

# Price Waterhouse Chartered Accountants LLP

## Independent Auditor's Report

To the Members of Torrent Saurya Urja 3 Private Limited

## Report on the Audit of the Financial Statements

### Opinion

1. We have audited the accompanying financial statements of Torrent Saurya Urja 3 Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2024, 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 material accounting policy information 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, 2024, 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's 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.



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Price Waterhouse (a Partnership Firm) converted into Price Waterhouse Chartered Accountants LLP (a Limited Liability Partnership with LLP identity no: LLPIN AAC-5001) with effect from July 25, 2014. Post its conversion to Price Waterhouse Chartered Accountants LLP, its ICAI registration number is 012754N/N500016 (ICAI registration number before conversion was 012754N)

# Price Waterhouse Chartered Accountants LLP

## INDEPENDENT AUDITOR'S REPORT

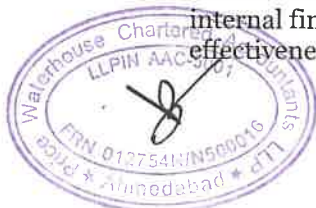
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### Responsibilities of management and those charged with governance for the financial statements

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.



# Price Waterhouse Chartered Accountants LLP

## INDEPENDENT AUDITOR'S REPORT

To the Members of Torrent Saurya Urja 3 Private Limited

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- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
  - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
  - Evaluate the overall presentation, structure and content of the 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 except for the matters stated in paragraph 11(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).
  - (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, 2024, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024, from being appointed as a director in terms of Section 164(2) of the Act.
  - (f) With respect to the maintenance of accounts and other matters connected therewith, reference is made to our remarks in paragraph 11(b) above on reporting under Section 143(3)(b) and paragraph 11(h)(vi) below on reporting under Rule 11(g) of the Rules.



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## INDEPENDENT AUDITOR'S REPORT

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- (g) 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".
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, 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 was not required to recognise a provision as at March 31, 2024 under the applicable law or accounting standards, as it does not have any material foreseeable losses on long-term contract. The Company did not have any derivative contracts as at March 31, 2024.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2024.
  - iv. (a) The management has represented that, to the best of its knowledge and belief, as disclosed in Note 33(i) to the financial statements, 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;
  - (b) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 33(i) to the financial statements, 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; 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.



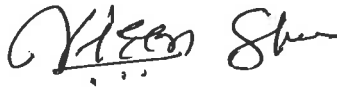
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- vi. Based on our examination, which included test checks, the Company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and that has been operating throughout the year for all relevant transactions recorded in the software at application level and has been operating from March 27, 2024 at database level, except that the audit log does not capture changes, if any made using certain privileged access. Further, during the course of our audit except the aforesaid instances, we did not notice any instance of audit trail feature being tampered with (Refer Note 34 to the financial statements).
12. The provisions of section 197 read with Schedule V of the Act are applicable to the Company. However, the Company has not paid/ provided any managerial remuneration during the year.

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



Viren Shah

Partner  
Membership Number: 046521

UDIN: 24046521BKFOG1913  
Place: Ahmedabad  
Date: May 15, 2024



# Price Waterhouse Chartered Accountants LLP

## Annexure A to Independent Auditor's Report

Referred to in paragraph 11(g) of the Independent Auditor's Report of even date to the members of Torrent Saurya Urja 3 Private Limited on the financial statements for the year ended March 31, 2024  
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### 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 3 Private Limited ("the Company") as of March 31, 2024 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.



# Price Waterhouse Chartered Accountants LLP

## Annexure A to Independent Auditor's Report

Referred to in paragraph 11(g) of the Independent Auditor's Report of even date to the members of Torrent Saurya Urja 3 Private Limited on the financial statements for the year ended March 31, 2024  
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### 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.

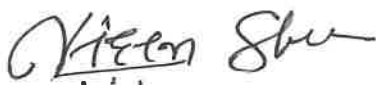
### Inherent Limitations of Internal Financial Controls with reference to financial statements

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, 2024, 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: 24046521BKFVOG1913  
Place: Ahmedabad  
Date: May 15, 2024

# Price Waterhouse Chartered Accountants LLP

## 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 3 Private Limited on the financial statements as of and for the year ended March 31, 2024  
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In terms of the information and explanations sought by us and furnished by the Company, and the books of account and records examined by us during the course of our audit, and to the best of our knowledge and belief, we report that:

- i. (a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of Property, Plant and Equipment.  
  
(B) The Company does not have any Intangible assets and accordingly, reporting under clause 3(i)(a)(B) of the Order is not applicable to the Company.
- (b) The Property, Plant and Equipment of the Company have been physically verified by the Management during the year and no material discrepancies have been noticed on such verification. In our opinion, the frequency of verification is reasonable.
- (c) The Company does not own any immovable properties other than properties where the Company is the lessee and such lease agreements are in the process of being executed in name of the Company, as disclosed in Note 5 Property, plant and equipment, and Note 6 Right-of-use assets to the financial statements.
- (d) During the year, the Company has chosen cost model for its Property, Plant and Equipment (including Right of Use assets). Consequently, the question of our commenting on whether the revaluation is based on the valuation by a Registered Valuer, or specifying the amount of change, if the change is 10% or more in the aggregate of the net carrying value of each class of Property, Plant and Equipment (including Right of Use assets).
- (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 the financial statements does not arise.
- ii. (a) The Company is in the business of generation of solar power and, consequently, does not hold any inventory. Accordingly, reporting under clause 3(ii)(a) of the Order is 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. (a) The Company has not made investments in firms / Limited Liability Partnerships, nor granted secured / unsecured loans / advances in nature of loans, or stood guarantee, or provided security to companies / firms / Limited Liability Partnerships / other parties. The Company made investments in one mutual fund scheme.
- (b) In respect of the aforesaid investments, the terms and conditions under which such investments were made are not prejudicial to the Company's interest.





# Price Waterhouse Chartered Accountants LLP

## Annexure B to Independent Auditors' Report

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- (c) The Company has not granted secured/ unsecured loans/advances in nature of loans, or stood guarantee, or provided security to any parties. Therefore, the reporting under clause (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.
- 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. Accordingly, reporting under clause 3(vi) of the Order is not applicable to the Company.
- vii. (a) 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.  
(b) There are no statutory dues referred to in sub-clause (a) which have not been deposited on account of any dispute.
- viii. There are no transactions previously unrecorded in the books of account that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- ix. (a) 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) 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) In our opinion, the term loans have been applied for the purposes for which they were obtained. (Also, refer Note 14 to the financial statements)  
(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, the Company has not raised funds on short-term basis. Accordingly, reporting under clause 3(ix)(d) of the Order is not applicable to the Company.  
(e) According to the information and explanations given to us and procedures performed by us, we report that the Company did not have any subsidiaries, joint ventures or associate companies during the year. Accordingly, reporting under clause 3(ix)(e) of the Order is not applicable to the Company.



# Price Waterhouse Chartered Accountants LLP

## 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 3 Private Limited on the financial statements for the year ended March 31, 2024

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- (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. Accordingly, reporting under clause 3(ix)(f) of the Order is not applicable to the Company.
- x. (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting under clause 3(x)(a) of the Order is not applicable to the Company. 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. (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 made a private placement of shares during the year, in compliance with the requirements of Section 42 and Section 62 of the Act. The funds raised have been used for the purpose for which funds were raised.
- 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, 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, 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.
- (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 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 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.



# Price Waterhouse Chartered Accountants LLP

## 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 3 Private Limited on the financial statements for the year ended March 31, 2024

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- xiv. (a) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) The reports of the Internal Auditor for the period under audit have been considered by us.
- xv. In our opinion, 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 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.
- (c) Based on the information and explanations provided by the management of the Company, the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) 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. 109,176.97 Hundreds in the financial year and of Rs. 2,131.55 Hundreds in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year and accordingly the reporting under clause 3(xviii) of the Order is not applicable.
- xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the 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 the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date will get discharged by the Company as and when they fall due.
- xx. 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.



# Price Waterhouse Chartered Accountants LLP

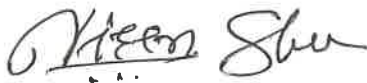
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- xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of Standalone Financial Statements. Accordingly, no comment in respect of the said clause has been included in this report.

For Price Waterhouse Chartered Accountants LLP  
Firm Registration Number: 046521



Viren Shah  
Partner  
Membership Number: 046521

UDIN: 24046521BKFVOG1913  
Place: Ahmedabad  
Date: May 15, 2024



**TORRENT SAURYA URJA 3 PRIVATE LIMITED**

**Balance Sheet**

as at March 31, 2024

	Notes	As at March 31, 2024	(₹ In Hundreds) As at March 31, 2023
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	5	26,19,938.64	-
Right of Use Assets	6	40,826.07	-
Capital work-in-progress	7	19,97,577.72	-
Financial assets			
Other Financial Assets	8	16,082.32	34.48
Deferred tax assets	23	26,347.88	-
Other non-current assets	9	5,33,890.91	-
<b>Total Non current Assets</b>		<b>52,34,663.54</b>	<b>34.48</b>
<b>Current assets</b>			
Financial assets			
Trade receivables	10	65,866.50	-
Cash and cash equivalents	11	13,053.88	868.47
<b>Total Current Assets</b>		<b>78,920.38</b>	<b>868.47</b>
<b>Total Assets</b>		<b>53,13,583.92</b>	<b>902.95</b>
<b>Equity and liabilities</b>			
<b>Equity</b>			
Equity Share Capital	12	1,07,673.00	5,000.00
Other equity	13	(1,32,179.03)	(4,984.42)
<b>Total Equity</b>		<b>(24,506.03)</b>	<b>15.58</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Financial liabilities			
Borrowings	14	43,66,000.00	-
Lease Liabilities	32	30,186.08	-
<b>Total Non-current liabilities</b>		<b>43,96,186.08</b>	<b>-</b>
<b>Current liabilities</b>			
Financial liabilities			
Trade payables	15	-	-
Total outstanding dues of micro and small enterprises		-	-
Total outstanding dues other than micro and small enterprises		6,888.37	792.72
Lease Liabilities	32	2,476.00	-
Other financial liabilities	16	9,21,374.56	-
Other current liabilities	17	11,164.94	94.65
<b>Total Current liabilities</b>		<b>9,41,903.87</b>	<b>887.37</b>
<b>Total Equity and Liabilities</b>		<b>53,13,583.92</b>	<b>902.95</b>

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*

**Viren Shah**

Partner

Membership No.: 046521

Place: Ahmedabad

Date: May 15, 2024



**Saurabh Mashruwala**

Director

DIN - 01786490

Place: Ahmedabad

Date: May 15, 2024

*Nisarg Shah*

**Nisarg Shah**

Director

DIN - 08812336

Place: Ahmedabad

Date: May 15, 2024

## Statement of Profit and Loss

for the year ended on March 31, 2024

	Notes	Year ended March 31, 2024	(₹ In Hundreds) Year ended March 31, 2023
<b>Income</b>			
Revenue from operations	18	65,866.50	-
Other income	19	53.03	-
<b>Total income</b>		<b>65,919.53</b>	<b>-</b>
<b>Expenses</b>			
Finance costs	20	1,64,713.38	-
Depreciation and amortization expense	21	25,540.52	-
Other expenses	22	10,383.12	2,131.55
<b>Total expenses</b>		<b>2,00,637.02</b>	<b>2,131.55</b>
<b>Loss before tax</b>		<b>(1,34,717.49)</b>	<b>(2,131.55)</b>
<b>Tax expenses</b>	23		
Current tax		-	-
Deferred tax		(23,763.58)	-
		(23,763.58)	-
<b>Loss for the year</b>		<b>(1,10,953.91)</b>	<b>(2,131.55)</b>
<b>Other comprehensive income for the year (net of tax)</b>		<b>-</b>	<b>-</b>
<b>Total comprehensive income for the year</b>		<b>(1,10,953.91)</b>	<b>(2,131.55)</b>
Basic/diluted loss per share of face value of Rs.10 each (in ₹)	27	(11.23)	(4.26)

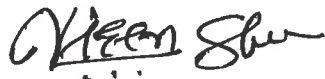
See accompanying notes forming part of the financial statements

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 15, 2024




Saurabh Mashruwala  
Director  
DIN - 01786490

Place: Ahmedabad  
Date: May 15, 2024



Nisarg Shah  
Director  
DIN - 08812336

Place: Ahmedabad  
Date: May 15, 2024

**TORRENT SAURYA URJA 3 PRIVATE LIMITED**
**Statement of Cash Flows**
**for the year ended on March 31, 2024**

	Notes	Year ended March 31, 2024	(₹ In Hundreds) Year ended March 31, 2023
<b>Cash flow from operating activities</b>			
Loss before tax		(1,34,717.49)	(2,131.55)
<b>Adjustments for :</b>			
Depreciation and amortisation expense	21	25,540.52	-
Finance costs	20	1,64,713.38	-
Profit on sale of investments in mutual funds	19	(53.03)	-
<b>Operating Profit/ (loss) before working capital changes</b>		<b>55,483.38</b>	<b>(2,131.55)</b>
<b>Movement in working capital:</b>			
Adjustments for (increase) in operating assets:			
Trade receivables		(65,866.50)	-
Other non-current financial asset		(16,047.84)	-
Other current assets		-	-
Adjustments for increase / (decrease) in operating liabilities:			
Trade payables		6,095.65	35.12
Other current liabilities		11,070.17	19.65
<b>Cash used in operations</b>		<b>(9,265.14)</b>	<b>(2,076.78)</b>
Taxes paid (net)		-	-
<b>Net cash flow used in operating activities</b>		<b>(9,265.14)</b>	<b>(2,076.78)</b>
<b>Cash flow from investing activities</b>			
Payments for property, plant and equipment		(44,02,345.60)	-
Investments in Mutual Funds (Current Investments)		(50,000.00)	-
Proceeds from sale of Mutual Funds (Current investments)		50,053.03	-
<b>Net cash flow used in investing activities</b>		<b>(44,02,292.57)</b>	<b>-</b>
<b>Cash flow from financing activities</b>			
Proceeds from issue of Equity Share Capital		1,02,673.00	-
Share Issue expenses		(18,825.00)	-
Proceeds from long-term borrowings from Parent Company		44,01,000.00	-
Repayment of long-term borrowings from Parent Company		(35,000.00)	-
Principal payment of lease liabilities		(9,256.00)	-
Interest paid		(16,848.88)	-
<b>Net cash flow generated from financing activities</b>		<b>44,23,743.12</b>	<b>-</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>12,185.41</b>	<b>(2,076.78)</b>
<b>Cash and cash equivalents as at beginning of the year</b>		<b>868.47</b>	<b>2,945.25</b>
<b>Cash and cash equivalents as at end of the year</b>		<b>13,053.88</b>	<b>868.47</b>

**Footnotes:**

- Cash and cash equivalents as at end of the year:  
Balances with banks  
Balance in current accounts

13,053.88 868.47

13,053.88 868.47

- 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 .

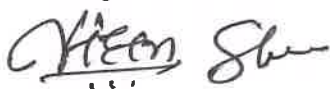
- For net debt reconciliation refer note 14.

**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 15, 2024


**Saurabh Mashruwala**  
Director  
DIN - 01786490

Place: Ahmedabad  
Date: May 15, 2024


**Nisarg Shah**  
Director  
DIN - 08812336

Place: Ahmedabad  
Date: May 15, 2024

**TORRENT SAURYA URJA 3 PRIVATE LIMITED**  
**Statement of changes in equity**  
**for the year ended March 31, 2024**

(₹ In Hundreds)

**A. Equity share capital (Refer note 12)**

Balance as at April 01, 2023	5,000.00
Equity Share capital issued during the year	1,02,673.00
Balance as at March 31, 2024	1,07,673.00

Balance as at April 01, 2022	5,000.00
Changes in equity share capital during the year	-
Balance as at March 31, 2023	5,000.00

**B. Other equity (Refer note 13)**

(₹ In Hundreds)  
**Reserves and surplus**  
**Retained earnings**

Balance as at April 01, 2023	(4,984.42)
Loss of the year	(1,10,953.91)
Share issue expenses adjusted against other equity, (net of income tax ₹ 2,584.30 Hundreds)	(16,240.70)
Other Comprehensive Income for the year (net of tax)	-
Total Comprehensive Income for the year	(1,27,194.61)
Balance as at March 31, 2024	(1,32,179.03)

Balance as at April 01, 2022	(2,852.87)
Loss of the year	(2,131.55)
Other Comprehensive Income for the year (net of tax)	-
Total Comprehensive Income for the year	(2,131.55)
Balance as at March 31, 2023	(4,984.42)

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*

**Viren Shah**  
Partner  
Membership No.: 046521

Place: Ahmedabad  
Date: May 15, 2024



*Saurabh Mashruwala*  
**Saurabh Mashruwala**  
Director  
DIN - 01786490

Place: Ahmedabad  
Date: May 15, 2024

*Nisarg Shah*

**Nisarg Shah**  
Director  
DIN - 08812336

Place: Ahmedabad  
Date: May 15, 2024



## TORRENT SAURYA URJA 3 PRIVATE LIMITED

### Notes forming part of financial statements for the year ending March 31, 2024

#### Note 1. General Information:

Torrent Saurya Urja 3 Private Limited ("The Company") is a 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 (also referred as "power producer") has entered into long term Power Purchase agreement with customer (also referred as "Power Purchaser") whereby Company set up Photovoltaic power plant at the project site of the customer for the purpose of generating solar power to meet the electricity requirement of the Power Purchaser. The Company has capitalised Property, Plant and Equipment on January 23, 2024 based on commissioning certificate received from Karnataka Power Transmission Corporation Limited.

#### Note 2. New standards or interpretations adopted by the Company

The Ministry of Corporate Affairs vide notification dated March 31, 2023 notified the Companies (Indian Accounting Standards) Amendment Rules, 2023, which amended certain accounting standards (see below), and are effective April 01, 2023:

- i) Ind AS 1 – Disclosure of accounting policies
- ii) Ind AS 8 – Definition of Accounting estimates
- iii) Ind AS 12 – Deferred tax related to assets and liabilities arising from a single transaction

The other amendments to Ind AS notified by these rules are primarily in the nature of clarifications. 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.

#### Note 3. Material accounting policies

##### 3.1 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.

- 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 per the Company's normal operating cycle and other criteria set out in the Schedule III (Division II) to the Companies Act, 2013.

##### 3.2 Property, plant and equipment:

Freehold land is carried at historical cost. All other items of property, plant and equipment held for use in the production or supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses (if any).

Capital work in progress in the course of construction for production, supply or administrative purposes is carried at cost, less any recognized impairment loss. Cost includes purchase price, taxes and duties, and other directly attributable costs incurred up to 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.



## TORRENT SAURYA URJA 3 PRIVATE LIMITED

### Notes forming part of financial statements for the year ending March 31, 2024

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. Subsequent costs relating to day-to-day servicing of the item are not recognised in the carrying amount of an item of property, plant and equipment; rather, these costs are recognised in profit or loss as incurred.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

#### Depreciation methods, estimated useful lives and residual value

Depreciation commences when the assets are ready for their intended use. Depreciation is provided on additions / deductions of the assets during the period in which the asset is added / deducted. Depreciation is provided to allocate their cost, net of their residual values on a straight-line basis over the estimated useful lives, which are as follows:

Class of assets	Useful Life (years)
Plant and Machinery	25

The useful lives have been determined based on technical evaluation done by the management's expert which is specified by the Schedule II to the Companies Act, 2013, in order to reflect the actual usage of the assets.

The estimated useful life, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

#### 3.3 Borrowing Costs:

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.

#### 3.4 Cash and cash equivalents:

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

#### 3.5 Revenue recognition:

Revenue towards satisfaction of a performance obligation is measured and recognized at transaction price, when the control of the services has been transferred to consumers net of discounts and other similar allowances.

Revenue from power supply are accounted for on the basis of billings to consumer in accordance with the Power Purchase Agreement. Performance obligation i.e. supply of power to the grid is considered completed based on meter reading carried out jointly with the customer or the Company has objective evidence that all criteria for acceptance have been satisfied. The revenue is recognized when the performance obligation is met.



## TORRENT SAURYA URJA 3 PRIVATE LIMITED

### Notes forming part of financial statements for the year ending March 31, 2024

#### 3.6 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.

##### 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.

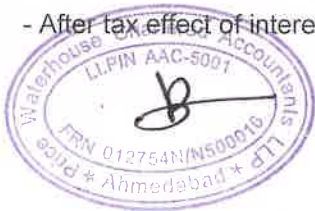
Deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

#### 3.7 Earnings per share:

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

Diluted EPS is computed by adjusting the figures used in the determination of basic EPS to take into account:

- After tax effect of interest and other financing costs associated with dilutive potential equity shares.



## **TORRENT SAURYA URJA 3 PRIVATE LIMITED**

### **Notes forming part of financial statements for the year ending March 31, 2024**

- The weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

#### **3.8 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).

#### **3.9 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 (excluding trade receivables) 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. Trade receivables which do not contain a significant financing component are measured at transaction price.

##### **iii) Subsequent measurement**

##### **• Debt instruments**

Subsequent measurement categories into which the debt instruments are classified as below:

##### **• 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. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses). Impairment losses are presented as separate line item in the statement of profit and loss.





## TORRENT SAURYA URJA 3 PRIVATE LIMITED

### Notes forming part of financial statements for the year ending March 31, 2024

#### 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.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115 only, the Company follows 'simplified approach' for recognition of impairment loss and always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on historical credit loss experience.

#### 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 asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

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 and borrowings.

##### i) Classification

The Company financial liabilities 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.

##### ii) Subsequent measurement

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

The Effective Interest Rate Method (EIR) 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.



## TORRENT SAURYA URJA 3 PRIVATE LIMITED

### Notes forming part of financial statements for the year ending March 31, 2024

#### iii) 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.

#### 3.10 Contributed equity:

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Transaction costs of an equity transaction shall be accounted for in other equity.

#### 3.11 Leases

##### Company as a lessee:

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Company. Contracts may contain both lease and non-lease components.

##### Lease liabilities:

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

The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate.

The lease payments are discounted using the lessee's incremental borrowing rate. Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

##### Right-of-use assets:

Right-of-use assets are measured at cost comprising the amount of the initial measurement of lease liability and lease payments made before the commencement date.

Right-of-use assets are depreciated over the lease term on a straight-line basis. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, and lease payments made at or before the commencement date less any lease incentives received.

Right-of-use assets are depreciated over the asset's lease term on a straight-line basis.

##### Leases of low value assets:

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



## **TORRENT SAURYA URJA 3 PRIVATE LIMITED**

### **Notes forming part of financial statements for the year ending March 31, 2024**

#### **3.12 Rounding of amounts:**

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

#### **Note 4 - Critical accounting judgements and key sources of estimation uncertainty**

In the course of applying the policies outlined in all notes under note 2A above, the management of the Company is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources.

##### **Ind AS 116 - Leases**

In determining whether the revenue contract (power purchase agreement) with customers especially when entire contractual capacity of the one project (solar/wind) is committed to one customer, management has exercised judgement in concluding whether contract contains lease. Management takes into consideration of the responsible parties for design of the project and who has right to direct the use of solar power plant.

**As per the revenue contract, power producer will design procure, install & commission the solar power plant & all other equipment required to generate solar electricity. Power Purchaser neither operates the plant nor involved in the design of the solar power plant, therefore the Power Purchaser does not have right to direct the use of solar power plant and accordingly arrangement does not contain lease as per Ind AS 116.**



**TORRENT SAURJA URJA 3 PRIVATE LIMITED**  
Notes forming part of financial statements for the year ended March 31, 2024

**Note- 5 : Property, plant and equipment**

As at March 31, 2024

(₹ In Hundreds)

PARTICULARS	Gross carrying amount			Accumulated depreciation			Net carrying amount
	As At April 01, 2023	Additions during the year	Deduction during the year	As At March 31, 2024	As At April 01, 2023	For the year	As At March 31, 2024
Plant and machinery	-	26,45,066.78	-	26,45,066.78	-	25,128.14	26,19,938.64
<b>Total</b>	-	<b>26,45,066.78</b>	-	<b>26,45,066.78</b>	-	<b>25,128.14</b>	<b>26,19,938.64</b>

**Footnotes:**

- 1 Refer Note No. 24 for disclosure of Contractual commitments for the acquisition of property, plant and equipment.
- 2 The Company has not revalued its Property, Plant and Equipment during the current year.
- 3 Addition to plant and machinery includes capitalisation of directly attributable costs incurred by the company under other expenses ₹ 5,549.49 Hundreds (March 31, 2023: ₹ Nil).
- 4 The above Property, plant and equipment has been capitalised on January 23, 2024 based on commissioning certificate received from Kamataka Power Transmission Corporation Limited.





**TORRENT SAURYA URJA 3 PRIVATE LIMITED**  
Notes forming part of financial statements for the year ended March 31, 2024  
Note- 7 : Capital work-in-progress

As at March 31, 2024

Particulars	(₹ In Hundreds)		
	As At April 01, 2023	Addition during the Year	Capitalised during the Year
Capital work-in-progress	-	46,42,644.50	26,45,066.78
<b>Total</b>	-	<b>46,42,644.50</b>	<b>26,45,066.78</b>
			<b>19,97,577.72</b>

Footnotes:

- 1 There are no projects temporarily suspended as at March 31, 2024 and March 31, 2023.
- 2 Capital work in progress as at March, 31 2024 mainly comprises of plant and machinery.
- 3 There was no capital work-in-progress as at March 31, 2024 whose completion is overdue or has exceeded its cost compared to its original plan.
- 4 There was no capital work-in-progress as at March 31, 2023.
- 5 Refer below schedule for ageing schedule of the capital work-in-progress.

As at March 31, 2024

Particulars	(₹ In Hundreds)			
	Amount in Capital-Work-in Progress for			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
Capital work-in-progress	19,97,577.72	-	-	-
<b>Total</b>	<b>19,97,577.72</b>	<b>-</b>	<b>-</b>	<b>-</b>
				<b>19,97,577.72</b>



**TORRENT SAURYA URJA 3 PRIVATE LIMITED**  
Notes forming part of financial statements for the year ended March 31, 2024

**Note- 6 : Right-of-Use Assets**

As at March 31, 2024

Particulars	Gross carrying amount			Accumulated depreciation			Net carrying amount
	As At April 01, 2023	Additions during the year	Deduction during the year	As At March 31, 2024	For the year	Deduction during the year	As At March 31, 2024
Land	-	41,238	-	41,238.45	412.38	-	40,826.07
<b>Total</b>	-	<b>41,238.45</b>	-	<b>41,238.45</b>	<b>412.38</b>	-	<b>40,826.07</b>

(₹ In Hundreds)

**Footnotes:**

- 1 The Company has not revalued its right-of-use assets during the current year.
- 2 Refer note 32 for disclosure relating to right-of-use assets.
- 3 For the above leasehold land, the Company has entered into Agreement to lease in the month of July 2023 with effect from January 01, 2024. The Company is in the process of executing final lease deeds.



**TORRENT SAURYA URJA 3 PRIVATE LIMITED**  
**Notes forming part of financial statements for the year ended March 31, 2024**

**Note-8 : Other Non-Current Financial Assets**

	As at March 31, 2024	(₹ In Hundreds) As at March 31, 2023
Security Deposit	16,082.32	34.48
	<u>16,082.32</u>	<u>34.48</u>

**Note-9 : Other Non current assets**

	As at March 31, 2024	(₹ In Hundreds) As at March 31, 2023
Capital advances	5,33,890.91	-
	<u>5,33,890.91</u>	<u>-</u>

**Note - 10 : Trade receivables**

	As at March 31, 2024	(₹ In Hundreds) As at March 31, 2023
Trade receivables		
Unsecured - Considered good	65,866.50	-
	<u>65,866.50</u>	<u>-</u>

**Footnotes:**

- 1 Refer note 30 for credit risk related disclosures.
- 2 Refer below schedule for ageing of trade receivables.

**Ageing schedule of Trade receivables**

Particulars	As at March 31, 2024						
	Outstanding for following periods from due date of payment						
	Not due*	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade receivables							
-considered good	33,638.41	32,228.09	-	-	-	-	65,866.50
-which have significant increase in credit risk	-	-	-	-	-	-	-
- credit impaired	-	-	-	-	-	-	-
Disputed Trade Receivables							
-considered good	-	-	-	-	-	-	-
-which have significant increase in credit risk	-	-	-	-	-	-	-
- credit impaired	-	-	-	-	-	-	-
<b>Grand Total</b>	<b>33,638.41</b>	<b>32,228.09</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>65,866.50</b>

\*Includes ₹ 63,074.54 Hundreds (March 31, 2023: Nil) billed subsequent to year end.

**Note-11 : Cash and cash equivalents**

	As at March 31, 2024	(₹ In Hundreds) As at March 31, 2023
Balances with banks		
Balance in current accounts	13,053.88	868.47
	<u>13,053.88</u>	<u>868.47</u>



Note-12 : Equity Share Capital

	As at	
	March 31, 2024	March 31, 2023
<b>Authorised</b>		
1,20,00,000 (50,000 as at March 31, 2023) Ordinary Equity Shares of ₹ 10 each	12,00,000.00	5,000.00
50,00,000 (Nil as at March 31, 2023) Class A Equity Shares of ₹ 10 each	5,00,000.00	-
	<u>17,00,000.00</u>	<u>5,000.00</u>
<b>Issued, subscribed and paid up</b>		
7,96,780 (50,000 as at March 31, 2023) Ordinary Equity Shares of ₹ 10 each	79,678.00	5,000.00
2,79,950 (Nil as at March 31, 2023) Class A Equity Shares of ₹ 10 each	27,995.00	-
	<u>1,07,673.00</u>	<u>5,000.00</u>

Footnotes:

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

	No. of shares As at March 31, 2024	No. of shares As at March 31, 2023
At the beginning of the year	50,000.00	50,000.00
Issued during the year	10,26,730.00	-
Outstanding at the end of the year	<u>10,76,730.00</u>	<u>50,000.00</u>

2 Shares held by holding company :  
7,96,780 (50,000 as at March 31, 2023) equity shares of ₹10 each fully paid up are held by parent company - Torrent Power Limited jointly with nominees.

3 Terms / Rights attached to equity shares :

The Company has only two classes of equity shares having par value of ₹ 10 per share.

Class A Equity Share

Class A equity shares shall carry one vote.

The dividend payable by the Company on a Class A Equity Share shall be limited to a pre-determined, non-cumulative dividend at the rate of 0.0001% of the face value of the Class A Equity Share.

Further, there shall be no other dividend rights attached to, or any rights entitling holders of such shares to any dividend rights in respect of the Class A Equity Shares.

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.

Ordinary Equity Share

Ordinary Equity Shares shall rank pari passu in all respects with the existing fully paid equity shares of the Company.

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 March 31, 2024		As at March 31, 2023	
	No. of shares	% holding	No. of shares	% holding
Torrent Power Limited (Jointly with nominees)	7,96,780	74.00%	50,000	100.00%
Automotive Axles Limited	2,79,950	26.00%	-	0.00%
	<u>10,76,730</u>	<u>100.00%</u>	<u>50,000</u>	<u>100.00%</u>

5 Details of shareholding of Promoters in the Company :

Promoter name	As at March 31, 2024			As at March 31, 2023		
	No. of shares	% of total shares	% changes during the year	No. of shares	% of total shares	% changes during the year
Torrent Power Limited (Jointly with nominee)	7,96,780	74.00%	26.00%	50,000	100.00%	0.00%
Automotive Axles Limited	2,79,950	26.00%	-26.00%	-	-	0.00%
	<u>10,76,730</u>	<u>100.00%</u>	<u>0.00%</u>	<u>50,000</u>	<u>100.00%</u>	<u>0.00%</u>

Note-13 : Other Equity

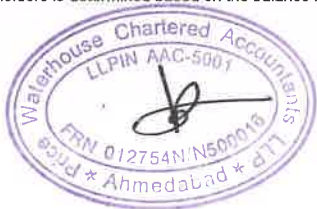
	As at	
	March 31, 2024	March 31, 2023
<b>Reserves and surplus</b>		
Retained earnings	(1,32,179.03)	(4,984.42)
	<u>(1,32,179.03)</u>	<u>(4,984.42)</u>

Refer "Statement of Changes in Equity" for movement in reserves and surplus.

Footnotes:

1 Retained earnings:

The retained earning reflects the profit/ (loss) 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.



## Notes forming part of financial statements for the year ended March 31, 2024

	As at March 31, 2024	(₹ In Hundreds) As at March 31, 2023
Unsecured loans - at amortised cost		
Loans from parent comapny (refer note 29)	43,66,000.00	-
	<u>43,66,000.00</u>	<u>-</u>

- 1 Loan is repayable in 60 equated quarterly installments in tenure of 15 years after expiry of moratorium of 1 year from scheduled commercial date of operation of the project and obtained at the rate of 8.50% p.a.
- 2 Undrawn limit from parent company based on approved limit is ₹. 14,34,000.00 Hundreds as at March 31, 2024.
- 3 During the current year, the company has used the loan for the purpose for which it was obtained.

	As at March 31, 2024	As at March 31, 2023
Cash and cash equivalents	13,053.88	868.47
Non-current borrowings	(45,13,184.75)	-
	<u>(45,00,130.87)</u>	<u>868.47</u>

	Other assets	Liabilities from	(₹ In Hundreds) Total
	Cash and cash equivalent	Non-current borrowing	
Net balance as at April 01, 2023	868.47	-	868.47
Cash flows	12,185.41	(43,66,000.00)	(43,53,814.59)
Interest expense	-	(1,64,033.63)	(1,64,033.63)
Interest paid	-	16,848.88	16,848.88
<b>Net balance as at 31st March, 2024</b>	<b>13,053.88</b>	<b>(45,13,184.75)</b>	<b>(45,00,130.87)</b>

	Other assets	Liabilities from	Total
	Cash and cash equivalent	Non-current borrowing	
Net balance as at April 01, 2022	2,945.25	-	2,945.25
Cash flows	(2,076.78)	-	(2,076.78)
<b>Net balance as at 31st March, 2023</b>	<b>868.47</b>	<b>-</b>	<b>868.47</b>





**Note-15 : Trade Payables**

(₹ In Hundreds)

	As at March 31, 2024	As at March 31, 2023
Trade payables		
Total outstanding dues of micro and small enterprises (Refer note 25)		
Total outstanding dues other than micro and small enterprises	6,888.37	792.72
	<b>6,888.37</b>	<b>792.72</b>

Note :  
Refer below schedule for ageing of trade payables.

(₹ In Hundreds)

Particulars	As at March 31, 2024			
	Outstanding for following periods from due date of payment			
	Unbilled	Not due	Less than 1 year	Total
Undisputed dues				
i) -MSME	-	-	-	-
ii) -Others	5,127.69	1,620.00	140.68	6,888.37
Grand Total	5,127.69	1,620.00	140.68	6,888.37

(₹ In Hundreds)

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				
i) -MSME	-	-	-	-
ii) -Others	792.72	-	-	792.72
Grand Total	792.72	-	-	792.72

**Note-16 : Other Current Financial Liabilities**

(₹ In Hundreds)

	As at March 31, 2024	As at March 31, 2023
Payable for purchase of Property, plant and equipment	7,74,189.81	-
Interest accrued but not due on loans	1,47,184.75	-
	<b>9,21,374.56</b>	<b>-</b>

**Note-17 : Other Current Liabilities**

(₹ In Hundreds)

	As at March 31, 2024	As at March 31, 2023
Statutory dues	11,164.82	94.65
Interest dues to micro and small enterprises	0.12	-
	<b>11,164.94</b>	<b>94.65</b>



Note - 18 : Revenue from operations	(₹ In Hundreds)	
	For year ended March 31, 2024	For year ended March 31, 2023
Revenue from contracts with customers		
Revenue from power supply	65,866.50	-
	<u>65,866.50</u>	<u>-</u>

**Note:**

- 1 Timing of revenue recognition (from contract with customers): Revenue from power supply is recognised over a period of time.

Note - 19 : Other income	(₹ In Hundreds)	
	For year ended March 31, 2024	For year ended March 31, 2023
Gain on sale of current investment in mutual fund	53.03	-
	<u>53.03</u>	<u>-</u>

Note-20 : Finance Costs	(₹ In Hundreds)	
	For year ended March 31, 2024	For year ended March 31, 2023
Interest expense for financial liabilities measured at amortised cost		
Lease Liabilities (Refer Note 32)	679.63	-
Loan taken from parent company (Refer Note 29)	1,63,830.88	-
Others	0.12	-
Other borrowing costs (Refer Note 29)	202.75	-
	<u>1,64,713.38</u>	<u>-</u>

Note-21 : Depreciation and Amortisation Expense	(₹ In Hundreds)	
	For year ended March 31, 2024	For year ended March 31, 2023
Depreciation expense on property, plant and equipment	25,128.14	-
Amortization expense on right of use assets	412.38	-
	<u>25,540.52</u>	<u>-</u>

Note-22 : Other Expense	(₹ In Hundreds)	
	For year ended March 31, 2024	For year ended March 31, 2023
Rent and Hire charges (Refer note 29 and 32)	456.12	434.40
Repairs to		
Plant and machinery	3,898.85	-
Rates and taxes	2.50	-
Auditors remuneration (Refer note 26)	1,180.00	631.30
Legal, professional and consultancy fees	6,787.88	1,059.44
Miscellaneous expenses	3,607.26	6.41
	<u>15,932.61</u>	<u>2,131.55</u>
Less: Allocated to capital work-in-progress	5,549.49	-
	<u>10,383.12</u>	<u>2,131.55</u>



**TORRENT SAURYA URJA 3 PRIVATE LIMITED**
**Notes forming part of financial statements for the year ended March 31, 2024**
**Note 23: Income tax expenses**

(₹ in Hundreds)

**(a) Income tax expense recognised in statement of profit and loss**

	Year ended March 31, 2024	Year ended March 31, 2023
<b>Current tax :</b>		
Current tax on profits for the year	-	-
<b>Deferred tax (other than that disclosed under OCI)</b>		
Increase in deferred tax assets	(1,04,862.34)	-
Decrease in deferred tax liabilities	81,098.76	-
	<b>(23,763.58)</b>	-
<b>Income tax expense</b>	<b>(23,763.58)</b>	-

**(b) Reconciliation of income tax expense**

	Year ended March 31, 2024	Year ended March 31, 2023
Loss before tax	(1,34,717.49)	(2,131.55)
Expected income tax expense calculated using tax rate at 17.16%	(23,117.52)	(365.77)
<b>Adjustment to reconcile expected income tax expense to reported income tax expense:</b>		
Effect of:		
Items to be claimed under income tax at later on and recognised in other equity	(646.06)	365.77
<b>Total</b>	<b>(23,763.58)</b>	-
<b>Total expenses as per statement of Profit and Loss</b>	<b>(23,763.58)</b>	-

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



**TORRENT SAURYA URJA 3 PRIVATE LIMITED**

Notes forming part of financial statements for the year ended March 31, 2024

**Note 23: Income tax expenses (Contd.)**

**(c) Deferred tax balances**

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

(₹ in Hundreds)

	As at March 31, 2024	As at March 31, 2023
Deferred tax assets	1,07,446.64	-
Deferred tax liabilities	(81,098.76)	-
	<u>26,347.88</u>	<u>-</u>

**(ii) Movement of deferred tax assets and liabilities**

Deferred tax assets and (liabilities) in relation to the year ended March 31, 2024

(₹ in Hundreds)  
Closing balance

	Opening balance	Recognised in profit or loss	Recognised in other equity	Closing balance
<u>Deferred Tax Assets:</u>				
Unabsorbed Depreciation	-	90,805.65	-	90,805.65
Payments to be claimed under income tax later on	-	14,056.69	-	14,056.69
Share issue expense	-	-	2,584.30	2,584.30
	<u>-</u>	<u>1,04,862.34</u>	<u>2,584.30</u>	<u>1,07,446.64</u>
<u>Deferred Tax Liabilities:</u>				
Property, plant and equipment	-	(79,697.82)	-	(79,697.82)
Payment allowed on paid basis under Income Tax	-	(1,400.94)	-	(1,400.94)
	<u>-</u>	<u>(81,098.76)</u>	<u>-</u>	<u>(81,098.76)</u>
	<u>-</u>	<u>23,763.58</u>	<u>2,584.30</u>	<u>26,347.88</u>



**Note 24: Capital Commitments**

	As at March 31, 2024	(₹ in Hundreds) As at March 31, 2023
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)		
Property, plant and equipment	6,48,526.22	-
	<u>6,48,526.22</u>	<u>-</u>

**Note 25: Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006)**

Micro and small enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006) have been determined based on the information available with the Company and the required disclosures are given below:

	As at March 31, 2024	(₹ in Hundreds) As at March 31, 2023
a) Principal amount remaining unpaid (Refer note 15)	-	-
b) Interest due thereon	0.12	-
c) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
(i) Principal amounts paid to the suppliers beyond the appointed day during the year	-	-
(ii) Interest paid under section 16 of the MSMED Act, to the suppliers, beyond the appointed day during the year	-	-
d) The amount of interest due and payable for the year (where the principal has been paid but interest under the MSMED Act, 2006 not paid)	0.12	-
e) The amount of interest accrued and remaining unpaid	-	-
f) The amount of further interest due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	-	-

**Note 26: Auditors remuneration**

	For the year ended March 31, 2024	(₹ in Hundreds) For the year ended March 31, 2023
As audit fees (including taxes)	1,180.00	631.30
	<u>1,180.00</u>	<u>631.30</u>

**Note 27: Earnings/ (loss) per share**

	For the year ended As at March 31, 2024 (11.23)	For the year ended As at March 31, 2023 (4.26)
Basic and Diluted earnings/ (loss) per share (₹)		

**Basic and diluted earnings/ (loss) per share**

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

	For the year ended As at March 31, 2024	For the year ended As at March 31, 2023
Loss for the year used in calculation of basis earning/ (loss) per share (₹ in hundred)	(1,10,953.91)	(2,131.55)
Weighted average number of equity shares	9,88,236.75	50,000.00
Nominal value per share (₹)	10.00	10.00

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

**Note 28: Operating segment**

The Company's chief operating decision maker (CODM) assesses the financial performance and position of the company and makes strategic decision. The Company's primary business segment is generation and supply of Electricity from the solar power project which is being supplied to Automotive Axles Limited, under a 25 years of Power Purchase Agreement. The Company does not have any reportable segments as per Indian Accounting Standard 108 "Operating Segments".





**TORRENT SAURYA URJA 3 PRIVATE LIMITED**

Notes forming part of financial statements for the year ended on March 31, 2024

**Note 29: Related party disclosures****(a) Names of related parties and description of relationship:**

1	Parent Company	Torrent Power Limited
2	Entities having joint control over the Ultimate Parent Company	Mehta Family Trust 1, Mehta Family Trust 2, Mehta Family Trust 3, Mehta Family Trust 4
3	Ultimate parent company	Torrent Investments Private Limited
4	Enterprise having significant influence	Automotive Axles Limited
5	Key Managerial Personnel	Saurabh Mashruwala (Non executive director) Nisarg Shah (Non executive director) Jigish Mehta (Non executive director) Naresh Joshi (Non executive director)



# TORRENT SAURYA URJA 3 PRIVATE LIMITED

Notes forming part of financial statements for the year ended on March 31, 2024

## Note 29: Related party disclosures (Contd.)

### (b) Related party transactions

(₹ in Hundreds)

	Parent Company		Parent Company	
	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2024	Year ended March 31, 2023
<b>Nature of transactions</b>				
<b>Rent Expense</b>				
Torrent Power Limited	456.12	434.40	-	-
	456.12	434.40	-	-
<b>Loan received</b>				
Torrent Power Limited	44,01,000.00	-	-	-
	44,01,000.00	-	-	-
<b>Loan repaid</b>				
Torrent Power Limited	35,000.00	-	-	-
	35,000.00	-	-	-
<b>Interest expense on Loan</b>				
Torrent Power Limited	1,63,830.88	-	-	-
	1,63,830.88	-	-	-
<b>Shared expenditure (Bank Guarantee charges)</b>				
Torrent Power Limited	202.75	-	-	-
	202.75	-	-	-
<b>Utilisation of Non-fund based Limit</b>				
Torrent Power Limited	48,000.00	-	-	-
	48,000.00	-	-	-
<b>Equity Contribution</b>				
Torrent Power Limited	74,678.00	-	27,995.00	-
	74,678.00	-	-	-
Automotive Axles Limited	-	-	27,995.00	-
<b>Sale of power</b>				
Automotive Axles Limited	-	-	65,866.50	-
	-	-	65,866.50	-



# TORRENT SAURYA URJA 3 PRIVATE LIMITED

Notes forming part of financial statements for the year ended on March 31, 2024

## Note 29: Related party disclosures (Contd.)

### (c) Related party balances

(₹ in Hundreds)

	Parent Company		Enterprise having significant influence	
	As at	As at	As at	As at
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
<b>Balances at the end of the year</b>				
<b>Other Non-Current Financial Assets</b>				
Torrent Power Limited (Security Deposits)	34.48	34.48	-	-
<b>Utilisation of Non-fund based limit</b>				
Torrent Power Limited	48,000.00	-	-	-
<b>Trade Payable</b>				
Torrent Power Limited	48,000.00	-	-	-
<b>Trade Payable</b>	140.68	-	-	-
Torrent Power Limited	140.68	-	-	-
<b>Non-current borrowings</b>				
Torrent Power Limited	43,66,000.00	-	-	-
<b>Other current financial liabilities</b>				
Torrent Power Limited (Interest accrued but not due on borrowings)	1,47,184.75	-	-	-
<b>Trade receivables</b>				
Automotive Axles Limited	-	-	65,866.50	-
	-	-	65,866.50	-

### (d) Terms and conditions of outstanding balances

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



**Note 30: Financial instruments and risk management****(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 equity shares and retained earnings as detailed in notes 12 and 13) and debt (borrowings as detailed in note 14).

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. No changes were made in the objectives, policies or process for managing its capital during the year ended March 31, 2024 and March 31, 2023.

**Gearing ratio**

The gearing ratio at end of the reporting year was as follows.

	(₹ in Hundreds)	
	As at March 31, 2024	As at March 31, 2023
Debt	43,66,000.00	-
Total Equity	(50,853.91)	15.58
Net debt to equity ratio	(85.85)	-

(i) Debt is defined as all long-term debt outstanding.

(ii) Total equity is defined as Equity share capital + all reserve – deferred tax assets.

**(b) Categories of financial instruments**

	As at March 31, 2024		As at March 31, 2023	
	Carrying value	Fair value	Carrying value	Fair value
<b>Financial assets</b>				
Measured at amortised Cost				
Cash and cash equivalents	13,053.88	13,053.88	868.47	868.47
Trade receivable	65,866.50	65,866.50	-	-
Other financial assets	16,082.32	16,082.32	34.48	34.48
Total Financial Assets	95,002.70	95,002.70	902.95	902.95
<b>Financial liabilities</b>				
Measured at amortised Cost				
Borrowings	43,66,000.00	43,66,000.00	-	-
Trade Payables	6,888.37	6,888.37	792.72	792.72
Lease Liabilities	32,662.08	32,662.08	-	-
Other financial liabilities	9,21,374.56	9,21,374.56	-	-
Total Financial Liabilities	53,26,925.01	53,26,925.01	792.72	792.72

**Footnotes:**

1. The carrying amounts of cash and cash equivalents, trade receivables, other financial assets, trade payables, lease liabilities and other financial liabilities is considered to be the same as its fair value due to their short term nature.

2. Borrowings carries the interest rate that are variable in nature and hence carrying value is considered as same as fair value.



**Note 30: Financial instruments and risk management (Contd.)**

**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 :	Inputs are 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. This includes unquoted floating borrowing.
Level 3 :	Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable. This includes unquoted floating rate borrowings.

**Financial risk management objectives**

The Company's principal financial liabilities comprise trade payables, other financial liabilities, lease liabilities and borrowings. 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, trade receivables and security deposits that derive directly from its operations.

The Company's activities expose it to a variety of financial risks viz interest rate risk, liquidity risk and credit 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 rate risk**

The Company's borrowings from Torrent Power Limited (Holding Company) are on a floating rate of interest. The Company has exposure to interest rate risk, arising principally on changes in Marginal Cost of Funds based Lending Rate (MCLR).

The following table provides a break-up of the Company's borrowings:

	As at March 31, 2024	As at March 31, 2023
Floating rate borrowings	43,66,000.00	-
	<b>43,66,000.00</b>	<b>-</b>

**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/ (loss) before tax.

	Year ended March 31, 2024	Year ended March 31, 2023
Impact on profit/ (loss) before tax - increase in 50 basis points	(21,830.00)	-
Impact on profit/ (loss) before tax - decrease in 50 basis points	21,830.00	-





**TORRENT SAURYA URJA 3 PRIVATE LIMITED**

**Notes forming part of financial statements for the year ended on March 31, 2024**

**Note 30: Financial instruments and risk management (Contd.)**

**Liquidity risk**

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are required to be settled by delivering the cash or another financial asset. The Company manages liquidity risk by maintaining adequate reserves, and unused borrowing facilities, by continuously monitoring projected / actual cash flows.

**Credit risk**

- (i) Exposures to credit risk:  
Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company is exposed to the credit risk arising from the possibility that counterparties (primarily trade receivable, suppliers etc.) might fail to comply with contractual obligations. This exposure may arise with regard to unsettled amounts and the cost of substituting products that are not supplied.
- (ii) Credit risk management:  
Credit risk is managed and limited in accordance with the type of transaction and the creditworthiness of the counterparty. The credit risk is limited as the revenue and collection are from Automotive Axles Limited (entity having 26% share holding in the company).
- (iii) Other credit enhancements  
The Company does not hold any collateral or other credit enhancements to cover its credit risks associated with its financial assets.
- (iv) Age of receivables and excepted credit loss  
Being first year of operation past trend of receivable recovery is not available. However, management is of view that trade receivables are recoverable fully.
- Other Financial Assets:  
The Company is having balances in cash and cash equivalents with scheduled banks with high credit rating and hence perceive low credit risk of default. The Company's investment policy lays down guidelines with respect to exposure per counterparty, rating, processes in terms of control and continuous monitoring. The Company therefore considers credit risks on such investments to be negligible.



**TORRENT SAURYA URJA 3 PRIVATE LIMITED**  
**Notes forming part of financial statements for the year ended on March 31, 2024**

**Note 30: Financial instruments and risk management (Contd.)**

**Maturities of Financial Liabilities:**

The Company's remaining contractual maturity for its financial liabilities with agreed repayment periods is given below. 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. The tables include both interest and principal cash flows. The contractual maturity is based on the earliest date on which the Company may be required to pay.

	As at March 31, 2024				As at March 31, 2023		
	Less than 1 year	Between 1 year and 5 years	5 years and above	Total	Less than 1 year	Between 1 year and 5 years	Total
<b>Financial liabilities</b>							
<b>Non-current financial liabilities</b>							
Borrowings	-	43,66,000.00	-	43,66,000.00	-	-	-
Lease Liabilities	-	9,904.00	68,514.00	78,418.00	-	-	-
		43,75,904.00	68,514.00	44,44,418.00			
<b>Current financial liabilities</b>							
Trade payables	6,888.37	-	-	6,888.37	792.72	-	792.72
Lease Liabilities	2,476.00	-	-	2,476.00	-	-	-
Other financial liabilities	9,21,374.56	-	-	9,21,374.56	-	-	-
	9,30,738.93	-	-	9,30,738.93	792.72	-	792.72
<b>Total financial liabilities</b>	<b>9,30,738.93</b>	<b>43,75,904.00</b>	<b>68,514.00</b>	<b>53,75,156.93</b>	<b>792.72</b>	<b>-</b>	<b>792.72</b>



**TORRENT SAURJA URJA 3 PRIVATE LIMITED**  
Notes forming part of financial statements for the year ended on March 31, 2024

**Note 31: Financial Ratios**

Particulars	Numerator	Denominator	As at March 31, 2024	As at March 31, 2023	Variance (%)	Remarks for variation more than 25%
(a) Current Ratio (in times)	Current Assets	Current Liabilities	0.08	0.98	-91.44%	Ratio has decreased mainly on account of increase in current liabilities due to increase of interest accrued on borrowings.
(b) Debt-Equity Ratio	Total Debt = All long term debt outstanding	Shareholder's Equity = Equity share capital + all reserves - deferred tax assets	(85.85)	-	-100.00%	Ratio has decreased on account of loss incurred in the current year and new debt taken from parent company during the year.
(c) Debt Service Coverage Ratio	Loss after taxes + deferred tax + depreciation + Interest on debt.	Principal Repayments of debt + interest on debt.	0.27	NA	-	Ratio has increased on account of new debt taken from parent company during the year.
(d) Return on Equity Ratio (in %)	Loss for the year	Average Shareholder's Equity i.e. (Share Capital + Reserves and surplus - Deferred Tax assets (net))	436.50%	-197.12%	321.44%	Ratio has increased on account of increase in loss during the year and on account of infusion of equity share capital during the year.
(e) Inventory turnover Ratio	Revenue from operations	Average Inventories	NA	NA	NA	NA
(f) Trade Receivables turnover Ratio	Revenue from operations	Average Trade Receivable	1.00	-	100%	Ratio has increased as the company has started generating revenues during the current year.
(g) Trade Payables turnover Ratio	Other Expense	Average Trade Payables	2.70	2.75	-1.88%	NA
(h) Net capital turnover Ratio	Revenue from operations	Current assets minus (Current liabilities)	-0.08	-	-100.00%	Ratio has decreased as the company has started generating revenues during the current year.
(i) Net profit Ratio	Loss after tax	Revenue from operations	-168.45%	-	-100.00%	Ratio has decreased as the company has started generating revenues during the current year. The Company has incurred loss as it is the first year of commissioning and on account of increased finance cost on debt taken from parent company in current year.
(j) Return on Capital employed (in %)	Loss before tax + Finance costs	Share Capital + Reserves and surplus - Deferred Tax assets (net) + All long term debt outstanding	1.39%	-197.12%	100.71%	Ratio has increased on account of infusion of equity share capital during the year and also on account of debt taken from parent company.
(k) Return on investment	Loss before tax + Finance costs	Average total assets	1.13%	-0.01%	10381.04%	Ratio has increased mainly on account of infusion of equity share capital, commissioning of plant and generation of revenue during the year.



**Note 32: Leases**

This note provides information for leases where the Company is a lessee. The Company's significant leasing arrangements are in respect of Land. The arrangements are for a period of 25 years and are renewable by mutual consent on mutually agreeable terms.

**(i) Amounts recognised in balance sheet**

The balance sheet shows the following amounts relating to leases:

**Right-of-use assets**

Particulars	Notes	(₹ in Hundreds)	
		As at March 31, 2024	As at March 31, 2023
Land	6	40,826.07	-
<b>Total</b>		<b>40,826.07</b>	<b>-</b>

**Lease Liabilities**

Particulars	(₹ in Hundreds)	
	As at March 31, 2024	As at March 31, 2023
Current	2,476.00	-
Non-current	30,186.08	-
<b>Total</b>	<b>32,662.08</b>	<b>-</b>

**(ii) Amounts recognised in the statement of profit and loss**

The statement of profit or loss shows the following amounts relating to leases:

Particulars		(₹ in Hundreds)	
		Year ended March 31, 2024	Year ended March 31, 2023
Depreciation charge of right-of-use assets	21	412.38	-
Interest expense (included in finance costs)	20	679.63	-
Expense relating to leases of low-value assets that are not shown above as short-term leases (included in other expenses)	22	456.12	434.40
<b>Total</b>		<b>1,548.13</b>	<b>434.40</b>

**(iii) Maturities of lease liabilities:**

as at March 31, 2024:

	Non-current lease liabilities	Current lease liabilities
Less than 1 year	-	2,476.00
Between 1 year and 5 years	9,904.00	-
5 years and above	68,514.00	-
<b>Total</b>	<b>78,418.00</b>	<b>2,476.00</b>

**(iv) Extension and termination options**

These options are used to maximize operational flexibility in terms of managing the assets used in the Company's operations. Extension and termination options are included in the lease term, only if the Company has the right to exercise these options and reasonably certain to exercise the right.

**(v) The Total Cash outflow for leases:**

	(₹ in Hundreds)	
	As at March 31, 2024	As at March 31, 2023
Principal elements of lease payments (disclosed in Statement of Cash flows)	9,256.00	-
Expense relating to leases of low-value assets that are not shown above as short-term leases (included in other expenses)	456.12	434.40
	<b>9,712.12</b>	<b>434.40</b>



**Note 33: 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, 2024 and March 31, 2023.
- b) The Company has not obtained the borrowings from banks and financial institutions during the current year or previous year.
- 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, 2024 and March 31, 2023.
- f) There are no charges or satisfactions which were to be registered with the Registrar of Companies during the year ended March 31, 2024 and March 31, 2023.
- 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, 2024 and March 31, 2023.
- 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, 2024 and March 31, 2023.
- i) During the year ended March 31, 2024 and March 31, 2023, 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:
- a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
- b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.
- During the year ended March 31, 2024 and March 31, 2023, the Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
- a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- b) provide any guarantee, security, or the like on behalf of the ultimate beneficiaries.
- j) During the year ended March 31, 2024 and March 31, 2023, 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).
- k) Provision relating to Corporate Social Responsibility under Section 135 of Companies Act, 2013 are not applicable to the company.
- l) The Company has not invested or traded in Crypto Currency or Virtual Currency during the year ended March 31, 2024 and March 31, 2023.
- m) 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, 2024 and March 31, 2023.





**TORRENT SAURYA URJA 3 PRIVATE LIMITED**

**Notes forming part of financial statements for the year ended on March 31, 2024**

**Note 34: Maintenance of audit trail**

The company has been using SAP ERP as a book of accounts. While SAP audit logging has been enabled from the beginning of the year and captures all the changes made in the audit log as per SAP note no 3042258 version 7 dated 6th March 2024. However, changes made using certain privileged access does not capture "old value" and "new value" of changes made. After thorough testing and validation of tolerable impact on performance of SAP system, the audit trail at Database level was configured on 27th March 2024. As a part of privileged access management, the company has implemented ARCON make PAM (Privileged Access Management System) suite. This PAM system provides access based on need/approval and does the video recording of all activities carried out by privileged user. However due to standard database functionality of HANA DB, while changes made are logged in the database, it does not capture "old value" and "new value" of changes made. This is SAP related issue and management is working towards resolving the same with the vendor.

**Note 35: Approval of financial statements**

The financial statements were approved for issue by the board of directors on May 15, 2024.

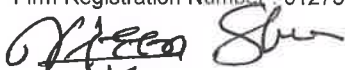
**Signature to Note 1 to 35**

In terms of our report attached

**For Price Waterhouse Chartered Accountants LLP**

Chartered Accountants

Firm Registration Number : 012754N / N500016



**Viren Shah**

Partner

Membership No.: 046521

Place: Ahmedabad

Date: May 15, 2024



For and on behalf of the Board of Directors



**Saurabh Mashruwala**

Director

DIN - 01786490

Place: Ahmedabad

Date: May 15, 2024



**Nisarg Shah**

Director

DIN - 08812336

Place: Ahmedabad

Date: May 15, 2024