debentures shall be annexed.*
- (c) *While the debt securities are secured to the tune of 100% of the principal and interest amount or as per the terms of this Information Memorandum, in favour of Debenture Trustee, it is the duty of the Debenture Trustee to monitor that the security is maintained.*



- (d) *The Issuer shall provide granular disclosures in their placement memorandum, with regards to the "Object of the Issue" including the percentage of the issue proceeds earmarked for each of the "object of the issue".*

## **PART 6: MATERIAL AGREEMENTS/ DOCUMENTS**

A statement containing particulars of the dates of, and parties to all material contracts and agreements involving financial obligations of the Issuer is set out below. The following are the material documents and agreements:

1. Certified copy of the Memorandum and Articles of Association of the Issuer;
2. Certified true copy of the resolution of the board of directors of the Issuer dated February 10, 2022 authorizing the Issue attached as **Annexure B** to this Information Memorandum;
3. Credit rating letter dated February 3, 2022 from *CRISIL Ratings Limited* assigning rating for the Issue pursuant to this Information Memorandum attached as **Annexure C** to this Information Memorandum;
4. Consent letter from the Debenture Trustee issued on November 17, 2021 attached as **Annexure D** to this Information Memorandum;
5. Consent letter from the Registrar to the Issue dated January 12, 2022 attached as **Annexure F** to this Information Memorandum;
6. Debenture Trustee Agreement between the Debenture Trustee and Issuer;
7. Debenture Trust Deed dated on or about the date hereof;
8. Tripartite Agreement between NSDL, Registrar and Issuer dated April 12, 2019 for dematerialisation securities of the Issuer;
9. Tripartite Agreement between CDSL, Registrar and Issuer dated [●] for dematerialisation securities of the Issuer; and
10. Listing agreement between the BSE and the Issuer.

## PART 7: STATUTORY AND REGULATORY DISCLOSURES- COMPANIES ACT, 2013

This part sets out disclosures required under Form No. PAS-4 (*Private Placement Offer Letter*) pursuant to the PAS Rules.

<b>I.</b>	<b>GENERAL INFORMATION</b>	
(i)	Name of the Company	AVAADA SOLARISE ENERGY PRIVATE LIMITED
(ii)	CIN	U40300DL2018PTC338280
(iii)	Address	<i>Registered Office:</i> 910/19 Suryakiran,  Kasturba Gandhi Marg, New Delhi - 110001 <i>Corporate office:</i> 406, Hubtown Solaris, N.S.Phadke Marg, Andheri East, Mumbai-400069
	Telephone with STD	+011-68172100
	Fax No.	NA
	E-mail id.	avaadasolarise@avaada.com
	Website:	www.avaadaenergy.com/solarise/
(iv)	Date of incorporation of the Company	September 5, 2018
(v)	Business carried on by the Company and its subsidiaries with details of branches or units, if any.	Generation of electricity using renewable source
(vi)	Brief particulars of the management of the Company	Mr. Rajesh Bihari Dwivedi and Mr. Gopal Goel are the Directors of the Company and Ms Aadishri Sahasrabuddhe is the Company Secretary

(vii)	Names, Addresses, DIN, and Occupations of Directors	<table><tr><th>Name &amp; Designation</th><th>Occupation</th><th>Residential Address</th><th>DIN</th><th>Director of the Company since</th></tr><tr><td>Mr. Rajesh Bihari Dwivedi</td><td>Service</td><td>H-906, Ajnara Daffodil, Sector-137, Noida, Gautam Buddha Nagar, Uttar Pradesh-201304</td><td>09133422</td><td>9<sup>th</sup> December 2021</td></tr><tr><td>Mr. Gopal Goel</td><td>Service</td><td>Plot No. 27, 1<sup>st</sup> Floor, Blk-8, Sec-8, Dwarka, New Delhi- 110075,</td><td>09133443</td><td>9<sup>th</sup> December 2021</td></tr></table>					Name & Designation	Occupation	Residential Address	DIN	Director of the Company since	Mr. Rajesh Bihari Dwivedi	Service	H-906, Ajnara Daffodil, Sector-137, Noida, Gautam Buddha Nagar, Uttar Pradesh-201304	09133422	9 <sup>th</sup> December 2021	Mr. Gopal Goel	Service	Plot No. 27, 1 <sup>st</sup> Floor, Blk-8, Sec-8, Dwarka, New Delhi- 110075,	09133443	9 <sup>th</sup> December 2021
		Name & Designation	Occupation	Residential Address	DIN	Director of the Company since															
		Mr. Rajesh Bihari Dwivedi	Service	H-906, Ajnara Daffodil, Sector-137, Noida, Gautam Buddha Nagar, Uttar Pradesh-201304	09133422	9 <sup>th</sup> December 2021															
Mr. Gopal Goel	Service	Plot No. 27, 1 <sup>st</sup> Floor, Blk-8, Sec-8, Dwarka, New Delhi- 110075,	09133443	9 <sup>th</sup> December 2021																	
(viii)	Management’s perception of risk factors	As per the risk factors set out in Part 4 (Risk Factors) of the Information Memorandum																			
(ix)	Details of default, if any, including therein the amount involved, duration of default and present status, in repayment of –  i. Statutory Dues  ii. Debentures and Interest thereon  iii. Deposits and Interest thereon  iv. Loans from any Bank or Financial institution and any interest thereon	(i) Statutory Dues : Nil (ii) Debentures and Interest thereon: Nil (iii) Deposits and Interest thereon: Nil (iv) Loans from any Bank or Financial institution and any interest thereon: Nil																			

(x)	Names, designation, address and phone no., email ID of the nodal/compliance officer of the Company, if any, for the private placement offer process	<p>Name: Ms Aadishri Sahasrabuddhe</p> <p>Designation: Company Secretary</p> <p>Address: C-11, Shanti Niketan CHS, Near Anand Talkies, Kopri, Thane (East)- 400603</p> <hr/> <p>Phone No.: 022-6140 8000</p> <p>Email: avaadasolarise@avaada.com</p>
(xi)	Any default in annual filing of the Company under the Companies Act, 2013 or the rules made thereunder	No Default
<b>II.</b>	<b>PARTICULARS OF THE OFFER</b>	
(i)	Financial Position of the Company for the last 3 financial years	As per Annexure E
(ii)	Date of passing of board resolution	Resolution of the board of directors of the Company passed at its meeting held on February 10, 2022
(iii)	Date of passing of resolution in the general meeting, authorizing the offer of securities;	Not applicable
(iv)	Kinds of securities offered (i.e. whether share or debenture) and class of security; the total number of shares or other securities to be issued	Secured, redeemable, rated, listed non-convertible debentures (“ <b>Debentures</b> ”) of a face value of INR 10,00,000 each aggregating upto INR 499,00,00,000 (“ <b>Issue</b> ”).
(v)	Price at which the security is being offered including the	Issue is at par value of INR 10,00,000 per Debenture.

	premium, if any, along with justification of the price	
(vi)	Name and address of the valuer who performed valuation of the security offered, and basis on which the price has been arrived at alongwith the report of the registered valuer	NA as securities are being offered at par. In accordance with Rule 14 of Companies (Prospectus of Allotment of Securities) Rules, 2014.
(vii)	Relevant date with reference to which the price has been arrived at  Relevant date means a date at least thirty days prior to the date on which the general meeting of the Company is scheduled to be held	Not applicable.
(viii)	The class or classes of persons to whom the allotment is proposed to be made	Please refer to ‘Eligible Investors’ clause of Part V (Issuer Details) of this Information Memorandum
(ix)	Intention of promoters, directors or key managerial personnel to subscribe to the offer (applicable in case they intend to subscribe to the offer)	Not applicable.
(x)	The proposed time within which the allotment shall be completed	Issue opening date: February 28, 2022 Issue closing date: February 28, 2022 Pay-in Date: March 2, 2022

		Deemed date of allotment: March 2, 2022
(xi)	The names of proposed allottees and the percentage of post private placement capital that may be held by them	Not applicable at the time of issue.
(xii)	The change in control, if any, in the Company, that would occur consequent to the private placement	Not applicable (The proposed issue is of debt instruments; hence there shall not be any change in the control)
(xiii)	The number of persons to whom allotment on preferential basis/private placement/rights issue has been made during the year, in terms of number of securities as well as price	None
(xiv)	The justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer	Not applicable as debentures are issued against cash consideration.
(xv)	Amounts which the Company intends to raise by way of the proposed offer of securities	Upto INR 499,00,00,000 (Rupees Four Hundred and Ninety Nine Crores)
(xvi)	Terms of raising of securities: Duration, if applicable, Rate of dividend	

	or rate of interest, mode of payment and repayment		Debentures
		Tenor	Door to door tenor of 2 (two) years 363 (three hundred sixty-three) days from the Deemed Date of Allotment
		Issue Size	INR 499,00,00,000
		Coupon Rate	6.75 % p.a.p.q.
		Coupon Payment Dates	Please refer to ‘Coupon payment dates’ clause of Part V(Issue Details) of this Information Memorandum
		Mode of payment and repayment: Payment of interest and Redemption Amount will be made by way of cash using Cheque/ DD/ RTGS/ NEFT/NACH/ Electronic mode and any other prevailing mode of payment from time to time.	
(xvii)	Proposed time schedule for which the private placement offer cum application letter is valid	Issue opening date: February 28, 2022 Issue closing date: February 28, 2022 Pay-in Date: March 2, 2022	
(xviii)	Purposes and objects of the offer	Please refer to ‘ <i>Objects of the issue / purpose for which there is requirement of funds</i> ’ clause of Part V(Issue Details) of this Information Memorandum	
(xix)	Contribution being made by the promoters or directors either as part of the offer or separately in furtherance of such objects	Nil	
(xx)	Principal terms of assets charged as security, if applicable	Please refer to Clause 48 of Part V (Issue Details) of this Information Memorandum	
(xxi)	The details of significant and material orders passed by the regulators, courts and tribunals impacting the going concern status of the	Nil	



	Company and its future operations								
(xxii)	The pre-issue and post-issue shareholding pattern of the Company	#	Particulars	Total No. of Equity Shares	Total shareholding as % of total no of equity shares	Sr. No	Particulars	Total No. of Equity Shares	Total shareholding as % of total no of equity shares
		PRE-ISSUE				POST-ISSUE			
		Promoters' holding				Promoters' holding			
		1	Indian	-	-	1	Indian	-	-
		2	Individual	1	-	2	Individual	1	-
		3	Bodies Corporate	4,28,49,999	100	3	Bodies Corporate	4,28,49,999	-
		4	Sub-total	-	-	4	Sub-total	-	-
		5	Foreign promoters	-	-	5	Foreign promoters	-	-
			Sub-total (A)	4,28,50,000	100		Sub-total (A)	4,28,50,000	-
		Non- promoters' holding				Non- promoters' holding			
		6	Institutional investors	-	-	6	Institutional investors	-	-
		Non- institutional investors				Non- institutional investors			
		7	Private corporate bodies	-	-	7	Private corporate bodies	-	-

		8	Directors and relatives	-	-	8	Directors and relatives	-	-
		9	Indian public	-	-	9	Indian public	-	-
		10	Others (including non-resident Indians (NRIs))	-	-	10	Others (including non-resident Indians (NRIs))	-	-
			Sub-total (B)	-	-		Sub-total (B)	-	-
			<b>GRAND TOTAL</b>	<b>4,28,50,000</b>	<b>100</b>		<b>GRAND TOTAL</b>	<b>4,28,50,000</b>	<b>-</b>
III	Mode of payment for subscription	In line with SEBI Operational Circular read with the BSE Operational Guidelines, the payment must be made through RTGS to the Designated Bank Account of Indian Clearing Corporation Limited							
		Beneficiary Name				Indian Clearing Corporation Limited			
		Name of the Banker:				ICICI Bank			
		IFSC Code:				ICIC0000106			
		Account Number				ICCLEB			
		Mode				NEFT/RTGS			
		Beneficiary Name				Indian Clearing Corporation Limited			
		Name of the Banker:				YES Bank			
		IFSC Code:				YESB0CMSNOC			

		Account Number	ICCLEB
		Mode	NEFT/RTGS
		Beneficiary Name	Indian Clearing Corporation Limited
		Name of the Banker:	HDFC Bank
		IFSC Code:	HDFC0000060
		Account Number	ICCLEB
		Mode	NEFT/RTGS
<b>IV</b>	<b>DISCLOSURES WITH REGARD TO INTEREST OF DIRECTORS, LITIGATION ETC.</b>		
(i)	Any financial or other material interest of the directors, promoters or key managerial personnel in the offer and the effect of such interest in so far as it is different from the interests of other persons.	Nil	
(ii)	Details of any litigation or legal action pending or taken by any Ministry or Department of the Government or a statutory authority against any promoter of the offeree Company during the last three years immediately preceding the year of the circulation of the private placement offer cum application letter and any	As per Annexure K	

	direction issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action shall be disclosed.	
(iii)	Remuneration of Directors (during the current and last three financial years).	the Directors do not receive any remuneration from the Company and hence have not been paid any remuneration during the current and also during last three financial years.
(iv)	Related party transactions entered during the last three financial years immediately preceding the year of circulation of private placement offer cum application letter including with regard to loans made or, guarantees given or securities provided.	As per Annexure J
(v)	Summary of reservations or qualifications or adverse remarks of auditors in the last five financial years immediately preceding the year of issue of private placement offer cum application letter and of their impact on the financial statements and financial position of the Company and the corrective steps taken and proposed to be taken by	Nil

	the Company for each of the said reservations or qualifications or adverse remark	
(vi)	Details of any inquiry, inspections or investigations initiated or conducted under the Companies Act or any previous Company law in the last three years immediately preceding the year of issue of private placement offer cum application letter in the case of Company and all of its subsidiaries. Also, if there were any prosecutions filed (whether pending or not) fines imposed, compounding of offences in the last three years immediately preceding the year of the private placement offer cum application letter and if so, section-wise details thereof for the Company and all of its subsidiaries.	Nil
(vii)	Details of acts of material frauds committed against the Company in the last three years, if any, and if so, the	Nil

	action taken by the Company.					
V	FINANCIAL POSITION OF THE COMPANY					
1.	(i) the capital structure of the Company - (in INR)	Share Capital				
			Share Capital	Amount (INR)	Number of shares	Description/ Nature of shares
			Authorized share capital	440000000	44000000	Equity Shares
			Issued, subscribed and paid-up share capital	428500000	42850000	Equity Shares
			Subscribed	428500000	42850000	Equity Shares
		Paid up capital after the present Issue	428500000	42850000	Equity Shares	
		Size of the present offer	Not applicable.			

		Paid Up Capital	<table><tr><th>Particulars</th><th>INR</th></tr><tr><td>After the offer</td><td>Same as above, the Issue being an issuance of Debentures will not alter the paid up capital</td></tr><tr><td>After conversion of convertible instruments, if applicable</td><td>Not applicable</td></tr></table>	Particulars	INR	After the offer	Same as above, the Issue being an issuance of Debentures will not alter the paid up capital	After conversion of convertible instruments, if applicable	Not applicable	
Particulars	INR									
After the offer	Same as above, the Issue being an issuance of Debentures will not alter the paid up capital									
After conversion of convertible instruments, if applicable	Not applicable									
		Share Premium Account (before and after the offer)	Before the Offer: Not applicable After the Offer: Not applicable							
2.	The details of the existing share capital of the issuer company in a tabular form, indicating therein with regard to each allotment, the date of allotment, the number of shares allotted, the face value of the shares allotted, the price and the form of consideration. Provided that the issuer company shall also disclose the number and price at which each of the allotments were made in the last one year preceding the date of the private placement offer cum application letter separately indicating the allotments made for considerations other than cash and the details of the consideration in each case:									

	Date of Allotment	No of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Consideration (cash, other than cash, etc.)	Nature of Allotment	Cumulative		
							No. of equity shares	Equity Share capital (Rs)	Equity Share Premium
	Incorporation	10,000	10	1,00,000	NA	Share Application Money	10,000	1,00,000	NA
	16.05.2019	42840000	10	428400000	NA	Rights Issue	42850000	428500000	NA

3.	Profits of the Company before and after making provisions for tax, for the three financial years immediately preceding the date of issue of the private placement offer cum application letter	Financial Year	Profits before making provision for tax (Rs in crore)	Profits after making provision for tax (Rs in crore)
		FY 2020-21	6.97	3.01
		FY 2019-20	15.61	11.67
		FY 2018-19	(0.42)	(0.31)
4.	Dividends declared by the Company in respect of the said three financial years; interest coverage ratio for last three years (Cash profit after tax plus interest paid/interest paid)	<i>Dividends declared:</i> 31 March 2021- Nil 31 March 2020- Nil 31 March 2019- Nil		



		<i>Interest Coverage Ratio for last three years is as below:</i> 31 March 2021- 1.56 31 March 2020- 2.70 31 March 2019- NA
5.	<b>A summary of the financial position of the Company as in the three audited balance sheets immediately preceding the date of issue of the private placement offer cum application letter</b>	As per Annexure E
6.	<b>Audited Cash Flow Statement for the three years immediately preceding the date of the issue of the private placement offer cum application letter</b>	As per Annexure E
7.	<b>Any change in accounting policies during the last three years and their effect on the profits and the reserves of the Company.</b>	Nil

## **VI. A DECLARATION BY THE DIRECTORS THAT**

- (a) the Company has complied with the provisions of the Securities Contracts (Regulation) Act, 1956, the Securities and Exchange Board of India Act, 1992, the Companies Act, 2013 and the rules made thereunder;
- (b) the compliance with the Companies Act, 2013 and the rules thereunder does not imply that payment of interest or repayment of debentures, if applicable, is guaranteed by the Central Government;
- (c) the monies received under the offer shall be used only for the purposes and objects indicated in the private placement offer cum application letter; and
- (d) whatever is stated in this form and in the attachments thereto is true, correct and complete and no information material to the subject matter of this form has been suppressed or concealed and is as per the original records maintained by the promoters subscribing to the Memorandum of Association and Articles of Association.

I am authorized by the directors of the Company vide resolution dated February 10, 2022 to sign this form and declare that all the requirements of Companies Act, 2013 and the rules made thereunder in respect of the subject matter of this form and matters incidental thereto have been complied with. Whatever is stated in this form and in the attachments thereto is true, correct and complete and no information material to the subject matter of this form has been suppressed or concealed and is as per the original records maintained by the promoters subscribing to the Memorandum of Association and Articles of Association.

It is further declared and verified that all the required attachments have been completely, correctly and legibly attached to this form.

Signed

Date: [●]

Place: Mumbai

## **PART 8: STATUTORY AND REGULATORY DISCLOSURES- SEBI NCS REGULATIONS**

The Information Memorandum is prepared in accordance with the provisions of SEBI NCS Regulations and in this section, the Issuer has set out the details required as per Schedule II of the SEBI NCS Regulations and Applicable Law.

### **1. Documents Submitted to the Exchange and Debenture Trustee**

The following documents along with the listing application have been / shall be submitted to the BSE and with the Debenture Trustee:

- (a) The draft Information Memorandum;
- (b) Memorandum and Articles of Association of the Issuer and necessary resolution(s) for the allotment of the Debentures;
- (c) Copy of the resolution of the board of directors of the Issuer passed at their meetings held on passed on February 10, 2022 authorizing the borrowing;
- (d) Copy of the last 3 (three) years audited annual reports;
- (e) Statement containing particulars of, dates of, and parties to all material contracts and agreements;
- (f) An undertaking from the Issuer stating that the necessary documents for the creation of the charge, where applicable, including the Debenture Trust Deed has been executed within the time frame prescribed in the relevant regulations / act / rules, etc. and the same would be uploaded on the website of the designated stock exchange, where the debt securities have been proposed to be listed;
- (g) An undertaking from the Issuer that permission / consent from the prior creditor for a second or *pari passu* charge being created, where applicable, in favor of the Debenture Trustee to the proposed issue has been obtained;
- (h) Any other particulars or documents that the recognized stock exchange may call for as it deems fit; and
- (i) Due diligence certificates from the Debenture Trustee as per the format specified in Annexure B of the SEBI Due Diligence Circular and Schedule IV of the SEBI NCS Regulations.

## 2. **Documents Submitted to Debenture Trustee**

The following documents have been / shall be submitted to the Debenture Trustee in electronic form (soft copy) at the time of allotment of the Debentures:

- (a) Latest audited / limited review half yearly consolidated (wherever available) and standalone financial information (profit & loss statement, balance sheet and cash flow statement) and auditor qualifications, if any;
- (b) An undertaking to the effect that the Issuer would, till the redemption of the debt securities, submit the details mentioned in point (D) above to the Trustee within the timelines as mentioned in Simplified Listing Agreement issued by SEBI vide circular No. SEBI/IMD/BOND/1/2009/11/05 dated May 11, 2009 as amended from time to time, for furnishing / publishing its half yearly/ annual result. Further, the Issuer shall within 180 days from the end of the financial year, submit a copy of the latest annual report to the Trustee and the Trustee shall be obliged to share the details submitted under this clause with all 'Qualified Institutional Buyers' (QIBs) and other existing debenture holders within two working days of their specific request.
- (c) Copy of last 3 (Three) years audited annual reports.
- (d) Statement containing particulars of, dates of, and parties to all material contracts and agreements.
- (e) Documents as specified under the Conditions Precedent.
- (f) Such other documents as may be required by the Debenture Trustee.

The Issuer shall submit all documents, and make necessary disclosures, in accordance with the SEBI LODR Regulations. The Issuer shall comply with the SEBI LODR Regulations and SEBI NCS Regulations.

## 3. **ISSUER'S ABSOLUTE RESPONSIBILITY**

The Issuer, having made all reasonable inquiries, accepts responsibility for, and confirms that this Information Memorandum contains all information with regard to the Issuer and the Issue, which is material in the context of the Issue, that the information contained in this Information Memorandum is true and correct in all material respects and is not misleading, that the opinions and intentions expressed herein are honestly stated and that there are no

other facts, the omission of which makes this Information Memorandum as a whole or any of such information or the expression of any such opinions or intentions misleading.

#### 4. **Details of Promoters of the Issuer:**

A complete profile of all the promoters of the Issuer, including their name, date of birth, age, personal addresses, educational qualifications, experience in the business or employment, positions/posts held in the past, directorships held, other ventures of each promoter, special achievements, their business and financial activities, photograph, Permanent Accountant Number.

The details of the Promoters of the Issuer are as follows:

##### **Profile of our Promoter:**

Avaada Energy Private Limited (AEPL) is a decade-old company and is one of India's fastest growing renewable energy platforms. Avaada started its journey in 2010 in the form of Welspun Energy, which coincidentally was also the year of the inception of India's Solar Mission. Welspun grew rapidly and was India's largest renewable energy company with an installed capacity of 1.2 GW in 2016. In 2016, assets were monetized with sales to Tata Power (one of the largest conglomerates in India) in a deal valued at Rs. 10,000 Cr. In addition to its solar portfolio, the company also monetized its thermal assets through a deal with Adani Group.

The monetization process has followed the demerger of Welspun Energy, and the firm was rechristened as Avaada Energy. Since its inception in 2017, Avaada Energy has grown significantly. It now has operating solar power assets exceeding 2.2 GW and an under-execution capacity of ~ 2.5 GW under an advanced construction stage. We installed the last 1 GW in the calendar year 2021 – the largest of India's renewable energy IPPs. The feat holds special significance since the capacity addition happened amid COVID induced challenges like supply chain disruptions, workforce mobilization, unprecedented hikes in raw material prices, transportation, and so on.

In the next 3 months, Avaada's operational capacity is expected to increase to 4 GW and 5 GW by the end of 2022. The group meets infrastructural and quality standards and targets an extensive portfolio of 11 GW of renewable energy projects by 2025.

Avaada is one of the very few players with in-depth expertise in Engineering, Procurement & Construction (EPC) capabilities. The firm's track record lends credence to the path-breaking solar solutions regarding technology, capacity, quality, execution speed, and total cost of ownership. Based on a proven track record, Avaada managed to get equity funding from marquee investors like ADB, DEG, FMO, Proparco and so on in the first round of

fund raise. In the second round which got concluded recently, we managed to get an equity participation of US \$ 450 Million from PTT Group (~Rs. 3500 Cr), Thailand, a Fortune 500 company and one of the world's most prominent oil and gas players.

Avaada is presently at stands an impressive valuation of Rs. 20,000 Cr. As the next step in value creation, Avaada is now foraying into new business areas like manufacturing of solar cells and modules (3 GW), Green Hydrogen, Green Ammonia, Manufacturing of Batteries etc.

Mr. Vineet Mittal has 57.07% shareholding in AEPL through Avaada Ventures Pvt Ltd and balance shareholding of 42.93% is held by Global Renewable Synergy Company Ltd, Thailand.

The registered office of AEPL is at 406, 4th Floor, Hubtown Solaris, N. S. Phadke Marg, Andheri (E), Mumbai - 400069

The PAN number of AEPL is AACCE0525D.

### **Profile of Mr. Vineet Mittal**

Mr. Vineet Mittal was earlier the vice-chairman of Welspun Renewable Energy, the renewable arm of the diversified Welspun group. Mr. Mittal was instrumental in building a renewable energy portfolio of 1.14 GW under Welspun Renewable Energy Pvt Ltd which was acquired by Tata Power for total consideration of USD 1.40 billion in 2016. The entire EPC arm of WEPL, which had set-up the renewable portfolio of Welspun Group, has been demerged into Avaada Ventures which was founded by Mr. Mittal post the Welspun Renewable transaction.

An alumnus of Harvard Business School. He was named among the '100 Most Powerful Business Leaders in Indian PV Solar Market' in 2018.

Mr. Mittal is the President of the Solar Power Developer's Association. He is the Co-Chair of the renewable energy committee and the Chairman of the solar task force at ASSOCHAM. He is also on B20's Infrastructure & Investment Taskforce and World Economic Forum's (WEF) Steering Committee on Infrastructure and Urban Development.

He was felicitated twice as 'The Solar Power Man of the Year' in 2014 & 2012 and as "Entrepreneur of the Year" at The Madhavrao Scindia Leadership Awards 2009. Vineet has also been recognized with the 'Global Excellence Award in Renewable Energy 2013' at the 4th World Renewable Energy Technology Congress (WRETC). He has been invited as expert in forum series - IHS Energy's CERA Week, Danish Embassy's 'Global Green Growth Forum' in Copenhagen, WEF's sessions in Davos, India & Myanmar on innovation - low carbon finance - growth through sustainable energy; presented white papers on sustainable energy, incentivizing efforts of forestation and public-private-participation for rural community development.

**Details of Mr. Vineet Mittal:**

- (i) Date of Birth: September 05, 1974
- (ii) Age: 47 years
- (iii) Personal address: Plot No. 30 E, H B Gawde Marg, Juhu Koliwada, Opp. Rotary Centre, Mumbai, Juhu- 400049
- (iv) Educational qualifications: Owner/President Management Program at Harvard Business School.
- (v) Experience in business or employment: Mr. Vineet Mittal was earlier the vice-chairman of Welspun Renewable Energy, the renewable arm of the diversified Welspun group. Mr. Mittal was instrumental in building a renewable energy portfolio of 1.14 GW under Welspun Renewable Energy Pvt Ltd which was acquired by Tata Power for total consideration of USD 1.40 billion in 2016. The entire EPC arm of WEPL, which had set-up the renewable portfolio of Welspun Group, has been demerged into Avaada Ventures which was founded by Mr. Mittal post the Welspun Renewable transaction.

An alumnus of Harvard Business School. He was named among the ‘100 Most Powerful Business Leaders in Indian PV Solar Market’ in 2018.

Mr. Mittal is the President of the Solar Power Developer’s Association. He is the Co-Chair of the renewable energy committee and the Chairman of the solar task force at ASSOCHAM. He is also on B20's Infrastructure & Investment Taskforce and World Economic Forum's (WEF) Steering Committee on Infrastructure and Urban Development.

He was felicitated twice as 'The Solar Power Man of the Year' in 2014 & 2012 and as “Entrepreneur of the Year” at The Madhavrao Scindia Leadership Awards 2009. Vineet has also been recognized with the 'Global Excellence Award in Renewable Energy 2013' at the 4th World Renewable Energy Technology Congress (WRETC). He has been invited as expert in forum series - IHS Energy's CERA Week, Danish Embassy's 'Global Green Growth Forum' in Copenhagen, WEF's sessions in Davos, India & Myanmar on innovation - low carbon finance - growth through sustainable energy; presented white papers on sustainable energy, incentivizing efforts of forestation and public-private-participation for rural community development.

- (vi) Directorships held:

Directorship of Mr. Vineet Mittal as on February 16, 2022:

Sr. No.	Name of Companies/ Bodies Corporate/ Firms/ Association of individuals	Nature of interest or concern/ Change in interest or concern	Date on which interest or concern arose/ changed
1	Suvayu Ventures Private Limited (formerly known as 'Viraj Solar Private Limited')	Director	23/02/2017
2	Avaada Energy Private Limited	Chairman	10/12/2018

PAN: AFHPM8584R

Photograph:



### **Global Renewable Synergy Company**

Global Renewable Synergy Company (GRSC) is a wholly owned subsidiary of Global Power Synergy Company (GPSC)

GPSC was established in 2013 in Bangkok, Thailand is the power arm of PTT Public Company Ltd (PTT) which is a Thai state owned company involved in electricity generation, petrochemicals, Oil and Gas exploration etc. GPSC is listed on the Stock exchange of Thailand (SET)

GPSC and operates as a power, steam, and utilities producer and distributor. In addition, the Company invests in other companies that generate and distribute power, steam, and utilities, including related businesses, both domestically and overseas



The company has a total power portfolio of 6.7 GW across natural gas, solar, hydro and thermal power plants.

A declaration confirming that the Permanent Account Number and Aadhaar Number of the promoters and Permanent Account Number of directors have been submitted to the stock exchanges on which the Debentures are proposed to be listed, at the time of filing the draft Information Memorandum.

<b>Declaration</b>
The Issuer confirms that the Permanent Account Number and Aadhaar Number of the promoters and Permanent Account Number of directors have been submitted to the stock exchanges on which the Debentures are proposed to be listed, at the time of filing the draft Information Memorandum.

**5. Details of credit rating along with reference to the rating letter issued (not older than one month on the date of the opening the issue) by the rating agencies in relation to the issue shall be disclosed.**

The Rating Agency has assigned a rating of “AAA” (pronounced as “Triple AAA”) with ‘Stable’ outlook to the Debentures. Instruments with this rating are considered to have the highest degree of safety regarding timely servicing of financial obligations. Such instruments carry lowest credit risk considered to have the highest degree of safety regarding timely servicing of financial obligations. Such instruments carry lowest credit risk . The rating letter from the Rating Agency is provided in Annexure C of this Information Memorandum. The Rating Agency has issued a press release of the credit rating in respect of the Debentures bearing reference number RL/AVSREE/286167/NCD/0222/25429/100712894.1 on 3 February 2022. The copies of the press release and the rating rationale (not older than one year on the date of opening of the Issue) in respect of the rating for the Debentures is provided in **Annexure C** to this Information Memorandum.

**6. Name(s) of the stock exchange(s) where the non-convertible securities are proposed to be listed and the details of their in-principle approval for listing obtained from these stock exchange(s).**

The Debentures are proposed to be listed on the WDM segment of the BSE. The Issuer shall comply with the requirements of the Debt Listing Agreement to the extent applicable to it on a continuous basis. The Issuer has obtained the in-principle approval for the listing of the Debentures on the WDM segment of the BSE. Please refer to **Annexure G** to this Information Memorandum for a copy of the in-principle approval letter dated [●] issued by the BSE.



The Debentures are not proposed to be listed on more than one stock exchange.


The Issuer has created the Recovery Expense Fund for a maximum limit of INR 25,00,000 (Indian Rupees Twenty-Five Lacs) in accordance with the SEBI REF Circular with the BSE. In this regard, please also refer to the section on "Creation of recovery expense fund" under Part 5 (*Issue Details*) above.


7. **Issue schedule**

Particulars	Date
Issue opening/Bid date	February 28, 2022
Issue closing/Bid date	February 28, 2022
Pay-in Date	March 2, 2022
Deemed Date of Allotment	March 2, 2022

8. **Key intermediaries to the Issue**

<b>Debenture Trustee</b> 	Catalyst Trusteeship Limited Address: 810, 8th floor, Kailash building, 26 Kasturba Gandhi Marg, New Delhi 110001 Tel: +91 (11) 43029101 E-mail: sameer.trikha@ctltrustee.com Website: <a href="https://catalysttrustee.com/">https://catalysttrustee.com/</a> Contact Person: Mr. Sameer Trikha
<b>Credit Rating Agency</b>  <small>An S&amp;P Global Company</small>	CRISIL Ratings Limited Address: CRISIL House, Central Avenue, Hiranandani Business Park, Powai, Mumbai- 400 076, India Tel: 022 33423000 E-mail: Ruchita.pandya@crisil.com Website: <a href="http://www.crisilratings.com">www.crisilratings.com</a> Contact Person: Ms. Ruchita Pandya

<b>Registrar to the Issue</b> 	<p>Link Intime India Private Limited Address: C-101,247 Park, L.B.S Marg, Vikhroli (west). Mumbai-400 083          Tel: 91 22 49186000          E-mail: mumbai@linkintime.co.in          Website: www.linkintime.co.in          Contact Person: Mr. Amit Dabhade</p>
<b>Statutory Auditors</b> NA	<p>Goyal Malhotra &amp; Associates Address: D-64, Block D, Sector 55, Noida, Uttar Pradesh 201301          Tel: +91-120-4155181          E-mail: manoj.goyal@goyalmalhotra.com          Website: http://goyalmalhotra.com/          Contact Person: Mr. Manoj Goyal</p>
<b>Personal Guarantor</b>	NA
<b>Corporate Guarantor</b>	<p><b>Clean Sustainable Energy Private Limited</b>          Corporate office Address: 406, Hubtown Solaris, N.S. Phadke Marg, Andheri (E), Mumbai – 400069          Tel: 022- 61408000          E-mail: finance@avaada.com          Website: https://avaadaenergy.com/csepl/          Contact Person: Mr. Raji George</p> <p><b>Fermi Solarfarms Private Limited</b>          Corporate office Address: 406, Hubtown Solaris, N.S. Phadke Marg, Andheri (E), Mumbai – 400069          Tel: 022- 61408000          E-mail: finance@avaada.com          Website: https://avaadaenergy.com/fermi/          Contact Person: Mr. Raji George</p> <p><b>Avaada SataraMH Private Limited</b>          Corporate office Address: 406, Hubtown Solaris, N.S. Phadke Marg, Andheri (E), Mumbai – 400069          Tel: 022- 61408000</p>

	<p>E-mail: <a href="mailto:finance@avaada.com">finance@avaada.com</a>  Website: <a href="https://avaadaenergy.com/SataraMH/">https://avaadaenergy.com/SataraMH/</a>  Contact Person: Mr. Raji George</p>
<p><b>Arranger</b></p> 	<p><b>Axis Bank Limited</b>  Address: Axis House, Wadia International Center, P. B. Marg, Worli, Mumbai – 400 025  Tel: 022 - 66043299  E-mail: <a href="mailto:abhishek.lahoti@axisbank.com">abhishek.lahoti@axisbank.com</a>  Website: <a href="http://www.axisbank.com">www.axisbank.com</a>  Contact Person: Mr. Abhishek Lahoti</p> <p><b>ICICI Bank Limited</b>  Address: ICICI Bank Towers, Bandra-Kurla Complex, Bandra (East), Mumbai – 400 051  Tel: 022 – 4008 8919  E-mail: <a href="mailto:merchantbanking@icicibank.com">merchantbanking@icicibank.com</a>; <a href="mailto:gmgfixedincome@icicibank.com">gmgfixedincome@icicibank.com</a>  Website: <a href="http://www.icicibank.com">www.icicibank.com</a>  Contact Person: Mr. Ritesh Tatiya</p>

9. **About the Issuer**

(a) **General Information**

<b>Name</b>	:	Avaada Solarise Energy Pvt Ltd
<b>Registered Office of Issuer</b>	:	910/19, Suryakiran, Kasturba Gandhi Marg, New Delhi – 110 001
<b>Corporate Office of Issuer</b>	:	4th Floor, Hubtown Solaris, 406, N.S. Phadke Marg, Near Andheri East West Flyover. Mumbai 400069

<b>Corporate Identification Number</b>	:	U40300DL2018PTC338280
<b>Phone No.</b>	:	+91-022-61408000
<b>Contact Person</b>	:	Mr. Raji George
<b>Email</b>	:	<a href="mailto:finance@avaada.com">finance@avaada.com</a>

**(b) A brief summary of the business / activities of the Issuer and its subsidiaries with the details of the branches or units if any and its line of business.**

**(i) Overview**

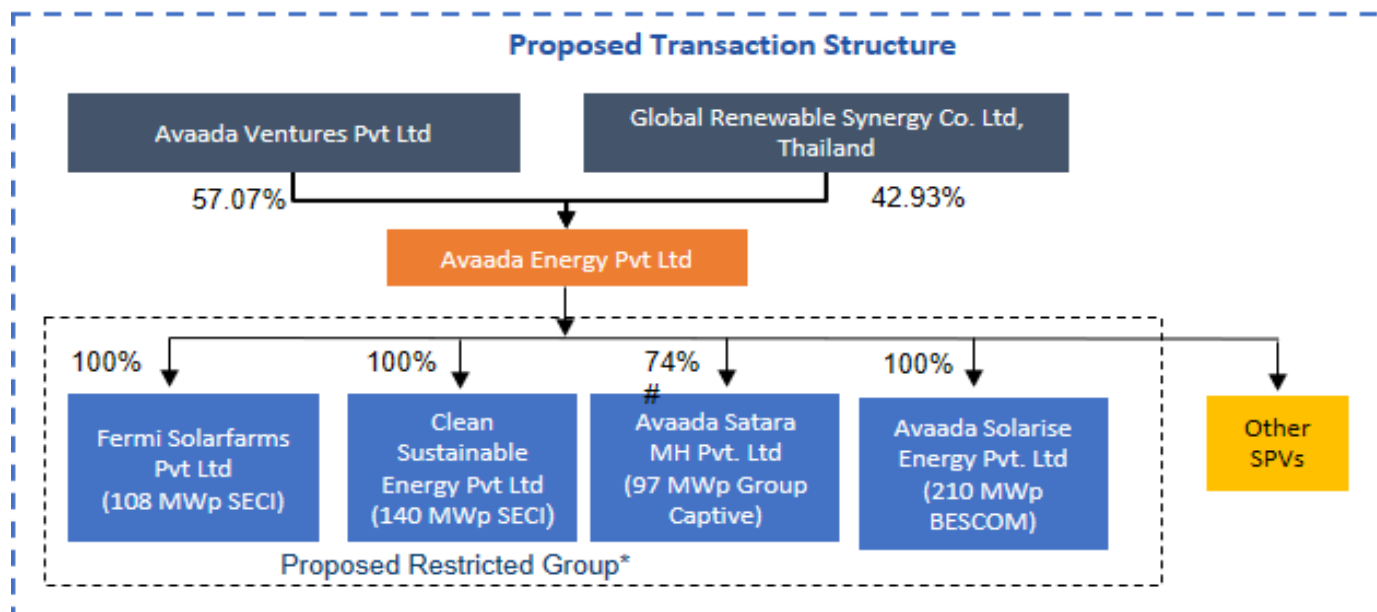
Avaada Energy Private Limited (AEPL) promoted by Mr. Vineet Mittal is currently the flagship company of the Avaada Group and all the renewable energy portfolio of Avaada Group are housed in direct/step down subsidiaries of AEPL. AEPL is the demerged entity of erstwhile Welspun Energy Pvt Limited's (WEPL) EPC business. WEPL had set-up the solar power project portfolio of ~1.2 GW, thereby underlining the execution capabilities of the Group. In September 2016, Welspun Group has monetized its renewable assets portfolio aggregating to ~1.2 GW across various states in India and transferred its entire stake to Tata Power Renewable Energy Ltd (TPREL). The deal was adjudged to be Asia's largest clean energy M&A transaction.

Within a span of few years since it started operations, Avaada has created a strong portfolio of 5 GW of renewable power projects comprising of ~2 GW operational projects and ~3 GW of projects under implementation. The Group is also one of the leading players with inhouse EPC expertise and experience of executing more than 3 GW solar projects along with strong relationships with all the leading supplier of modules and inverters.

Mr. Vineet Mittal has invested ~Rs 735 crs (~USD 100 Mn) in AEPL. PTT, is a Thai state-owned oil and gas company. PTT owns extensive pipelines in the Gulf of Thailand and a network of LPG terminals throughout Thailand. It is involved in electricity generation, oil and gas exploration and production, and gasoline retailing businesses. PTT is the largest corporation in the country and the only company from Thailand listed in Fortune Global 500 companies. This demonstrates the well capitalized position of AEPL, the strong

net worth and the kind of investors on board demonstrate its commitment to providing returns, balancing it with the contribution to environment, health, social impact and safety aspects of the ecosystem.

**(ii) Corporate Structure of the Issuer:**



\* PTT Group holds 75.2% shares of GPSC, comprising PTT 42.5%, Thai Oil PLC (TOP) 20.8%, PTT Global Chemical PLC (GC) 10%, & Siam Management Holding Co., Ltd. (SMH) 1.9%, respectively.

**(iii) Project cost and means of financing, in case of funding of new projects (if applicable):** Not applicable

**(iv) Proposal**

Avaada Group is looking to raise Rs 1440 Cr in 4 of its operational solar projects (555.25 MW AC) under co-obligor structure. The issuer entities are – Fermi Solarfarms Private Limited, Clean Sustainable Energy Private Limited, Avaada Solarise Energy Private Limited and Avaada SataraMH Private Limited.

The group proposes to issue 3 year NCDs (secured & listed) of Rs 1440 Cr towards Refinancing of debt, Payment of capital creditors, various purposes in the normal course of business including capital expenditure and/or augmentation of working capital, Transaction/Issue expense, creation of DSRA & other reserves.

**(v) Industry Overview**

**Solar power capacity addition of 64-66 gigawatt (GW) expected over fiscals 2022-26**

Despite the second wave of the Covid-19 pandemic, the first 8 months of fiscal 2022, witnessed solar capacity additions of around 8.4 GW. In relief to developers, the Ministry of New and Renewable Energy (MNRE) has provided an extension of two and a half months for projects having scheduled commissioning dates on or after April 1, 2022. It is also evaluating additional extension on grounds of supply-chain disruptions in imported modules from China. This is estimated to delay commissioning this fiscal, leading to a spill-over into fiscals 2023 and 2024. Fiscal 2021, saw around 5.4 GW of solar capacity additions with about 1.9 GW coming from rooftop solar projects (led by state-level incentives) and the remaining from utility scale projects.

CRISIL Research expects solar power capacity of 62-64 GW to be added over fiscals 2022-26, vis-à-vis 33 GW added between fiscals 2017 and 2021. Capacity additions will be driven by the following:

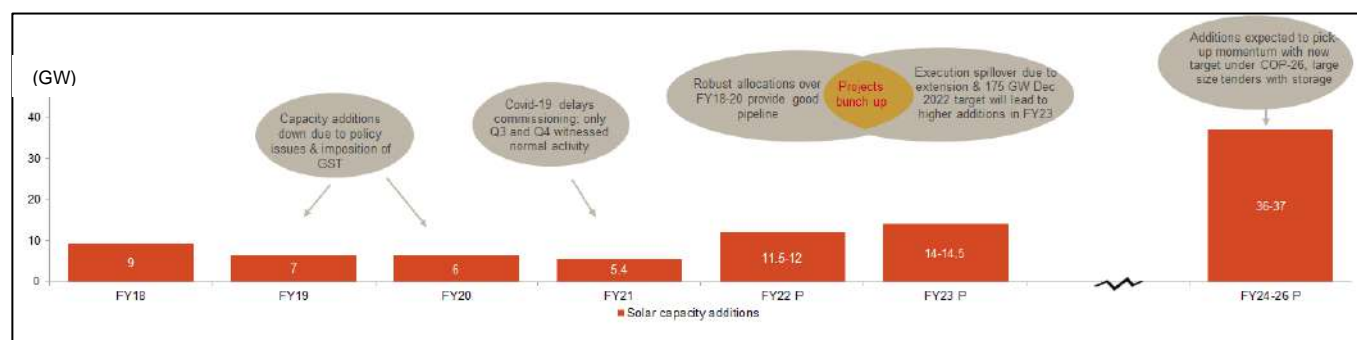
- **National Solar Mission:** Central-level allocations under NTPC Vidyut Vyapar Nigam batch II, Jawaharlal Nehru National Solar Mission (JNNSM) Phase II batches III and IV were almost entirely commissioned.
- **Other central schemes:** The Solar Energy Corporation of India (SECI) has also started tendering projects outside the JNNSM batch programme. It has initiated the Inter-State Transmission System (ISTS) scheme, wherein projects are planned for direct connection with the ISTS grid. Under this, the SECI has already allocated 16 GW (including hybrid) and has another 4 GW in the tendering phase. It also tendered close to 4.4 GW and allocated around 5 GW under other schemes (includes manufacturing linked tenders, round-the clock tenders and peak power supply tenders) till November 2021.
- **State solar policies:** Driven by a thrust from the central government, states have also set aggressive targets under their solar policies, to be achieved by fiscal 2022. A total of around 9 GW is under construction based on schemes already allocated and another about 8 GW is in the tendering phase, under various state policies.
- **Public sector undertakings (PSUs):** The central PSUs programme under JNNSM was extended to 12 GW in February 2019. Also, the government is encouraging cash-rich PSUs to set up renewable energy projects. In particular, NTPC Ltd (NTPC;

‘CRISIL AAA/Stable/CRISIL A1+’) has already commissioned over 1543 MW of capacities, has allocated about 5 GW and tendered a further 1.3 GW, under various schemes. It has a target of installing around 60 GW of renewable energy capacities by fiscal 2030. NHPC too has recently allocated 2 GW of projects, while the Indian Railways has committed to 20 GW of solar power by 2030. Other PSUs such as NLC India Ltd (NLC), defence organisations and governmental establishments are also expected to contribute to this addition.

- **Rooftop solar projects:** CRISIL Research expects 12-13 GW of rooftop projects (now under capital expenditure and operational expenditure mode) to be commissioned by fiscal 2026, led by high industrial and commercial tariffs and declining levelised cost of energy. However, this growth needs to be supported by improvement in infrastructure of distribution companies, continuation of net metering regulations/benefits and other regulatory incentives.

MNRE also amended the solar bidding guidelines several times over the past fiscal, and has recently amended bidding guidelines for solar-wind hybrid projects. The amendments include incorporating several provisions related to extension in commissioning timelines, definition of force majeure, payment security, and terms of default (discussed in detail later). Overall, the amendments are positive and aimed at resolving

**Chart 1: Solar capacity additions – utility scale and solar rooftop**



Source: CRISIL Research



## **Policies by nodal agencies for the sector**

Though the government has provided significant push for solar projects over the past 2-3 years, policy incoherence too is visible, with instances of PPA renegotiation or bid cancellations, additional duty investigations on solar inputs, lack of clarity on goods and services tax (GST) procedures and change in the customs duty classification of solar cells or modules.

The notification of a 40% basic customs duty levy on photovoltaic modules from April 1, 2022, will increase capital cost by 20-25%. Due to advance notification of the levy, developers would also not be safeguarded under the change in law clause. Prior to this, the Directorate General of Trade Remedies had imposed a safeguard duty of 15-25% on cells or modules (depending on year of imposition) in July 2018, which increased capital cost.

Despite this, overall outlook remains positive for the sector as the government remains focused on clean energy goals. Further, June 2018 & July 2021 amendment by Ministry of Power have provided fillip for the renewable energy market in India:

- June 2018 amendment resulted in upward-revision of the solar RPO achievement target from the erstwhile 8% by 2021-22 to 10.5%.
- July 2021 amendment waived off the interstate transmission charges and losses on solar power for projects which are granted extension of SCOD on behalf of GOI provided they are commissioned no later than the extension date beyond 30<sup>th</sup> June 2025.

So, June 2018 amendment should lead to states striving to meet the increased RPO targets and enable transfer of power from solar-rich states to other parts of the country, providing added incentive for solar additions. Waiving of inter-state charges also allows large industrial consumers to offset their RPO requirement by executing long-term power purchase contracts from solar capacities located far away from the consumption centre. This will also help consumers in reducing their power bill considerably, as in the current scenario, the price of competitively bid solar projects is lower than the tariffs charged by discoms for industrial consumers.

Further, there have been instance of penalty imposition has increased over the past 1-2 year for RPO noncompliance. For instance, in October 2019, state distribution utilities of Delhi were penalized by the Delhi Electricity Regulatory Commission to the tune of Rs 4.59 crores for defaulting on the RPO targets for three financial years. Also, recently Uttar Pradesh regulator has asked UPPCL to deposit Rs 7244.7 crore by Jan'22 towards meeting RPO obligations for FY2022 and to clear past dues.

## **History and Business of the Issuer**

Avaada Solarise Energy Pvt Ltd was incorporated on 5th September 2018. The Company is engaged in development, ownership and operation of utility scale solar power projects aggregating to 210 Wp.

The project is located in Karnataka. The projects was successfully completed in November 2019 (Commercial Operations Date) and has demonstrated a successful operating track record of over 2 years. The power is sold to BESCOM under a 25 year PPA at a fixed tariff of Rs 2.92/kWh. Projects components are supplied by reputed suppliers such as Sineng Electric & Sungrow for Inverters and Renesola & JA Solar for solar panels. The O&M of the plants is done in-house by the Company.

### **Main objects of the Issuer**

In accordance with the Memorandum and Articles of Association of the Issuer, the main objects of the Issuer include:

To act as a Special Purpose Vehicle (SPV) created by Giriraj Renewables Private Limited to develop, execute, manage and run upto 150 MW (50 MWx3 Blocks) Grid-Connected Ground Mounted Solar Photovoltaic Projects (Project) in the State of Karnataka in accordance with allotments made vide RFS No. KREDL/07/SG/150MW/Pavagada Park/B22/809-E/2018-19/6631-35, KREDL/ 07/SG/ 150MW/Pavagada Park/B39/809-E/2018-19/6626-30 and KREDL/07/ SG/150MW/Pavagada Park/B40A/809-E/2018-19/6636-40 dated October 9, 2018 as per the policy of the Government of Karnataka relating to production, supply and distribution of solar energy

### **10. Financial Information**

- (a) **A columnar representation of the audited financial statements (i.e. Profit & Loss statement, Balance Sheet and Cash Flow statement) both on a standalone and consolidated basis for a period of three completed years which shall not be more than six months old from the date of the placement memorandum or issue opening date, as applicable.**

**Refer Annexure E (*Financial Statements*).**

*As per the SEBI NCS, Issuers are required to ensure that the audited financial statements contained in the IM are not more than six months old from the date of filing placement memorandum or the issue opening date, as applicable. However, since Issuer is a listed company, they may disclose unaudited financial information for such period in the format as prescribed in the listing regulations with limited review report, as filed with the stock exchange(s). This shall be subject to necessary disclosures in this regard being made in the IM including risk factors.]*

- (b) **Key Operational and Financial Parameters on a consolidated and standalone basis:**

*The Company does not have any subsidiaries and hence there is no consolidation of the financial statements.*

(INR in Millions)

Parameters -Consolidated	30 <sup>th</sup> September 2021	31 March 2021	31 March 2020	31 March 2019
	Audited	Audited	Audited	Audited
<b>Balance Sheet</b>				
Net Fixed Assets	6562.94	6,697.12	6,997.11	-
Current Assets	725.57	696.33	518.44	904.22
Non-Current Assets	6.28	5.13	4.14	675.26
<b>Total Assets</b>	<b>7294.79</b>	<b>7,398.58</b>	<b>7,519.69</b>	<b>1,579.48</b>
Non-Current Liabilities (including maturities of long-term borrowings and short term borrowings),	5085.00	5,194.49	5,404.80	-
Financial (borrowings, trade payables, and other financial liabilities),	4988.88	5,108.20	5,359.09	-
Provisions,	8.76	8.34	7.40	-
Deferred Tax Liabilities (net),	87.36	77.95	38.31	-
Other non-current liabilities)	-	-	-	-
Current Liabilities (including maturities of long-term borrowings),	<b>326.22</b>	<b>347.08</b>	<b>287.92</b>	<b>1,582.50</b>

Parameters -Consolidated	30 <sup>th</sup> September 2021	31 March 2021	31 March 2020	31 March 2019
	Audited	Audited	Audited	Audited
<b>Balance Sheet</b>				
Financial (borrowings, trade payables, and other financial liabilities),	326.06	346.12	285.10	1,574.87
Provisions,	-	-	-	-
Current tax liabilities (net),	-	-	-	-
Other current liabilities	0.16	0.96	2.82	7.63
Equity (equity and other equity)	1883.57	1,857.01	1,826.97	-3.02
Total equity and liabilities	<b>7294.79</b>	<b>7,398.58</b>	<b>7,519.69</b>	<b>1,579.48</b>

Parameters –Consolidated	30 <sup>th</sup> September 2021	31 March 2021	31 March 2020	31 March 2019
	Audited	Audited	Audited	Audited
<b>Profit and Loss</b>				
Total Revenue from operations	460.90	935.60	307.02	-
Other Income	21.39	27.20	31.77	-
Total Expenses	446.31	893.09	182.69	4.22

Parameters –Consolidated	30 <sup>th</sup> September 2021	31 March 2021	31 March 2020	31 March 2019
	Audited	Audited	Audited	Audited
<b>Profit and Loss</b>				
Total comprehensive income	482.29	962.80	338.79	-
Profit / loss	35.98	69.71	156.10	-4.22
Other comprehensive income	-0.01	-0.02	-	-
Profit/loss after tax	26.56	30.06	116.69	-3.12
Earnings per equity share: (a) basic; and (b) diluted	<b>0.16</b>	<b>0.18</b>	<b>0.79</b>	<b>-312.38</b>
Continuing operations	26.56	30.06	116.69	-3.12
Discontinued operations	-	-	-	-
Total continuing and discontinued operations	26.56	30.06	116.69	-3.12

Parameters –Consolidated	30 <sup>th</sup> September 2021	31 March 2021	31 March 2020	31 March 2019
	Audited	Audited	Audited	Audited
<b>Cash flow</b>				

Parameters –Consolidated	30 <sup>th</sup> September 2021	31 March 2021	31 March 2020	31 March 2019
	Audited	Audited	Audited	Audited
Net cash generated from operating activities	420.03	800.28	1,397.29	-821.87
Net cash used in / generated from investing activities	96.43	-134.90	-6,464.90	-674.17
Net cash used in financing activities	-334.90	-612.29	5,128.37	1,496.10
Cash and cash equivalents	62.21	53.09	60.76	0.06
Balance as per statement of cash flows	113.91	60.82	0.06	-
Net worth	1883.57	1,857.01	1,826.97	-3.02
Cash and Cash Equivalents	176.12	113.91	60.82	0.06
Current Investments	-	-	-	-
Assets Under Management	-	-	-	-
Off Balance Sheet Assets	-	-	-	-
Total Debts to Total assets	0.74	0.75	0.76	1.00
Debt Service Coverage Ratios	1.14	1.36	2.70	-
Interest Income	12.42	25.74	30.26	-
Interest Expense	-248.09	-516.93	-85.65	-
Interest service coverage ratio	1.56	1.56	2.70	-
Provisioning & Write-offs	-	-	-	-
Bad debts to Account receivable ratio	-	-	-	-
Gross NPA (%)	-	-	-	-

Parameters –Consolidated	30 <sup>th</sup> September 2021	31 March 2021	31 March 2020	31 March 2019
	Audited	Audited	Audited	Audited
Net NPA (%)	-	-	-	-
Tier I Capital Adequacy Ratio (%)	-	-	-	-
Tier II Capital Adequacy Ratio (%)	-	-	-	-

Parameters –Consolidated	30 September 2021	31 March 2021	31 March 2020	31 March 2019
	Audited	Audited	Audited	Audited
<b>Additional information</b>				
Net worth	1177.93	1,188.69	1,095.90	1,052.94
Cash and Cash Equivalents	19.71	159.26	94.92	14.32
Current Investments	-	-	-	-
Net Sales	482.29	962.80	338.79	-
EBIDTA	433.57	876.49	312.01	-
EBIT	299.39	612.71	260.03	-
Dividend amounts	-	-	-	-
Long term debt to working capital	12.73	14.87	23.45	-
Current Liability ratio – Current liabilities / Non-current liabilities	0.06	0.07	0.05	-
Total Debts to Total assets	0.70	0.70	0.72	-
Debt Service Coverage Ratios	1.14	1.36	2.70	-

Parameters –Consolidated	30 September 2021	31 March 2021	31 March 2020	31 March 2019
	<b>Audited</b>	<b>Audited</b>	<b>Audited</b>	<b>Audited</b>
Interest service coverage ratio	1.56	1.56	2.70	-

11. **Debt: Equity Ratio of the Issuer:**

Before the Issue	2.85
After the Issue	2.91

12. **Details of any other contingent liabilities of the issuer based on the last audited financial statements including amount and nature of liability**

(Rs Cr)

Nature of liability	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Bank Guarantee	8.367	6.189	Nil
<b>Total</b>	8.367	6.189	Nil

13. **Brief history of the Issuer since its incorporation giving details of its following activities:**

(i) **Details of Share Capital as at last quarter end i.e. December 31, 2021:**

Share Capital	Amount (in Rs.)
<b>Authorised</b>	
44000000 equity shares of INR 10/- each	440000000
<b>Issued, Subscribed and Paid- up</b>	
42850000 equity shares of INR 10/- each	428500000



(ii) **Changes in its capital structure as at last quarter end December 31, 2021 for the last 3 (three) years:**

Date of change (AGM/EGM)	Particulars
Approved by the members of the Company vide Ordinary Resolution dated March 7, 2019	Increase of Authorised Share Capital of the Company to Rs. 44 crores

(iii) **Equity share capital history of the Issuer, for the last 3 (three) years:**

Date of allotment	No. of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Consideration (Cash, other than cash etc.)	Nature of allotment	Cumulative			Remarks
						No. of equity shares	Equity Share capital (Rs.)	Equity Share Premium (in Rs.)	
16.05.2019	42840000	10	10	Cash	Rights Issue	42850000	428500000	nil	Nil
05. 09.2018	10,000	10	10	Cash	Subscription	10000	100000	nil	Nil

(iv) **Details of any Acquisition or Amalgamation with any entity in the last 1 year:**

NA

(v) **Details of any Reorganisation or Reconstruction in the last 1 year: NA**

14. **Details of the Shareholding of the Issuer as at the latest quarter end i.e. December 31, 2021, as per the format specified under the listing regulations:**

Sr. No	Particulars	Total No. of Equity Shares of Rs. 10 each	No. of Shares in demat form of Rs. 10 each	Total shareholding as % of total no of equity shares
1	Promoter	42850000	42850000	100

Sr. No	Particulars	Total No. of Equity Shares of Rs. 10 each	No. of Shares in demat form of Rs. 10 each	Total shareholding as % of total no of equity shares
2	Mutual Funds	-	-	-
3	Alternate Investment Funds	-	-	-
4	Foreign Portfolio Investors	-	-	-
5	Financial Institutions / Banks	-	-	-
6	Insurance Companies	-	-	-
7	Individuals - i. Individual shareholders holding nominal share capital up to INR 2 lakhs.	-	-	-
8	Individuals - ii. Individual shareholders holding nominal share capital in excess of INR 2 lakhs.	-	-	-
9	NBFCs registered with RBI	-	-	-
10	Bodies Corporate	-	-	-
11	Non Resident Indians	-	-	-
12	Non Resident Non Repatriates	-	-	-
13	Trust	-	-	-
14	Clearing Member	-	-	-
15	Resident HUF	-	-	-
16	IEPF	-	-	-
	Total	42850000	42850000	100

**Compulsory Convertible Debentures of Rs. 10/- each:**

Name and Address of the Debenture holders	No. of Debentures held of Rs. 10 each
Avaada Energy Private Limited <b>Address:</b> 406, 4th Floor, Hubtown Solaris, N. S. Phadke Road, Near Gokhale Flyover, Andheri (East), Mumbai- 400069	12,84,90,000

**Notes: Details of shares pledged or encumbered by the promoters (if any):** 51% of Equity Shares and CCD's have been pledged in favour of Existing Lenders.

**15. List of top 10 holders of Equity Shares of the Issuer as at the latest quarter end i.e. December 31, 2021:**

Sr. No.	Name of Shareholder	Total no. of Shares held	No. of Shares in De-mat form	Total shareholding as % of total no. of shares held
1	Avaada Energy Private Limited	42849999	42849999	99.99
2	Mr. Vineet Mittal jointly with Avaada Energy Private Limited	1	-	0.01

**16. Following details regarding the directors of the Issuer:**

**(i) Details of the current directors of the Issuer**

S. No.	Name, Designation and DIN	Age	Address	Date of Appointment	Details of other directorship	Whether wilful defaulter (Yes/No)
1	Mr. Gopal Goel	41	Plot No. 27, 1st Floor, Blk-8, Sec-8, Dwarka, New Delhi-110075	December 9, 2021	1. Avaada Clean Sustainable Energy Private Limited 2. Avaada MHVidarbha Private Limited 3. Avaada RJBikaner Private Limited 4. Avaada RJGreen Private Limited	No

S. No.	Name, Designation and DIN	Age	Address	Date of Appointment	Details of other directorship	Whether wilful defaulter (Yes/No)
					5.Avaada IndSolar Private Limited 6.Avaada Insustainable Private Limited 7.Avaada KNYadgir Private Limited	
2	Mr. Rajesh Bihari Dwivedi	49	H-906, Ajnara Daffodil, Sector -137, Noida, Gautam Buddha Nagar, UP-201304	December 9, 2021	1. Avaada RJJamsar Private Limited 2. Avaada MHVidarbha Private Limited 3. Avaada Sunlight Private Limited 4. Avaada RJBikaner Private Limited 5. Avaada RJGreen Private Limited 6. Avaada IndSolar Private Limited 7. Avaada Insustainable Private Limited 8. Avaada KNYadgir Private Limited	No

(ii) **Details of change in directors since last three years: NA**

S. No.	Name, Designation and DIN	Date of appointment	Date of cessation, if applicable	Date of resignation, if applicable	Remarks
1	Mr. Ravi Kant Verma	September 05, 2018	-	December 10, 2021	-
2	Mr. Thozhutharathu Ramachandran Kishor Nair (Mr. T.R. Kishor Nair)	September 05, 2018	-	December 10, 2021	-

17. **Following details regarding auditors of the Issuer**

(i) **Details of the auditor of the Issuer:**

Name of the Auditor	Address	Auditor Since
GOYAL MALHOTRA & ASSOCIATES	D-64, GROUND FLOOR, NEAR RADISSON HOTEL, SECTOR-55, Noida	September 27, 2019

(ii) **Details of change in auditors of the Issuer during the last three years- NA**

18. **Details of following liabilities of the Issuer as the end of the last quarter or if available, a later date:**

(a) **Details of Outstanding Secured Loan Facilities:**

As on 31<sup>st</sup> December 2021

<b>Name of the Lender</b>	<b>Type of Facility</b>	<b>Amount Sanctioned (INR Crores)</b>	<b>Principal Amount Outstanding (INR Crores)</b>	<b>Repayment Date / Schedule</b>	<b>Security</b>
REC Ltd	Secured Term Loan	514.00	489.00	Quarterly instalments up to March 2038	<ul style="list-style-type: none"> <li>Secured by way of first pari passu charge over movable assets including current assets, both present and future, of the project, all bank accounts including trust and retention Accounts of the Project.</li> <li>Assignment of rights under project documents, Pledge of shares to the extent of 51% of equity and CCD's held by Promoters along with substitution rights on implementation support and land lease agreement.</li> <li>Conditional Corporate Guarantee of Avaada Energy Pvt Ltd</li> </ul>
Yes Bank Ltd	NFB Facility	13.00	8.77	Renewable annually	<ul style="list-style-type: none"> <li>First Pari Pasu charge on movable project assets both present and future</li> <li>Corporate Guarantee of Avaada Energy Pvt Ltd</li> </ul>

(b) **Details of Outstanding Unsecured Loan Facilities:**

As on 31<sup>st</sup> December 2021

Name of the Lender	Type of Facility	Amount Sanctioned (INR Crores)	Principal Amount Outstanding (INR Crores)	Repayment Date / Schedule
Avaada Energy Private Limited	Unsecured Promoter Loan	4.59	4.59	NA

(c) **Details of outstanding non-convertible securities:** As on December 31, 2021, the Issuer does not have any outstanding non-convertible debentures.

(d) **List of Top 10 holders of non-convertible securities of the Issuer in terms of value (in cumulative basis):** As on December 31, 2021, the Issuer does not have any outstanding non-convertible debentures

(e) **Details of Commercial Paper / Certificate of Deposit in the following format:** As on December 31, 2021, the Issuer does not have any outstanding commercial paper.

(f) **Details of rest of the borrowing (if any including hybrid debt like FCCB, Optionally Convertible Debentures / Preference Shares) of the Issuer not already covered above as at the end of last quarter i.e. December 31, 2021:**

NIL

19. **Details of any outstanding borrowings taken/ debt securities issued for consideration other than cash, whether (i) in whole or part, (ii) at a premium or discount, or (iii) in pursuance of an option or not:** Nil

20. **Details of all default/s and/or delay in payments of interest and principal of any kind of term loans, debt securities and other financial indebtedness including corporate guarantee issued by the Company, in the past 3 years including the current financial year:** Nil

21. **Any material event/ development or change having implications on the financials/credit quality (e.g. any material regulatory proceedings against the Issuer/promoters, litigations resulting in material liabilities, corporate restructuring event etc.) at the time of issue which may affect the issue or the investor's decision to invest / continue to invest in the non-convertible securities: Nil**

22. **Any litigation or legal action pending or taken by a Government Department or a statutory body during the last three years immediately preceding the year of the issue of prospectus against the promoter of the Issuer:**

As per Annexure K

23. **Details of default and non-payment of statutory dues:**

Nil

24. **Names of the Debenture Trustee and consents thereof**

The Debenture Trustee for the Issue of Debentures proposed to be issued under this Information Memorandum shall be Catalyst trusteeship Limited. The Debenture Trustee has given its written consent for its appointment as debenture trustee and inclusion of its name in the form and context in which it appears in this Information Memorandum for the Issue of Debentures. The Debenture Trustee has given their consent to the Issuer to act as trustee for the Debenture Holders under the Securities and Exchange Board of India (Debenture Trustee) Regulations, 1993.

The consent letter dated November 17, 2021 from the Debenture Trustee is attached as **Annexure D** to this Information Memorandum.

25. **Whether security is backed by guarantee or letter of comfort or any other document/letter with similar intent:**

Yes, the NCDs are backed by corporate guarantees from the other entities of the Restricted Group in the manner set out below:

<b>Guarantor</b>	<b>Guarantee Amount</b>
Clean Sustainable Energy Private Limited	499,00,00,000
Fermi Solarfarms Private Limited	499,00,00,000
Avaada SataraMH Private Limited	499,00,00,000



26. **Disclosure of Cash flow with date of interest/dividend/ redemption payment as per day count convention:**

**(a) The day count convention for dates on which the payment in relation to non-convertible securities which need to be made:**

Any interest, commission or fee accruing under a Transaction Document will accrue from day to day and is calculated on the basis of 365 (three hundred and sixty-five) days' year or where the year is a leap year a 366 (three hundred and sixty-six) days' year, and the actual number of days elapsed.

Any payment of Coupon which is due to be made on a day that is not a Business Day shall, subject to applicable law, be made on the succeeding Business Day. If any Redemption Date falls on a day that is not a Business Day, the redemption proceeds shall be paid on the preceding Business Day.

Except to the extent otherwise provided in this Deed, all payments by the Issuer under the Transaction Documents shall be made to the relevant Secured Party on the due date, in the respective accounts to be designated by the relevant Finance Party (each such payment made after due date shall be deemed to have been made on the next succeeding Business Day).

**(b) Procedure and time schedule for allotment and issuance of securities:**

The procedure set out for EBP under the SEBI Regulations will apply for the allotment and issuance of securities. For time schedule for allotment and issuance of securities, please refer to Part 5 (*Issue details*) of this Information Memorandum.

**(c) Cash flow emanating from the non-convertible securities by way of illustration:**

FV of each NCD	10,00,000.00
Coupon considered (p.a.p.q.)	6.750%
1st Pay-In Date	March 2,2022

### Cash Flows (Rs. per NCD)

Actual Payment Date	Opening Balance	Principal Repayment	Closing Balance	No of Days	Coupon	Total Cash Flows
2 March 2022	10,00,000.00		10,00,000.00			10,00,000.00
31 March 2022	10,00,000.00	-	10,00,000.00	29	5,363.01	5,363.01
30 June 2022	10,00,000.00	10,000.00	9,90,000.00	91	16,828.77	26,828.77
30 September 2022	9,90,000.00	10,000.00	9,80,000.00	92	16,843.56	26,843.56
30 December 2022	9,80,000.00	10,000.00	9,70,000.00	92	16,673.42	26,673.42
31 March 2023	9,70,000.00	10,000.00	9,60,000.00	90	16,144.52	26,144.52
30 June 2023	9,60,000.00	10,000.00	9,50,000.00	91	16,111.48	26,111.48
29 September 2023	9,50,000.00	10,000.00	9,40,000.00	92	16,118.85	26,118.85
29 December 2023	9,40,000.00	10,000.00	9,30,000.00	92	15,949.18	25,949.18
29 March 2024	9,30,000.00	10,000.00	9,20,000.00	91	15,607.99	25,607.99
28 June 2024	9,20,000.00	10,000.00	9,10,000.00	91	15,482.47	25,482.47
30 September 2024	9,10,000.00	10,000.00	9,00,000.00	92	15,482.47	25,482.47
31 December 2024	9,00,000.00	10,000.00	8,90,000.00	92	15,312.33	25,312.33
28 February 2025	8,90,000.00	8,90,000.00	-	59	9,710.75	8,99,710.75

*Note* - For the purpose of above illustration, all Sundays and 2nd & 4th Saturdays are considered as non-Business Days.

### 27. Disclosures pertaining to wilful defaulter:

If the Issuer or its promoter or director is declared wilful defaulter:

Name of the bank declaring the entity as a wilful defaulter	Nil
The year in which the entity is declared as a wilful defaulter	N.A.
Outstanding amount when the entity is declared as a wilful defaulter	N.A.
Name of the entity declared as a wilful defaulter	N.A.
Steps taken, if any, for the removal from the list of wilful defaulters	N.A.
Other disclosures, as deemed fit by the issuer in order to enable investors to take informed decisions	Nil
Any other disclosure as specified by SEBI	Nil

28. **Other Details:**

(i) **Creation of Debenture Redemption Reserve - relevant legislations and applicability**

The Issuer will create a DRR if required in case of privately placed debentures in accordance with applicable law.

(ii) **Issue / instrument specific regulations:**

The Debentures being offered pursuant to this Information Memorandum are subject to the provisions of:

1. The Memorandum and Articles of Association of the Issuer;
2. The terms of this Information Memorandum, Application Form, and other terms and conditions as may be incorporated in the Debenture Trust Deed.
3. The Companies Act, 2013 and the applicable rules made thereunder, as amended from time to time.
4. SEBI (Issue and Listing of Non-Convertible Securities) Regulation, 2021 as amended from time to time.
5. Securities Contracts (Regulations) Act, 1956.
6. Securities and Exchange Board of India Act, 1992.

7. The Depositories Act, 1996.
8. The Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993.
9. SEBI Circular CIR/IMD/DF/18/2013 dated October 29, 2013 to the extent applicable.
10. SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time.
11. The VRR Circular.
12. The rules and regulations issued under any of the above

(iii) **Default in Payment:**

Please refer to the section on "Default Interest Rate" as provided under the Part 5 (*Issue Details*) of this Information Memorandum.

(iv) **Delay in Listing:**

Please refer to the section on "Listing" as provided under the Part 5 (*Issue Details*) of this Information Memorandum.

(v) **Delay in allotment of securities:**

Please refer to Part 5 (*Issue Details*) of this Information Memorandum.

(vi) **Application process:**

Please refer to Part 10 (*Issue Procedure*) of this Information Memorandum.

(vii) **Disclosure prescribed under PAS-4 of Companies (Prospectus and Allotment of Securities), Rules, 2014 but not contained in this schedule, if any:**

Please refer to Part 7 of this Information Memorandum.

- (viii) **Project details: gestation period of the project; extent of progress made in the project; deadlines for completion of the project; the summary of the project appraisal report (if any), schedule of implementation of the project:**

Not applicable.

**29. Disclosure regarding Security**

The Debentures are sought to be secured by the security as detailed under the Part 9(Issue Details), para 44 “Description regarding Security”. The assets on which such security has been created to meet the 100% (hundred percent) security cover, are free from all and any encumbrance, except for Existing Lenders and accordingly consent from Existing Lenders for the creation of security interest over such assets of the Issuer has been obtained by the Issuer

## PART 9: DISCLOSURES AS PER THE SEBI DUE DILIGENCE CIRCULAR

Sr. No.	Particulars	Details
1.	Security free from encumbrance*	<p>The Security as detailed under the Part 5 (<i>Issue Details</i>), para 44 “<i>Description regarding Security</i>” is free from all and any encumbrance except for Existing Lenders (<i>defined below</i>). and accordingly consent from Existing Lenders for the creation of security interest over such assets of the Issuer has been obtained by the Issuer, subject to receipt of the Outstanding Amounts payable to such Existing Lenders (<i>defined below</i>).</p> <p>The Security is sufficient to discharge the Coupon and principal amount with respect to Debentures at all times.</p> <p>“<b>Existing Lenders</b>” mean the following:</p> <p>a. REC Limited, as an Existing Lender, with a no-objection letter dated February 1, 2022;</p>
2.	Information on consents/permissions required for creation of further charges on assets.	Please refer to the above paragraph on ‘Security free from encumbrance’
3.	Terms and conditions of the Debenture Trustee Agreement including fees charged by the Debenture Trustee, details of security to be created and process of due diligence carried out by the Debenture Trustee.	<p>Catalyst Trusteeship Limited has agreed to act as the debenture trustee for the Debenture Holders. The copy of the consent letter from Catalyst Trusteeship Limited to act as debenture trustee for and on behalf of the holders of Debentures is annexed as <b>Annexure D</b> to this Information Memorandum.</p> <p><b>Fees charged by the Debenture Trustee:</b> Acceptance fees: Rs.4,99,000 plus applicable taxes</p> <p>Annual service charges: Rs.7,48,500 p.a. plus applicable taxes</p> <p><b>Details of security to be created:</b></p> <p>(a) the substitution right in respect of the Implementation Support Agreements and the Sub-Lease Agreements, duly acknowledged and consented to by the Lessor, in accordance with the terms of the Substitution Letter;</p>

	<p>(b) First ranking charge over all moveable fixed assets, current assets and bank accounts of the Company and monies standing to the credit of such bank accounts, both present and future;</p> <p>(c) First ranking charge by way of assignment/ security over rights under project documents, including the power purchase agreement(s);</p> <p>(d) First ranking exclusive charge on the reserves maintained by the Company in connection with the Debentures, both present and future;</p> <p>(e) a first ranking exclusive pledge over up to 99.99% of the total issued and paid up share capital of the Company 100% of the compulsorily convertible debentures by its shareholders.</p> <p>(f) an irrevocable and unconditional corporate guarantee from each Guarantor (on a joint and several basis) in favour of the Debenture Trustee, in accordance with the terms of the Deed of Guarantee;</p> <p>(g) Security / charge over such other additional assets and having such ranking as may be required by the Debenture Holders, in each case, in the form and manner required by the Debenture Holders</p> <p><b>Process of due diligence carried out by the Debenture Trustee:</b> (1) The Debenture Trustee, either through itself or its agents /advisors/consultants, shall carry out requisite diligence to verify the status of encumbrance and valuation of the assets and</p> <p>whether all permissions or consents (if any) as may be required to create the security as stipulated in the prospectus and the applicable laws, has been obtained;</p> <p>(2) The Company shall provide all assistance to the Debenture Trustee to enable verification from the Registrar of Companies, Sub-registrar of Assurances (as applicable), CERSAI, depositories, information utility or any other authority, as may be relevant, where the assets and/or encumbrances in relation to the assets of the Company or any third party security provider are registered / disclosed;</p>
--	---

		<p>(3) The Debenture Trustee shall have the power to either independently appoint, or direct our Company to (after consultation with the Debenture Trustee) appoint intermediaries, valuers, chartered accountant firms, practicing company secretaries, consultants, lawyers and other entities in order to assist in the diligence by the Debenture Trustee and the Debenture Trustee shall subsequently form an independent assessment that the assets for creation of security are sufficient to discharge the outstanding amounts on NCDs at all times. All costs, charges, fees and expenses that are associated with and incurred in relation to the diligence as well as preparation of the reports/certificates/documentation, including all out of pocket expenses towards legal or inspection costs, travelling and other costs, shall be solely borne by our Company;</p> <p>(4) The Company has undertaken to promptly furnish all and any information as may be required by the Debenture Trustee, including such information as required to be furnished in terms of the applicable laws and the Debenture Trust Deed on a regular basis;</p> <p>(5) The Debenture Trustee, ipso facto does not have the obligations of a borrower or a principal</p>
4.	Due diligence certificate as per the format in Annexure A of the SEBI Due Diligence Circular.	The due diligence certificate dated 17 February 2022 issued by the Debenture Trustee is attached as <b>Annexure H</b> to this Information Memorandum.
5.	Disclaimers under the SEBI Due Diligence Circular	<p>(i) The charge created by Issuer shall be registered with sub-registrar, Registrar of Companies, CERSAI, Depository etc., as applicable, within 30 days of creation of such charge. In case the charge is not registered anywhere or is not independently verifiable, then the same shall be considered a breach of covenants/terms of the issue by the Issuer.</p> <p>(ii) Before making the application for listing of the Debentures, the Issuer shall create charge as specified in this Information Memorandum, in favour of the debenture trustee and also execute the Debenture Trust Deed with the Debenture Trustee; and</p> <p>(iii) The Stock Exchange shall list the Debentures only upon receipt of a due diligence certificate as per the format specified in Schedule IV of the SEBI NCS Regulations.</p>



6.	Any additional covenant (including any side letter, accelerated payment clause etc.)	Please refer to Para 42, Part 5 ( <i>Issue Details</i> ) of this Information Memorandum.
----	--	--

***\*The Debentures shall be considered as secured only if the Security/charged asset, as the case maybe, is registered with the relevant sub-registrar and Registrar of Companies or CERSAI or Depository etc., as applicable, or is independently verifiable by the Debenture Trustee.***

## **PART 10: ISSUE PROCEDURE**

The Issuer proposes to Issue the Debentures on the terms set out in this Information Memorandum and other Transaction Documents. The Debentures being offered pursuant to this Information Memorandum are subject to the provisions of the Companies Act and the erstwhile Companies Act, 1956, the SEBI NCS Regulations, SEBI Operational Circular, the Memorandum and Articles of the Issuer, the terms of this Information Memorandum, Application Form, and other terms and conditions as may be incorporated in the Debenture Trust Deed. This section applies to all applicants. Please note that all applicants are required to make payment of the full application amount in the manner and within the timeline specified hereunder.

Each prospective investor or purchase of the Debentures shall review and examine the Debenture Trust Deed. Notwithstanding anything contained in the Information Memorandum, in case of any inconsistency or repugnancy between the Information Memorandum and the Debenture Trust Deed, the Debenture Trust Deed shall prevail.

### **How to Apply**

Only Eligible Investors as given hereunder may apply for the Debentures by completing the application form in the prescribed format in BLOCK LETTERS in English in accordance with the instructions contained therein. No application can be made for a fraction of a Debenture. Application Forms should be duly completed in all respects and applications not completed in the said manner are liable to be rejected. The name of the applicant's bank, type of account and account number must be duly completed by the applicant. This is required for the applicant's own safety and these details will be printed on the refund orders and interest/ redemption warrants.

The payments can be made by RTGS/NEFT to ICCL account the details of which are given below. No cash will be accepted. An application once submitted cannot be withdrawn.

**Since the aggregate issue size during this financial year now crosses INR 100,00,00,000 (Indian Rupees One Hundred Crores), the Issuer will use Electronic Book Provider mechanism for the incremental private placement as per the SEBI Operational Circular.**

All investors are required to comply with the relevant regulations/ guidelines applicable to them for investing in this issue of Debentures.

### **How to bid**

All eligible investors will have to register themselves with BSE-BOND platform offered by BSE for participating in electronic book building mechanism. Investors should refer the operating guidelines for issuance of debt securities on private placement basis through an electronic book mechanism as available on the website of BSE.

### **Right to accept or reject bids**

The Company reserves its full, unqualified and absolute right to accept or reject any bid(s), in part or in full, without assigning any reason thereof and to make provisional / final allocations at its absolute discretion.

### **Provisional/ Final allocation**

Post completion of bidding process, the Company will upload the provisional allocation on the BSE-BOND EBP platform. Post receipt of investor details, the Company will upload the final allocation file on the BSE-BOND EBP platform.

### **Application Procedure**

Potential Investors will be invited to subscribe by way of Application Form as provided by the Issuer during the period between the Issue Opening Date and the Issue Closing Date (both days inclusive) mentioned in the Information Memorandum.

The Issuer reserves the right to close the Issue at the earlier date on the Issue of that particular Debentures being fully subscribed.

The Issuer reserves the right to close the Issue at any time on the Issue Closing Date.

### **Application Size**

Applications, for the Debentures, are required to be for a minimum of 1 (one) Debenture and multiples of 1 (one) Debenture thereafter.

### **Who can Apply**

Nothing in this Information Memorandum shall constitute and/or deem to constitute an offer or an invitation to an offer, to be made to the public or any section thereof through this Information Memorandum and this Information Memorandum and its contents should not be construed to be a prospectus under the Companies Act, as amended or the rules made thereunder.

This Information Memorandum and the contents hereof or thereof are restricted for only the intended recipient(s) who have been addressed directly through a communication by the Issuer and only such recipients are eligible to apply for the Debentures.

The following categories of Investors together constitute “**Eligible Investors**”, as elaborated under ‘Eligible Investors’ of Part V (Issue Details) of this Information Memorandum.

Only the Eligible Investors, when specifically approached, are eligible to apply for the Debentures and subject to the compliance with the relevant regulations/guidelines applicable to them for investing in this Issue.

**Other than as stated above, applications cannot be made by person(s) or entity(ies) resident outside India, including but not limited to NRIs and OCBs.**

All Eligible Investors and subsequent Debenture Holders (who shall purchase the Debentures in the secondary market) are required to consult their own advisors in investing in the Debentures and comply with the relevant rules/regulations/guidelines/notifications applicable to them for investing in the Debentures.

### **Submission of Documents**

Investors should submit the following documents, wherever applicable:

- (a) Memorandum and Articles /Documents governing constitution;
- (b) Government notification/certificate of incorporation;
- (c) Resolution authorising investment along with operating instructions;
- (d) Power of Attorney (original and certified true copy);
- (e) Form 15AA granting exemption from TDS on interest;
- (f) Form 15H for claiming exemption from TDS on interest on application money, if any;
- (g) Order u/s 197 of IT Act;
- (h) Order u/s 10 of IT Act;
- (i) Specimen signatures of authorised persons duly certified by an appropriate authority; and
- (j) SEBI registration certificate, if applicable.

***Participation by potential Investors in the Issue proposed to be issued under this Information Memorandum may be subject to statutory and/or regulatory requirements applicable to them in connection with subscription to Indian securities by such categories of persons or entities. Applicants are advised to***

***peruse the Debenture Trust Deed and further ensure that they comply with all regulatory requirements applicable to them, including exchange controls and other requirements. Applicants ought to seek independent legal and regulatory advice in relation to the laws applicable to them.***

### **Permanent Account Number**

Each applicant should mention their PAN allotted under the IT Act in the Application Form.

### **Minimum Subscription**

As the Issue under this Information Memorandum will be made on private placement basis, the requirement of minimum subscription shall not be applicable to the Issue and therefore the Issuer shall not be liable to refund the subscription(s)/ proceed(s) in respect of Issue in the event of the total Issue collection falling short of the proposed Issue size or certain percentage of the proposed Issue size.

### **Submission of completed Application Form**

All applications duly completed accompanied by transfer instructions from the respective Investor's account to the account of the Issuer, shall be submitted at the Registered Office of the Issuer.

### **Mode of Payment**

Applications complete in all respects must be submitted before the last date indicated in the Issue time table or such extended time as decided by the Issuer in accordance with applicable laws. Payment should be made by the deadline specified by the BSE. Successful bidders should do the funds pay-in to the following bank account of the Issuer ("**Designated Bank Account**")

Beneficiary Name	INDIAN CLEARING CORPORATION LTD
Name of the Banker:	ICICI Bank
IFSC Code:	ICIC0000106
Account Number	ICCLEB
Mode	NEFT/RTGS

Beneficiary Name	INDIAN CLEARING CORPORATION LTD
Name of the Banker:	HDFC BANK
IFSC Code:	HDFC0000060
Account Number	ICCLEB
Mode	NEFT/RTGS
Beneficiary Name	INDIAN CLEARING CORPORATION LTD
Name of the Banker:	YES Bank
IFSC Code:	YESB0CMSNOC
Account Number	ICCLEB
Mode	NEFT/RTGS

Successful bidders must do the funds pay-in, in totality, to the Designated Bank Account up to 10:30 am on the Pay-In Date (“**Pay-in Time**”). Successful bidders should ensure to do the funds pay-in from their same bank account which is updated by them in the BSE Bond– EBP Platform while placing the bids. In case of mismatch in the bank account details between BSE Bond – EBP Platform and the bank account from which payment is done by the successful bidder, the payment would be returned back. Provided that, in case of bids made by the Arranger on behalf of Eligible Investors, funds pay-in shall be made from the bank account of such Eligible Investor.

Note: In case of failure of any successful bidder to complete the funds pay-in by the Pay-in Time or the funds are not received in the Indian Clearing Corporation Limited’s Designated Bank Account by the Pay-in Time for any reason whatsoever, the bid will liable to be rejected and the Issuer and/or the Arranger shall not be liable to the successful bidder. Funds pay-out on would be made by Indian Clearing Corporation Ltd to the bank account of the Issuer.

The entire amount of INR 10,00,000 per Debenture is payable on application. Applications should be for the number of Debentures applied by the Eligible Investor.

Additional details:

Manner of bidding in the issue	Fixed price, open bidding
Manner of allotment in the issue	Uniform yield allotment
Manner of settlement in the issue	Through clearing corporation
Settlement cycle	T+1

Applications not completed in the manner required are liable to be rejected.

The date of subscription shall be the date of realisation of proceeds of subscription money in the Designated Bank Account, as listed above.

All successful bidders under the BSE Operational Guidelines will subsequently receive a private placement offer cum application letter, which will contain an application form. This application form will need to be completed and delivered to the Issuer with the relevant documents on the terms and within the timelines set out therein.

### **Basis of Allotment and Schedule for Allotment**

The Issuer will allot the Debentures to the Debenture Holders dematerialised account within the timelines permitted under Applicable Law. The Issuer further agrees to pay interest in accordance with the applicable provisions of the Companies Act, if the allotment letters/refund orders have not been dispatched to the applicants within 30 (thirty) days from the date of the closure of the Issue.

### **Right to Accept or Reject Applications**

The board of directors, the committee of directors and/or any other authorised officials of the Issuer reserves its full, unqualified and absolute right to accept or reject any application for subscription to the Debentures, in part or in full, without assigning any reason thereof. Application Forms that are not complete in all respects may be rejected in sole discretion of the Issuer.

Notwithstanding anything stated elsewhere, the Issuer reserves the right to accept or reject any application, in part or in full, without assigning any reason. Subject to the aforesaid, in case of over subscription, priority will be given to Investors on a first come first serve basis. The Investors will be required to remit the funds as well as submit the duly completed application form along with other necessary documents to the Issuer by the Deemed Date of Allotment.

### **Interest on Application Money**

Interest on application money will be paid to Investors at the Interest Rate from the date of realisation of subscription money, for the Debentures, up to 1 (one) day prior to the Deemed Date of Allotment. Such interest shall be payable within 7 (seven) Business Days from the Deemed Date of Allotment.

### **Issue of Debentures in Dematerialised Form**

The Debentures will be issued in dematerialised form preferably on the pay-in date and in any case not beyond 2 (two) Business Days from the Deemed Date of Allotment. The Issuer has made arrangements with the Depositories for the Issue in dematerialised form. Investors will hold the Debentures in dematerialised form in accordance with the provisions of Depositories Act. The Depository participant's name, DP ID and beneficiary account number must be mentioned at the appropriate place in the Application Form. The Issuer shall take necessary steps to credit the Debentures allotted to the Depository account of the Investor. All provisions relating to issue, allotment, transfer, transmission etc. in respect of the Debentures as prescribed under the Depositories Act will be applicable to the Debentures issued in dematerialised form.

If the Debentures issued are held in dematerialised form, then no action is required on the part of the Investors for redemption purposes and the redemption proceeds will be paid by cheque/fund transfer/RTGS to those Investors whose names appear on the list of beneficiaries provided by the Depository to the Issuer. The names would be in accordance with the Depository's records on the relevant record date fixed for the purpose of redemption. All such Debentures will be simultaneously redeemed through appropriate debit corporate action.

The list of beneficiaries as of the relevant Record Date setting out the relevant beneficiaries' name and account number, address, bank details and depository participant's identification number will be given by the Depository to the Issuer and the Registrar. Based on the information provided above, the Issuer/Registrar will make payment of interest / coupon payments to the beneficiaries. If permitted, the Issuer may transfer payments required to be made in relation to any by electronic transfer of funds/RTGS, to the bank account of the Debenture Holders for redemption and interest/ coupon payments.

### **Deemed Date of Allotment**

All benefits relating to the Debentures will be available to the Investors from the Deemed Date of Allotment. The actual allotment of Debentures may take place on a date other than the Deemed Date of Allotment.. The Deemed Date of Allotment may be changed (advanced/ postponed) by the Issuer at its sole and absolute discretion.



## **Payment on Redemption**

In respect of the Debentures held in dematerialised form, payment of the Redemption Amount will be made by the Issuer to the beneficiaries in accordance with the beneficiary list provided by the Depositories as on the Record Date. The Debentures shall be taken as discharged on payment of the Redemption Amount by the Issuer to the beneficiaries in accordance with the beneficiary list by making payment electronically to the bank account notified by the beneficiary. Such payment will be a legal discharge of the liability of the Issuer towards the Debenture Holders. On such payment being made, the Issuer will inform the Depositories and accordingly the account of the Debenture Holders with Depositories will be adjusted.

## **Currency of Payment**

All obligations under the Debentures including yield, are payable in Indian Rupees only.

## **Transfers**

The Debentures shall be transferable freely to all classes of investors eligible to purchase these Debentures subject to applicable law and the rules and regulations governing their investments. Subject to the foregoing, the Debentures may be transferred and/or transmitted in accordance with the applicable provisions of the Companies Act. The provisions relating to transfer, transmission and other related matters in respect of shares of the Company contained in the Articles of the Issuer and the Companies Act shall apply, mutatis mutandis (to the extent applicable to debentures), to the Debentures as well. The Debentures held in dematerialised form shall be transferred subject to and in accordance with the rules/procedures as prescribed by depositories and the relevant depository participants of the transfer or transferee and any other applicable laws and rules notified in respect thereof. The transferee(s) should ensure that the transfer formalities are completed prior to the record date. In the absence of the same, interest will be paid/redemption will be made to the person, whose name appears in the register of Debenture Holders maintained by the Depositories. In such cases, claims, if any, by the transferees would need to be settled with the transferor(s) and not with the Issuer.

Provided further that nothing in this section shall prejudice any power of the Issuer to register as Debenture Holder, any person to whom the right to any Debenture of the Company has been transmitted by operation of law.

The normal procedure followed for transfer of securities held in dematerialized form shall be followed for transfer of these debentures held in electronic form. The seller should give delivery instructions containing details of the buyer's depository participant account to his depository participant. The Issuer undertakes that there will be a common transfer form/procedure for transfer of debentures.

The Debentures shall be issued only in dematerialised form in compliance with the provisions of the Depositories Act, 1996 (as amended from time to time), any other applicable regulations (including of any relevant stock exchange) and these conditions. No physical certificates of the Debentures would be issued.

## **Title**

The person for the time being appearing in the register of Beneficial Owners maintained by the Depository shall be treated for all purposes by the Issuer, the Debenture Trustee, the Depositories and all other persons dealing with such person as the holder thereof and its absolute owner for all purposes.

## **List of Beneficial Owners**

The Issuer shall request the Depositories to provide a list of Beneficial Owners as at the end of the Record Date. This shall be the list, which shall be considered for payment of interest or repayment of principal amount, as the case may be.

## **Applications under Power of Attorney**

A certified true copy of the power of attorney or the relevant authority as the case may be along with the names and specimen signature(s) of all the authorised signatories and the tax exemption certificate/ document, if any, must be lodged along with the submission of the completed Application Form. Further modifications/ additions in the power of attorney or authority should be notified to the Issuer or to its agents or to such other person(s) at such other address(es) as may be specified by the Issuer from time to time through a suitable communication.

In case of an application made by companies under a power of attorney or resolution or authority, a certified true copy thereof along with memorandum and articles of association and/ or bye-laws along with other constitutional documents must be attached to the Application Form at the time of making the application, failing which, the Issuer reserves the full, unqualified and absolute right to accept or reject any application in whole or in part and in either case without assigning any reason thereto. Names and specimen signatures of all the authorised signatories must also be lodged along with the submission of the completed application.

## **Computation of Interest**

All interest accruing for any Interest Period shall accrue from day to day and be calculated on the Face Value of principal outstanding on the Debentures at the coupon rate on the basis of the actual number of days elapsed and a year of 365 days (or 366 days in case of a leap year), at the applicable Interest Rate, and rounded off to the nearest Rupee.

## **Tax Deduction at Source**

Debenture Holders should consult their own independent tax advisers to understand their tax positions. In addition, Debenture Holders should be aware that tax regulations and their application by the relevant taxation authorities change from time to time. Accordingly, it is not possible to predict the precise tax treatment

which will apply at any given time. Therefore, Debenture Holders are advised to consider the tax implications in respect of subscription to the Debentures in consultation with their tax advisors.

In accordance with the prevalent provisions of the IT Act, the amount of interest received/ receivable by the Debenture Holders is treated as a taxable income in their hands. However, with effect from June 1, 2008, no tax is deductible at source from the amount of interest payable on any listed demat security, held by a person resident in India. Since the Debentures shall be issued in dematerialised mode and shall be listed on the BSE and such other recognised stock exchanges as the Issuer may deem fit after giving prior intimation of such proposed listing to the Debenture Trustee, no tax will be deductible at sources on the payment/credit of interest on the Debentures held by any person resident in India.

In the event of rematerialisation of the Debentures or a change in applicable law governing the taxation of the Debentures, the following provisions shall apply:

Any payment to be made by the Issuer shall be made to the Debenture Trustee, in the appropriate currency, at such place as the Debenture Trustee shall designate. Except as provided in this Clause, all payments to be made by the Issuer shall be made in full without set-off or counterclaim and free and clear of any Tax of any nature now or hereafter imposed by any country or any subdivision or relevant authority, unless the payment/deduction/withholding of any present and future Tax (“**Tax Deduction**”) is required by applicable law. If any sums payable to the Debenture Holders is subject to any Tax Deduction, the Issuer shall make such Tax Deduction, and shall immediately (but no later than 30 (thirty) days from the due date of payment of such Tax Deduction to the Government Agency (or any shorter period stipulated by applicable law)) deliver to the Debenture Trustee the withholding certificate or similar certificate or an official receipt or other official documentation evidencing such payment in accordance with applicable law received in connection with the Tax Deduction.

In the event that a Debenture Holder is entitled by virtue of any applicable laws to receive amounts at a lower rate of tax withholding, such Debenture Holder will provide evidence thereof to the Issuer who will then deduct Tax at such lower rate.

### **Right of the Issuer to Purchase and Re-sell Debentures**

The Issuer may, subject to applicable laws, at any time and from time to time, purchase Debentures issued under this Information Memorandum at discount, at par or premium in the open market. Such Debentures, at the option of the Issuer, be cancelled, held or resold at such a price and on such terms and conditions as the Issuer may deem fit and as permitted by applicable laws.

### **Succession**

In the event of insolvency or winding up of a Registered Debenture Holder, or the first holder in the case of joint holders, the Issuer will recognise the executor or administrator of the demised Debenture Holder or the holder of succession certificate or other legal representative of the demised Debenture Holder as the

Registered Debenture Holder of such Debentures, if such a person obtains probate or letter of administration or is the holder of succession certificate or other legal representation, as the case may be, from a court in India having jurisdiction over the matter and delivers a copy of the same to the Issuer.

The Issuer may in its absolute discretion, where it thinks fit, dispense with the production of the probate or letter of administration or succession certificate or other legal representation, in order to recognise such holder as being entitled to the Debentures standing in the name of the demised Debenture Holder(s) on production of sufficient documentary proof or indemnity. In case a person other than individual holds the Debentures, the rights in the Debentures shall vest with the successor acquiring interest therein, including liquidator or such any person appointed in accordance with the applicable law.

### **Notices**

All notices to the Debenture Holders required to be given by the Issuer or the Debenture Trustee shall have been given in accordance with the Transaction Documents.

### **Payment of outstanding amounts on the Debentures**

The Issuer will comply with the terms of the Debt Listing Agreement including but not limited to ensuring that, the Issuer shall ensure that services of ECS (Electronic Clearing Service), Direct Credit, RTGS (Real Time Gross Settlement) or NEFT (National Electronic Funds Transfer) are used for payment of all outstanding amounts on the Debentures, including the principal and interest accrued thereon, in accordance with the applicable norms of the RBI.

### **Debenture Trustee**

The Issuer has appointed Catalyst Trusteeship Limited as the Debenture Trustee for the Issue. All the rights and remedies of the Debenture Holders shall vest in and shall be exercised by the Debenture Trustee without referring to the Debenture Holders. All Investors are deemed to have irrevocably given their authority and consent to Catalyst Trusteeship Limited to act as their Debenture Trustee and for doing such acts and signing such documents to carry out their duty in such capacity. Any payment by the Issuer to the Debenture Trustee on behalf of the Debenture Holders shall discharge the Issuer *pro tanto* to the Debenture Holders. The Debenture Trustee shall carry out its duties and shall perform its functions in accordance with all applicable laws and regulations including without limitation the SEBI NCS Regulations and the Debenture Trustee Regulations as well as the Debenture Trust Deed and this Information Memorandum, with due care, diligence and loyalty. Resignation/retirement of the Debenture Trustee shall be in accordance with terms of the Debenture Trust Deed entered into between the Issuer and the Debenture Trustee and a notice in writing to the Debenture Holders shall be provided for the same.

The Debenture Trustee shall ensure disclosure of all material events on an ongoing basis. The Debenture Trustee will protect the interest of the Debenture Holders on the occurrence of an event of default by the Issuer in regard to timely payment of interest and repayment of principal and they will take necessary action at the Issuer's cost as provided in the Debenture Trust Deed.

### **Rights of Debenture Holders**

The Debenture Holders shall not be entitled to any right and privileges of shareholders other than those available to them under the Companies Act. The Debentures shall not confer upon the holders the right to receive notice(s) or to attend and to vote at any general meeting(s) of the shareholders of the Issuer.

### **Sharing of Information**

The Issuer may, at its option, but subject to applicable laws, use on its own, as well as exchange, share or part with any financial or other information about the Debenture Holders available with the Issuer, with its subsidiaries and affiliates and other banks, financial institutions, credit bureaus, agencies, statutory bodies, as may be required and neither the Issuer nor its subsidiaries and affiliates nor their agents shall be liable for use of the aforesaid information.

## **PART 11: DECLARATION**

### **Declaration by the Issuer**

The Issuer hereby declares that this Information Memorandum contains full disclosure in accordance with SEBI NCS Regulations and the Companies Act.

The Issuer also confirms that this Information Memorandum does not omit disclosure of any material fact which may make the statements made therein, in the light of the circumstances under which they are made, misleading. The Information Memorandum also does not contain any false or misleading statement. The Issuer accepts no responsibility for the statements made otherwise than in this Information Memorandum or in any other material issued by or at the instance of the Issuer and that anyone placing reliance on any other source of information would be doing so at his own risk.

The Issuer declares that all the relevant provisions of the relevant regulations or guidelines issued by SEBI and other applicable laws have been complied with and no statement made in this Information Memorandum is contrary to the provisions of the regulations or guidelines issued by SEBI and other applicable law, as the case may be.

### **Declaration by the Directors**

- (a) The Issuer has complied with the provisions of the Securities Contracts (Regulation) Act, 1956, the SEBI Act, Companies Act and the rules and regulations made thereunder;
- (b) The compliance with the Companies Act and the rules made thereunder does not imply that payment of interest or repayment of any Debentures is guaranteed by the Central Government; and
- (c) the monies received under the offer shall be used only for the purposes and objects indicated in the Information Memorandum.

I am authorised by the board of directors of the Issuer by way of the resolutions dated 10 February 2022 of the board of directors of the Issuer to sign this form and declare that all the requirements of Companies Act and the rules made thereunder in respect of the subject matter of this form and matters incidental thereto have been complied with.

Whatever is stated in this form and in the attachments thereto is true, correct and complete and no information material to the subject matter of this form has been suppressed or concealed and is in accordance with the original records maintained by the promoters subscribing to the Memorandum of Association and Articles of Association.

<b>General risk</b>
Investment in non-convertible securities involve a degree of risk and investors should not invest any funds in such securities unless they can afford to take the risk attached to such investments. Investors are advised to take an informed decision and to read the risk factors carefully before investing in this offering. For taking an investment decision, investors must rely on their examination of the issue including the risks involved in it. Specific attention of investors is invited to statement of risk factors contained under the section headed “Risk Factors” of this Information Memorandum. These risks are not, and are not intended to be, a complete list of all risks and considerations relevant to the non-convertible securities or investor’s decision to purchase such securities.

It is further declared and verified that all the required attachments have been completely, correctly and legibly attached to this form.

Signed by:

**Name:** [●]

**Designation:** Director

**DIN:** [●]

**Date:** [●]

**Place:** [●]

## PART 12: GREEN BOND FRAMEWORK

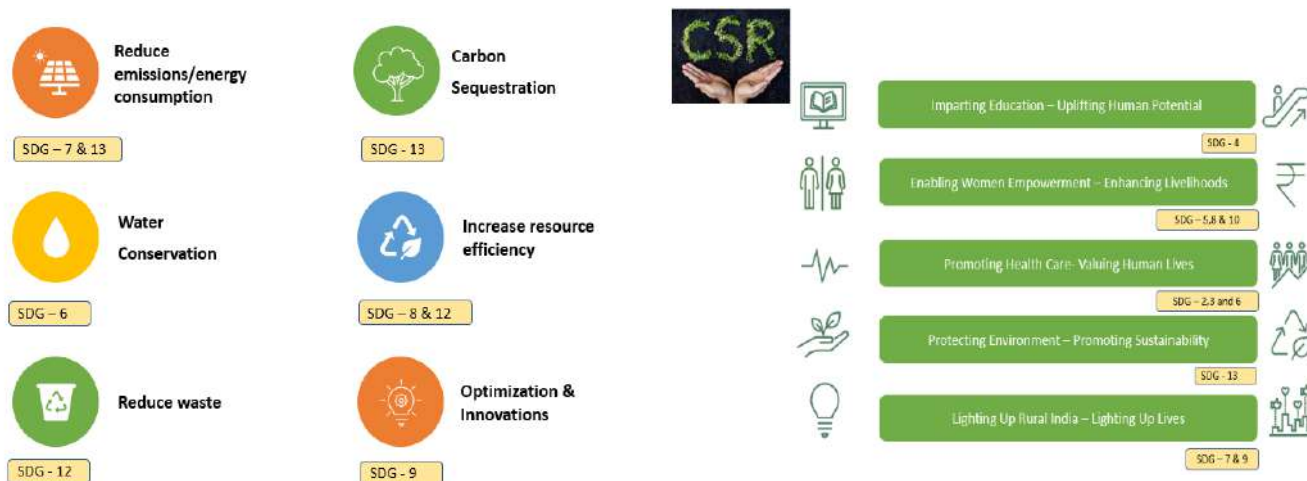
Avaada Solarise Energy Private Limited (ASEPL), our name springs from this very promise. It is a promise to create a sustainable future by working for the benefit of the environment and all our communities. It is a promise that is energised by the sun and the wind. At ASEPL, we believe in a world where there is abundance of energy generated from renewable sources. This is our dream & we are constantly striving to make this dream a reality. ASEPL is a coming together of ideas, technology and people to make our planet a cleaner & greener place. We, at ASEPL, are working towards fulfilling the renewable energy requirements not just for India but the world. Our experience and expertise to deliver mega solar powered solutions both in terms of plant size and total installed capacity is our major advantage. We bring the management team and experience that has already delivered some of the largest solar projects across India.

### 1. ASEPL & Sustainability

At ASEPL, Business and sustainability goes hand-in-hand. Our unique strategy interweaves business goals with environmental and social responsibility, producing mutually beneficial results. As driven by our commitment towards sustainability, we are focused on protecting our planet and are doing our part as a global environmental & social steward.

As a responsible Corporate, we ensure sustainability in all aspects like **water conservation, energy efficiency/conservation, clean air** etc through our various initiatives.

#### ASEPL's Contribution towards SDGs & ultimately towards combating Climate Change





## 2. Green Bond Framework

### Objective of the Framework

This framework has been prepared to be consistent with ASEPL's holistic sustainability approach and belief that business and sustainability goes hand in hand.

This framework has been established to support ASEPL's ***‘VISION, MISSION & VALUES’***.

ASEPL's Green Bond Framework has been designed to align with current best market practices and is subjected to updates to be in sync with the evolving financing standards and markets.

This Framework is valid for green bonds which will be used to finance and/or refinance Eligible Green Projects. The Framework establishes on how ASEPL or any of its subsidiaries propose to use the proceeds of the Green Bond for Eligible Green Projects in a manner consistent with ASEPL's sustainability goals and values and provide the transparency and disclosures to the investors in order to aid them in making investment decisions.

The Green Bond Framework is established in accordance with the Climate Bonds Standard version 3.0. This framework also adheres to the Green Bond Principles, 2021 issued by the International Capital Markets Association (ICMA).

### Use of Proceeds

The proceeds from the Green Bonds by ASEPL will be applied to finance and/or refinance, in whole or in part, new or existing investments and/or acquisitions in the Renewable Energy project category ("Eligible Green Projects") i.e. Solar PV Projects and assets where 100% of electricity generated from the plant/facility is harnessed from solar radiation; and dedicated solar power evacuation infrastructure.

The proceeds applied towards the Eligible Green Projects are expected to mainly contribute towards:

- Reduction of GHG emission

### Selection & Evaluation of Eligible Green Projects

Projects to be financed/refinanced using the green bond proceeds will be evaluated and selected based on the following:

- ASEPL's Vision, Mission & Goal
- ASEPLs' E&S aspects of Projects is ensured through:
  - Preliminary Environmental & Social Screening of all the projects
  - Comprehensive Environmental & Social Screening & Categorisation of all the projects
  - Environmental & Social Impact Assessment Study of all the projects
  - Preparation and implementation of Environmental & Social Management Plan

- iii. Qualification of a Project as a Solar Project (Eligible Green Project)
- iv. Feasibility analysis (including off-taker profile, location of project, capacity, timelines, and other technical and commercial conditions)

ASEPL has Board of Directors who are responsible for ASEPL's management strategy, financial activities and sustainability goals. The Board of Directors evaluate the Eligible Green Projects in-line with ASEPL's strategy based on criteria to assess the project as an "Eligible Green Project".

At the inception of every Eligible Green Project, Avaada ensures that the project is fully in compliance with the relevant environmental and social regulations and standards.cer

Proceeds from the Green Bond will be used exclusively for Eligible Green Projects which are evaluated to deliver long-term positive net environmental effects.

#### **Tracking of deployment of proceeds**

The proceeds of the green bond issued/to be issued by the Issuers will be allocated towards refinancing the existing Rupee Term Loan of the Issuers/Promoter Loan as well as for meeting transaction /issue related expenses. The Company will establish internal tracking systems to monitor and account for the allocation of proceeds.

Until such the time relevant proceeds amounts are allocated for use, they will be kept in temporary investment instruments in compliance with the terms of the Finance Documents.

#### **Reporting**

So long as ASEPL has Green Bond outstanding, ASEPL will annually report on its website:

- (i) The use of proceeds (list of projects, project type, capacity, location and amounts allocated) for each Green Bond issued;
- (ii) The current allocated and outstanding amounts (or percentages) and contractual maturity dates;
- (iii) Percentage of amounts allocated for financing and refinancing (if applicable);
- (iv) Renewable energy generated (in MWh) and carbon dioxide emission avoidance (in t CO<sub>2</sub>) achieved by each Eligible Green Projects financed under this Framework which are commissioned;
- (v) Emission avoidance in Green House Gases achieved for the projects which are commissioned; and
- (vi) Management confirmation that the use of proceeds of these Green Bonds are in alignment with the ASEPL's Green Bond Framework.

Wherever applicable and possible, ASEPL will also report the material developments and/or other environmental impact of the investments. For the avoidance of doubt, no co-financing will be undertaken in respect of the Eligible Green Projects.

### **Assurance**

KPMG has provided independent assurance on the Green Bond Framework to be used for issuance of the bonds being in conformity with the requirements of Climate Bonds Standard. This assurance has been conducted in accordance with requirements of ‘Limited Assurance’ as per International Federation of Accountants’ (IFAC) International Standard on Assurance Engagements ISAE 3000 (Revised), Assurance Engagements Other than Audits or Reviews of Historical Financial Information.

AEPL will also get post issuance assurance to assure the use of proceeds allocation, ongoing eligibility of the projects and assets, adequacy and output of internal controls and systems and use of funds not yet allocated are as per the established framework and the Climate Bonds Standard.

## **ANNEXURE A: APPLICATION FORM**

**AVAADA SOLARISE ENERGY PRIVATE LIMITED**

**Registered Office:** 910/19 Suryakiran, | Kasturba Gandhi Marg, New Delhi – 110001

**Compliance Person:** Ms Aadishri Sahasrabuddhe | **Email of Compliance Person:** [avaadasolarise@avaada.com](mailto:avaadasolarise@avaada.com) | **Telephone:** 022- 61408000 | **Fax:** NA  
| **Website:** <https://avaadaenergy.com/solarise> | **CIN:** U40300DL2018PTC338280

### **APPLICATION FORM FOR PRIVATE PLACEMENT OF SECURED, REDEEMABLE, RATED, LISTED SECURITIES IN THE FORM OF NON-CONVERTIBLE DEBENTURES**

ISSUE OPENS ON: February 28, 2022

CLOSING ON: February 28, 2022

Date of Application: [●]

Dear Sir / Ma'am,

We have received, read, reviewed and understood all the contents, terms and conditions and required disclosures in the private placement offer letter cum information memorandum dated [●] (“**Information Memorandum**”) issued by Avaada Solarise Energy Private Limited (the “**Issuer**”) and the Debenture Trust Deed. We have also done all the required due diligence (legal or otherwise) without relying upon the information contained in the Information Memorandum. Now, therefore, we hereby agree to accept the Debentures mentioned hereunder or such smaller number as may be allocated to us, subject to the terms of the said Information Memorandum, this application form and the documents. We undertake that we will sign all such other relevant documents and do all such other acts, if any, necessary on our part to enable us to be registered as the holder(s) of the Debentures which may be allotted to us. The amount payable on application as shown below is remitted herewith.

We authorise you to place our name(s) on the Register of Debenture Holders of the Issuer as well as the number of Debentures that may be so allocated to us and to register our address(es) as given below.

Yours faithfully,

For (Name of the Applicant)

(Name and Signature of Authorised Signatory)

The details of the application are as follows:

## APPLICATION FORM FOR DEBENTURES (CONTINUED)

DEBENTURES APPLIED FOR:

No. of Debentures (in figures and in words)	Issue Price per Debenture (Rs.)	Amount (Rs.)
[●]	10,00,000	[●]

<p>Tax status of the Applicant (please tick one)</p> <p>1. Non Exempt [___]</p> <p>2. Exempt under: Self-declaration [___]</p> <p>Under Statute [___] Certificate from I.T. Authority [___]</p> <p>Please furnish exemption certificate, if applicable.</p>
---

We apply as (tick whichever is applicable)

- ☐ Foreign Portfolio Investors
- ☐ Others: \_\_\_\_\_

## PAYMENT PREFERENCE

<p>Cheque Draft RTGS</p> <p>Payable at _____</p>
--

L:

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

<b>Tax payer's PAN</b>		IT Circle/ Ward/ District	
------------------------	--	---------------------------	--

MAILING ADDRESS IN FULL (Do not repeat name) (Post Box No. alone is not sufficient)

Pin		Tel	Fax

CONTACT PERSON

NAME	DESIGNATION	TEL. NO.	FAX NO.
Email			

I / We, the undersigned, want delivery of the Debentures in Electronic Form. Details of my / our Beneficiary (Electronic) account are given below:

Depository Name	NSDL	CDSL
Depository Participant Name		
DP ID		
Beneficiary Account Number		

Name of Applicant	
-------------------	--

We understand that in case of allocation of Debentures to us, our Beneficiary Account as mentioned above would get credited to the extent of allocated Debentures. (Applicants must ensure that the sequence of names as mentioned in the application form matches that of the Account held with the DP).

Name of the Authorised Signatory(ies)	Designation	Signature

**FOR COMPANY USE ONLY**

No. of Debentures (in words and figures)		
Amount for Debentures (Rs.) (in words and figures)		
RTGS/Fund Transfer/ drawn on (Name of Bank and Branch)	UTR No. in case of RTGS/ A/c no incase of FT	RTGS / fund transfer Date

Date of receipt of application						
Date of receipt of cheque						
Date of clearance of cheque						

**PARTICULARS OF DP ID**

DP ID No.	
Client ID No.	

**AVAADA SOLARISE ENERGY PRIVATE LIMITED**  
**APPLICATION FORM FOR PRIVATE PLACEMENT OF NON CONVERTIBLE DEBENTURES**  
**ACKNOWLEDGEMENT SLIP**

(To be filled by the Applicant)

Received from _____	an application for _____ Debentures
Address _____	cheque/ draft No. _____ dated _____
_____	Drawn on _____
_____	for INR (in figures) _____
_____ Pin Code _____	for INR (in words) _____



1. Application must be completed in full BLOCK LETTER IN ENGLISH except in case of signature. Applications, which are not complete in every respect, are liable to be rejected.
2. Payment should be made by the deadline specified by the BSE. Successful bidders should do the funds pay-in to the following bank account of the Issuer (“**Designated Bank Account**”):

Beneficiary Name	INDIAN CLEARING CORPORATION LTD
Name of the Banker:	ICICI Bank
IFSC Code:	ICIC0000106
Account Number	ICCLEB
Mode	NEFT/RTGS

Beneficiary Name	INDIAN CLEARING CORPORATION LTD
Name of the Banker:	HDFC BANK
IFSC Code:	HDFC0000060
Account Number	ICCLEB
Mode	NEFT/RTGS

Beneficiary Name	INDIAN CLEARING CORPORATION LTD
Name of the Banker:	YES Bank
IFSC Code:	YESB0CMSNOC
Account Number	ICCLEB
Mode	NEFT/RTGS

Successful bidders must do the funds pay-in, in totality, to the Designated Bank Account up to 10:30 am on the Pay-In Date (“**Pay-in Time**”). Successful bidders should ensure to do the funds pay-in from their same bank account which is updated by them in the BSE Bond– EBP Platform while placing the bids. In case of mismatch in the bank account details between BSE Bond – EBP Platform and the bank account from which payment is done by the successful bidder, the payment would be returned back. Provided that, in case of bids made by the Arranger on behalf of Eligible Investors, funds pay-in shall be made from the bank account of such Eligible Investor.

Note: In case of failure of any successful bidder to complete the funds pay-in by the Pay-in Time or the funds are not received in the Indian Clearing Corporation Limited’s Designated Bank Account by the Pay-in Time for any reason whatsoever, the bid will liable to be rejected and the Issuer and/or the Arranger shall not be liable to the successful bidder. Funds pay-out on would be made by Indian Clearing Corporation Ltd. to the bank account of the Issuer.

3. The Application Form along with relevant documents should be forwarded to the registered office of the Issuer to the attention of Mr. Raji George, on the same day the application money is deposited in the bank of the Issuer. A copy of PAN Card must accompany the application.
4. In the event of debentures offered being oversubscribed, the same will be allotted in such manner and proportion as may be decided by the Company.
5. The debentures shall be issued in Demat form only and subscribers may carefully fill in the details of Client ID/ DP ID.
6. In the case of application made under Power of Attorney or by limited companies, corporate bodies, registered societies, trusts etc., following documents (attested by Company Secretary /Directors) must be lodged along with the application or sent directly to the Issuer at its registered office to the attention of Mr. Raji George along with a copy of the Application Form.
  - (a) Memorandum and articles of association / documents governing constitution/ certificate of incorporation.
  - (b) Board resolution of the investor authorising investment.
  - (c) Certified true copy of the Power of Attorney.
  - (d) Specimen signatures of the authorised signatories duly certified by an appropriate authority.
  - (e) PAN (otherwise exemption certificate by IT authorities).
  - (f) Specimen signatures of authorised persons.

(g) SEBI registration certificate, if applicable.

7. The attention of applicants is drawn to sub-section (1) of Section 38 of the Companies Act, which is reproduced below:

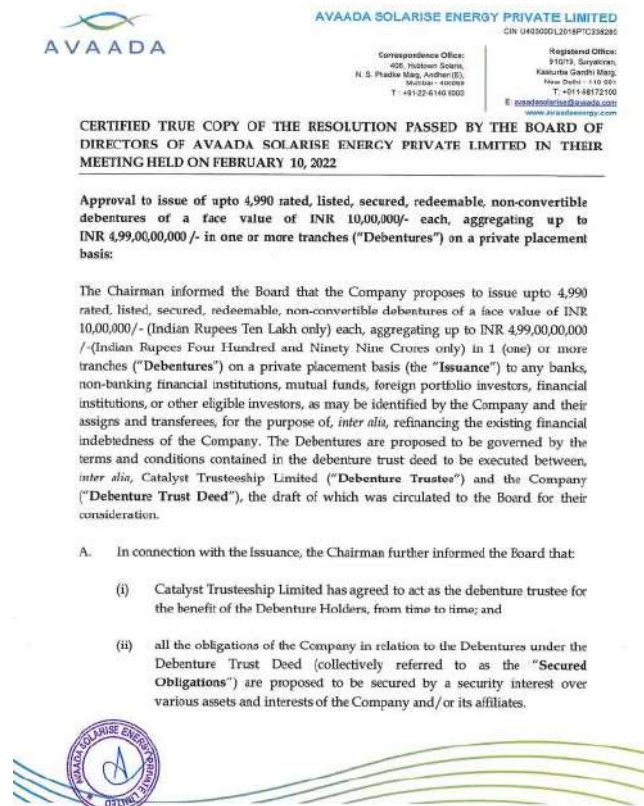
Any person who:

- (a) Makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, for its securities; or
- (b) Makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
- (c) otherwise induces directly or indirectly a company to allot or register any transfer of securities to him or any other person in a fictitious name,

shall be punishable with imprisonment for a term which shall not be less than 6 months but which may extend to 10 years and shall also be liable to fine which shall not be less than the amount involved in the fraud, but which may extend to 3 times the amount involved in the fraud.

8. The applicant represents and confirms that it has understood the terms and conditions of the Debentures and is authorised and eligible to invest in the same and perform any obligations related to such investment.

## ANNEXURE B: BOARD RESOLUTIONS AUTHORISING THE ISSUE





**AVAADA SOLARISE ENERGY PRIVATE LIMITED**

CIN: U40300DL2018PTC335280

Correspondence Office:  
408, Hultown Solaris,  
N. S. Phadke Marg, Andheri (E),  
Mumbai - 400069  
T : +91-22-6140 8000

Registered Office:  
B1019, Suryakinan,  
Kasturba Gandhi Marg,  
New Delhi - 110 001  
T : +011-88172100  
E : [avaadasolarise@avaada.com](mailto:avaadasolarise@avaada.com)  
[www.avaadaenergy.com](http://www.avaadaenergy.com)

- B. Capitalised terms used which have not been defined herein shall have the meaning assigned to them under the Debenture Trust Deed.

After detailed discussions, the following resolutions was unanimously passed:

**"RESOLVED THAT** pursuant to the provisions of Section 23, 42, 71 and 179 of the Companies Act, 2013 ("Act"), read with the Companies (Prospectus and Allotment of Securities) Rules, 2014, the Companies (Share Capital and Debentures) Rules, 2014 and the Companies (Meetings of Board and its Powers) Rules, 2014 (including any statutory modification or re-enactment thereof for the time being in force), any other relevant provisions of the Act, and in accordance with the provisions of Memorandum & Articles of Association of the Company, the provisions of the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, as amended from time to time, approval of the existing lenders and subject to the approval of government authorities, if any, the Board hereby authorizes and approves the issue of upto 4,990 rated, listed, secured, redeemable, non-convertible debentures of a face value of INR 10,00,000 (Indian Rupees Ten Lakh) each, aggregating up to INR 4,99,00,00,000 /- (Indian Rupees Four Hundred and Ninety Nine Crores only) in one or more tranches ("Debentures"), on a private placement basis to any banks, non-banking financial companies, mutual funds, foreign portfolio investors, financial institutions, or other eligible investors, as may be identified by the Company, and their assigns and transferees. The Debentures are proposed to be governed by the terms and conditions contained in the debenture trust deed to be executed between, *inter alia*, Catalyst Trusteeship Limited and the Company, the draft of which was circulated to the Board for their consideration.

**RESOLVED FURTHER THAT** in accordance with applicable provisions of the Act and as required under Securities and Exchange Board of India's regulations and any other applicable laws and regulations, the Board hereby approves the appointment of Catalyst Trusteeship Limited as the debenture trustee in accordance with the draft Debenture Trust Deed and the other Debenture Documents (*defined below*).





**AVAADA SOLARISE ENERGY PRIVATE LIMITED**

CIN: U40300DL2018PTC338280

Correspondence Office:  
405, Hubtown Solars,  
N. S. Phadke Marg, Andheri (E),  
Mumbai - 400069  
T : +91-22-6140 0000

Registered Office:  
910/18, Suryakinan,  
Kasturba Gandhi Marg,  
New Delhi - 110 001  
T : +91-11-68172100  
E : [avaadasolarise@avaada.com](mailto:avaadasolarise@avaada.com)  
[www.avaadaenergy.com](http://www.avaadaenergy.com)

**RESOLVED FURTHER THAT** in accordance with the provisions of the Debenture Documents, the Board hereby approves the appointment of ICICI Bank Limited having CIN No. L65190GJ1994PLC021012 and its registered office at ICICI BANK Tower, Near Chakli Circle, Old Padra Road, Vadodra - 390 007 and acting through its Backbay branch as the account bank in accordance with the draft Debenture Trust Deed and the other Debenture Documents (*defined below*).

**RESOLVED FURTHER THAT** the Board hereby approves the drafts of the Debenture Trust Deed and other Debenture Documents (*defined below*) and the consent is hereby accorded for severally authorizing the Authorized Signatories to suggest and undertake any changes therein as may be mutually agreed between the Company and the parties to the Debenture Documents from time to time.

**RESOLVED FURTHER THAT** the Board do hereby approve the creation of charge / security in the form of:

- a. a first ranking security (by way of hypothecation/charge) over all the receivables, cash flows, movable assets, bank accounts of the Company and any other assets, including any reserves in relation to the Debentures and such other assets as may be mutually agreed between the Company and the Debenture Holders/ Debenture Trustee;
- b. a first ranking charge by way of assignment/ security over rights under the project documents including without limitation to, power purchase agreement, lease/ sub-lease agreement, implementation and support agreement, operation and maintenance agreement and insurance contracts in relation to 3 x 50 MW Grid Connected Solar PV Power Plants of the Company located at Block Nos. 22, 39 and 40A of Pavagada Solar Park, Villages Tirumani & Rayacharlur, Pavagada Taluk, Tumkur District, in the State of Karnataka as may be mutually agreed between the Company and the Debenture Holders/ Debenture Trustee;
- c. a first ranking English mortgage/ equitable mortgage over the immovable assets of the Company located at 3 x 50 MW Grid Connected Solar PV Power Plants of







## AVAADA SOLARISE ENERGY PRIVATE LIMITED

CIN: U40300DL2016PTC338289

Correspondence Office:  
406, Hubtown Solaris,  
N. S. Phadke Marg, Andheri (E),  
Mumbai - 400089  
T: +91-22-6140 8009

Registered Office:  
91D/18, Suryashree,  
Kasturba Gandhi Marg,  
New Delhi - 110 001  
T: +91-11-68172100  
E: [avaadefinance@avaada.com](mailto:avaadefinance@avaada.com)  
[www.avaadaenergy.com](http://www.avaadaenergy.com)

- the Company at Block Nos. 22, 39 and 40A of Pavagada Solar Park, Villages Tirumani & Rayacharlu, Pavagada Taluk, Tumkur District, in the State of Karnataka and such other immovable assets as may be mutually agreed between the Company and the Debenture Holders/ Debenture Trustee; and
- d. a first ranking pledge over 99.99% % of the total issued paid-up share capital on a fully diluted basis and 100% of the compulsory convertible debentures (CCD's) of the Company, by Avaada Energy Private Limited.

**RESOLVED FURTHER THAT** any one of Mr. Rajesh Bihari Dwivedi and Mr. Gopal Goel, the Directors of the Company be and is hereby authorised to execute a power of attorney in favour of either Mr. Raji George, Mr. Vineet Jain, Mr. Sumit Sharma, Mr. Ashish Golechha, Mr. Ankit Agarwal, Mr. Lokesh Mehta, Mr. Pushendra Agarwal, Ms. Rachana Nair, Mr. Surendra Jha, Mr. Vaibhav Bhatt, Ms. Harshita Talati, Ms. Divya Chandrahas and/or Ms. Gauravi Patil, the Authorized Representatives of the Company (collectively hereinafter referred as 'Authorised Signatories') whereby the Authorised Signatories in addition to the Directors and the Company Secretary of the Company are hereby severally authorised to negotiate, finalize and execute such deeds, documents, agreements, letters and other writings as may be necessary or required for the purpose of consummation of the transaction mentioned herein and in connection with the Issuance (collectively referred to as the "Debenture Documents") (any amendment(s), modification(s) or alteration(s) therein from time to time), including but not limited to the following:

- (i) the Debenture Trust Deed;
- (ii) the debenture trustee agreement;
- (iii) a private placement offer letter to be issued by the Company to the investors of the Debentures for the issue and allotment of the Debentures ("Private Placement Memorandum");
- (iv) the deed of hypothecation (including the power of attorney) in respect of the security to be created over *inter alia* all receivables, movable assets, current assets (including reserves maintained for the Debentures) and





**AVAADA SOLARISE ENERGY PRIVATE LIMITED**

CIN: U40300DL2018PTC338280

Correspondence Office:  
408, Hubtown Solaris,  
N. S. Phadke Marg, Andheri (E),  
Mumbai - 400099  
T : +91-22-6140 8000

Registered Office:  
910/12, Suryakiran,  
Kasturba Gandhi Marg,  
New Delhi - 110 001  
T: +91-11-68172100  
E: [avaadasolarise@avaada.com](mailto:avaadasolarise@avaada.com)  
[www.avaadaenergy.com](http://www.avaadaenergy.com)

- fixed assets of the Company, to be entered into between the Company and the Debenture Trustee;
- (v) the share pledge agreement in relation to 99.99 % of the total issued paid-up share capital and 100% of the CCD's of the Company issued by the Company, to be entered into between by Avaada Energy Private Limited and the Debenture Trustee;
  - (vi) the deed of mortgage/memorandum of entry (as required) in relation to all immovable assets of the Company;
  - (vii) the accounts agreement to be entered into between the Company and the Debenture Trustee;
  - (viii) the inter se agreement to be entered into between inter alia the Company, Account Bank and the Debenture Trustee;
  - (ix) the deed of guarantee to be executed by Avaada SataraMH Private Limited, Clean Sustainable Energy Private Limited, Fermi Solarfarms Private Limited and the Company in favour of the Debenture Trustee; and
  - (x) any other documents, deeds, agreements, declarations, or undertakings, including any fee letters, in relation to, and pursuant to, the issuance and allotment of the said Debentures.

**RESOLVED FURTHER THAT** the Company do seek listing of the Debentures with the BSE Limited/NSE Limited ("BSE/NSE") and hereby approves the payment of fees for issuance and listing of the Debentures.

**RESOLVED FURTHER THAT** the Directors and the Authorized Signatories, be and are hereby severally authorized to:

- (i) negotiate, finalize and execute the mandate letter(s) with the intermediaries for placement of the Debentures and make necessary payments to the intermediaries;
- (ii) apply for listing of the Debentures on the stock exchange in India, submitting the listing application to the BSE/NSE and taking all actions that may be necessary in connection with obtaining such listing;







AVAADA SOLARISE ENERGY PRIVATE LIMITED

CIN: U40300DL2018PTC336280

Correspondence Office:  
406, Hubtown Solaris,  
K. S. Phadke Marg, Andheri (E),  
Mumbai - 400059  
T: +91-22-6140 6000

Registered Office:  
B-10/19, Suryakiran,  
Kasturba Gandhi Marg,  
New Delhi - 110 001  
T: +91-11-46172100  
E: [avaada@solariseenergy.com](mailto:avaada@solariseenergy.com)  
[www.avaadaenergy.com](http://www.avaadaenergy.com)

- (iii) apply for admission of the securities on the depository system including but not limited to submission of Master Creation Form (MCF) for creation of ISIN, submission of Corporate Action Form (CAF) for allotment to depositories and taking all actions that may be necessary in this regard;
- (iv) sign and submit all necessary papers/ certificates/ undertakings and take all necessary steps in this regard including the payment of applicable stamp duty and other taxes, fees and costs as required under the applicable laws in relation to the Debentures;
- (v) execute all necessary documents in connection with opening of such accounts with banks, depositories for the purpose of issue of the Debentures in dematerialized form, institutions or agencies as may be required as per the applicable laws;
- (vi) sign forms, agreements, other deeds, documents, undertakings, declaration, letters and such other papers as may be necessary, desirable and expedient in connection with the placement with the arrangers, if any or issue of Debentures;
- (vii) alter or modify the terms of the Issuance, approving the Private Placement Offer Cum Application Letter (the "PPOAL") in terms of the Companies (Prospectus and Allotment Rules), 2014 and/or Placement Memorandum with disclosures under the Schedule II of the SEBI (Issue and Listing Non-Convertible Securities) Regulations, 2021 and arrangement for submission of the same and any amendments or supplements thereto, with any applicable statutory and/or regulatory authorities, institutions or bodies, as may be required;
- (viii) to take all steps and do all things and give such directions, as may be required, necessary, expedient or desirable for giving effect to the transaction documents, the transactions contemplated therein and the resolution mentioned herein;
- (ix) creating a debenture redemption reserve, in accordance with the provision of the Act;





**AVAADA SOLARISE ENERGY PRIVATE LIMITED**

CIN: U40308DL2018PPC338280

Correspondence Office:  
406, Huttown Solaris,  
N. S. Phadke Marg, Andheri (E),  
Mumbai - 400069  
T : +91-22-6140 8005

Registered Office:  
9/10/19, Suryakiran,  
Kasturba Gandhi Marg,  
New Delhi - 110 021  
T : +011-48172100  
E : [avaada@avaadaenergy.com](mailto:avaada@avaadaenergy.com)  
[www.avaadaenergy.com](http://www.avaadaenergy.com)

- (x) creating a recovery expense fund in accordance with the provisions of SEBI (Issue and Listing of Non-Convertible Securities) Regulation, 2021, as amended from time to time and other applicable law;
- (xi) authorization of the maintenance of register of the holders of the Debentures;
- (xii) undertaking any acts required in connection with the procedure of electronic book mechanism ("EBP") for issuance of the Debentures, including obtaining prior approval from the Securities and Exchange Board of India ("SEBI") or concerned stock exchange, as applicable and appointing recognized stock exchange as an electronic book provider and undertaking all actions in relation thereto; and
- (xiii) appear before and register documents or charges with the registrar, sign, file and submit the necessary forms with the registrar of the companies and other relevant governmental authorities including filing of Form CHG-9 (or any other relevant form as per extant applicable law) for creation and modification of charge for the Debentures, and all filings with the Central Registry of Securitization Asset Reconstruction and Security Interest of India ("CERSAI") and the information utility under the Insolvency and Bankruptcy Board of India (Information Utilities) Regulations, 2017.

**RESOLVED FURTHER THAT** the Board do hereby approve the draft Private Placement Memorandum (including the format Form PAS-4 as set out under the Companies (Prospectus and Allotment of Securities) Rules, 2014 and the Act) for issue and subscription to the Debentures from time to time with the relevant stock exchanges, the Registrar of Companies and Securities & Exchange Board of India in accordance with the applicable laws and regulations and consent is hereby accorded for severally authorizing any of the Authorized Signatories to suggest and undertake any changes therein as they may deem necessary.





**AVAADA SOLARISE ENERGY PRIVATE LIMITED**

CIN: U40300DL2018PTC336280

Correspondence Office:  
406, Hubtown Solaris,  
H. S. Phadke Marg, Andheri (E),  
Mumbai - 400055  
T : +91-22-6146 8090

Registered Office:  
910/19, Suryakiran,  
Kasturba Gandhi Marg,  
New Delhi - 110 001  
T : +91-11-66172100  
E: [avaadasolarise@avaada.com](mailto:avaadasolarise@avaada.com)  
[www.avaadeenergy.com](http://www.avaadeenergy.com)

**RESOLVED FURTHER THAT** the Board do hereby approve the issuance of an irrevocable and unconditional corporate guarantee by the Company to secure the obligations of:

- a) Avaada SataraMH Private Limited, in relation to issue of 2,700 rated, listed, secured, redeemable, non-convertible debentures of a face value of INR 10,00,000 (Indian Rupees Ten Lakh) each, aggregating up to INR 2,70,00,00,000 (Indian Rupees Two Hundred Crores only) in 1 (one) or more tranches;
- b) Clean Sustainable Energy Private Limited, in relation to issue of 3,340 rated, listed, secured, redeemable, non-convertible debentures of a face value of INR 10,00,000 (Indian Rupees Ten Lakh) each, aggregating up to INR 3,34,00,00,000 (Indian Rupees Three Hundred Thirty Four Crores only) in 1 (one) or more tranches; and
- c) Fermi Solarfarms Private Limited, in relation to issue of 3,370 rated, listed, secured, redeemable, non-convertible debentures of a face value of INR 10,00,000 (Indian Rupees Ten Lakh) each, aggregating up to INR 3,37,00,00,000/- (Indian Rupees Three Hundred and Thirty Seven Crores only) in 1 (one) or more tranches,  
on a private placement basis.

**RESOLVED FURTHER THAT** the Board do hereby approve procuring an irrevocable and unconditional corporate guarantee to be issued by the following group companies, to secure the Secured Obligations:

- a) Avaada SataraMH Private Limited
- b) Clean Sustainable Energy Private Limited; and
- c) Fermi Solarfarms Private Limited

**RESOLVED FURTHER THAT** the Board do hereby request Avaada Energy Private Limited to pledge by way of security, 99.99% of the total issued paid-up share capital on a fully diluted basis and 100% of the CCD's of the Company, to secure the Secured Obligations, in terms of the Share Pledge Agreement.







**AVAADA SOLARISE ENERGY PRIVATE LIMITED**

CIN: U40300DL2018PTC338293

Correspondence Office:  
405, Hubtown Solaris,  
N. S. Phadke Marg, Andheri (E),  
Mumbai - 400069  
T: +91-22-6140 8900

Registered Office:  
910/19, Suryakinari,  
Kashiba Gandhi Marg,  
New Delhi – 110 001  
T: +011-68172100  
E: [avaada@solariseenergy.com](mailto:avaada@solariseenergy.com)  
[www.avaadeenergy.com](http://www.avaadeenergy.com)

**RESOLVED FURTHER THAT** the Board do hereby approve the appointment of CRISIL Rating Limited as the credit rating agency (“Credit Rating Agency”), for the proposed issuance of the Debentures and the Directors and the Authorized Signatories of the Company be and are hereby severally authorized to fix fees thereof, sign, execute and deliver all necessary application, forms, documents, agreements, and correspondences with the Credit Rating Agency for and on behalf of the Company.

**RESOLVED FURTHER THAT** the Company do make the necessary applications to Central Depository Services (India) Limited (CDSL) and/ or National Securities Depository Limited (NSDL) or for rating certificates to the Credit Rating Agency or to any other rating agencies, and to make such other applications to all such authorities as may be necessitated from time to time for the purpose of issuances of the Debentures.

**RESOLVED FURTHER THAT** the Directors, the Company Secretary and the Authorized Signatories of the Company be and are hereby severally authorized to undertake all such acts, deed and matters, as they may in their absolute discretion deem necessary, proper or desirable in connection with the issuance and listing of the Debentures and the execution of the Debenture Documents, and settle any question, difficulty or doubt that may arise in this regard, including but not limited to registration of relevant documents with the sub-registrar of assurances, relevant stock exchange, making requisite filings with the registrar of companies and other regulatory authorities (as applicable), that may be required to give effect to the Debenture Documents.

**RESOLVED FURTHER THAT** the Directors, the Company Secretary and the Authorized Signatories be and are hereby severally authorised to negotiate and to sign, execute, amend and alter all Debenture Documents, and all other necessary documents (including any amendments, novations, supplements, extensions, restatements or any other modifications (before or after execution) thereof, and to digitally sign such e-forms and make all requisite filings with the relevant registrar of companies, Ministry of Corporate Affairs, depository and depository participants for the purpose of the Issuance in accordance with the provisions of the Act and rules framed thereunder, and





**AVAADA SOLARISE ENERGY PRIVATE LIMITED**

CIN: U40300DL2618PTC358260

Correspondence Office:  
405, Hubtown Solent,  
N. S. Phadke Marg, Andheri (E),  
Mumbai - 400069  
T : +91-22-6140 8080

Registered Office:  
9/10/13, Suryakiran,  
Kashurba Ganesh Marg,  
New Delhi - 110 021  
T : +91-11-68172100  
E : [avaada@solariseenergy.com](mailto:avaada@solariseenergy.com)  
[www.avaadaenergy.com](http://www.avaadaenergy.com)

to do all such acts, deeds and things and to execute all documents and writings as may be necessary, proper, desirable or expedient to give effect to this resolution.

**RESOLVED FURTHER THAT** the Common Seal of the Company be affixed on any Debenture Documents or any other deed, agreement, or written instrument to be executed in connection with the Issuance, if required, in accordance with the provisions of the Act and the constitutional documents of the Company, in the presence of any of the Directors, the Company Secretary and the Authorised Signatories of the Company and the Common Seal may be carried at such place outside the registered office of the Company, if required, for the said purpose.

**RESOLVED FURTHER THAT** the Directors, the Company Secretary and the Authorized Signatories be and are hereby severally authorized to nominate, appoint and engage advocates, solicitors, counsel, consultants, intermediaries or other professionals and retainers, and to do all such acts, things, deeds as may be necessary to give effect to the above resolution.

**RESOLVED FURTHER THAT** the Directors, the Company Secretary and the Authorized Signatories be and are hereby severally authorized to undertake all such acts, deeds and things as may be required for completing all statutory, regulatory, and other formalities in connection with the transactions authorized in this resolution.

**RESOLVED FURTHER THAT** a copy of this resolution certified by any one of the Directors or the Company Secretary of the Company be forwarded to such persons or authorities as may be necessary to rely upon it and they be requested to act thereupon."

For Avaada Solarise Energy Private Limited

  
Aadishri Sahasrabuddhe  
Company Secretary



## ANNEXURE C: RATING LETTER OF CRISIL ALONGWITH RATING RATIONALE

# Ratings

**CONFIDENTIAL**

RL/AVSREE/286167/NCD/0222/25429/100712894.1  
February 03, 2022

**Mr. Raji George**  
Vice President  
**Avaada Solarise Energy Private Limited**  
406, 4th Floor, Hubtown Solaris,  
N.S.Phadke Marg, Andheri (E),  
Mumbai City - 400069  
Tel: 8879684951

Dear Mr. Raji George,

**Re: Review of CRISIL Rating on the Rs.499 Crore Non Convertible Debentures<sup>^</sup> of Avaada Solarise Energy Private Limited**

All ratings assigned by CRISIL Ratings are kept under continuous surveillance and review.

CRISIL Ratings has, after due consideration, reaffirmed its Provisional CRISIL AAA/Stable (pronounced as Provisional CRISIL triple A rating with Stable outlook) rating on the captioned debt instrument. Instruments with this rating are considered to have the highest degree of safety regarding timely servicing of financial obligations. Such instruments carry lowest credit risk.

Kindly note that the provisional rating will be converted to final rating after CRISIL Ratings receives following transaction documents duly executed and/or confirmations on completion of the following pending steps, within 90 days from the date of issuance of the instrument and to the satisfaction of CRISIL Ratings.

- Financing agreements and signed term sheet in line with terms assessed are executed.
- The provisional rating shall be converted into a final rating after receipt of transaction documents duly executed and on confirmation of completion of pending steps within 90 days from the date of issuance of the proposed NCDs.

The final rating assigned after end of 90 days (or following an extension of upto 90 days, if any, granted by the rating committee of CRISIL Ratings after considering case specific considerations) shall be consistent with the available documents or completed steps, as applicable. CRISIL Ratings will issue a final rating letter on receipt of documents as mentioned above.

Please note that, in arriving at the ratings, CRISIL Ratings has assumed that the representations made by ASEPL are true and that the structure, shall work and operate as represented by ASEPL. CRISIL Ratings does not guarantee the accuracy, adequacy, or completeness of the representations made by you to CRISIL Ratings and/or the representations made in the transaction documents. CRISIL Ratings is not responsible for any acts of commission or omission of the ASEPL and/or the Trustee.

As per our Rating Agreement, CRISIL Ratings would disseminate the rating along with outlook through its publications and other media, and keep the rating along with outlook under surveillance for the life of the instrument. CRISIL Ratings reserves the right to withdraw, or revise the rating / outlook assigned to the captioned instrument at any time, on the basis of new information, or unavailability of information, or other circumstances which CRISIL Ratings believes may have an impact on the rating.

As per SEBI circular (reference number: CIR/IMD/DF/17/2013, dated October 22, 2013) on centralized database for corporate bonds/debentures, you are required to provide international securities identification number (ISIN, along with the reference number and the date of the rating letter) of all bond/debenture issuances made against this rating letter to us. The circular also requires you to share this information with us within 2 days after the allotment of the ISIN. We request you to mail us all the necessary and relevant information at [debtissue@crsil.com](mailto:debtissue@crsil.com). This will enable CRISIL Ratings to verify and confirm to the depositories, including NSDL and CDSL, the ISIN details of debt rated by us, as required by SEBI. Feel free to contact us at [debtissue@crsil.com](mailto:debtissue@crsil.com) for any clarification you may need.

Should you require any clarification, please feel free to get in touch with us.

With warm regards,

Yours sincerely,

  
Aditya Jhaver  
Director - CRISIL Ratings

  
Nivedita Shibu  
Associate Director - CRISIL Ratings



**Disclaimer:** A rating by CRISIL Ratings reflects CRISIL Ratings' current opinion on the likelihood of timely payment of the obligations under the rated instrument, and does not constitute an audit of the rated entity by CRISIL Ratings. Our ratings are based on information provided by the issuer or obtained by CRISIL Ratings from sources it considers reliable. CRISIL Ratings does not guarantee the completeness or accuracy of the information on which the rating is based. A rating by CRISIL Ratings is not a recommendation to buy / sell or hold the rated instrument; it does not comment on the market price or suitability for a particular investor. CRISIL Ratings has a practice of keeping all its ratings under surveillance and ratings are revised as and when circumstances so warrant. CRISIL Ratings is not responsible for any errors and especially states that it has no financial liability whatsoever to the subscribers / users / transmitters / distributors of its ratings. CRISIL Ratings' criteria are available without charge to the public on the web site, [www.crisilratings.com](http://www.crisilratings.com). CRISIL Ratings or its associates may have other commercial transactions with the company/entity. For the latest rating information on any instrument of any company rated by CRISIL Ratings, please contact Customer Service Helpdesk at [CRISILratings@crsil.com](mailto:CRISILratings@crsil.com) or at 1800-267-1301.

**CRISIL Ratings Limited**  
(A subsidiary of CRISIL Limited)  
Corporate Identity Number: U67100MH2018PLC026247

Registered Office: CRISIL House, Central Avenue, Hinanandani Business Park, Powai, Mumbai - 400076. Phone: +91 22 3342 3000 | Fax: +91 22 3342 3001  
[www.crisilratings.com](http://www.crisilratings.com)



2/16/2022, 11:17 AM

Rating Rationale

## Ratings

CRISIL Ratings Limited (A subsidiary of CRISIL Limited)



### Rating Rationale

February 02, 2022 | Mumbai

## Avaada Solarise Energy Private Limited Provisional CRISIL A1+ assigned to Bank Debt; NCD Reaffirmed

### Rating Action

Total Bank Loan Facilities Rated	Rs.11 Crore
Short Term Rating*	Provisional CRISIL A1+ (Assigned)
Rs.499 Crore Non Convertible Debentures*	Provisional CRISIL AAA/Stable (Reaffirmed)

\* A prefix of 'Provisional' indicates that the rating centrally factors in the strength of specific structures, and is contingent upon occurrence of certain steps or execution of certain documents by the issuer, as applicable, without which the rating would either have been different or not assigned at all. This is in compliance with a May 6, 2015 directive 'Standardizing the term, rating symbol, and manner of disclosure with regards to conditional/provisional in-principle ratings assigned by credit rating agencies by Securities and Exchange Board of India (SEBI)' and April 27, 2021 circular 'Standardizing and Strengthening Policies on Provisional Rating by Credit Rating Agencies (CRAs) for Debt Instruments' by SEBI.

1 crore = 10 million

Refer to Annexure for Details of Instruments & Bank Facilities

### Detailed Rationale

CRISIL Ratings has assigned its 'Provisional CRISIL A1+' rating to the proposed short term bank loan facility of Avaada Solarise Energy Private Limited (ASEPL, part of the Avaada restricted group (ARG)). CRISIL Ratings has also reaffirmed its 'Provisional CRISIL AAA/Stable' rating on the Rs 499 crore proposed non-convertible debentures (NCDs).

ARG includes four operational special-purpose vehicles (SPVs): Feml Solarfarms Pvt Ltd, COEPL, Avaada SatarahMH Pvt Ltd (ASMHPL) and Avaada Solarise Energy Pvt Ltd. The SPVs are wholly owned subsidiaries (except ASMHPL) of Avaada Energy Pvt Ltd (AEPL), which is the main holding entity for all solar assets under the Avaada group. ASMHPL is held 74% by AEPL and 26% by group captive consumers. ARG is raising Rs 1,440 crore, which is proposed to be used to refinance the existing debt and for other corporate purposes (including the issue-related expenses).

For assigning the provisional rating, CRISIL Ratings has reviewed the draft term sheet shared by the company. The provisional rating will be converted into a final rating on receipt of the signed term sheet and executed versions of financing documents, such as debenture trust deed and escrow account agreement, with contours of structure in line with the draft term sheet.

The rating reflects strong revenue visibility; low offtake risk (with entire capacity of 555.25 megawatt-peak [MWp] tied up), diversification benefits enjoyed by ARG with assets spread across three states and multiple counterparties, and low tariff risk with entire capacity tied up through long-term power purchase agreements (PPAs) at fixed tariffs. The rating also factors in the healthy financial risk profile, supported by a healthy debt service coverage ratio (DSCR), upfront creation of a debt service reserve account (DSRA) balance equivalent to nine months of debt obligation, and presence of restrictive covenants. These strengths are partially offset by exposure to risks inherent in operating solar energy assets and to refinancing risk (given the balloon payment structure of the NCD).

### Analytical Approach

CRISIL Ratings has combined the business and financial risk profiles of the four SPVs in ARG in line with its criteria for rating entities in homogeneous groups and equated the rating of the individual SPVs to the group. The entities are in a homogeneous group as they have a common promoter, AEPL, which owns 100% stake in all SPVs, except for ASMHPL (26% held by group captive customers and rest by AEPL, as required by the group captive regulations). The entities have common management and treasury team and are in the same business. All the entities are critical to ARG. Each SPV acts as a co-obligor to the others, with each giving corporate guarantee to the debt obligations of all other SPVs and there being a cross default clause that implies that default on any condition in any one SPV leads to default in all other SPVs. After debt servicing in each SPV, the excess cash flow is available for use across the group. Any deviation in this understanding will be a key rating sensitivity factor.

Please refer Annexure - List of entities consolidated, which captures the list of entities considered and their analytical treatment of consolidation.

### Key Rating Drivers & Detailed Description

#### Strengths:

##### • Strong revenue visibility and counterparty profile

The entire capacity of 555.25 MWp of ARG is tied up through long-term PPAs at fixed pre-determined tariffs. Around 45% of the overall portfolio (by capacity) has 25-year PPAs with Solar Energy Corporation of India (SECI) at tariffs of Rs 2.62/unit (for 140 MWp) and Rs 4.43/unit (for 108 MWp), while 210 MWp (38% of capacity) is tied up with Bangalore Electricity Supply Company Ltd (BESCOM; a Karnataka state discom (distribution company)) for 25 years at a tariff of Rs 3.92/unit. The balance capacity is tied up with four commercial and industrial (C&I) customers with strong credit risk profiles for 17 years (capacity weighted average) with lock-in period of 15 years at a tariff of Rs 3.73/unit (capacity weighted average).

[https://www.crisil.com/india/where/india/rating/RatingList/RatingDocs/AvaadaSolariseEnergyPrivateLimited\\_February02\\_2022\\_RR\\_286167.html](https://www.crisil.com/india/where/india/rating/RatingList/RatingDocs/AvaadaSolariseEnergyPrivateLimited_February02_2022_RR_286167.html)

1/7

2/18/22, 11:17 AM

#### Rating Rationale

The long-term PPAs provide revenue visibility and stability to cash flows. Payment track record across the projects has been healthy, with payment cycle largely in line with the PPA terms in the past few years, despite presence of a state discom (BEDCOM) among the counterparties. Additionally, projects have been operational for over two years (capacity weighted average) and have a satisfactory performance track record, with above P90 plant load factor (PLF) performance (on aggregate basis) over the past two fiscals (only projects operational for full fiscal considered).

Going forward, CRISIL Ratings expects the payment cycle to remain stable while PLF levels to remain at P-90 level or better. However, any significant build-up of receivables or continuous underperformance in the PLF will remain a key rating sensitivity factor.

- **Diversified geographical spread of assets with co-obligor structure of SPVs providing diversity benefit**  
The assets are spread across Karnataka (38% of total capacity), Maharashtra (37%) and Rajasthan (25%). The projects in Karnataka and Rajasthan are in solar parks with a record of healthy irradiation levels.

All projects within each SPV are co-obligors for projects in the other three SPVs. Furthermore, cash flow generated at each SPV will be available for use across the restricted group, thus supporting the consolidated DSCR. Additionally, as part of structure conditions, the SPVs have undertaken that any distributable surplus in any SPV will first be utilised to make good any shortfall in meeting expenses, debt servicing or maintenance of reserves in other SPVs before distribution to the sponsors.

- **Healthy financial risk profile**  
The financial risk profile should remain healthy marked by strong average DSCR through the tenure of the three-year NCDs (at CRISIL Ratings sensitised projections). The DSCRs are also likely to be healthy through the remaining life of the asset after refinancing. Furthermore, liquidity for the NCDs shall be supported through DSRA equivalent to nine months of debt obligation in the form of cash or bank guarantee without any recourse to project assets.

Financial risk profile is also supported by a cash sweep covenant which specifies that if the DSCR falls below 1.45 times in the trailing 12 months (tested every six months), the entire surplus shall be swept and used for debt prepayment. The proposed NCDs will be secured by project assets.

#### Weaknesses:

- **Exposure to refinancing risk**  
The SPVs in ARG are exposed to the risk of refinancing bullet of around Rs 1,272.3 crore at the end of three-year tenor of the NCDs. That said, the healthy business risk profile of the underlying assets and robust blended DSCRs over the available useful life of projects, extending to around 17.1 years (on capacity weighted basis), mitigate risks to an extent, with respect to refinancing. Moreover, as per the management, the refinancing plan will be initiated six months before the bullet at the end of the third year, thereby providing reasonable cushion in terms of the timelines.
- **Exposure to risks inherent in operating solar energy assets**  
The performance of solar power plants depends on irradiation levels around the plant's location and annual degradation in solar panels. Given that cash flow is highly sensitive to PLFs in solar power assets, these risks could severely impair debt servicing and free cash flow. CRISIL Ratings will continue to monitor PLF levels as a key rating sensitivity factor.

#### Liquidity: Superior

Liquidity is driven by expected earnings before interest and depreciation of around Rs 250 crore in fiscal 2023 at P90 level of generation, against debt obligation of around Rs 157 crore. The SPVs will also have DSRA of nine months (of debt obligation) to cover any cash flow mismatches, which will be created upfront at the time of NCD issuance. Additionally, there is no planned capital expenditure, except as required in the normal course of business for plant upkeep.

#### Outlook: Stable

The SPVs in ARG are expected to benefit from steady cash flows backed by long-term PPAs and stable operational performance.

#### Rating Sensitivity factors

##### Downward factors

- Weighted average PLF for the entire portfolio lower than P90 level on a sustained basis
- Significant delay in payment by counterparties resulting in sustained build-up of receivables
- Non-adherence to the terms of the proposed structure

#### Additional disclosures for the provisional rating

The provisional rating is contingent upon occurrence of the following:

- Financing agreements and signed term sheet in line with terms assessed are executed
- The provisional rating shall be converted into a final rating after receipt of transaction documents duly executed and on confirmation of completion of pending steps within 90 days from the date of issuance of the proposed NCDs.

The final rating assigned after conversion shall be consistent with the available documents and completed steps. In case of non-completion of steps or non-receipt of the duly executed transaction documents within the specified timelines, the rating committee of CRISIL Ratings may grant an extension of up to another 90 days in line with its policy on provisional ratings.

#### Rating that would have been assigned in the absence of the pending documentation

In the absence of pending steps/documentation considered while assigning the provisional rating as mentioned above, CRISIL Ratings would have assigned the 'CRISIL A/Stable' rating. It is pertinent to note that this rating is not comparable to the provisional rating, as in the absence of the above co-obligor structure and the covenants mentioned in the draft term



2/18/22, 11:17 AM

Rating Rationale

sheet, the rating of ASEPL would be based on its standalone credit risk profile (considering terms of its present plain vanilla debt structure).

#### Key drivers for the rating in absence of pending documentation

For arriving at its rating, CRISIL Ratings has considered the standalone business and financial risk profiles of ASEPL and has applied its criteria for rating solar power projects to assess the credit risk profile.

The rating factors in the robust revenue visibility given the long-term PPA with BESCOM, and the healthy financial risk profile of the company, led by comfortable DSCR over the loan tenure. These strengths are partially offset by susceptibility to risks involved in operating solar assets and single-asset concentration risk.

#### Risks associated with the provisional rating:

A prefix of 'Provisional' to the rating symbol indicates that the rating is contingent upon occurrence of certain steps or execution of certain documents by the issuer, as applicable. In case the documents received and/or completion of steps deviates significantly from expectations, CRISIL Ratings may take an appropriate action, including placing the rating on watch or a rating/outlook change, depending on the status of progress on a case-to-case basis. In the absence of the pending steps/documentation, the rating on the Instrument would not have been assigned ab initio.

#### About the Company:

ASEPL is a 100% subsidiary of AEPL. It has a 210 MWp solar power plant commissioned in 2019 in the Pavagada solar park in Karnataka. It has signed a PPA for 25 years with BESCOM at a tariff of Rs 2.92/unit.

#### Key Financial Indicators- ASEPL – CRISIL Ratings-adjusted numbers

As on / for the period ended March 31	Unit	2021	2020*
Operating Income	Rs crore	84	31
Reported profit after tax (PAT)	Rs crore	3	12
PAT margin	%	3.2	38.0
Adjusted debt <sup>1</sup> /adjusted networth <sup>2</sup>	Times	2.71	2.80
Interest coverage	Times	1.81	3.00

\*Interest free loans from promoter and related parties treated as neither debt nor equity.

<sup>1</sup>Projects under the company were fully operationalised starting November 27, 2019.

Any other information: Not applicable

#### Note on complexity levels of the rated instrument:

CRISIL Ratings' complexity levels are assigned to various types of financial instruments. The CRISIL Ratings' complexity levels are available on [www.crisil.com/complexity-levels](http://www.crisil.com/complexity-levels). Users are advised to refer to the CRISIL Ratings' complexity levels for instruments that they consider for investment. Users may also call the Customer Service Helpdesk with queries on specific instruments.

#### Annexure - Details of Instrument(s)

ISIN	Name of Instrument	Date of allotment	Coupon rate (%)	Maturity date	Issue size (Rs crore)	Complexity Level	Rating assigned with outlook
NA	Non-convertible debentures*	NA	NA	NA	499	NA	Provisional CRISIL AAA/Stable
NA	Proposed Short Term Bank Loan Facility	NA	NA	NA	11	NA	Provisional CRISIL A1+

\*Yet to be issued

#### Annexure - List of entities consolidated

Entities consolidated	Extent of consolidation	Rationale for consolidation
Clean Sustainable Energy Pvt Ltd	Full	Common management and sharing of cash flow
Avaada Solarise Energy Pvt Ltd	Full	
Avaada SolarMH Pvt Ltd	Full	
Ferrel Solarfarms Pvt Ltd	Full	

#### Annexure - Rating History for last 3 Years

Annexure - Rating History for last 3 Years												
Instrument	Type	Current		2022 (History)		2021		2020		2019		Start of 2019
		Outstanding Amount	Rating	Date	Rating	Date	Rating	Date	Rating	Date	Rating	
Fund Based Facilities	ST	11.0	Provisional CRISIL A1+	--	--	--	--	10-11-20	Withdrawn	25-12-19	CRISIL BBS/Stable	--
				--	--	--	--	--	--	15-09-19	CRISIL BBS-Stable	--
				--	--	--	--	--	--	07-09-19	CRISIL BBS-Stable	--
				--	--	--	--	--	--	30-07-19	CRISIL BBS-Stable	--
				--	--	--	--	--	--	25-07-19	CRISIL BBS-Stable	--
Non-Fund Based	LT	--	--	--	--	--	--	10-11-20	Withdrawn	25-12-19	CRISIL BBS/Stable	--

[https://www.crisil.com/mnt/whatsNew/Ratings/RatingList/WorkingDocs/AvaadaSolariseEnergyPrivateLimited\\_February02\\_2022\\_RR\\_288157.html](https://www.crisil.com/mnt/whatsNew/Ratings/RatingList/WorkingDocs/AvaadaSolariseEnergyPrivateLimited_February02_2022_RR_288157.html)

3/7

2/18/22, 11:17 AM

Waiting Room

Facilities			--	--	--	--	15-09-19	CRISIL BBB-/Stable Provisional CRISIL AAA (CE) /Stable	--
			--	--	--	--	07-09-19	CRISIL BBB-/Stable Provisional CRISIL AAA (CE) /Stable	--
			--	--	--	--	30-07-19	CRISIL BBB-/Stable Provisional CRISIL AAA (SC) /Stable	--
			--	--	--	--	25-07-19	CRISIL BBB-/Stable Provisional CRISIL AAA (SC) /Stable	--
Non Convertible Debentures	LT	496.0	Provisional CRISIL AAA/Stable	--	08-12-21	Provisional CRISIL AAA/Stable	--	--	--

All amounts are in Rs. C

## Annexure - Details of Bank Lenders &amp; Facilities

Facility	Amount (Rs.Crore)	Name of Lender	Rating
Proposed Short Term Bank Loan Facility	11	Not Applicable	Provisional CRISIL A1+

This Annexure has been updated on 02-Feb-22 in line with the lender-wise facility details as on 02-Feb-22 received from the rated entity.

### Criteria Details

[Link to related criteria](#)

- [CRSIL's Approach to Financial Ratios](#)  
[Approach towards provisional ratios](#)  
[The Rating Process](#)  
[Criteria for rating solar power projects](#)  
[Criteria for rating entities belonging to homogeneous groups](#)  
[Understanding CRSIL's Ratings and Rating Scales](#)

Media Relations	Analytical Contacts	Customer Service Helpdesk
<b>Pankaj Rawat</b> Media Relations CRISIL Limited B: +91 22 3342 3000 <a href="mailto:pankaj.rawat@crisil.com">pankaj.rawat@crisil.com</a>	<b>Manish Kumar Gupta</b> Senior Director CRISIL Ratings Limited B: +91 124 672 3000 <a href="mailto:manish.kgupta@crisil.com">manish.kgupta@crisil.com</a>	<b>Timings:</b> 10.00 am to 7.00 pm <b>Toll free Number:</b> 1800 267 1301  <b>For a copy of Rationales / Rating Reports:</b> <a href="mailto:CRISIL.enquiry@crisil.com">CRISIL.enquiry@crisil.com</a>
<b>Naiheen Ahmed</b> Media Relations CRISIL Limited D: +91 22 3342 1818 B: +91 22 3342 3000 <a href="mailto:naiheen.ahmed@crisil.com">naiheen.ahmed@crisil.com</a>	<b>Aditya Jhaver</b> Director CRISIL Ratings Limited B: +91 22 3342 3000 <a href="mailto:Aditya.Jhaver@crisil.com">Aditya.Jhaver@crisil.com</a>	 <b>For Analytical queries:</b> <a href="mailto:ratings.enquiry@crisil.com">ratings.enquiry@crisil.com</a>
	<b>Shivaramakrishna Kolluri</b> Manager CRISIL Ratings Limited B: +91 22 3342 3000 <a href="mailto:Shivaramakrishna.Kolluri@crisil.com">Shivaramakrishna.Kolluri@crisil.com</a>	

## ANNEXURE D: CONSENT OF DEBENTURE TRUSTEE

**CATALYST**  
Believe in yourself... Trust us!



3716/CL/MUM/21-22/DEB/679  
November 17, 2021

To,  
Avanda Solarise Energy Private Limited ("Issuer")  
910/19, Suryakiran, Kasturba Gandhi Marg,  
New Delhi - 110001

Dear Sir,

**Consent to act as Debenture Trustee for Secured, Redeemable, Rated, Listed, Non-convertible Debentures aggregating up to Rs. 499 Crores along with Non fund based- SBLC aggregating 11 Crores to be issued by the Company**

This is with reference to the appointment of Catalyst Trusteeship Limited (CTL) to act as Debenture Trustee for the Secured, Redeemable, Rated, Listed, Non-convertible Debentures aggregating up to Rs. 499 Crores along with Non fund based- SBLC aggregating 11 Crores to be issued by the Company.

In this regard, we hereby agree to act as Debenture Trustee on the following trusteeship remuneration:

<b>Acceptance fees</b>	Rs. 4,99,000/- plus applicable taxes (One Time; Non Refundable & payable on appointment as trustee).
<b>Service Charges (Debenture Trustee)</b>	Rs. 7,48,500/- p.a. plus applicable taxes payable in advance, for each financial year or any part thereof, effective from the date of execution till satisfaction of charges in full.  Pro-rata charges would apply for the first year from date of appointment till March 31, 2022

Please note:

- In case of multiple securities or securities across the states, complex/structured covenant monitoring etc. there will be additional fees.
- Expenses related to valuation, search, inspection, etc. arranged through external agencies shall be payable on actual basis over and above the aforementioned fees.

We accept the above terms.

For Catalyst Trusteeship Limited

Authorized Signatory

For Avanda Solarise Energy Private Limited

Authorized Signatory

**Note:**

As per GST guidelines, CTL would be required to pay the applicable GST on the amounts / charges payable to us as indicated above. Please note that the Company would be liable to pay all such charges even in the event of cancellation of the aforesaid transaction. Therefore, no refund of any statutory dues already paid would be made.



CATALYST  
Believe in yourself... Trust us!



3716/CL/MUM/21-22/DEB/679  
November 17, 2021

To,  
Avaada Solarise Energy Private Limited (Issuer)  
910/19, Suryakiran, Kasturba Gandhi Marg,  
New Delhi New Delhi - 110001

Dear Sir,

**Consent to act as Debenture Trustee for Secured, Redeemable, Rated, Listed, Non-convertible Debentures aggregating up to Rs. 499 Crores along with Non fund based- SBLC aggregating 11 Crores to be issued by the Company**

This is with reference to the appointment of Catalyst Trusteeship Limited to act as Debenture Trustee for the for Secured, Redeemable, Rated, Listed, Non-convertible Debentures aggregating up to Rs. 499 Crores along with Non fund based- SBLC aggregating 11 Crores to be issued by the Company.

In this regard, we hereby agree to act as Trustee on the terms and conditions as mutually agreed between the Trustee and the Company.

The Company and the Trustee shall enter into relevant trustee agreements and other necessary documents for the aforesaid issue of NCDs and also agrees & undertakes to comply with the provisions of the SEBI (Debenture Trustees) Regulations, 1993, SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as may be amended from time to time, SEBI Circular No. CIR/CFD/CMD/6/2015 dated October 13, 2015 and the Listing Agreement pursuant thereto to be executed with Bombay Stock Exchange(BSE)/ National Stock Exchange(NSE), the RBI Circular No. RBI/2012-13/560 dated June 27, 2013, the Companies Act, 2013 and any other applicable statutes, regulations and provisions as amended from time to time.

We are also agreeable for inclusion of our name as trustees in the Company's offer document/disclosure document/ listing application/any other document to be filed with the Stock Exchange(s) or any other authority as required.

We accept the above terms.  
For Catalyst Trusteeship Limited

Authorized Signatory



For Avaada Solarise Energy Private Limited

Authorized Signatory



CATALYST TRUSTEESHIP LIMITED [www.catalysttrusteeship.com](http://www.catalysttrusteeship.com)  
Mumbai Office: Warden, 6<sup>th</sup> Floor, Office No. 604, C.S.T. Road, Kalina, Santacruz (East), Mumbai-400 098 Tel: +91 02214922 0505 Fax: +91 02214922 0505  
Regd. Office: CDA House, Plot No. 85, Bhamburda Colony 50th Plt, Phase Road, Pune-411 008 Tel: +91 0209129395041 Fax: +91 020125208275  
Delhi Office: Office No. 010, 4th Floor, Parkside Building, 26, Kasturba Gandhi Marg, New Delhi - 110004 Tel: +91 11 520 2910/20  
Cat No. UYCA9997899091300662 Email: [info@catalysttrusteeship.com](mailto:info@catalysttrusteeship.com) Website: [www.catalysttrusteeship.com](http://www.catalysttrusteeship.com)  
Pune | Mumbai | Bangalore | Delhi | Chennai

As per 50% Company



## ANNEXURE E: FINANCIAL STATEMENTS

### BALANCE SHEET

(Currency Indian rupees, in millions)	<b>Audited</b>	<b>Audited</b>	<b>Audited</b>	<b>Audited</b>
	<b>Half yearly As at 30 September 2021</b>	<b>As at 31 March 2021</b>	<b>As at 31 March 2020</b>	<b>As at 31 March 2019</b>
<b>Non-current assets</b>				
Property, plant and equipment	6300.17	6428.49	6653.87	-
Right of use assets	262.77	268.63	343.24	-
Capital Work-in-Progress		-	-	674.16
Financial Assets				
Other Financial Assets	0.03	0.03	1.09	-
Deferred tax assets (net)		-	-	1.10
Non-current tax assets (net)	6.25	5.10	3.05	-
Other non-current assets		-	-	-
	<b>6569.22</b>	<b>6702.25</b>	<b>7001.25</b>	<b>675.26</b>
<b>Current Assets</b>				
Inventories	20.86	21.37	25.07	-
Financial Assets				
Investments	-	-	-	-
Trade receivables	207.04	178.02	249.68	-
Cash and cash equivalents	176.12	113.91	60.82	0.06
Other bank balances	291.15	375.15	178.30	-
Other financial assets	2.84	1.73	0.27	-
Other current assets	27.56	6.15	4.30	904.16
	<b>725.57</b>	<b>696.33</b>	<b>518.44</b>	<b>904.22</b>
<b>TOTAL ASSETS</b>	<b>7294.79</b>	<b>7398.58</b>	<b>7519.69</b>	<b>1579.48</b>
<b>Equity and Liabilities</b>				
<b>Equity</b>				
Equity share capital	428.50	428.50	428.50	0.10

(Currency Indian rupees, in millions)	<b>Audited</b>	<b>Audited</b>	<b>Audited</b>	<b>Audited</b>
	<b>Half yearly As at 30 September 2021</b>	<b>As at 31 March 2021</b>	<b>As at 31 March 2020</b>	<b>As at 31 March 2019</b>
Instruments entirely equity in nature	1284.90	1284.90	1284.90	-
Other equity	170.17	143.61	113.57	(3.12)
	<b>1883.57</b>	<b>1857.01</b>	<b>1826.97</b>	<b>(3.02)</b>
<b>Liabilities</b>				
<b>Non-current liabilities</b>				
Financial liabilities				
Borrowings	4733.84	4835.00	5033.71	-
Lease Liability	255.04	273.20	325.38	
Provisions	8.76	8.34	7.40	-
Deferred tax liability(net)	87.36	77.95	38.31	-
Other non-current liabilities	-	-	-	-
	<b>5085.00</b>	<b>5194.49</b>	<b>5404.80</b>	<b>-</b>
<b>Current liabilities</b>				
Financial liabilities				
Borrowings	43.91	30.50	19.83	1496.00
Trade Payables				
Total outstanding dues of micro and small enterprises	-	-	-	-
total outstanding dues of creditors other than micro enterprises and small enterprises	61.34	92.83	145.83	78.87
Lease liability	20.38	22.54	34.49	-
Other financial liabilities	200.43	200.25	84.95	-
Other current liabilities	0.16	0.96	2.82	7.63
Provisions	-	-	-	-
	<b>326.22</b>	<b>347.08</b>	<b>287.92</b>	<b>1582.50</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>7294.79</b>	<b>7398.58</b>	<b>7519.69</b>	<b>1579.48</b>

(Currency Indian rupees, in millions)	<b>Audited</b>	<b>Audited</b>	<b>Audited</b>	<b>Audited</b>
	<b>Half yearly As at 30 September 2021</b>	<b>As at 31 March 2021</b>	<b>As at 31 March 2020</b>	<b>As at 31 March 2019</b>

### PROFIT AND LOSS

(Currency Indian rupees, in millions)	<b>Audited</b>	<b>Audited</b>	<b>Audited</b>	<b>Audited</b>
	<b>Half yearly As at 30 September 2021</b>	<b>As at 31 March 2021</b>	<b>As at 31 March 2020</b>	<b>As at 31 March 2019</b>
<b>Income</b>				
Revenue from operations	460.90	935.60	307.02	-
Other income	21.39	27.20	31.77	-
<b>Total Income (I)</b>	<b>482.29</b>	<b>962.80</b>	<b>338.79</b>	<b>-</b>
<b>Expenses</b>				
Cost of goods and services	-	-	0.09	-
Employee benefit expense	2.19	3.89	0.46	-
Finance costs	263.41	543.00	103.93	-
Depreciation expense	134.18	263.78	51.98	-
Other expenses	46.53	82.42	26.23	4.22
<b>Total expenses (II)</b>	<b>446.31</b>	<b>893.09</b>	<b>182.69</b>	<b>4.22</b>
<b>Profit / (Loss) before tax</b>	<b>35.98</b>	<b>69.71</b>	<b>156.10</b>	<b>(4.22)</b>
<b>Tax expenses</b>				
Current tax	-	-	-	-
Deferred tax charge	9.41	39.65	39.41	(1.10)
MAT credit				
<b>Total tax expense</b>	<b>9.41</b>	<b>39.65</b>	<b>39.41</b>	<b>(1.10)</b>

(Currency Indian rupees, in millions)	<b>Audited</b>	<b>Audited</b>	<b>Audited</b>	<b>Audited</b>
	<b>Half yearly As at 30 September 2021</b>	<b>As at 31 March 2021</b>	<b>As at 31 March 2020</b>	<b>As at 31 March 2019</b>
<b>Profit / (Loss) after tax</b>	<b>26.57</b>	<b>30.06</b>	<b>116.69</b>	<b>(3.12)</b>
<b>Other comprehensive income</b>	(0.01)	(0.02)	-	-
<b>Total comprehensive income for the year</b>	<b>26.56</b>	<b>30.04</b>	<b>116.69</b>	<b>(3.12)</b>
Earnings per equity share (nominal value of share Rs 10 (previous year Rs 10))				
Basic and diluted loss per share	0.16	0.18	0.79	(312.38)

### CASH FLOW STATEMENT

(Currency Indian rupees, in millions)	<b>Audited</b>	<b>Audited</b>	<b>Audited</b>	<b>Audited</b>
	<b>Half yearly As at 30 September 2021</b>	<b>As at 31 March 2021</b>	<b>As at 31 March 2020</b>	<b>As at 31 March 2019</b>
<b>Cash flow from/ (used in) operating activities</b>				
Profit / (Loss) before tax	35.98	69.71	156.10	(4.22)
<b>Adjustments</b>				
Finance costs	246.73	516.86	86.88	-
Interest on lease liability	15.67	24.19	16.66	-
Interest on decommissioning liability	0.40	0.75	0.18	-
Interest Income	(13.53)	(27.20)	(30.53)	-
Profit on sale of investment	-	-	(1.24)	-
Depreciation on property, plant and equipment	128.32	254.72	45.68	-
Depreciation on right of use	5.86	9.06	6.29	-
Processing fees	0.60	1.20	0.21	-
<b>Operating Profit before working capital changes</b>	<b>420.03</b>	<b>849.29</b>	<b>280.23</b>	<b>(4.22)</b>
Adjustment for working capital changes				
Changes in inventories	0.51	3.71	(25.07)	-



(Currency Indian rupees, in millions)	<b>Audited</b>	<b>Audited</b>	<b>Audited</b>	<b>Audited</b>
	<b>Half yearly As at 30 September 2021</b>	<b>As at 31 March 2021</b>	<b>As at 31 March 2020</b>	<b>As at 31 March 2019</b>
Changes in security deposits	-	1.06	(1.09)	
Changes in trade receivables	(29.02)	71.66	(158.47)	-
Changes in other financial assets	-	-	(91.21)	-
Changes in other non-current financial assets		-	-	-
Changes in other current assets	(21.42)	(1.85)	899.86	(904.16)
Changes in other non-current assets		-	-	-
Changes in other non-current liabilities		-	-	-
Changes in trade payables	(31.48)	(53.01)	66.95	78.88
Changes in other financial liabilities	(16.08)	(67.58)	433.93	7.63
Changes in Lease liability	(20.32)	-	-	-
Change in provisions	0.41	0.91	0.01	-
Changes in other current liabilities	(0.80)	(1.86)	(4.80)	-
<b>Cash flow from operating activities post working capital changes</b>	<b>301.83</b>	<b>802.33</b>	<b>1400.34</b>	<b>(821.87)</b>
Income tax paid (net of income tax refund)	(1.15)	(2.05)	(3.05)	-
<b>Net cash flow generated from operating activities (A)</b>	<b>300.68</b>	<b>800.28</b>	<b>1397.29</b>	<b>(821.87)</b>
<b>Cash flow from investing activities</b>				
Purchase of property, plant and equipment	-	36.21	(6318.10)	(674.17)
Redemption of investments in mutual fund	-	-	1.24	-
Proceeds from investment in bank deposits	84.01	(1551.06)	(4285.77)	-
Redemption of Investment in bank deposit	-	1354.21	4107.47	-
Interest received	12.42	25.74	30.26	-
<b>Net cash inflow (used in) / from investing activities (B)</b>	<b>96.43</b>	<b>(134.90)</b>	<b>(6464.90)</b>	<b>(674.17)</b>
<b>Cash flow from financing activities</b>				
Proceeds from issue of share capital	-	-	428.40	0.10

(Currency Indian rupees, in millions)	<b>Audited</b>	<b>Audited</b>	<b>Audited</b>	<b>Audited</b>
	<b>Half yearly As at 30 September 2021</b>	<b>As at 31 March 2021</b>	<b>As at 31 March 2020</b>	<b>As at 31 March 2019</b>
Proceeds from issue of fully compulsory convertible debentures	-	-	1284.90	-
Proceeds of long term borrowings	-	-	5033.71	-
Repayment of long term loan	(100.22)	(83.26)	-	-
Proceeds of short term borrowings	13.41	11.58	18.88	1496.00
Repayment of short term borrowings	-	(0.91)	(1495.05)	-
Repayment of lease liability	-	(22.77)	(56.82)	-
Interest paid	(248.09)	(516.93)	(85.65)	-
<b>Net cash outflow from financing activities (C)</b>	<b>(334.90)</b>	<b>(612.29)</b>	<b>5128.37</b>	<b>1496.10</b>
<b>Net (Decrease)/ Increase in cash and cash equivalents (A + B + C)</b>	62.21	53.09	60.76	0.06
Cash and cash equivalents at the beginning of the Year	113.91	60.82	0.06	-
<b>Cash and cash equivalents at the end of the year</b>	<b>176.12</b>	<b>113.91</b>	<b>60.82</b>	<b>0.06</b>

## ANNEXURE F: CONSENT OF REGISTRAR TO THE ISSUE



Link Intime India Pvt. Ltd.  
CIN : U67190MH1999PTC119308  
C-101, 247 Park, L.B.S. Marg,  
Vikhroli (West), Mumbai - 400 083.  
Tel. : +91 22 4938 6000  
Fax : +91 22 4938 6060  
E-mail : mumbai@linkintime.co.in  
Website : www.linkintime.co.in

January 12, 2022

To,  
**AVAADA SOLARISE ENERGY PRIVATE LIMITED**  
910/19, Suryakiran, Kasturba Gandhi Marg,  
New Delhi- 110001

Dear Sir/Madam,

**Sub.: Consent to act as Registrar to the Proposed issue of "Secured, Rated, Listed, Non-convertible Debentures" Of Face Value Of Rs.10 Lakh Each For Cash At Par Aggregating To Rs. 499.00 Crores to be issued on private placement basis.**

We refer to the subject issue and hereby accept our appointment as 'Registrar' for Electronic Connectivity Provider to issue of "Secured, Rated, Listed, Non-convertible Debentures" Of Face Value Of Rs. 10 Lakh Each For Cash At Par Aggregating To **Rs. 499 Crores** and give our consent to incorporate our name as "Registrar to the Issue" in the offer documents.

Our Permanent SEBI Registration No.: INR000004058.

Thanking You.

Yours faithfully,

For Link Intime India Pvt.Ltd.

  
Ganesh Jadhav  
Asst. Vice President - Depository Operations

**ANNEXURE G: IN-PRINCIPLE APPROVAL OF THE BSE**

## ANNEXURE H: DUE DILIGENCE CERTIFICATE AS PER THE FORMAT IN ANNEXURE A OF THE SEBI DUE DILIGENCE CIRCULAR

**CATALYST**  
Believe in yourself... Trust us!



CTL/21-22/5592

(Annexure A)

**DUE DILIGENCE CERTIFICATE TO BE GIVEN BY THE DEBENTURE TRUSTEE AT THE TIME OF FILING THE DRAFT OFFER DOCUMENT OR PRIVATE PLACEMENT MEMORANDUM/ INFORMATION MEMORANDUM**  
(Applicable for Secured and Unsecured Issuances)

To,

**BSE Limited**  
Phiroze Jeejeebhoy Towers  
Dalal Street,  
Mumbai- 400001.

Dear Sir / Madam,

**SUB.: ISSUE OF 4990 RATED, SECURED, REDEEMABLE, LISTED, NON-CONVERTIBLE DEBENTURES EACH HAVING A FACE VALUE OF INR 10,00,000 (RUPEES TEN LAKHS ONLY) AGGREGATING UPTO INR 499,00,00,000 (RUPEES FOUR HUNDRED AND NINETY NINE CRORES) IN ONE OR MORE TRanches BY AVAADA SOLARISE ENERGY PRIVATE LIMITED**

We, the debenture trustee(s) to the above-mentioned forthcoming issue state as follows:

- 1) We have examined documents pertaining to the said issue and other such relevant documents, reports and certifications.
- 2) On the basis of such examination and of the discussions with the Issuer, its directors and other officers, other agencies and on independent verification of the various relevant documents, reports and certifications:

We confirm that:

- a) The Issuer has made adequate provisions for and/or has taken steps to provide for adequate security for the debt securities to be issued.
- b) The Issuer has obtained the permissions / consents necessary for creating security on the said property(ies).
- c) The Issuer has made all the relevant disclosures about the security and its continued obligations towards the holders of debt securities.
- d) Issuer has adequately disclosed all consents/ permissions required for creation of further charge on assets in offer document or private placement memorandum/ information memorandum and all disclosures made in the offer document or private placement memorandum/ information memorandum with respect to creation of security are in confirmation with the clauses of debenture trustee agreement.

CATALYST TRUSTEESHIP LIMITED [www.catalysttrustee.com](http://www.catalysttrustee.com)

An ISO9001 Company

Mumbai Office: Windsor, 6<sup>th</sup> Floor, Office No. 604, C.S.T. Road, Kurla, Santacruz (East) Mumbai 400 096. Tel: +91 (022) 4922 0505. Fax: +91 (022) 4922 0505.  
Regd. Office: CGA House, Plot No. 65, Bhamburda Colony (Right) Taram Road, Pune 411 006. Tel: +91 (020) 25280041. Fax: +91 (020) 25280275.  
Delhi Office: Office No. 813, 8th Floor, Kalindi Building, 26, Kasturba Gandhi Marg, New Delhi - 110001. Tel: +91 11 430 2910/102.  
CIN No. U74999PR0977PLC100062. Email: [info@catalysttrustee.com](mailto:info@catalysttrustee.com). Website: [www.catalysttrustee.com](http://www.catalysttrustee.com)



**CATALYST**  
Believe in yourself... Trust us!



- e) Issuer has given an undertaking that charge shall be created in favour of debenture trustee as per terms of issue before filing of listing application.
- f) Issuer has disclosed all covenants proposed to be included in debenture trust deed (including any side letter, accelerated payment clause etc.), offer document or private placement memorandum/ information memorandum and given an undertaking that debenture trust deed would be executed before filing of listing application.
- g) All disclosures made in the draft offer document or private placement memorandum/ information memorandum with respect to the debt securities are true, fair and adequate to enable the investors to make a well-informed decision as to the investment in the proposed issue.

We have satisfied ourselves about the ability of the Issuer to service the debt securities.

**Place: Mumbai**

**Date: February 17, 2022**

**For Catalyst Trusteeship Limited**

For CATALYST TRUSTEESHIP LIMITED

  
Authorised Signatory

**Authorised Signatory**

**CATALYST TRUSTEESHIP LIMITED** 17/02/2022 11:00:01 AM

An ISO 9001 Company

**Mumbai Office** Windsor, 6<sup>th</sup> Floor, Office No. 60A, C.S.T. Road, Kalina, Santacruz (East) Mumbai 400 098 Tel: +91 (022) 4922 0555 Fax: +91 (022) 4922 0505  
**Regd. Office** GDA House, Plot No. 85, Bhusari Colony (Right), Paud Road, Pune 411 058 Tel: +91 (020) 25200001 Fax: +91 (020) 25285278  
**Delhi Office** Office No. 810, 8th Floor, Kalash Building, 26, Kasturba Gandhi Marg, New Delhi - 110001 Tel: +91 11 430 29101/02  
CIN No. U74999DL199704CIN0282 Email: info@catalysttrustee.com Website: www.catalysttrustee.com  
Pune | Mumbai | Bangalore | Delhi | Chennai



**ANNEXURE I: DOCUMENTS WHICH HAVE BEEN/ARE PROPOSED TO BE EXECUTED IN CONNECTION WITH THE ISSUE AND  
SUBSCRIPTION OF THE DEBENTURES**

1. Debenture Trust Deed
2. Information Memorandum
3. Deed of Hypothecation
4. Accounts Agreement
5. Corporate Guarantee
6. Inter Se Agreement
7. Share Pledge Agreement
8. Mortgage Documents





Avastha Solaris Energy Private Limited  
CIN- U40300DL2018PTC338280  
Notes to financial statements for the year ended March 31, 2021  
(All amounts in INR, millions unless stated otherwise)

**28. Operating Segments**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Company is involved in only one business, which is the generation and transmission of solar power. Hence, the Company has only one operating segment. Further, the Company is having a single geographical segment since its operations are wholly based in India. Therefore no disclosure has been made in the financial statements.

**29. Related party transactions**

**(i) Names of related parties and related party relationship**

**(a) Related parties where control exists**

Ultimate holding company  
Holding company  
Fellow Subsidiary Company

Avastha Ventures Private Limited  
Avastha Energy Private Limited  
Avastha Clean Project Private Limited  
Viraj Solar Maharashtra Private Limited

**Key managerial personnel**

Ravi Kant Verma (Director)  
T. R. Kishor Nair (Director)  
Kirti Singh (Company secretary)

**(ii) Transaction with related parties during the year**

Particulars	Ultimate holding company		Holding and other related companies	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Issue of equity shares	-	-	-	428.40
Avastha Energy Private Limited	-	-	-	428.40
Issue of Fully compulsory convertible debentures (FCCDs)	-	-	-	1,284.90
Avastha Energy Private Limited	-	-	-	1,284.90
Demand loan received	-	-	-	18.88
Avastha Energy Private Limited	-	-	-	18.88
Demand loan repaid	0.91	-	-	-
Avastha Ventures Private Limited	0.91	-	-	-
Sale of trading goods	-	0.11	-	-
Avastha Ventures Private Limited	-	0.11	-	-
Purchase of goods & services under EPC contracts	-	-	20.60	4,752.21
Avastha Energy Private Limited	-	-	20.60	4,752.21
Avastha Clean Project Private Limited	-	-	-	962.90
EPC advance paid	-	-	-	1,890.99
Avastha Energy Private Limited	-	-	-	1,890.99
Avastha Clean Project Private Limited	-	-	-	962.90
EPC advance return	-	-	0.25	1,496.00
Avastha Energy Private Limited	-	-	0.25	1,496.00
Reimbursement of expenses by	-	1.01	11.55	3.35
Avastha Energy Private Limited	-	-	11.55	3.35
Avastha Ventures Private Limited	-	1.01	-	-
Avastha Clean Project Private Limited	-	-	0.03	-
Paid against land purchase	-	-	1.28	-
Viraj Solar Maharashtra Private Limited	-	-	1.28	-
Purchase of land	-	-	-	1.28
Viraj Solar Maharashtra Private Limited	-	-	-	1.28

**Compensation to key managerial personnel**

No remuneration has been paid to the directors and Company secretary for the services received during the year ended March 31, 2021.

### ANNEXURE K: DETAILS OF PENDING LITIGATIONS

S. NO.	COMPANY	PROJECT/ ASSET	CASE NO.	CLAIMANT/ PETITIONERS	RESPONDENTS	AUTHORITY/ COURT	ISSUE/SUBJECT MATTER	ESTIMATED EXPOSURE
1.	Avaada Solarise Energy Private Limited (ASrPL)	ASrEPL – 150 MW, Pavagada-2, Karnataka	W.P 43790-791 of 2019 & SLP(C) No. 002395 - 002396 / 2021	ASrPL along with AEPL	Union of India & others	Karnataka High Court at Bangalore & Supreme Court of India	<p><u>CHALLENGING THE SAFEGUARD DUTY (SGD) NOTIFICATION:</u></p> <p>A Writ petition has been filed inter-alia seeking quashing of the Final Finding dated 16.07.2018 (“Final Finding”) and Notification dated 30.07.2018 for Levy of safeguard duty on the import of “solar cells whether or not assembled in modules or panels” (“PUC”) for the period 2 years.</p> <p>The Hon’ble High Court of Karnataka vide interim order dated 24.09.2019 was pleased to grant interim relief to the Petitioners wherein the Respondent No.5 (i.e., Customs</p>	Entire SGD has been paid to the customs authority. The challenge to SGD notification is pending before courts.

S. NO.	COMPANY	PROJECT/ ASSET	CASE NO.	CLAIMANT/ PETITIONERS	RESPONDENTS	AUTHORITY/ COURT	ISSUE/SUBJECT MATTER	ESTIMATED EXPOSURE
							<p>Authorities) has been directed to release the goods and future imports on provisional assessment of the safeguard duty, without insisting upon payment on Safeguard Duty upon executing a bond.</p> <p>An SLP has been filed against the Karnataka High Court order dated 24.09.2019 passed in W.P. Nos. 43790-43791 of 2019.</p> <p>The Hon'ble Supreme Court has passed the following order on 05-02-2021 i.e., "...In the meantime, operation of the impugned final judgment and order dated 24.09.2019 passed by the High Court of Karnataka at Bengaluru in W.A. Nos. 867-868 of 2019 shall remain stayed."</p> <p>Hearings on the matter are ongoing.</p>	

## ANNEXURE L: INDEPENDENT ASSURANCE STATEMENT



**KPMG Assurance and Consulting Services LLP**  
Building No. 10, 8th Floor, Tower-C  
DLF Cyber City, Phase - II  
Gurgaon - 122 002 (India)

Telephone: +91 124 307 4000  
Fax: +91 124 254 9101  
Internet: [www.kpmg.com/in](http://www.kpmg.com/in)

### Independent Assurance Statement

To the management of:

Fermi Solarfarms Private Limited, 910/19, Suryakiran, Kasturba Gandhi Marg, New Delhi 110001, India;

Clean Sustainable Energy Private Limited, Hubtown Solaris, 4th Floor, 406, N.S. Phadke Marg, Near Andheri East West flyover, Mumbai – 400069, India;

Avaada SataraMH Private Limited, C-11, Sector-65, Noida, Gautam Buddha Nagar, Uttar Pradesh – 201301, India; and

Avaada Solarise Energy Private Limited, 910/19, Suryakiran, Kasturba Gandhi Marg, New Delhi 110001, India

#### Introduction

KPMG Assurance and Consulting Services LLP (KPMG) was engaged by Fermi Solarfarms Private Limited, Clean Sustainable Energy Private Limited, Avaada SataraMH Private Limited and Avaada Solarise Energy Private Limited (together referred to as "Issuer") to provide "limited assurance" on conformance of their green bond with the pre-issuance requirements of the Climate Bonds Standard Version 3.0.

#### Assurance Standards

We conducted our engagement in accordance with requirements of 'Limited Assurance' as per International Federation of Accountants' (IFAC) International Standard on Assurance Engagements [ISAE 3000 (Revised), Assurance Engagements Other than Audits or Reviews of Historical Financial Information].

#### Assurance scope and level of assurance

Our scope of assurance included information on material aspects of the proposed green bond based on the requirements set out in the Pre-Issuance Requirements section of the Climate Bonds Standard Version 3.0 as listed below:

- Use of Proceeds
- Process for Evaluation and Selection of Projects and Assets
- Management of Proceeds
- Reporting Prior to Issuance

#### Specific limitations and exclusions

Our assurance process was subject to the following limitations as we have not been engaged to:

- Determine which, if any, recommendations should be implemented
- Provide assurance on information outside the defined reporting boundary and period
- Verify the Issuer's financial statements & economic performance

KPMG Assurance and Consulting Services LLP, an Indian limited liability partnership and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), an English entity.

KPMG (Registered) (a partnership firm with Registration No. BA-92445) converted into KPMG Assurance and Consulting Services LLP (a Limited Liability Partnership with LLP Registration No. AAT-0367), with effect from July 23, 2020.

Registered Office: Lodha Excelus, 1st Floor Apollo Mills Compound N. M. Joshi Marg, Mahalaxmi, Mumbai – 400 011.



- Verify the Issuer's statements that describe expression of opinion, belief, aspiration, expectation, aim or future intention and national or global socio-economic and environmental aspects provided by the Issuer

#### **Work undertaken**

We planned and performed our work to obtain selected evidence, information and explanations that we considered necessary to obtain a meaningful level of assurance in relation to the above scope. The procedures we performed, which are set out in more detail below, were based on our professional judgment and included, as appropriate, inquiries, observation of processes performed, inspection of documents, evaluating the appropriateness of reporting policies and agreement or reconciliation with underlying records. We believe that the procedures we have performed and the evidence we have obtained are sufficient and appropriate to provide a basis for our limited assurance conclusion.

To reach our conclusion we:

- Conducted interviews with management and key staff of Issuer responsible for the green bond to obtain an understanding of the processes, systems and controls in place for management of bond proceeds;
- Checked the Issuer's Green Bond Framework that includes processes, systems and controls in place for management of bond proceeds; investment areas for green bond proceeds and intended types of temporary investment instruments for the management of unallocated proceeds;
- Checked the nominated project and asset which is proposed to be associated with the green bond and their conformance with eligibility requirements specified in Part C of the Climate Bonds Standard Version 3.0; and
- Checked the commissioning certificates of the Special Purpose Vehicle of the nominated projects and assets which is proposed to be associated with the green bond.

#### **Conclusions**

The following conclusion is based on the work performed, evidence obtained and the scope of our assurance engagement described above:

Nothing has come to our attention to suggest that the Issuer and their green bond, are not, in all material respects, conforming to the Pre-Issuance requirements of the Climate Bonds Standard Version 3.0 and the Solar Criteria.

#### **Independence**

The assurance was conducted by a multidisciplinary team including professionals with suitable skills and experience in auditing environmental, social and economic information in line with the requirements of ISAE 3000 standard. Our work was performed in compliance with the requirements of the IFAC Code of Ethics for Professional Accountants, which requires, among other requirements, that the members of the assurance team (practitioners) as well as the assurance firm (assurance provider) be independent of the assurance client, in relation to the scope of this assurance engagement. The Code also includes detailed requirements for practitioners regarding integrity, objectivity, professional competence and due care, confidentiality and professional behaviour. We have systems and processes in place to monitor compliance with the Code and to prevent conflicts regarding independence. We apply ISQC 1 and the practitioner complies with the applicable independence and other ethical requirements of the IESBA code.



#### **Management's responsibility**

The Management of the Issuer is responsible for ensuring that the Issuer and their green bond complies with the requirements of the Climate Bonds Standard Version 3.0. This responsibility includes designing, implementing and maintaining systems and processes relevant for the management of green bond proceeds.

The Management of the Issuer is also responsible for preventing and detecting fraud and for identifying and ensuring that Issuer complies with laws and regulations applicable to its activities.

#### **Our responsibility**

Our responsibility is to report in the form of an independent limited assurance conclusion in relation to the above scope based on the procedures performed and the evidence obtained.

This assurance report is made solely to the Issuer in accordance with the terms of our engagement, which include agreed arrangements for disclosure. Our work has been undertaken so that we might state to the Issuer those matters we have been engaged to state in this assurance report and for no other purpose. Our assurance report should not be regarded as suitable to be used or relied on by any party wishing to acquire rights against us other than the Issuer or the Climate Bonds Initiative (CBI) in the context of awarding the Certification mark for any purpose or in any other context. Any party other than Issuer or CBI who obtains access to our assurance report or a copy thereof and chooses to rely on our assurance report (or any part thereof) will do so at its own risk. To the fullest extent permitted by law, we accept or assume no responsibility and deny any liability to any party other than Issuer or CBI for our work, for this independent limited assurance report, or for the conclusions we have reached. We expressly disclaim any liability or co-responsibility for any decision a person or entity would make based on this assurance statement. Our report is released to Fermi Solarfarms Private Limited, Clean Sustainable Energy Private Limited, Avaada SataraMH Private Limited and Avaada Solarise Energy Private Limited on the basis that it shall not be copied, referred to or disclosed, in whole or in part, without our prior written consent. By reading this assurance statement, stakeholders acknowledge and agree to the limitations and disclaimers mentioned above.

A handwritten signature in black ink, appearing to read 'Manpreet Singh', written over a light blue circular stamp.

#### **Manpreet Singh**

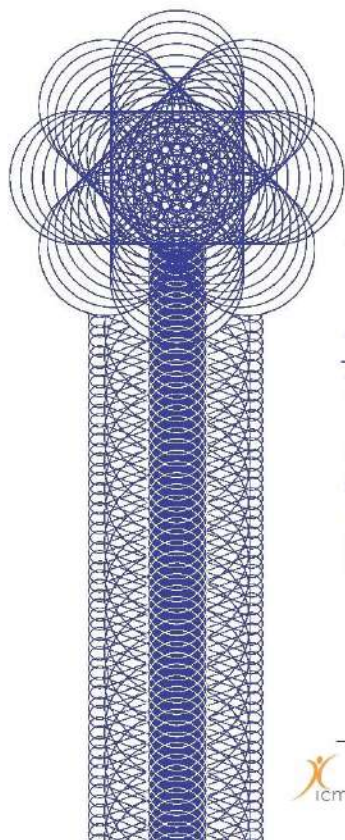
Partner

KPMG Assurance and Consulting Services LLP

10 December 2021



## ANNEXURE M: GREEN BOND CERTIFICATE



# Certification



This is to certify that the

### *Avaada Green Bond*

Issued by

*Avaada Solarise Energy Private Limited, Fermi Solarfarms Private Limited, Clean Sustainable Energy Private Limited, Avaada SataraMH Private Limited*

Has met the criteria for certification by the Climate Bonds Standard Board on behalf of the Climate Bonds Initiative

SEAN KIDNEY

Chair of the Climate Bonds Standard Board

*14 December 2021*



CALSTRS

IIGCC



Climate Bonds

**ANNEXURE N: CORPORATE GUARANTEE**

**(attached separately)**



## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF AVAADA SOLARISE ENERGY PRIVATE LIMITED

#### Report on the Audit of the Standalone Financial Statements

##### Opinion

We have audited the accompanying standalone financial statements of **Avaada Solarise Energy Private Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

##### Basis for Opinion

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

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

The Company's Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

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

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



If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

### **Management's Responsibility for the Standalone Financial Statements**

The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

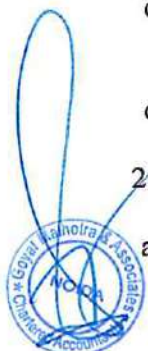
The Board of Directors are responsible for overseeing the Company's financial reporting process.

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

Our objectives are to obtain reasonable assurance about whether the 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.

### **Report on other Legal and Regulatory Requirements**

1. The provisions of the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013 is not applicable to the Company since
  - a) It is not a subsidiary or holding company of a public company;
  - b) Its paid-up capital and reserves and surplus are not more than Rs.1 Crores as at the balance sheet date;
  - c) Its total borrowings from banks and financial institutions are not more than Rs.1 Crores at any time during the year; and
  - d) Its turnover for the year is not more than Rs.10 Crores during the year.
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 and the Statement of Profit and Loss dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of written representations received from the directors as on 31 March, 2018, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2019, from being appointed as a director in terms of Section 164(2) of the Act.
- f) Since the Company's turnover as per last audited financial statements is less than Rs.50 Crores and its borrowings from banks and financial institutions at any time during the year is less than Rs.25 Crores, the Company is exempted from getting an audit opinion with respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls.
- g) In our opinion and to the best of our information and according to the explanations given to us, we report as under with respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014:
  - i. The Company does not have any pending litigations which would impact its financial position.
  - 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 required to be transferred by the Company to the Investor Education and Protection Fund.

**For Goyal Malhotra & Associates**  
**Chartered Accountants**  
**FRN: 008015C**

(Manoj Goyal)  
Partner  
Membership No.: 098958

Place: Noida  
Date: 29<sup>th</sup> June, 2019



**Avaada Solarise Energy Private Limited**  
**Balance Sheet as at March 31, 2019**  
(All amount in INR thousands unless stated otherwise)

Particulars	Note	March 31, 2019
<b>ASSETS</b>		
<b>Non Current Assets</b>		
Capital Work-in-Progress	3	6,74,168.92
Deferred Tax Assets (net)	4	1,097.55
<b>Subtotal (A)</b>		<b>6,75,266.47</b>
<b>Current Assets</b>		
Financial Assets		
Cash and Cash Equivalents	5	55.74
Other Current Assets	6	9,04,160.01
<b>Subtotal (B)</b>		<b>9,04,215.75</b>
<b>Total Assets (A+B)</b>		<b>15,79,482.22</b>
<b>EQUITY AND LIABILITIES</b>		
<b>EQUITY</b>		
Equity Share Capital	7	100.00
Other Equity	8	(3,123.80)
<b>Subtotal (C)</b>		<b>(3,023.80)</b>
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Financial Liabilities	9	
Borrowings	9(a)	14,95,997.95
Trade Payables	9(b)	78,882.75
Other Current Liabilities	10	7,625.32
<b>Subtotal (D)</b>		<b>15,82,506.02</b>
<b>Total Equity and Liabilities (C+D)</b>		<b>15,79,482.22</b>
Summary of corporate information and significant accounting policies	1&2	
The accompanying notes are an integral part of the financial statements.		

  
**Manoj Goyal**  
Partner  
Membership No. 098958  
For and on behalf of  
**Goyal Malhotra & Associates**  
Chartered Accountants  
FRN 008015C  
Date : June 29, 2019  
Place: Noida

For and on behalf of board of directors

  
**Deepmala Pareek**  
Company Secretary

  
**Ravi Verma**  
Director  
DIN: 07299159

  
**T. R. Kishor Nair**  
Director  
DIN: 05112576

**Avaada Solarise Energy Private Limited**  
**Statement of Profit and Loss for the year ended March 31, 2019**  
(All amount in INR thousands unless stated otherwise)

Particulars	Note	March 31, 2019
Other Income		-
<b>Total Income</b>		<b>-</b>
<b>Expenses</b>		
Other Expenses	11	4,221.35
<b>Total Expenses</b>		<b>4,221.35</b>
<b>Loss before tax</b>		<b>(4,221.35)</b>
<b>Tax Expense:</b>	4	
Current tax		-
Deferred tax		(1,097.55)
<b>Total Tax Expenses</b>		<b>(1,097.55)</b>
<b>Loss after tax</b>		<b>(3,123.80)</b>
<b>Other comprehensive income/ (loss)</b>		
Other comprehensive income/ (loss) not to be reclassified to profit or loss in subsequent years:		-
Other comprehensive income/ (loss) to be reclassified to profit or loss in subsequent years:		-
<b>Total comprehensive loss for the year, net of tax</b>		<b>(3,123.80)</b>
<b>Earnings per share:</b>	12	
(a) Basic		(312.38)
(b) Diluted		(312.38)

Summary of corporate information and significant accounting policies 1&2


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

  
**Manoj Goyal**  
Partner  
Membership No. 098958  
For and on behalf of  
**Goyal Malhotra & Associates**  
Chartered Accountants  
FRN 008015C  
Date : June 29, 2019  
Place: Noida

For and on behalf of board of directors

  
**Deepmala Pareek**  
Company Secretary

  
**Ravi Verma**  
Director  
DIN: 07299159

  
**T. R. Kishor Nair**  
Director  
DIN: 05112576

**Avaada Solarise Energy Private Limited**  
**Statement of Cash Flows for the year ended March 31, 2019**  
(All amount in INR thousands unless stated otherwise)

	March 31, 2019
<b>A. Cash flow from operating activities</b>	
Net loss before tax	(4,221.35)
<b>Operating loss before working capital changes</b>	<b>(4,221.35)</b>
Changes in Other Current Assets	(9,04,160.01)
Changes in trade payables	78,882.75
Changes in Other Current Liabilities	7,625.32
<b>Cash generated from operations</b>	<b>(8,21,873.29)</b>
Income tax paid	-
<b>Net cash from operating activities</b>	<b>(8,21,873.29)</b>
<b>B. Cash flow from investing activities</b>	
Capital Work-in-Progress	(6,74,168.92)
<b>Net cash from investing activities</b>	<b>(6,74,168.92)</b>
<b>C. Cash flow from financing activities</b>	
Proceeds from issue of share capital	100.00
Proceed of short term borrowings	14,95,997.95
<b>Net cash from financing activities</b>	<b>14,96,097.95</b>
<b>Net increase/(decrease) in cash and cash equivalents (A+B+C)</b>	<b>55.74</b>
Cash and cash equivalents at the beginning of the year	-
<b>Cash and cash equivalents at the end of the year</b>	<b>55.74</b>
<b>Components of cash and cash equivalents</b>	<b>March 31, 2019</b>
Cash on hand	-
Balances with scheduled banks:	
On current accounts	55.74
<b>Cash and cash equivalents (note 5)</b>	<b>55.74</b>

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

  
**Manoj Goyal**  
Partner  
Membership No. 098958  
For and on behalf of  
**Goyal Malhotra & Associates**  
Chartered Accountants  
FRN 008015C  
Date : June 29, 2019  
Place: Noida

  
**Deepmala Pareek**  
Company Secretary

For and on behalf of board of directors

  
**Ravi Verma**  
Director  
DIN: 07299159

  
**T. R. Kishor Nair**  
Director  
DIN: 05112576

## **INDEPENDENT AUDITOR'S REPORT**

### **TO THE MEMBERS OF AVAADA SOLARISE ENERGY PRIVATE LIMITED**

#### **Report on the Audit of the Standalone Financial Statements**

##### **Opinion**

We have audited the accompanying standalone financial statements of **Avaada Solarise Energy Private Limited** ("the Company"), which comprise the Balance Sheet as at **March 31, 2020**, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

##### **Basis for Opinion**

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

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.



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

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

### **Management's Responsibility for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Our objectives are to obtain reasonable assurance about whether the 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 SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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



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

### **Other Matter**

Coronavirus disease 2019 ('COVID-19'), was declared a global pandemic by World Health Organisation, the Indian Government announced a strict 21-day lockdown on March 24, 2020, which was further extended till June 30, 2020 across the India to contain the spread of the virus. This has resulted in restriction on physical visit to the client locations and the need for carrying out alternative audit procedures as per the Standards on Auditing prescribed by the Institute of Chartered Accountants of India (ICAI).

We have performed procedures to assess and evaluate the impact on financial statements because of business decisions, government actions or economic environment developments. Our ability to perform regular audit procedures has been impacted which has required us in certain cases to perform alternative audit procedures and exercise significant judgment in respect of the following:

Audit and quality control procedures which were earlier performed in person could not be performed; and hence alternative procedures have been performed based on inquiries (through phone calls, video calls and e-mail communications) and review of scanned documentation sent through e-mails, followed up with sighting with original documents.

Year-end inventory observation of inventory counts could not be performed. However, inventory counts were observed subsequent to year-end; and rolled back to year-end.

### **Report on other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the **Annexure "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 and the Statement of Profit and Loss dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.



- e) On the basis of written representations received from the directors as on 31 March, 2019, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2020, from being appointed as a director in terms of Section 164(2) of the Act.
- f) Since the Company's turnover as per last audited financial statements is less than Rs.50 Crores and its borrowings from banks and financial institutions at any time during the year is less than Rs.25 Crores, the Company is exempted from getting an audit opinion with respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls.
- g) In our opinion and to the best of our information and according to the explanations given to us, we report as under with respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014:
- i. The Company does not have any pending litigations which would impact its financial position.
  - 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 required to be transferred by the Company to the Investor Education and Protection Fund.

**For Goyal Malhotra & Associates**  
Chartered Accountants  
FRN. 008015C

  
(Manoj Goyal)  
Partner  
Membership No.: 098958

Place: Noida

Date: 19<sup>th</sup> June, 2020

UDIN: 20098958AAAAIY6115

**“Annexure A” to the Independent Auditor’s Report of even date to the members of “AVAADA SOLARISE ENERGY PRIVATE LIMITED” on the financial statements for the year ended 31 March 2020.**

#### **Annexure A**

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The fixed assets have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification of the fixed assets is reasonable having regard to the size of the Company and the nature of its assets.
- (c) We have inspected the original title deeds of the immovable properties of the company held as fixed assets which are in the custody of the company and obtained confirmation from the bank for those, which has been mortgaged with bank. Based on our audit procedure and the information and explanations given to us, the title deeds of immovable properties, as disclosed in the financial statements, are held in the name of the Company.
- (ii) (a) As explained to us, the inventories of finished goods, stores, spare parts and raw materials were physically verified at regular intervals by the Management. In case of inventories lying with third parties, certificates of stocks holding have been received.
- (b) In our opinion and according to the information and explanation given to us, the procedures of physical verification of inventories followed by the Management were reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification of stock as compared to book records.
- (iii) The Company has not granted any loan, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the provisions of clauses 3(iii)(a), 3(iii)(b) and 3(iii)(c) of the Order are not applicable.



- (iv) In our opinion and according to the information and explanation given to us, the Company has not entered into any transaction covered under Sections 185 and 186 of the Act. Accordingly, the provisions of clause 3(iv) of the Order are not applicable.
- (v) In our opinion and according to the information and explanation given to us, the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) In our opinion and according to the information and explanation given to us, the company is not required to maintain cost records pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013. Accordingly, the provisions of clause 3(vi) of the Order are not applicable.
- (vii) (a) According to the information and explanation given to us the Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues applicable to it with the appropriate authorities.  
  
(b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues in arrears as at March 31, 2020 for a period of more than six months from the date they became payable.
- (viii) Based on our audit procedure and on the information and explanations given by the management, we are of the opinion that the company has not defaulted in repayment of loans or borrowings to a financial institution, bank government or dues to debenture holders.
- (ix) The Company did not raise moneys by way of initial public offer or further public offer (including debt instruments) and term loans taken have been applied by the Company during the year for the purposes for which they were raised, other than temporary deployment pending application of proceeds.
- (x) No fraud by the Company or on the Company by its officers or employees has been noticed or reported during the period covered by our audit.
- (xi) In our opinion and according to the information and explanations given to us, the Company has not paid / provided any managerial remuneration during the year, hence the provisions related to the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013 are not applicable to the company.



- (xii) In our opinion, the Company is not a Nidhi Company. Accordingly, provisions of clause 3(xii) of the Order are not applicable.
- (xiii) In our opinion all transactions with the related parties are in compliance with Section 188 of Act, where applicable, and the requisite details have been disclosed in the financial statements etc., as required by the applicable accounting standards, further provisions of Section 177 are not applicable to the company.
- (xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partially convertible debentures.
- (xv) In our opinion, the Company has not entered into any non-cash transactions with the directors or persons connected with them covered under Section 192 of the Act during the year.
- (xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

**For Goyal Malhotra & Associates**  
Chartered Accountants  
FRN: 008015C

  
(Manoj Goyal)  
Partner  
Membership No.: 098958


Place: Noida  
Date: 19<sup>th</sup> June, 2020  
UDIN: 20098958AAAAIY6115

**Avaada Solarise Energy Private Limited**  
**CIN:- U40300DL2018PTC338280**  
**Balance Sheet as at March 31, 2020**  
 (All amounts in INR millions unless stated otherwise)

Particulars	Note	March 31, 2020	March 31, 2019
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3	6,653.87	-
Right of use assets	4	343.24	-
Capital Work-in-Progress	5	-	674.16
Deferred tax assets (net)	15	-	1.10
Financial assets	6	-	-
Other financial assets	6(a)	1.09	-
Non-current tax assets (net)	7	3.05	-
<b>Total non-current assets (A)</b>		<b>7,001.25</b>	<b>675.26</b>
<b>Current assets</b>			
Inventories	8	25.07	-
Financial assets	9	-	-
Trade receivables	9(a)	158.47	-
Cash and cash equivalents	9(b)	60.82	0.06
Other bank balances	9(c)	178.30	-
Other financial assets	9(d)	91.48	-
Other current assets	10	4.30	904.16
<b>Total current assets (B)</b>		<b>518.44</b>	<b>904.22</b>
<b>Total assets (A+B)</b>		<b>7,519.69</b>	<b>1,579.48</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Equity share capital	11	428.50	0.10
Instruments entirely equity in nature	12	1,284.90	-
Other equity	13	113.57	(3.12)
<b>Total equity (C)</b>		<b>1,826.97</b>	<b>(3.02)</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Financial liabilities	14	-	-
Borrowings	14(a)	5,033.71	-
Other financial liabilities	14(b)	332.76	-
Deferred tax liabilities (net)	15	38.31	-
Provisions	16	0.02	-
<b>Total non-current liabilities (D)</b>		<b>5,404.80</b>	<b>-</b>
<b>Current liabilities</b>			
Financial liabilities	17	-	-
Borrowings	17(a)	19.83	1,496.00
Trade payables	17(b)	-	-
Total outstanding dues of micro and small enterprises		-	-
Total outstanding dues of other creditors		145.83	78.87
Other financial liabilities	17(c)	119.44	-
Other current liabilities	18	2.82	7.63
Provisions	19	-	-
<b>Total current liabilities (E)</b>		<b>287.92</b>	<b>1,582.50</b>
<b>Total equity and liabilities (C+D+E)</b>		<b>7,519.69</b>	<b>1,579.48</b>

Summary of corporate information and significant accounting policies  
 See accompanying notes forming part of the financial statements


1&2

  
 Goyal Malhotra & Associates  
 Chartered Accountants  
 FRN 008015C  
 Date : June 19, 2020  
 Place: Noida

Membership No. 098958  
 For and on behalf of  
**Goyal Malhotra & Associates**  
 Chartered Accountants  
 FRN 008015C  
 Date : June 19, 2020  
 Place: Noida  
 UDIN: 20098958AAAIY6115

For and on behalf of Board of Directors

  
**Ravi Kant Verma**  
 Director  
 DIN: 07299159

  
**T. R. Kishor Nair**  
 Director  
 DIN: 05112576

**Avaada Solarise Energy Private Limited**

**CIN:- U40300DL2018PTC338280**

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

(All amounts in INR millions unless stated otherwise)

Particulars	Note	March 31, 2020	March 31, 2019
Revenue from operations	20	307.02	-
Other income	21	31.77	-
<b>Total income (A)</b>		<b>338.79</b>	<b>-</b>
<b>Expenses</b>			
Cost of goods and services	22	0.09	-
Employee benefit expense	23	0.46	-
Finance costs	24	103.93	-
Depreciation expenses	25	51.98	-
Other expenses	26	26.23	4.22
<b>Total expenses (B)</b>		<b>182.69</b>	<b>4.22</b>
<b>Profit/ (Loss) before tax (C=A-B)</b>		<b>156.10</b>	<b>(4.22)</b>
<b>Tax expense:</b>	15		
Current tax		-	-
Deferred tax charge		39.41	(1.10)
<b>Total tax expenses (D)</b>		<b>39.41</b>	<b>(1.10)</b>
<b>Profit/(Loss) after tax (E=C-D)</b>		<b>116.69</b>	<b>(3.12)</b>
<b>Other comprehensive income</b>			
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:			
Re-measurement gains on defined benefit plans		-	-
Income tax effect of re-measurement gains on defined benefit plans		-	-
<b>Other comprehensive income for the year, net of tax (F)</b>		<b>-</b>	<b>-</b>
<b>Total comprehensive income for the year, net of tax (G=E+F)</b>		<b>116.69</b>	<b>(3.12)</b>
<b>Earnings per share:</b>	27		
(a) Basic		0.79	(312.38)
(b) Diluted		0.79	(312.38)

Summary of corporate information and significant accounting policies

1&2

Supplementary notes forming part of the financial statements

**Mansi Goyal**

**Partner**

Membership No. 098958

For and on behalf of

**Goyal Malhotra & Associates**

Chartered Accountants

FRN 008015C

Date : June 19, 2020

Place: Noida

UDIN: 20098958AAAAIY6115

**For and on behalf of Board of Directors**

*Ravi Kant Verma*

**Ravi Kant Verma**

Director

DIN: 07299159

*T. R. Kishor Nair*

**T. R. Kishor Nair**

Director

DIN: 05112576



**Avaada Solarise Energy Private Limited**

**CIN:- U40300DL2018PTC338280**

**Statement of Cash Flows for the year ended March 31, 2020**

(All amounts in INR millions unless stated otherwise)

Particulars	March 31, 2020	March 31, 2019
<b>A. Cash flow from operating activities</b>		
Profit/ (loss) before tax	156.10	(4.22)
<b>Adjustments</b>		
Finance costs	103.94	-
Lease liability	16.66	-
Decommissioning liability	0.18	-
Depreciation on property, plant and equipment	45.68	-
Depreciation on right of use	6.29	-
Profit on sale of investments	(1.24)	-
Interest income	(30.53)	-
<b>Operating profit / (loss) before working capital changes</b>	<b>297.08</b>	<b>(4.22)</b>
Adjustment for working capital changes		
Changes in security deposits	(1.09)	-
Changes in other financial assets	(91.21)	-
Changes in inventory	(25.07)	-
Changes in trade receivables	(158.47)	-
Changes in other current assets	899.86	(904.16)
Changes in trade payables	66.95	78.88
Changes in other financial liabilities	433.93	7.63
Changes in provisions	0.01	-
Changes in other current liabilities	(4.80)	-
<b>Cash from/ used in operations</b>	<b>1,417.19</b>	<b>(821.87)</b>
Income tax paid	(3.05)	-
<b>Net cash from/ used in operating activities</b>	<b>1,414.14</b>	<b>(821.87)</b>
<b>B. Cash flow from investing activities</b>		
Purchase of property, plant and equipment (including capital advances and payables for capital expenditure)	(6,374.92)	(674.17)
Proceeds from investment in mutual fund	1.24	-
Proceeds from investment in bank deposits	(178.30)	-
Interest received	30.26	-
<b>Net cash used in investing activities</b>	<b>(6,521.72)</b>	<b>(674.17)</b>
<b>C. Cash flow from financing activities</b>		
Proceeds from issue of share capital	428.40	0.10
Proceeds from issue of fully compulsory convertible debentures	1,284.90	-
Proceeds from long term borrowings	5,033.71	-
Proceeds from short term borrowings	18.88	1,496.00
Repayment of short term borrowings	(1,495.05)	-
Interest Paid	(102.50)	-
<b>Net cash from financing activities</b>	<b>5,168.34</b>	<b>1,496.10</b>
<b>Net increase/(decrease) in cash and cash equivalents (A+B+C)</b>	<b>60.76</b>	<b>0.06</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>0.06</b>	<b>-</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>60.82</b>	<b>0.06</b>
<b>Components of cash and cash equivalents</b>	<b>March 31, 2020</b>	<b>March 31, 2019</b>
Balances with scheduled banks:		
On current accounts	41.79	0.06
On fixed deposit account	19.03	-
Cash on hand	-	-
<b>Cash and cash equivalents (note 9(b))</b>	<b>60.82</b>	<b>0.06</b>

Summary of corporate information and significant accounting policies  
See accompanying notes forming part of the financial statements.

  
Ravi Kant Verma  
Partner

Membership No. 98958  
For and on behalf of

**Goyal Malhotra & Associates**  
Chartered Accountants  
FRN 008015C

Date : June 19, 2020

Place: Noida

UDIN: 20098958 AAAA146115

**For and on behalf of Board of Directors**

  
Ravi Kant Verma  
Director  
DIN: 07299159

  
T. R. Kishor Nair  
Director  
DIN: 05112576

**INDEPENDENT AUDITOR'S REPORT**

**TO THE MEMBERS OF AVAADA SOLARISE ENERGY PRIVATE LIMITED**

**Report on the Audit of the Standalone Financial Statements**

**Opinion**

We have audited the accompanying standalone financial statements of **Avaada Solarise Energy Private Limited** ("the Company"), which comprise the Balance Sheet as at **March 31, 2021**, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

**Basis for Opinion**

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

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

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



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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

### **Management's Responsibility for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Our objectives are to obtain reasonable assurance about whether the 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 SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.



- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

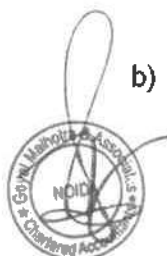
Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

### Report on other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure "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 and the Statement of Profit and Loss dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of written representations received from the directors as on 31 March, 2021, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2021, from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure "B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g) In our opinion and to the best of our information and according to the explanations given to us, we report as under with respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014:
  - i. The Company does not have any pending litigations which would impact its financial position.
  - 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 required to be transferred by the Company to the Investor Education and Protection Fund.

**For Goyal Malhotra & Associates**  
Chartered Accountants  
FRN: 008015C

  
(Mandi Goyal)

Partner

Membership No.: 098958

Place: Noida

Date: 23<sup>rd</sup> June 2021

UDIN: 21018958AAAAQB3750

**"Annexure A" to the Independent Auditor's Report of even date to the members of "AVAADA SOLARISE ENERGY PRIVATE LIMITED" on the financial statements for the year ended 31 March 2021.**

#### **Annexure A**

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The fixed assets have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification of the fixed assets is reasonable having regard to the size of the Company and the nature of its assets.
- (c) We have inspected the original title deeds of the immovable properties of the company held as fixed assets which are in the custody of the company and obtained confirmation from the bank for those, which has been mortgaged with bank. Based on our audit procedure and the information and explanations given to us, the title deeds of immovable properties, as disclosed in the financial statements, are held in the name of the Company.
- (ii) (a) As explained to us, the inventories of finished goods, stores, spare parts and raw materials were physically verified at regular intervals by the Management. In case of inventories lying with third parties, certificates of stocks holding have been received.
- (b) In our opinion and according to the information and explanation given to us, the procedures of physical verification of inventories followed by the Management were reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification of stock as compared to book records.
- (iii) The Company has not granted any loan, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the provisions of clauses 3(iii)(a), 3(iii)(b) and 3(iii)(c) of the Order are not applicable.



- (iv) In our opinion and according to the information and explanation given to us, the Company has not entered into any transaction covered under Sections 185 and 186 of the Act. Accordingly, the provisions of clause 3(iv) of the Order are not applicable.
- (v) In our opinion and according to the information and explanation given to us, the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) In our opinion and according to the information and explanation given to us, the company is not required to maintain cost records pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013. Accordingly, the provisions of clause 3(vi) of the Order are not applicable.
- (vii) (a) According to the information and explanation given to us the Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues applicable to it with the appropriate authorities.  
  
(b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues in arrears as at March 31, 2021 for a period of more than six months from the date they became payable.
- (viii) Based on our audit procedure and on the information and explanations given by the management, we are of the opinion that the company has not defaulted in repayment of loans or borrowings to a financial institution, bank government or dues to debenture holders.
- (ix) The Company did not raise moneys by way of initial public offer or further public offer (including debt instruments) and term loans taken have been applied by the Company during the year for the purposes for which they were raised, other than temporary deployment pending application of proceeds.
- (x) No fraud by the Company or on the Company by its officers or employees has been noticed or reported during the period covered by our audit.
- (xi) In our opinion and according to the information and explanations given to us, the Company has not paid / provided any managerial remuneration during the year, hence the provisions related to the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013 are not applicable to the company.
- (xii) In our opinion, the Company is not a Nidhi Company. Accordingly, provisions of clause 3(xii) of the Order are not applicable.
- (xiii) In our opinion all transactions with the related parties are in compliance with Section 188 of Act, where applicable, and the requisite details have been



disclosed in the financial statements etc., as required by the applicable accounting standards, further provisions of Section 177 are not applicable to the company.

- (xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partially convertible debentures.
- (xv) In our opinion, the Company has not entered into any non-cash transactions with the directors or persons connected with them covered under Section 192 of the Act during the year.
- (xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

**For Goyal Malhotra & Associates**  
Chartered Accountants  
FRN: 008015C

  
(Manoj Goyal)

Partner

Membership No.: 098958

Place: Noida

Date: 23<sup>rd</sup> June 2021

UDIN: 21098958AAAAQB3750



## **ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT**

(Referred to in paragraph (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

### **Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of **AVAADA SOLARISE ENERGY PRIVATE LIMITED** ("the Company") as of March 31, 2021 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

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

#### **Auditor's Responsibility**

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

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

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



### **Meaning of Internal Financial Controls Over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

### **Opinion**

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

**For Goyal Malhotra & Associates**

Chartered Accountants

FRN: 008015C

(Mandir Goyal)

Partner

Membership No.: 098958

Place: Noida

Date: 23<sup>rd</sup> June 2021

UDIN: 21048958AAAAQB3750

Avaada Solarise Energy Private Limited  
CIN:- U49300DL2018PTC338280  
Balance Sheet as at March 31, 2021  
(All amounts in INR millions unless stated otherwise)

Particulars	Note	March 31, 2021	March 31, 2020
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3	6,428.49	6,653.87
Right of use assets	4	268.63	343.24
Financial assets	5		
Other financial assets	5(a)	0.03	1.09
Non-current tax assets (net)	6	5.10	3.05
<b>Total non-current assets (A)</b>		<b>6,702.25</b>	<b>7,001.25</b>
<b>Current assets</b>			
Inventories	7	21.37	25.07
Financial assets	8		
Trade receivables	8(a)	178.02	249.68
Cash and cash equivalents	8(b)	113.91	60.82
Other bank balances	8(c)	375.15	178.30
Other financial assets	8(d)	1.73	0.27
Other current assets	9	6.15	4.30
<b>Total current assets (B)</b>		<b>696.33</b>	<b>518.44</b>
<b>Total assets (A+B)</b>		<b>7,398.58</b>	<b>7,519.69</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Equity share capital	10	428.50	428.50
Instruments entirely equity in nature	11	1,284.90	1,284.90
Other equity	12	143.61	113.57
<b>Total equity (C)</b>		<b>1,857.01</b>	<b>1,826.97</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Financial liabilities	13		
Borrowings	13(a)	4,835.00	5,033.71
Lease liability	13(b)	273.20	325.38
Deferred tax liabilities (net)	14	77.95	38.31
Provisions	15	8.34	7.40
<b>Total non-current liabilities (D)</b>		<b>5,194.49</b>	<b>5,404.80</b>
<b>Current liabilities</b>			
Financial liabilities	16		
Borrowings	16(a)	30.50	19.83
Trade payables	16(b)		
Total outstanding dues of micro and small enterprises		-	-
Total outstanding dues to creditors other than micro and small enterprises		92.83	145.83
Lease liability	16(c)	22.54	34.49
Other financial liabilities	16(d)	200.25	84.95
Other current liabilities	17	0.96	2.82
Provisions	18	-	-
<b>Total current liabilities (E)</b>		<b>347.08</b>	<b>287.92</b>
<b>Total equity and liabilities (C+D+E)</b>		<b>7,398.58</b>	<b>7,519.69</b>

See accompanying notes forming part of the financial statements

1-43

Partner

Membership No. 098958

For and on behalf of

Goyal Malhotra & Associates

Chartered Accountants

FRN 008015C

Date : June 23, 2021

Place: Noida

UDIN: 21098958AAAAQB3750

For and on behalf of Board of Directors

Kirti Singh  
Company secretary

Ravi Kant Verma  
Director  
DIN: 07299159

T. R. Kishor Nair  
Director  
DIN: 05112576

Avaada Solarise Energy Private Limited

CIN:- U40300DL2018PTC338280

Statement of Profit and Loss for the year ended March 31, 2021

(All amounts in INR millions unless stated otherwise)

Particulars	Note	March 31, 2021	March 31, 2020
Revenue from operations	19	935.60	307.02
Other income	20	27.20	31.77
<b>Total income (A)</b>		<b>962.80</b>	<b>338.79</b>
<b>Expenses</b>			
Cost of goods and services	21	-	0.09
Employee benefit expense	22	3.89	0.46
Finance costs	23	543.00	103.93
Depreciation expenses	24	263.78	51.98
Other expenses	25	82.42	26.23
<b>Total expenses (B)</b>		<b>893.09</b>	<b>182.69</b>
<b>Profit before tax (C=A-B)</b>		<b>69.71</b>	<b>156.10</b>
<b>Tax expense:</b>	14		
Current tax		-	-
Deferred tax charge		39.65	39.41
<b>Total tax expenses (D)</b>		<b>39.65</b>	<b>39.41</b>
<b>Profit after tax (E=C-D)</b>		<b>30.06</b>	<b>116.69</b>
<b>Other comprehensive income</b>			
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:			
Re-measurement gains on defined benefit plans		(0.03)	-
Income tax effect of re-measurement gains on defined benefit plans		0.01	-
<b>Other comprehensive income for the year, net of tax (F)</b>		<b>(0.02)</b>	<b>-</b>
<b>Total comprehensive income for the year, net of tax (G=E+F)</b>		<b>30.04</b>	<b>116.69</b>
<b>Earnings per share (in INR):</b>	26		
(a) Basic		0.18	0.79
(b) Diluted		0.18	0.79

See accompanying notes forming part of the financial statements

1-43

Mano Goyal

Partner

Membership No. 098958

For and on behalf of

Goyal Malkotra & Associates

Chartered Accountants

FRN 008015C

Date: June 23, 2021

Place: Noida

UDIN: 21098958AAAAQ63750

For and on behalf of Board of Directors

*Kirti Singh*

Kirti Singh  
Company secretary

Ravi Kant Verma  
Director

DIN: 07299159

*T. R. Kishor Nair*  
Director

DIN: 05112576

**Avaada Solarise Energy Private Limited**

CIN:- U40300DL2018PTC338280

**Statement of Cash Flows for the year ended March 31, 2021**

(All amounts in INR millions unless stated otherwise)

Particulars	March 31, 2021	March 31, 2020
<b>A. Cash flow from operating activities</b>		
Profit before tax	69.71	156.10
<b>Adjustments</b>		
Finance costs	516.86	86.88
Processing fees	1.20	0.21
Interest on lease liability	24.19	16.66
Interest on decommissioning liability	0.75	0.18
Depreciation on property, plant and equipment	254.72	45.68
Depreciation on right of use	9.06	6.29
Profit on sale of investments	-	(1.24)
Interest income	(27.20)	(30.53)
<b>Operating profit / (loss) before working capital changes</b>	<b>849.29</b>	<b>280.23</b>
Adjustment for working capital changes		
Changes in security deposits	1.06	(1.09)
Changes in other financial assets	-	(91.21)
Changes in inventory	3.71	(25.07)
Changes in trade receivables	71.66	(158.47)
Changes in other current assets	(1.85)	899.86
Changes in trade payables	(53.01)	66.95
Changes in other financial liabilities	(67.58)	433.93
Changes in provisions	0.91	0.01
Changes in other current liabilities	(1.86)	(4.80)
<b>Cash from operations</b>	<b>802.33</b>	<b>1,400.34</b>
Income tax paid	(2.05)	(3.05)
<b>Net cash from operating activities</b>	<b>800.28</b>	<b>1,397.29</b>
<b>B. Cash flow from investing activities</b>		
Purchase of property, plant and equipment (including capital advances and payables for capital expenditure)	36.21	(6,318.10)
Redemption of investment in mutual fund	-	1.24
Proceeds from investment in bank deposits	(1,551.06)	(4,285.77)
Redemption of investment in bank deposits	1,354.21	4,107.47
Interest received	25.74	30.26
<b>Net cash used in investing activities</b>	<b>(134.90)</b>	<b>(6,464.90)</b>
<b>C. Cash flow from financing activities</b>		
Proceeds from issue of share capital	-	428.40
Proceeds from issue of fully compulsory convertible debentures	-	1,284.90
Proceeds from long term borrowings	-	5,033.71
Repayment of long term borrowings	(83.26)	-
Proceeds from short term borrowings	11.58	18.88
Repayment of short term borrowings	(0.91)	(1,495.05)
Repayment of Lease liability	(22.77)	(56.82)
Interest Paid	(516.93)	(85.65)
<b>Net cash used in financing activities</b>	<b>(612.29)</b>	<b>5,128.37</b>
<b>Net increase/(decrease) in cash and cash equivalents (A+B+C)</b>	<b>53.09</b>	<b>60.76</b>
Cash and cash equivalents at the beginning of the year	60.82	0.06
<b>Cash and cash equivalents at the end of the year</b>	<b>113.91</b>	<b>60.82</b>
<b>Components of cash and cash equivalents</b>	<b>March 31, 2021</b>	<b>March 31, 2020</b>
Balances with scheduled banks:		
On current accounts	113.91	41.79
On fixed deposit account	-	19.03
<b>Cash and cash equivalents (note 8(b))</b>	<b>113.91</b>	<b>60.82</b>

See accompanying notes forming part of the financial statements 1-43

**Manoj Goyal**  
Partner

Membership No. 098958

For and on behalf of

**Goyal Malhotra & Associates**

Chartered Accountants

FRN 008015C

Date: June 23, 2021

Place: Noida

UDIN: 21098958AAAAQB3750

**Kirti Singh**  
Company secretary

For and on behalf of Board of Directors

**Ravi Kant Verma**  
Director  
DIN: 07299159

**T. R. Kishor Nair**  
Director  
DIN: 05112576

**INDEPENDENT AUDITOR'S REPORT ON SPECIAL PURPOSE INTERIM FINANCIAL STATEMENTS**

To the Board of Directors,  
Avaada Solarise Energy Private Limited

**Report on the Audit of the Special Purpose Interim Financial Statements Opinion**

We have audited the accompanying Special Purpose Interim financial statements (the "Special Purpose Interim Financial Statements") of **Avaada Solarise Energy Private Limited** (the "Company" or "Issuer"), which comprise the Balance Sheet as at September 30, 2021, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the six month period then ended, and a summary of significant accounting policies and other explanatory information (together referred to as the Special Purpose Interim Financial Statements).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Special Purpose Interim Financial Statements is prepared, in all material respects, in accordance with the basis set out in note 2.1 to the Special Purpose Interim Financial Statements.

**Basis for Opinion**

We conducted our audit of the Special Purpose Interim Financial Statements in accordance with the Standards on Auditing (SAs) issued by the Institute of Chartered Accountants of India (ICAI). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Special Purpose Interim Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the ICAI together with the independence requirements that are relevant to our audit of the Special Purpose Interim Financial Statements under the provisions of the Companies Act, 2013 (the "Act") and the Rules made thereunder, and we have fulfilled our other responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion on the Special Purpose Interim Financial Statements.

**Emphasis of Matter- Basis of Accounting and Restriction on Use**

We draw attention to Note 2.1 to the Special Purpose Interim Financial Statements, which describes the basis and purpose of preparation. The Special Purpose Interim Financial Statements have been prepared by the Company for inclusion in the offering memorandum prepared by the Company in connection with the issuance of Non-convertible debentures ("NCDs") of the Issuer. As a result, the Special Purpose Interim Financial Statements may not be suitable for another purpose. Our report is intended solely for the purpose of inclusion in offering memorandum and is not to be used or referred to for any other purpose without our prior written consent.

Our opinion is not modified in respect of this matter.

## **Responsibilities of Management and Those Charged with Governance for the Special Purpose Interim Financial Statements**

The Company's Board of Directors is responsible for the preparation and presentation of these Special Purpose Interim Financial Statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the basis stated in Note 2.1 to the Special Purpose Interim Financial Statements for the purpose set out in "Emphasis of Matter- Basis of Accounting and Restriction on Use" paragraph above.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Special Purpose Interim Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

## **Auditor's Responsibilities for the Audit of the Special Purpose Interim Financial Statements**

Our objectives are to obtain reasonable assurance about whether the Special Purpose Interim 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 Special Purpose Interim Financial Statements.

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

- Identify and assess the risks of material misstatement of the Special Purpose Interim 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 financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the

## Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Special Purpose Interim Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

Evaluate the overall presentation, structure and content of the Special Purpose Interim Financial Statements, including the disclosures, and whether the Special Purpose Interim Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Special Purpose Interim Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Special Purpose Interim Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Special Purpose Interim Financial Statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings 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.

## For Goyal Malhotra & Associates

Chartered Accountants

FRN: 008015C

**MANOJ  
GOYAL**

(Manoj Goyal)

Partner

Membership No.: 098958

Place: Noida

Date: 31-01-2022

UDIN: 22098958AAAADK1114

Digitally signed by MANOJ GOYAL  
DN: cn=MANOJ GOYAL, o=Goyal Malhotra & Associates, ou=Chartered Accountants, postalCode=201301, street=D-64, SEC-55, NOIDA, serialNumber=222a095a581d450f338d619e163d2721770a0e033a8-14470746534e6f35c2, c=Person, cn=MANOJ GOYAL, pseudoym=831c095ebbcb6f9e0fca8b2e3bab  
Date: 2022.01.31 17:35:17 +05'30'



**Avaada Solarise Energy Private Limited**  
**Special Purpose Interim Balance Sheet as at September 30, 2021**  
(All amounts in INR millions unless stated otherwise)

Particulars	Note	As at September 30, 2021
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	3	6,300.17
Right of use assets	4	262.77
Financial assets	5	
Other financial assets	5(a)	0.03
Non-current tax assets (net)	6	6.25
<b>Total non-current assets (A)</b>		<b>6,569.22</b>
<b>Current assets</b>		
Inventories	7	20.86
Financial assets	8	
Trade receivables	8(a)	207.04
Cash and cash equivalents	8(b)	176.12
Other bank balances	8(c)	291.15
Other financial assets	8(d)	2.84
Other current assets	9	27.56
<b>Total current assets (B)</b>		<b>725.57</b>
<b>Total assets (A+B)</b>		<b>7,294.79</b>
<b>EQUITY AND LIABILITIES</b>		
<b>EQUITY</b>		
Equity share capital	10	428.50
Instruments entirely equity in nature	11	1,284.90
Other equity	12	170.17
<b>Total equity (C)</b>		<b>1,883.57</b>
<b>LIABILITIES</b>		
<b>Non-current liabilities</b>		
Financial liabilities	13	
Borrowings	13(a)	4,733.84
Lease liability	13(b)	255.04
Deferred tax liabilities (net)	14	87.36
Provisions	15	8.76
<b>Total non-current liabilities (D)</b>		<b>5,085.00</b>
<b>Current liabilities</b>		
Financial liabilities	16	
Borrowings	16(a)	244.34
Trade payables	16(b)	
Total outstanding dues of micro and small enterprises		-
Total outstanding dues to creditors other than micro and small enterprises		61.34
Lease liability	16(c)	20.38
Other current liabilities	17	0.16
Provisions	18	-
<b>Total current liabilities (E)</b>		<b>326.22</b>
<b>Total equity and liabilities (C+D+E)</b>		<b>7,294.79</b>

See accompanying notes forming part of the special purpose interim financial statements 1-41

In terms of our report attached

**For Goyal Malhotra & Associates**  
Chartered Accountants  
FRN 008015C

**MANOJ GOYAL**

**Manoj Goyal**  
Partner  
Membership No. 098958  
Date : 31-01-2022  
Place: Noida  
UDIN: 22098958AAAADK1114

**AADISHRI VINAY SAHASRABUDDHE**

**Aadishri Vinay Sahasrabuddhe**  
Company secretary  
Place: Mumbai

**For and on behalf of Board of Directors**

**RAJESH BIHARI DWIVEDI**

**Rajesh Bihari Dwivedi**  
Director  
DIN: 09133422  
Place: Noida

**GOPAL GOEL**

**Gopal Goel**  
Director  
DIN: 09133443  
Place: Noida

**Avaada Solarise Energy Private Limited**
**Special Purpose Interim Statement of Profit and loss for the period from April 1, 2021 to September 30, 2021**

(All amounts in INR millions unless stated otherwise)

Particulars	Note	For the period from April 1, 2021 to September 30, 2021
<b>Income</b>		
Revenue from operations	19	460.90
Other income	20	21.39
<b>Total income (A)</b>		<b>482.29</b>
<b>Expenses</b>		
Employee benefit expense	21	2.19
Finance costs	22	263.41
Depreciation expenses	23	134.18
Other expenses	24	46.53
<b>Total expenses (B)</b>		<b>446.31</b>
<b>Profit before tax (C=A-B)</b>		<b>35.98</b>
<b>Tax expense:</b>	14	
Current tax		-
Deferred tax charge		9.41
<b>Total tax expenses (D)</b>		<b>9.41</b>
<b>Profit after tax (E=C-D)</b>		<b>26.57</b>
<b>Other comprehensive income</b>		
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:		
Re-measurement gains on defined benefit plans		(0.01)
Income tax effect of re-measurement gains on defined benefit plans		-
<b>Other comprehensive income for the year, net of tax (F)</b>		<b>(0.01)</b>
<b>Total comprehensive income for the year, net of tax (G=E+F)</b>		<b>26.56</b>
<b>Earnings per share:</b>	25	
(a) Basic		0.16
(b) Diluted		0.16
See accompanying notes forming part of the special purpose interim financial statements	1-41	

In terms of our report attached

**For Goyal Malhotra & Associates**

Chartered Accountants

FRN 008015C

**MANOJ GOYAL**
**Manoj Goyal**

Partner

Membership No. 098958

Date : 31-01-2022

Place: Noida

UDIN: 22098958AAAADK1114

**AADISHRI VINAY  
SAHASRABUDDHE**
**Aadishri Vinay Sahasrabuddhe**

Company secretary

Place: Mumbai

**For and on behalf of Board of Directors**
**RAJESH  
BIHARI  
DWIVEDI**
**Rajesh Bihari Dwivedi**

Director

DIN: 09133422

Place: Noida

**GOPAL  
GOEL**
**Gopal Goel**

Director

DIN: 09133443

Place:

**Avaada Solarise Energy Private Limited**
**Special Purpose Interim Statement of Cash Flows for the period from April 01, 2021 to September 30, 2021**

(All amounts in INR millions unless stated otherwise)

Particulars	For the period from April 1, 2021 to September 30, 2021
<b>A. Cash flow from operating activities</b>	
Profit before tax	35.98
<b>Adjustments</b>	
Finance costs	246.73
Processing fees	0.60
Interest on lease liability	15.67
Interest on decommissioning liability	0.40
Depreciation on property, plant and equipment	128.32
Depreciation on right of use	5.86
Interest income	(13.53)
<b>Operating profit / (loss) before working capital changes</b>	<b>420.03</b>
Adjustment for working capital changes	
Changes in inventory	0.51
Changes in trade receivables	(29.02)
Changes in other current assets	(21.42)
Changes in trade payables	(31.48)
Changes in other financial liabilities	(16.08)
Changes in Lease liability	(20.32)
Changes in provisions	0.41
Changes in other current liabilities	(0.80)
<b>Cash from operations</b>	<b>301.83</b>
Income tax paid	(1.15)
<b>Net cash from operating activities</b>	<b>300.68</b>
<b>B. Cash flow from investing activities</b>	
Proceeds from investment in bank deposits	84.01
Interest received	12.42
<b>Net cash from/ (used) in investing activities</b>	<b>96.43</b>
<b>C. Cash flow from financing activities</b>	
Repayment of long term borrowings	(100.22)
Proceeds from short term borrowings	13.41
Interest Paid	(248.09)
<b>Net cash used in financing activities</b>	<b>(334.90)</b>
<b>Net increase/(decrease) in cash and cash equivalents (A+B+C)</b>	<b>62.21</b>
Cash and cash equivalents at the beginning of the period	113.91
<b>Cash and cash equivalents at the end of the period</b>	<b>176.12</b>
<b>Components of cash and cash equivalents</b>	<b>As at September 30, 2021</b>
Balances with scheduled banks:	
On current accounts	38.62
On fixed deposit account	137.50
<b>Cash and cash equivalents (note 8(b))</b>	<b>176.12</b>

See accompanying notes forming part of the special purpose interim financial statements

1-41

In terms of our report attached

**For Goyal Malhotra & Associates**

Chartered Accountants

FRN 008015C

**MANOJ GOYAL**
**Manoj Goyal**

Partner

Membership No. 098958

Date : 31-01-2022

Place: Noida

UDIN: 22098958AAAADK1114

AADISHRI VINAY  
 SAHASRABUDDHE  
 HE

**Aadishri Vinay Sahasrabuddhe**

Company secretary

Place: Mumbai

**For and on behalf of Board of Directors**

RAJESH  
 BIHARI  
 DWIVEDI

**Rajesh Bihari Dwivedi**

Director

DIN: 09133422

Place: Noida

GOPAL  
 GOEL

**Gopal Goel**

Director

DIN: 09133443

Place: