

TORRENT SAURYA URJA 4 PRIVATE LIMITED

Independent Auditor's Report

To the Members of Torrent Saurya Urja 4 Private Limited

Report on the Audit of the Financial Statements

Opinion

1. We have audited the accompanying financial statements of Torrent Saurya Urja 4 Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2023, and 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 then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, and total comprehensive income (comprising of loss and other comprehensive income), changes in equity and its cash flows for the year then ended.

Basis for Opinion

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

Other Information

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

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

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

Responsibilities of management and those charged with governance for the financial statements

5. 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 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 accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
6. In preparing the financial statements, 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. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

7. 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.
8. As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional scepticism 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

INDEPENDENT AUDITOR'S REPORT

To the Members of Torrent Saurya Urja 4 Private Limited
Report on Audit of the Financial Statements
Page 3 of 4

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

Report on other legal and regulatory requirements

10. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
11. As required by Section 143(3) of the Act, we report that:
- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows 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.
 - (e) On the basis of the written representations received from the directors as on March 31, 2023, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023, 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 with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts as at March 31, 2023.

INDEPENDENT AUDITOR'S REPORT

To the Members of Torrent Saurya Urja 4 Private Limited
Report on Audit of the Financial Statements
Page 4 of 4

- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2023.
 - iv. (a) The management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer Note 25(i) to the financial statements);

(b) The management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer Note 25(j) to the financial statements); and

(c) Based on such audit procedures that we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
 - v. The Company has not declared or paid any dividend during the year.
 - vi. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 (as amended), which provides for books of account to have the feature of audit trail, edit log and related matters in the accounting software used by the Company, is applicable to the Company only with effect from financial year beginning April 1, 2023, the reporting under clause (g) of Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), is currently not applicable.
12. The provisions of Section 197 read with Schedule V to the Act are applicable only to public companies. Accordingly, reporting under Section 197(16) of the Act is not applicable to the Company.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Viren Shah
Partner
Membership Number: 046521
UDIN: 23046521BGYDAP6415

Place: Ahmedabad
Date: May 10, 2023

Annexure A to Independent Auditor's Report

Referred to in paragraph 11(f) of the Independent Auditor's Report of even date to the members of Torrent Saurya Urja 4 Private Limited on the financial statements for the year ended March 31, 2023
Page 1 of 2

Report on the Internal Financial Controls with reference to Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls with reference to financial statements of Torrent Saurya Urja 4 Private Limited ("the Company") as of March 31, 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. 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 ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of 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 Act.

Auditor's Responsibility

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

Annexure A to Independent Auditor's Report

Referred to in paragraph 11(f) of the Independent Auditor's Report of even date to the members of Torrent Saurya Urja 4 Private Limited on the financial statements for the year ended March 31, 2023
Page 2 of 2

Meaning of Internal Financial Controls with reference to financial statements

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to financial statements

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

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2023, 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 issued by ICAI.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Viren Shah
Partner
Membership Number: 046521
UDIN: 23046521BGYDAP6415

Place: Ahmedabad
Date: May 10, 2023

Annexure B to Independent Auditors' Report

Referred to in paragraph 10 of the Independent Auditors' Report of even date to the members of Torrent Saurya Urja 4 Private Limited on the financial statements as of and for the year ended March 31, 2023
Page 1 of 4

- i. (a) According to the information and explanations given to us and the records of the Company examined by us, the Company does not have any Property, Plant and Equipment and Intangible assets and accordingly, reporting under this Clause is not applicable.
- (b) The provisions of Clause 3(i)(b) of the said Order for physical verification of Property, Plant and Equipment are not applicable to the Company as the Company does not have any Property, Plant and Equipment.
- (c) According to the information and explanations given to us and the records of the Company examined by us, the Company does not own any immovable properties. Therefore, the provisions of clause 3(i)(c) of the Order are not applicable to the Company.
- (d) The Company does not hold any Property, Plant and Equipment. Accordingly, reporting under clause 3(i)(d) of the Order is not applicable to the Company.
- (e) Based on the information and explanations furnished to us, no proceedings have been initiated on or are pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder, and therefore the question of our commenting on whether the Company has appropriately disclosed the details in its financial statements does not arise.
- ii. (a) The Company is in the business of rendering services and, consequently, does not hold any inventory. Therefore, the provisions of clause 3(ii)(a) of the Order are not applicable to the Company.
- (b) During the year, the Company has not been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate from banks and financial institutions on the basis of security of current assets and accordingly, the question of our commenting on whether the quarterly returns or statements are in agreement with the unaudited books of account of the Company does not arise.
- iii. The Company has not made any investments, granted secured/ unsecured loans/advances in nature of loans, or stood guarantee, or provided security to any parties. Therefore, the reporting under clause 3(iii), (iii)(a), (iii)(b), (iii)(c), (iii)(d), (iii)(e) and (iii)(f) of the Order are not applicable to the Company.
- iv. The Company has not granted any loans or made any investments or provided any guarantees or security to the parties covered under Sections 185 and 186. Therefore, the reporting under clause 3(iv) of the Order are not applicable to the Company.
- v. The Company has not accepted any deposits or amounts which are deemed to be deposits referred in Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.
- vi. The Central Government of India has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the services of the Company.
- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues, including goods and services tax, income tax, cess, and other material statutory dues, as applicable, with the appropriate authorities.

Annexure B to Independent Auditors' Report

Referred to in paragraph 10 of the Independent Auditors' Report of even date to the members of Torrent Saurya Urja 4 Private Limited on the financial statements for the year ended March 31, 2023
Page 2 of 4

- (b) According to the information and explanations given to us and the records of the Company examined by us, there are no statutory dues referred to in sub-clause (a) which have not been deposited on account of any dispute.
- viii. According to the information and explanations given to us and the records of the Company examined by us, there are no transactions in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.
- ix. (a) According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest to any lender during the year.
- (b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority.
- (c) According to the records of the Company examined by us and the information and explanations given to us, the Company has not obtained any term loans.
- (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) According to the information and explanations given to us and procedures performed by us, we report that the Company did not have any subsidiaries, joint ventures or associate companies during the year and accordingly, reporting under this Clause 3(ix)(e) is not applicable.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company did not have any subsidiaries, joint ventures or associate companies during the year and accordingly, reporting under this Clause 3(ix)(f) is not applicable.
- x. (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting under clause 3(x)(a) of the Order is not applicable to the Company.
- (b) The Company has not made any preferential allotment or private placement of shares or fully or partially or optionally convertible debentures during the year. Accordingly, the reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- xi. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.
- (b) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the reporting under clause 3(xi)(b) of the Order is not applicable to the Company.

Annexure B to Independent Auditors' Report

Referred to in paragraph 10 of the Independent Auditors' Report of even date to the members of Torrent Saurya Urja 4 Private Limited on the financial statements for the year ended March 31, 2023
Page 3 of 4

- (c) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, and as represented to us by the management, no whistle-blower complaints have been received during the year by the Company. Accordingly, the reporting under clause 3(xi)(c) of the Order is not applicable to the Company.
- xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the reporting under clause 3(xii) of the Order is not applicable to the Company.
- xiii. The Company has entered into transactions with related parties in compliance with the provisions of Section 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard 24 "Related Party Disclosures" specified under Section 133 of the Act. Further, the Company is not required to constitute an Audit Committee under Section 177 of the Act and, accordingly, to this extent, the reporting under clause 3(xiii) of the Order is not applicable to the Company.
- xiv. (a) In our opinion and based on our examination, the Company did not have an internal audit system during the year.
- (b) The Company is not mandated to have an internal audit system during the year.
- xv. The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the reporting on compliance with the provisions of Section 192 of the Act under clause 3(xv) of the Order is not applicable to the Company.
- xvi. (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under clause 3(xvi)(a) of the Order is not applicable to the Company.
- (b) The Company has not conducted non-banking financial / housing finance activities during the year. Accordingly, the reporting under clause 3(xvi)(b) of the Order is not applicable to the Company.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.
- (d) Based on the information and explanations provided by the management of the Company, the Group has one CICs as part of the Group. We have not, however, separately evaluated whether the information provided by the management is accurate and complete.
- xvii. The Company has incurred cash losses of Rs. 13.73 lakhs in the financial year and of Rs. 1.21 lakhs in the immediately preceding financial period.
- xviii. There has been no resignation of the statutory auditors during the year and accordingly the reporting under clause (xviii) is not applicable.
- xix. According to the information and explanations given to us and on the basis of the financial ratios (Also refer Note 23 to the financial statements), ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company.

Annexure B to Independent Auditors' Report

Referred to in paragraph 10 of the Independent Auditors' Report of even date to the members of Torrent Saurya Urja 4 Private Limited on the financial statements for the year ended March 31, 2023
Page 4 of 4

We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date will get discharged by the Company as and when they fall due.

- xx. The provisions relating to Corporate Social Responsibility under Section 135 of the Act are not applicable to the Company. Accordingly, reporting under clause 3(xx) of the Order is not applicable to the Company.
- xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of Standalone Financial Statements. Accordingly, no comment in respect of the said clause has been included in this report.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Viren Shah
Partner
Membership Number: 046521
UDIN: 23046521BGYDAP6415

Place: Ahmedabad
Date: May 10, 2023

TORRENT SAURYA URJA 4 PRIVATE LIMITED

Balance Sheet
as at March 31, 2023

		(₹ in Lacs)	
	Note	As at March 31, 2023	As at March 31, 2022
Assets			
Non-current assets			
Capital work-in-progress	3	1,959.91	-
Financial assets			
Other Financial Assets	4	0.03	0.03
Deferred tax assets	15	2.13	-
Other non-current assets	5	1,595.51	-
		<u>3,557.58</u>	0.03
Current assets			
Financial assets			
Cash and cash equivalents	6	19.84	4.35
		<u>19.84</u>	4.35
		<u>3,577.42</u>	4.38
Equity and liabilities			
Equity			
Equity Share Capital	7	5.00	5.00
Other equity	8	(12.81)	(1.21)
		<u>(7.81)</u>	3.79
Liabilities			
Current liabilities			
Financial liabilities			
Borrowings	9	2,007.76	-
Trade payables	10		
Total outstanding dues of micro and small enterprises		-	-
Total outstanding dues other than micro and small enterprises		0.66	0.54
Other financial liabilities	11	1,568.62	-
Other current liabilities	12	8.19	0.05
		<u>3,585.23</u>	0.59
		<u>3,577.42</u>	4.38

See accompanying notes forming part of the financial statements

In terms of our report attached

For and on behalf of the Board of Directors

For Price Waterhouse Chartered Accountants LLP

Firm Registration Number : 012754N / N500016

Viren Shah

Partner

Membership No.: 046521

Place: Ahmedabad

Date: May 10, 2023

Saurabh Mashruwala

Director

DIN - 01786490

Place : Ahmedabad

Date : May 10, 2023

Nisarg Shah

Director

DIN - 08812336

Place : Ahmedabad

Date : May 10, 2023

TORRENT SAURYA URJA 4 PRIVATE LIMITED

**Statement of Profit and Loss
for the year ended March 31, 2023**

	Note	Year ended March 31, 2023	(₹ in Lacs) From July 20, 2021 to March 31, 2022
Income		-	-
Expenses			
Finance costs	13	12.40	-
Other expenses	14	1.33	1.21
Total expenses		<u>13.73</u>	<u>1.21</u>
Loss before tax		(13.73)	(1.21)
Tax expenses			
Current tax		-	-
Deferred tax	15	(2.13)	-
		<u>(2.13)</u>	<u>-</u>
Loss for the year/period		<u>(11.60)</u>	<u>(1.21)</u>
Total comprehensive income for the year/period		<u>(11.60)</u>	<u>(1.21)</u>
Basic/diluted loss per share of face value of Rs.10 each (in Rs.) (Refer note 18)		(23.20)	(2.42)

See accompanying notes forming part of the financial statements

In terms of our report attached

For and on behalf of the Board of Directors

For Price Waterhouse Chartered Accountants LLP

Firm Registration Number : 012754N / N500016

Viren Shah
Partner
Membership No.: 046521

Saurabh Mashruwala
Director
DIN - 01786490

Nisarg Shah
Director
DIN - 08812336

Place: Ahmedabad
Date: May 10, 2023

Place : Ahmedabad
Date : May 10, 2023

Place : Ahmedabad
Date : May 10, 2023

Statement of Cash Flow
for the year ended March 31, 2023

			(₹ in Lacs)
	Note	Year ended March 31, 2023	From July 20, 2021 to March 31, 2022
Cash flow from operating activities			
Loss before tax		(13.73)	(1.21)
Adjustments for :			
Finance costs	13	12.40	-
Operating loss before working capital changes		<u>(1.33)</u>	<u>(1.21)</u>
Movement in working capital:			
Adjustments for (increase) in operating assets:			
Other non-current financial asset	4	-	(0.03)
Adjustments for increase in operating liabilities:			
Trade payables	10	0.12	0.54
Other current liabilities	12	8.14	0.05
Cash generated from/used in operations		<u>6.93</u>	<u>(0.65)</u>
Taxes paid		-	-
Net cash flow generated from/used in operating activities		<u>6.93</u>	<u>(0.65)</u>
Cash flow from investing activities			
Payments for property, plant and equipment & capital work-in-progress		(1,986.80)	-
Net cash used in investing activities		<u>(1,986.80)</u>	<u>-</u>
Cash flow from financing activities			
Proceed from issue of Share capital	7	-	5.00
Proceeds from short-term borrowings	9	1,995.36	-
Net cash generated from financing activities		<u>1,995.36</u>	<u>5.00</u>
Net Increase in Cash and cash equivalents		<u>15.49</u>	<u>4.35</u>
Cash and cash equivalents as at beginning of the year/period		<u>4.35</u>	<u>-</u>
Cash and cash equivalents as at end of the year/period		<u>19.84</u>	<u>4.35</u>
Footnotes:			
1. Cash and cash equivalents as at end of the year/period:			
Balance in current accounts	6	19.84	4.35
		<u>19.84</u>	<u>4.35</u>

2. The Cash Flow Statement has been prepared under the 'Indirect Method' set out in Indian Accounting Standards (Ind AS), Ind AS 7 - Statement of Cash Flows.

See accompanying notes forming part of the financial statements

In terms of our report attached

For and on behalf of the Board of Directors

For Price Waterhouse Chartered Accountants LLP

Firm Registration Number : 012754N / N500016

Viren Shah
Partner
Membership No.: 046521

Saurabh Mashruwala
Director
DIN - 01786490

Nisarg Shah
Director
DIN - 08812336

Place: Ahmedabad
Date: May 10, 2023

Place: Ahmedabad
Date: May 10, 2023

Place: Ahmedabad
Date: May 10, 2023

TORRENT SAURYA URJA 4 PRIVATE LIMITED**Statement of changes in equity
for the year ended March 31, 2023****A. Equity share capital (refer note 7)**

	(₹ in Lacs)
Balance as at July 20, 2021	-
Issued during the period	5.00
Balance as at March 31, 2022	5.00
Changes in equity share capital during the year	-
Balance as at March 31, 2023	5.00

B. Other equity (refer note 8)

	(₹ in Lacs)
	Reserve and Surplus Retained Earnings
Balance as at July 20, 2021	-
Loss for the period	(1.21)
Other comprehensive income for the period (net of tax)	-
Balance as at March 31, 2022	(1.21)
Loss for the year	(11.60)
Other comprehensive income for the year (net of tax)	-
Balance as at March 31, 2023	(12.81)

See accompanying notes forming part of the financial statements

In terms of our report attached

For and on behalf of the Board of Directors

For Price Waterhouse Chartered Accountants LLP

Firm Registration Number : 012754N / N500016

Viren Shah

Partner

Membership No.: 046521

Place: Ahmedabad

Date: May 10, 2023

Saurabh Mashruwala

Director

DIN - 01786490

Place : Ahmedabad

Date : May 10, 2023

Nisarg Shah

Director

DIN - 08812336

Place : Ahmedabad

Date : May 10, 2023

Note 1 General Information:

The Company is a wholly owned subsidiary of Torrent Power Limited. The Company is a private company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. The registered office of the Company is located at "Samanvay", 600-Tapovan, Ambawadi, Ahmedabad- 380015.

The Company is proposing to develop solar projects to supply green power to Commercial and Industrial (C&I) Segment through on site project.

1.2 New and amended standards adopted by the company

The Ministry of Corporate Affairs had vide notification dated March 23 2022 notified Companies (Indian Accounting Standards) Amendment Rules, 2022 which amended certain accounting standards, and are effective April 1, 2022. These amendments did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

1.3 New and amended standards issued but not effective

The Ministry of Corporate Affairs has vide notification dated March 31 2023 notified Companies (Indian Accounting Standards) Amendment Rules, 2023 (the 'Rules') which amends certain accounting standards, and are effective April 1 2023. The Rules predominantly amend Ind AS 12, Income taxes, and Ind AS 1, Presentation of financial statements. The other amendments to Ind AS notified by these rules are primarily in the nature of clarifications. These amendments are not expected to have a material impact on the company in the current or future reporting periods and on foreseeable future transactions. Specifically, no changes would be necessary as a consequence of amendments made to Ind AS 12 as the company's accounting policy already complies with the now mandatory treatment.

Note 2 Significant accounting policies

2.1 Basis of preparation:

a) Compliance with Ind AS

The financial statements are in compliance, in all material aspects, with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) read with the [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act and rules made thereunder.

As prescribed by Ind AS, if the particular Ind AS is not in conformity with the applicable laws, the provisions of the said law shall prevail, and financial statements shall be prepared in conformity with such laws. Consequently, the Company has applied this norm while preparing the financial statements.

b) Historical cost convention

The financial statements have been prepared on an accrual basis under the historical cost convention. All assets and liabilities have been classified as current or non-current as set out in Schedule III (Division II) to the Companies Act, 2013.

2.2 Property, plant and equipment:

Capital work in progress in the course of construction for production, supply or administrative purposes is carried at cost, less any recognised impairment loss. Cost includes purchase price, taxes and duties, and other directly attributable costs incurred upto the date the asset is ready for its intended use. Such property, plant and equipment are classified to the appropriate categories when completed and ready for intended use.

Depreciation methods, estimated useful lives and residual value

Depreciation commences when the assets are ready for their intended use.

2.3 Borrowing Cost:

Borrowing costs that are directly attributable to the acquisition and construction of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use, such as new projects and / or specific assets created in the existing business, are capitalized up to the date of completion and ready for their intended use.

Income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

Other borrowing costs are charged to the statement of profit and loss in the period of their accrual.

2.4 Cash and cash equivalents:

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes balances with banks.

2.5 Taxation:

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current Tax:

The tax currently payable is based on taxable income for the year in accordance with the provisions of the Income Tax Act, 1961. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expenses that are taxable or deductible in other years and items that are never taxable or deductible. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Company measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

Advance taxes and provisions for current income taxes are offset when there is a legally enforceable right to offset and balance arises with same tax authority.

The company has opted special rate of Tax u/s 115BAB for tax on total income @ 15% plus applicable surcharge and etc.

Deferred Tax:

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences.

Deferred tax assets are generally recognised for all deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

2.6 Earnings per share:

Basic earnings per share is computed by dividing the profit /(loss) by the weighted average number of equity shares outstanding during the period.

2.7 Provisions, contingent liabilities and contingent assets:

Provisions:

A provision is recognized when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

Contingent liability:

A possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the enterprise are disclosed as Contingent liability and not provided for. Such liability is not disclosed if the possibility of outflow of resources is remote.

Contingent assets:

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.

Contingent assets are not recognised but disclosed only when an inflow of economic benefits is probable.

2.8 Financial instruments:

Financial assets

i) Classification of financial assets (including debt instruments)

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

ii) Initial measurement

Financial assets are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets (other than financial assets at fair value through profit or loss) are added to or deducted from the fair value of the financial assets, as appropriate, on initial recognition. Transaction costs that are directly attributable to the acquisition or issue of financial assets at fair value through profit or loss are recognised immediately in profit or loss.

iii) Subsequent measurement

There are three measurement categories into which the debt instruments can be classified:

• Amortised cost:

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

• Fair value through profit or loss (FVTPL):

Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the statement of profit and loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

iv) Impairment of financial assets

The Company assesses on a forward-looking basis the expected credit losses associated with its financial assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

v) Derecognition of financial assets

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

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from The asset

When the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial assets is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of financial asset, the financial asset is derecognised if the Company has not retained control over the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

Financial liabilities:

The Company's financial liabilities include trade and other payables.

i) Classification

The Company financial liabilities, except for financial liabilities at fair value through profit or loss, are measured at amortized cost.

ii) Initial measurement

Financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial liabilities (other than financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial liabilities, as appropriate, on initial recognition. Transaction costs that are directly attributable to the acquisition or issue of financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

iii) Subsequent measurement

Financial liabilities subsequently measured at amortised cost using the Effective Interest Rate method.

The Effective Interest Rate Method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

iv) Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or waived off or have expired. An exchange between the Company and the lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

2.9 Leases:

The Company as a lessee

Leases of low value assets:

Payments associated with leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Low-value assets comprise small value of building.

2.10 Rounding of amounts:

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lacs with two decimals as per the requirement of Schedule III of the Companies Act, 2013, unless otherwise stated.

Note-3 : Capital Work-in-progress**As at March 31, 2023**

(₹ in Lacs)

Particulars	As at April 01, 2022	Additions during the year	Capitalised during the year	As at March 31, 2023
Capital work-in-progress	-	1,959.91	-	1,959.91
Total	-	1,959.91	-	1,959.91

As at March 31, 2022

(₹ in Lacs)

Particulars	As at April 01, 2021	Additions during the period	Capitalised during the period	As at March 31, 2022
Capital work-in-progress	-	-	-	-
Total	-	-	-	-

Footnotes:

1. Ageing table for capital-work-in progress (CWIP):**As at March 31, 2023**

(₹ in Lacs)

Particular	Amount of Capital-Work-in Progress of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	1,959.91	-	-	-	1,959.91
Projects temporarily suspended	-	-	-	-	-
Total	1,959.91	-	-	-	1,959.91

As at March 31, 2022

There was no capital work in progress at the end of the period.

2. Completion Schedule for CWIP whose completion is overdue or has exceeded its cost**As at March 31, 2023**

There was no capital work in progress, whose completion is overdue or has exceeded its cost compared to its original plan.

As at March 31, 2022

There was no capital work in progress, whose completion is overdue or has exceeded its cost compared to its original plan.

TORRENT SAURYA URJA 4 PRIVATE LIMITED**Notes forming part of financial statements for the year ended March 31, 2023****Note-4 : Other Non Current Financial Assets**

Unsecured (considered good unless stated otherwise)

	(₹ in Lacs)	
	As at March 31, 2023	As at March 31, 2022
Security deposits	0.03	0.03
	<u>0.03</u>	<u>0.03</u>

Note-5 : Other Non Current Assets

Unsecured (considered good unless stated otherwise)

	(₹ in Lacs)	
	As at March 31, 2023	As at March 31, 2022
Capital advances	1,595.51	-
	<u>1,595.51</u>	<u>-</u>

Note-6 : Cash & Cash Equivalents

	(₹ in Lacs)	
	As at March 31, 2023	As at March 31, 2022
Balances with banks		
Balance in current accounts	19.84	4.35
	<u>19.84</u>	<u>4.35</u>

TORRENT SAURYA URJA 4 PRIVATE LIMITED
Notes forming part of financial statements for the year ended March 31, 2023
Note-7 : Equity Share Capital

	(₹ in Lacs)
	As at
	March 31, 2023
As at	March 31, 2022
Authorised	
50,000 equity shares of Rs.10 each	5.00
	5.00
Issued, subscribed and paid up	
50,000 equity shares of Rs.10 each	5.00
	5.00

Footnotes:

1. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period :

	No. of shares	No. of shares
	As at	As at
	March 31, 2023	March 31, 2022
At the beginning of the year	50,000	-
Issued during the year	-	50,000
Outstanding at the end of the period	50,000.00	50,000.00

2. 50,000 equity shares of Rs.10 each fully paid up are held by holding company - Torrent Power Limited jointly with nominees.

3. Terms / Rights attached to equity shares :

The Company has only one class of equity shares having par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend, if any, proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend.

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

4. Details of shareholders holding more than 5% shares in the Company :

Name of the Shareholder	As at		As at	
	March 31, 2023		March 31, 2022	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Torrent Power Limited (Jointly with nominees)	50,000.00	100.00%	50,000.00	100.00%

5. Details of shareholding of Promoters in the Company :

Promoter Name	As at		As at	
	March 31, 2023		March 31, 2022	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Torrent Power Limited (Jointly with nominees)	50,000.00	100.00%	50,000.00	100.00%

Note-8 : Other Equity

	(₹ in Lacs)
	As at
	March 31, 2023
As at	March 31, 2022
Reserves and surplus	
Retained earnings	(12.81)
	(1.21)
	(12.81)
	(1.21)

Footnotes:

1. Retained earnings:

The retained earning reflects the profit of the company earned till date net of appropriations. The amount that can be distributed by the Company as dividends to its equity shareholders is determined based on the balance in this reserve, after considering the requirements of the Companies Act, 2013.

TORRENT SAURYA URJA 4 PRIVATE LIMITED
Notes forming part of financial statements for the year ended March 31, 2023
Note-9 : Current Borrowings

	(₹ in Lacs)
As at March 31, 2023	As at March 31, 2022
Unsecured Loans	
Loans from related parties (including interest accrued) (Refer Note 20)	-
2,007.76	
2,007.76	-

Footnotes:

1. Loan taken from Torrent Power Limited @ 7.65%(including interest accrued thereon) is repayable on earlier of raising of new debt or cash flow from project. (Refer note 20)

Net debt reconciliation :

	(₹ in Lacs)
As at March 31, 2023	As at March 31, 2022
Cash and cash equivalents	4.35
Current borrowings	-
(2,007.76)	
(1,987.92)	4.35

	(₹ in Lacs)		
	Other assets	Liabilities from financing activities	
	Cash and cash equivalent	Current borrowings	Total
Net balance as at March 31, 2021	-	-	-
Cash flows	4.35	-	4.35
Net balance as at March 31, 2022	4.35	-	4.35
Cash flows	15.49	-	15.49
Loan Taken	-	(1,995.36)	(1,995.36)
Interest expense	-	(12.40)	(12.40)
Net balance as at March 31, 2023	19.84	(2,007.76)	(1,987.92)

TORRENT SAURYA URJA 4 PRIVATE LIMITED
Notes forming part of financial statements for the year ended March 31, 2023
Note-10 : Trade Payables

	(₹ in Lacs)
	As at
	March 31, 2023
	As at
	March 31, 2022
Trade payables for goods and services	
Total outstanding dues of micro and small enterprises (Refer note 16)	-
Total outstanding dues other than micro and small enterprises	0.66
	0.66
	0.54

Footnotes:

Refer below ageing schedule for trade payables

	(₹ in Lacs)
Particulars	As at March 31, 2023
	Outstanding for following periods from due date of payment
	Unbilled
	Not due
	Less than 1 year
	Total
Undisputed dues	
-MSME	-
-Others	0.66
Disputed dues	
-MSME	-
-Others	-
Grand Total	0.66

	(₹ in Lacs)
Particulars	As at March 31, 2022
	Outstanding for following periods from due date of payment
	Unbilled
	Not due
	Less than 1 year
	Total
Undisputed dues	
-MSME	-
-Others	0.54
Disputed dues	
-MSME	-
-Others	-
Grand Total	0.54

Note-11 : Other Financial Liabilities

	(₹ in Lacs)
	As at
	March 31, 2023
	As at
	March 31, 2022
Other payables	
Payables for purchase of property, plant & equipment	1,568.62
	1,568.62
	-

Note-12 : Other Current Liabilities

	(₹ in Lacs)
	As at
	March 31, 2023
	As at
	March 31, 2022
Statutory dues (tax deducted at source)	8.19
	8.19
	0.05

TORRENT SAURYA URJA 4 PRIVATE LIMITED

Notes forming part of financial statements for the year ended March 31, 2023

Note-13 : Finance Cost

	(₹ in Lacs)	
	Year ended	From July 20, 2021
	March 31, 2023	to March 31, 2022
Interest expense for financial liabilities classified as amortised cost		
Others	12.40	-
	<u>12.40</u>	<u>-</u>

Note-14 : Other Expense

	(₹ in Lacs)	
	Year ended	From July 20, 2021
	March 31, 2023	to March 31, 2022
Rent (Refer note 24)	0.43	0.29
Auditors remuneration (Refer note 17)	0.63	0.59
Preliminary Expenses	-	0.23
Legal, professional and consultancy fees	0.26	0.09
Miscellaneous expenses	0.01	0.01
	<u>1.33</u>	<u>1.21</u>

Note-15 : Income Tax Expense (Contd.)

C. Deferred tax balances

1. The following is the analysis of deferred tax assets / (liabilities) presented in the balance sheet

(₹ in Lacs)

	As at March 31, 2023	As at March 31, 2022
Deferred tax assets	2.13	-
Deferred tax liabilities	-	-
	<u>2.13</u>	<u>-</u>

2. Movement of deferred tax assets / (liabilities)

Deferred tax assets / (liabilities) in relation to the year ended March 31, 2023

(₹ in Lacs)

	Opening balance	Recognised in profit or loss	Recognised in OCI	Closing Balance
Financial liabilities at amortised cost	-	2.13	-	2.13
	<u>-</u>	<u>2.13</u>	<u>-</u>	<u>2.13</u>

Deferred tax assets / (liabilities) in relation to the year ended March 31, 2022

(₹ in Lacs)

	Opening balance	Recognised in profit or loss	Recognised in OCI	Closing Balance
Financial liabilities at amortised cost	-	-	-	-
Unabsorbed Business Loss	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

3. Unrecognised deferred tax assets

(₹ in Lacs)

	As at March 31, 2023	As at March 31, 2022
Unused tax losses	-	-
Unutilised tax credits	-	-
	<u>-</u>	<u>-</u>

Note-15 : Income Tax Expense

A. Income tax expense recognised in statement of profit and loss

	Year ended March 31, 2023	(₹ in Lacs) From July 20, 2021 to March 31, 2022
Current tax		
Current tax on profits for the year	-	-
Adjustment for current tax of prior periods	-	-
	-	-
Deferred tax (other than that disclosed under OCI)		
Decrease / (increase) in deferred tax assets	2.13	-
(Decrease) / increase in deferred tax liabilities	-	-
	-	-
Income tax expense	2.13	-

B. Reconciliation of income tax expense

	Year ended March 31, 2023	(₹ in Lacs) From July 20, 2021 to March 31, 2022
Profit before tax	(13.73)	(1.21)
Expected income tax expense calculated using tax rate at 17.16% (Previous year - 17.16%)	-	-
Adjustment to reconcile expected income tax expense to reported income tax expense:		
Effect of:		
Expenditure not deductible under Income Tax Act	2.13	-
Total	2.13	-
Adjustment for current tax of prior periods	-	-
Total expense as per statement of profit and loss	2.13	-

The tax rate used for the reconciliations given above is the actual / enacted corporate tax rate payable by corporate entities in India on taxable profits under the Indian tax law.

TORRENT SAURYA URJA 4 PRIVATE LIMITED

Notes forming part of financial statements for the year ended March 31, 2023

Note 16 : Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006)

There are no Micro and Small Enterprises, to whom the Company owes dues, which are outstanding as at the Balance Sheet date. The above information has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors. No interest is paid/payable during the year and no amount is outstanding at the year end.

Note 17: Auditors remuneration (including taxes)

		(₹ in Lacs)
	Year ended March 31, 2023	From July 20, 2021 to March 31, 2022
Audit fees	0.63	0.59
	<u>0.63</u>	<u>0.59</u>

Note 18: Earnings per share

		(₹ in Lacs)
	Year ended March 31, 2023	From July 20, 2021 to March 31, 2022
Basic earnings per share	(23.20)	(2.42)
Diluted earnings per share	(23.20)	(2.42)

Basic and diluted loss per share

The earnings and weighted average number of equity shares used in the calculation of basic loss per share are as follows:

	Year ended March 31, 2023	From July 20, 2021 to March 31, 2022
(Loss) for the year / period attributable to the Company used in calculation of basis earning per share (₹ in Lacs)	(11.60)	(1.21)
Weighted average number of equity shares	50,000	50,000

The Company does not have any dilutive potential ordinary shares and therefore diluted earning per share is the same as basic earning per share.

Note 19: Operating segment

The Company does not have any revenue from operations in the current period and hence the Company does not have any reportable segment as per Ind AS - 108 "Operating Segments".

TORRENT SAURYA URJA 4 PRIVATE LIMITED

Notes forming part of financial statements for the year ended March 31, 2023

Note 20: Related party disclosures
A. Names of related parties and description of relationship:

1. Parent Company	Torrent Power Limited
2. Ultimate Parent Company	Torrent Investments Private Limited
3. Non Executive Directors	Saurabh Mashruwala
	Nisarg Shah
	Lachman Lalwani
	Naresh Joshi

B. Related party transactions:

Nature of transactions	(₹ in Lacs)	
	Parent Company	
	Year ended March 31,2023	Period ended March 31,2022
Rent Expense	0.43	0.29
Torrent Power Limited	0.43	0.29
Interest Expense	12.40	-
Torrent Power Limited	12.40	-
Loan Received	1,996.60	-
Torrent Power Limited	1,996.60	-
Security deposit given	-	0.03
Torrent Power Limited	-	0.03
Equity contribution	0.00	5.00
Torrent Power Limited	0.00	5.00

C. Related party balances:

Balances at the end of the year/period	(₹ in Lacs)	
	Parent Company	
	As at March 31,2023	As at March 31,2022
Other Non Current Financial Assets	0.03	0.03
Torrent Power Limited	0.03	0.03
Loans (including interest) (current)	2,007.76	-
Torrent Power Limited	2,007.76	-

D. Terms and conditions of outstanding balances:

The transactions with related parties are made in the normal course of business on terms equivalent to those that prevails in arm's length transactions.

Note 21: Financial instruments and risk review**A. Capital Management**

The Company manages its capital structure in a manner to ensure that it will be able to continue as a going concern while optimising the return to stakeholders through the appropriate debt and equity balance.

The Company's capital structure is represented by equity (comprising issued capital, retained earnings and other reserves as detailed in notes 7,8) and debt (borrowings as detailed in note 9).

The Company's management reviews the capital structure of the Company on an annual basis. As part of this review, the management considers the cost of capital and the risks associated with each class of capital.

Gearing ratio

The gearing ratio at end of the reporting period is as follows.

	(₹ in Lacs)	
	As at March 31, 2023	As at March 31, 2022
Debt	2,007.76	-
Total equity	(9.94)	3.79
Debt to equity ratio	(201.99)	-

Footnotes :

1. Debt is defined as all long term debt outstanding (including unamortised expense) + short term debt outstanding in lieu of long term debt.
2. Total equity is defined as equity share capital + all reserve (excluding revaluation reserve) - deferred tax assets

Loan Covenants

The company has complied with financial covenants specified as per the terms of borrowing facilities.

B. Categories of financial instruments

	(₹ in Lacs)			
	As at March 31, 2023		As at March 31, 2022	
	Carrying value	Fair value	Carrying value	Fair value
Financial assets				
Measured at amortised Cost				
Cash and cash equivalents	19.84	19.84	4.35	4.35
Other Non Current Financial Assets	0.03	0.03	0.03	0.03
Total Financial Assets	19.87	19.87	4.38	4.38
Financial liabilities				
Measured at amortised Cost				
Borrowings	2,007.76	2,007.76	-	-
Trade Payables	0.66	0.66	0.54	0.54
Other financial liabilities	1568.62	1,568.62	-	-
Total Financial Liabilities	3,577.04	3,577.04	0.54	0.54

Footnotes:

The carrying amounts of trade payable, capital creditors, cash and cash equivalents are considered to be measured at fair value due to its short term nature.

Inter corporate loans carries the interest rates that are variable in nature and hence carrying value is considered as same as fair value.

Note 21: Financial instruments and risk review (Contd.)**C. Fair Value Measurement**

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consists of the following three levels:

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

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

Level 3 : Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

D. Financial risk management objectives

The Company's principal financial liabilities comprise borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations, routine and projects capital expenditure. The Company's principal financial assets include cash and cash equivalents and other financial assets that derive directly from its operations.

The Company's activities expose it to a variety of financial risks viz interest rate risk, liquidity risk etc. The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The Company's senior management oversees the management of these risks. It advises on financial risks and the appropriate financial risk governance framework for the Company.

Interest risk:

The following table provides a break-up of the Company's fixed and floating rate borrowings:

(₹ in Lacs)		
	As at March 31, 2023	As at March 31, 2022
Floating rate borrowings	2,007.76	-
	2,007.76	-

Interest rate risk sensitivity:

The below mentioned sensitivity analysis is based on the exposure to interest rates for floating rate borrowings. For this it is assumed that the amount of the floating rate liability outstanding at the end of the reporting period was outstanding for the whole year. If interest rates had been 50 basis points higher or lower, other variables being held constant, following is the impact on profit before tax .

(₹ in Lacs)		
	Year ended March 31, 2023	From July 20, 2021 to March 31, 2022
Impact on profit before tax - increase in 50 basis points	(10.04)	-
Impact on profit before tax - decrease in 50 basis points	10.04	-

Note 21: Financial instruments and risk review (Contd.)**Liquidity risk:**

Liquidity risk is the risk that the Company is unable to meet its obligations as they fall due because it has inadequate funding or is unable to liquidate its assets. The Company manages liquidity risk by preparing cash flow forecasts and by ensuring it has sufficient funding to meet its forecast cash demands.

Maturities of financial liabilities:

The following tables detail the Company's remaining contractual maturity for its financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay.

(₹ in Lacs)				
	As at March 31, 2023		As at March 31, 2022	
	Less than 1 year	Total	Less than 1 year	Total
Financial liabilities				
Non Current financial liabilities				
Other financial liabilities	-	-	-	-
Current financial liabilities				
Borrowings	2,007.76	2,007.76	-	-
Trade payables	0.66	0.66	0.54	0.54
Other financial liabilities	1,568.62	1,568.62	-	-
Total financial liabilities	3,577.04	3,577.04	0.54	0.54

Note 22 : Capital Commitments

	(₹ in Lacs)	
	As at March 31, 2023	As at March 31, 2022
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)		
Property, plant and equipment	1,849.76	-

Note 23: Financial Ratios

Ratio	Numerator	Denominator	As at March 31, 2023	As at March, 2022	Variance (%)	Remarks for variation more than 25%
(a) Current Ratio (in times)	Current Assets	Current Liabilities	0.01	7.37	-99.92%	Due to increase in current liabilities on account of borrowings
(b) Debt-Equity Ratio (in times)	Total Debt = All long term debt outstanding (including unamortised expense) + contingent liability pertaining to corporate / financial guarantee given + short term debt outstanding in lieu of long term debt	Shareholder's Equity = Equity share capital + Preference share capital + all reserves (excluding revaluation reserve) + deferred tax liabilities – deferred tax assets – Intangible assets – Intangible assets under development	-201.99	-		NA For FY 2022-23 borrowings has been taken for development of on site projects
(c) Debt Service Coverage Ratio (in times)	Net Profit after taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of Fixed assets etc.	Interest & Lease Payments + Principal Repayments	(0.11)	-		NA For FY 2022-23 borrowings has been taken for development of on site projects
(d) Return on Equity (ROE) Ratio (in %)	Profit for the year	Average Shareholder's Equity = Equity share capital + Other equity+ deferred tax liabilities – deferred tax assets	378%	-63%	-696.18%	Due to increase in loss on account of routine Expense & finance cost
(e) Return on Capital employed (ROCE) (in %)	Profit before exceptional items and tax + Finance costs	Tangible Net Worth	-0.07%	0.00%		NA Due to increase in loss on account of routine Expense

Note 24: Leases

	Year ended March 31, 2023	(₹ in Lacs) From July 20, 2021 to March 31, 2022
Amount Recognised in the Statement of Profit and Loss		
Expense Relating to Lease of Low Value Assets (Refer note 14)	0.43	0.29
	0.43	0.29

Note 25: Additional regulatory information required by Schedule III

- a) No proceedings have been initiated on or are pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder during the year ended March 31, 2023 and during the period ended March 31, 2022.
- b) The Company has not obtained the borrowings from banks and financial institutions during the current year or previous period.
- c) The Company has not granted loans or advance in nature of loans to promoters, directors, KMPs and other related parties (as defined under Companies Act, 2013), either severally or jointly with any other person.
- d) The Company has not obtained borrowings from banks or financial institutions on the basis of security of current assets and accordingly there is no requirement of submitting the quarterly returns or statements of current assets.
- e) The Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority during the year ended March 31, 2023 and during the period ended March 31, 2022.
- f) There are no charges or satisfactions which were to be registered with the Registrar of Companies during the year ended March 31, 2023 and during the period ended March 31, 2022.
- g) The Company is in compliance with number of layers of companies in accordance with clause 87 of Section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017 during the year ended March 31, 2023 and during the period ended March 31, 2022.
- h) The Company has not entered into any scheme of arrangement approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013 during the year ended March 31, 2023 and during the period ended March 31, 2022.
- i) During the year ended March 31, 2023 and during the period ended March 31, 2022, the Company has not advanced or loaned or invested funds (either borrowed funds or share premium or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall:
 - o directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
 - o provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.
- j) During the year ended March 31, 2023 and during the period ended March 31, 2022, the Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - o directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - o provide any guarantee, security, or the like on behalf of the ultimate beneficiaries.
- k) During the year ended March 31, 2023 and during the period ended March 31, 2022, the Company has not surrendered or disclosed as income any transactions not recorded in the books of accounts in the course of tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- l) Provision of section 135 of the act are not applicable to the company.
- m) The Company has not invested or traded in Crypto Currency or Virtual Currency during the year ended March 31, 2023 and during the period ended March 31, 2022.
- n) The Company does not have any transactions with the companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956 during the year ended March 31, 2023 and during the period ended March 31, 2022.

TORRENT SAURYA URJA 4 PRIVATE LIMITED

Notes forming part of financial statements for the year ended March 31, 2023

Note 26: Previous year figures

The current accounting year is for twelve-month period April 1, 2022 to March 31, 2023 whereas the previous accounting year was for the period July 20, 2021 (Date of Incorporation) to March 31, 2022. The corresponding figures for the previous period are therefore not comparable with those figures for the current year. Previous period's figures have been regrouped/rearranged wherever necessary.

Note 27: Approval of financial statements

The financial statements were approved for issue by the board of directors on May 10, 2023.

Signature to Note 1 to 27

In terms of our report attached

For and on behalf of the Board of Directors

For Price Waterhouse Chartered Accountants LLP

Firm Registration Number : 012754N / N500016

Viren Shah

Partner

Membership No.: 046521

Saurabh Mashruwala

Director

DIN - 01786490

Nisarg Shah

Director

DIN - 08812336

Place: Ahmedabad

Date: May 10, 2023

Place : Ahmedabad

Date : May 10, 2023

Place : Ahmedabad

Date : May 10, 2023