

Price Waterhouse Chartered Accountants LLP

Independent Auditor's Report

To the Members of Torrent Urja 16 Private Limited

Report on the Audit of the Financial Statements

Opinion

1. We have audited the accompanying financial statements of Torrent Urja 16 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 period commencing from May 11, 2023 ("date of incorporation") to March 31, 2024, 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 period commencing from May 11, 2023 ("date of incorporation") to March 31, 2024.

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.



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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)

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In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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

5. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
6. In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

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



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

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



Price Waterhouse Chartered Accountants LLP

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- (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.
- (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 did not have any long-term contracts including 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 period commencing from May 11, 2023 ("date of incorporation") to March 31, 2024.
 - iv. (a) The management has represented that, to the best of its knowledge and belief, as disclosed in the note 21 (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;

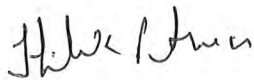


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- (b) The management has represented that, to the best of its knowledge and belief, as disclosed in the note 21 (i) to the financial statements, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding 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 period commencing from May 11, 2023 ("date of incorporation") to March 31, 2024.
- 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 period commencing from May 11, 2023 ("date of incorporation") to March 31, 2024 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 22 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 period commencing from May 11, 2023 ("date of incorporation") to March 31, 2024.

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



Hirak Patwa
Partner
Membership Number: 128990

UDIN: 24128990BKGXTD2737
Place: Ahmedabad
Date: May 13, 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 Urja 16 Private Limited on the financial statements for the period commencing from May 11, 2023 ("date of incorporation") to 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 Urja 16 Private Limited ("the Company") as of March 31, 2024 in conjunction with our audit of the financial statements of the Company for the period commencing from May 11, 2023 ("date of incorporation") to March 31, 2024.

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 Urja 16 Private Limited on the financial statements for the period commencing from May 11, 2023 ("date of incorporation") to 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.

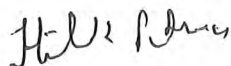
Inherent Limitations of Internal Financial Controls with reference to financial statements

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



Hirak Patwa
Partner
Membership Number: 128990

UDIN: 24128990BKGXTD2737
Place: Ahmedabad
Date: May 13, 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 Urja 16 Private Limited on the financial statements as of and for the period commencing from May 11, 2023 ("date of incorporation") to 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 does not have any Property, Plant and Equipment and accordingly, reporting under clause 3(i)(a)(A) of the Order is not applicable to the Company.

(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 Company does not have any Property, Plant and Equipment and accordingly, reporting under clause 3(i)(b) of the Order is not applicable to the Company.
- (c) The Company does not own any immovable properties. Accordingly, reporting under clause 3(i)(c) of the Order is not applicable to the Company.
- (d) The Company does not have any Property, Plant and Equipment (including Right of Use assets) and intangible assets and accordingly, reporting under clause 3(i)(d) of the Order is not applicable to the Company.
- (e) Based on the information and explanations furnished to us, no proceedings have been initiated on or are pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder, and therefore the question of our commenting on whether the Company has appropriately disclosed the details in the financial statements does not arise.
- ii. (a) The Company did not have any inventory during the period or as at period end. Accordingly, reporting under clause 3(ii)(a) of the Order is not applicable to the Company.
- (b) During the period commencing from May 11, 2023 ("date of incorporation") to March 31, 2024, the Company has not been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate from banks and financial institutions on the basis of security of current assets and accordingly, the question of our commenting on whether the quarterly returns or statements are in agreement with the unaudited books of account of the Company does not arise.
- iii. The Company has not made any investments, granted secured/ unsecured loans/advances in nature of loans, or stood guarantee, or provided security to any parties. Therefore, the reporting under clause 3(iii), (iii)(a), (iii)(b), (iii)(c), (iii)(d), (iii)(e) and (iii)(f) of the Order are not applicable to the Company.
- iv. The Company has not granted any loans or made any investments or provided any guarantees or security to the parties covered under Sections 185 and 186. Therefore, the reporting under clause 3(iv) of the Order are not applicable to the Company.



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Annexure B to Independent Auditors' Report

Referred to in paragraph 10 of the Independent Auditors' Report of even date to the members of Torrent Urja 16 Private Limited on the financial statements as of and for the period commencing from May 11, 2023 ("date of incorporation") to March 31, 2024

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- 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 income tax 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 period commencing from May 11, 2023 ("date of incorporation") to March 31, 2024 in the tax assessments under the Income Tax Act, 1961.
- ix. (a) The Company has not defaulted in repayment of loans or in the payment of interest to any lender during the period commencing from May 11, 2023 ("date of incorporation") to March 31, 2024.
(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 7 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 period commencing from May 11, 2023 ("date of incorporation") to March 31, 2024. Accordingly, reporting under clause 3(ix)(e) of the Order is not applicable to the Company.
(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 period commencing from May 11, 2023 ("date of incorporation") to March 31, 2024. 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 period commencing from May 11, 2023 ("date of incorporation") to March 31, 2024. Accordingly, the reporting under clause 3(x)(a) 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 Urja 16 Private Limited on the financial statements as of and for the period commencing from May 11, 2023 ("date of incorporation") to March 31, 2024

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- (b) The Company has not made any preferential allotment or private placement of shares or fully or partially or optionally convertible debentures during the period commencing from May 11, 2023 ("date of incorporation") to March 31, 2024. Accordingly, the reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- xi. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the period commencing from May 11, 2023 ("date of incorporation") to March 31, 2024, 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 period commencing from May 11, 2023 ("date of incorporation") to March 31, 2024 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.
- 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.



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Annexure B to Independent Auditors' Report

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- (b) The Company has not conducted non-banking financial / housing finance activities during the period commencing from May 11, 2023 ("date of incorporation") to March 31, 2024. Accordingly, the reporting under clause 3(xvi)(b) of the Order is not applicable to the Company.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.
- (d) Based on the information and explanations provided by the management of the Company, the Group (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. 2,606.87 hundreds during the period commencing from May 11, 2023 ("date of incorporation") to March 31, 2024. The current financial period commencing from May 11, 2023 ("date of incorporation") to March 31, 2024 being the first year of incorporation of the Company, reporting under Clause 3(xvii) to the extent it relates to the immediately preceding financial year, is not applicable to the Company.
- xviii. There has been no resignation of the statutory auditors during the period commencing from May 11, 2023 ("date of incorporation") to March 31, 2024 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

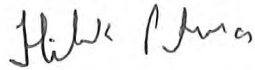
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- xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of Standalone Financial Statements. Accordingly, no comment in respect of the said clause has been included in this report.

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



Hirak Patwa
Partner
Membership Number: 128990

UDIN: 24128990BKGXTD2737
Place: Ahmedabad
Date: May 13, 2024

Balance sheet

(₹ in Hundreds)

as at March 31, 2024

Note	As at
	March 31, 2024

Assets**Non-current assets**

Financial assets

Other financial assets

3	38.00
	<u>38.00</u>

Total Non-current assets

Current assets

Financial assets

Cash and cash equivalents

4	1,187.68
	<u>1,187.68</u>
	<u>1,225.68</u>

Total Current assets

Total Assets

Equity and liabilities**Equity**

Equity share capital

Other equity

5	1,000.00
6	<u>(2,606.87)</u>
	<u>(1,606.87)</u>

Total Equity

Liabilities**Non-current liabilities**

Financial liabilities

Borrowings

7	<u>2,000.00</u>
	2,000.00

Total Non-current liabilities

Current liabilities

Financial liabilities

Trade payables

Total outstanding dues of micro and small enterprises

Total outstanding dues other than micro and small enterprises

Other financial liabilities

Other current liabilities

8	-
8	675.00
9	65.81
10	<u>91.74</u>

Total Current liabilities

Total Equity and liabilities

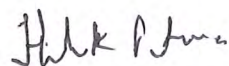
1,225.68

See accompanying notes forming part of the financial statements

In terms of our report attached

For Price Waterhouse Chartered Accountants LLP

Firm Registration Number : 012754N/N500016



Hirak Patwa

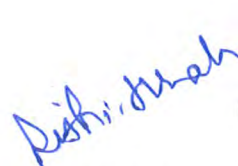
Partner

Membership No.: 128990

Place: Ahmedabad

Date: May 13, 2024

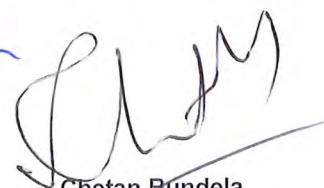
For and on behalf of the Board of Directors



Rishi Shah

Director

DIN:10121181



Chetan Bundela

Director

DIN:10135419

Place: Ahmedabad

Date: May 13, 2024

Place: Ahmedabad

Date: May 13, 2024



Statement of Profit and Loss

(₹ in Hundreds)

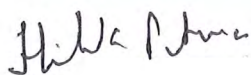
For the period commencing from May 11, 2023 ("date of incorporation") to March 31, 2024

	Note	Period commencing from May 11, 2023 ("date of incorporation") to March 31, 2024
Income		-
Revenue from operations		-
Other income		-
Total income		-
Expenses		
Finance costs	11	73.12
Other expenses	12	2,533.75
Total expenses		2,606.87
Loss before tax		(2,606.87)
Tax expense		-
Current tax		-
Deferred tax		-
Loss for the period		(2,606.87)
Other comprehensive income for the period, net of income tax		-
Total comprehensive income for the period		(2,606.87)
Basic and diluted loss per share of face value of ₹10 each (in ₹) (Refer Note - 15)		(26.07)

See accompanying notes forming part of the financial statements

In terms of our report attached

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



Hirak Patwa
Partner
Membership No.: 128990

Place: Ahmedabad
Date: May 13, 2024

For and on behalf of the Board of Directors



Rishi Shah
Director
DIN:10121181

Chetan Bundela
Director
DIN:10135419

Place: Ahmedabad
Date: May 13, 2024

Place: Ahmedabad
Date: May 13, 2024



Statement of cash flows

For the period commencing from May 11, 2023 ("date of incorporation") to March 31, 2024

(₹ in Hundreds)

Particulars	Note	Period commencing from May 11, 2023 ("date of incorporation") to March 31, 2024
Cash flow from operating activities		
Net (loss) for the period		(2,606.87)
Adjustments for :		
Finance costs	11	73.12
Operating Loss before working capital changes		<u>(2,533.75)</u>
Movement in working capital:		
Adjustments for (increase) in operating assets:		
Other financial assets		(38.00)
Adjustments for increase in operating liabilities:		
Trade payables		675.00
Other current liabilities		84.43
Net cash used in operating activities		<u>(1,812.32)</u>
Cash flow from financing activities		
Proceeds from issue of share capital		1,000.00
Proceeds from long-term borrowings from parent company		2,000.00
Net cash flow from financing activities		<u>3,000.00</u>
Net increase in cash and cash equivalents		1,187.68
Cash and cash equivalents as at beginning of the period		-
Cash and cash equivalents as at end of the period		1,187.68

See accompanying notes forming part of the financial statements

Note

As at
March 31, 2024

Notes:

1. Cash and cash equivalents as at end of the period
- Balances with banks
- In current accounts

4

1,187.68

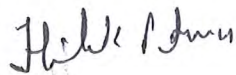
1,187.68

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

3. For Net debt reconciliation refer note - 7.

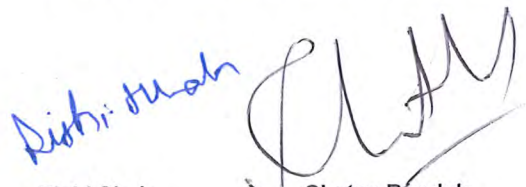
In terms of our report attached

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



Hirak Patwa
Partner
Membership No.: 128990

For and on behalf of the Board of Directors



Rishi Shah
Director
DIN:10121181

Chetan Bundela
Director
DIN:10135419

Place: Ahmedabad
Date: May 13, 2024




Place: Ahmedabad
Date: May 13, 2024

Place: Ahmedabad
Date: May 13, 2024

TORRENT URJA 16 PRIVATE LIMITED

Statement of changes in equity for the period commencing from May 11, 2023 ("date of incorporation") to March 31, 2024

(₹ in Hundreds)

A. Equity share capital (Refer Note 5)

Balance as at May 11, 2023

issued during the period

Balance as at March 31, 2024

1,000.00

1,000.00

B. Other equity (Refer Note 6)

(₹ in Hundreds)

Reserves and

surplus

Retained Earnings

Balance as at May 11, 2023

Loss for the period

Other comprehensive income for the period (net of tax)

Total comprehensive income for the period

(2,606.87)

(2,606.87)

Balance as at March 31, 2024

(2,606.87)

See accompanying notes forming part of the financial statements

In terms of our report attached

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

Hirak Patwa

Hirak Patwa

Partner

Membership No.: 128990

Place: Ahmedabad

Date: May 13, 2024

For and on behalf of the Board of Directors

Rishi Shah

Rishi Shah

Director

DIN:10121181

Chetan Bundela

Chetan Bundela

Director

DIN:10135419

SS

Place: Ahmedabad

Date: May 13, 2024

Place: Ahmedabad

Date: May 13, 2024



TORRENT URJA 16 PRIVATE LIMITED

Notes forming part of financial statements for the period commencing from May 11, 2023 ("date of incorporation") to March 31, 2024

Note 1A General Information:

Torrent Urja 16 Private Limited ("the Company") is a wholly owned subsidiary of Torrent Power Limited. The Company is a private company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. The registered office of the Company is located at "Samanvay", 600-Tapovan, Ambawadi, Ahmedabad-380015. The Company has been incorporated during the period and no operation has been started during the current period.

Note 2 Material accounting policies

2.1 Basis of preparation:

a) Compliance with Ind AS

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

b) Historical cost convention

The financial statements have been prepared on an accrual basis under the historical cost convention.

All assets and liabilities have been classified as current or non-current as set out in the Schedule III (Division II) to the Companies Act, 2013.

2.2 Cash and cash equivalents:

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

2.3 Earnings per share:

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

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

2.4 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).



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

iii) Subsequent measurement

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. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

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.

The Company follows 'simplified approach' for recognition of impairment loss on financial assets and always measures the loss allowance at an amount equal to lifetime expected credit losses.



TORRENT URJA 16 PRIVATE LIMITED

Notes forming part of financial statements for the period commencing from May 11, 2023 ("date of incorporation") to March 31, 2024

Financial liabilities:

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

i) Classification

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

ii) Initial measurement

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

iii) Subsequent measurement

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

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

iv) Derecognition of financial liabilities

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

2.6 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.

2.7 Leases:

The Company as a lessee:

Leases of low value assets:

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

2.8 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.



TORRENT URJA 16 PRIVATE LIMITED

Notes forming part of financial statements for the period commencing from May 11, 2023 ("date of incorporation") to March 31, 2024

Note-3 : Other Non Current Financial Assets

(₹ in Hundreds)

As at

March 31, 2024

Security deposits

38.00

38.00

Note-4 : Cash & Cash Equivalents

(₹ in Hundreds)

As at

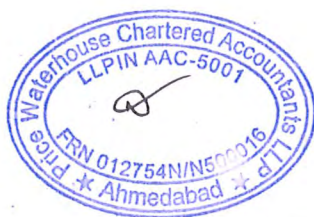
March 31, 2024

Balances with banks

In current accounts

1,187.68

1,187.68



TORRENT URJA 16 PRIVATE LIMITED

Notes forming part of financial statements for the period commencing from May 11, 2023 ("date of incorporation") to March 31, 2024

Note-5 : Equity Share Capital

(₹ in Hundreds)

As at

March 31, 2024

Authorised

10,000 equity shares of Rs.10 each

1,000.00

1,000.00

Issued, subscribed and paid up

10,000 equity shares of Rs.10 each

1,000.00

1,000.00

Footnotes:

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

No. of shares

Period commencing from

May 11, 2023

("date of incorporation")

to March 31, 2024

As at the beginning of the period

Issued during the period

Outstanding at the end of the period

10,000

10,000

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

3. Terms / Rights attached to equity shares :

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

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

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

Name of the Shareholder	As at March 31, 2024	
	No. of Shares	% of Holding
Torrent Power Limited (Jointly with nominees)	10,000	100.00%

5. Details of shareholding of Promoters in the Company :

Promoter Name	As at March 31, 2024	
	No. of Shares	% of Holding
Torrent Power Limited (Jointly with nominees)	10,000	100.00%



TORRENT URJA 16 PRIVATE LIMITED

Notes forming part of financial statements for the period commencing from May 11, 2023 ("date of incorporation") to March 31, 2024

Note-6 : Other Equity

(₹ in Hundreds)

As at

March 31, 2024

Reserves and surplus

Retained earnings

(2,606.87)

(2,606.87)

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.



TORRENT URJA 16 PRIVATE LIMITED

Notes forming part of financial statements for the period commencing from May 11, 2023 ("date of incorporation") to March 31, 2024

Note 7 : Non-current borrowings

	(₹ in Hundreds)
	As at
	March 31, 2024
Unsecured Loans (at Amortised cost)	
8.50 % Loans from parent company	2,000.00
	<u>2,000.00</u>

Notes:

1. Repayment of loan will commence after expiry of Moratorium period which is one year from the date of commercial generation of electricity (actual COD date) of the project.

2. Undrawn loan from parent company based on approval limit is ₹ 98,000 Hundreds as at March 31, 2024.

Net debt reconciliation :

(₹ in Hundreds)

As at March 31, 2024

Cash and cash equivalents	1,187.68
Non-current borrowings (including interest accrued but not due)	-2,065.81
	<u>(878.13)</u>

(₹ in Hundreds)

	Other assets	Liabilities from financing activities	Total
	Cash and cash equivalents	Non-current borrowings	
Net balance as at May 11, 2023	-	-	-
Cash flows (net)	1,187.68	(2,000.00)	(812.32)
Interest expense*	-	(65.81)	(65.81)
Net balance as at March 31, 2024	<u>1,187.68</u>	<u>(2,065.81)</u>	<u>(878.13)</u>

*Netted off by tax deducted at source amounting to Rs. 7.31 hundreds.



TORRENT URJA 16 PRIVATE LIMITED

Notes forming part of financial statements for the period commencing from May 11, 2023 ("date of incorporation") to March 31, 2024

Note-8 : Trade Payables

(₹ in Hundreds)

As at

March 31, 2024

Trade payables for goods and services

Total outstanding dues of micro and small enterprises

675.00

Total outstanding dues other than micro and small enterprises

675.00

Footnotes:

1. Refer Note 13 for MSME Disclosure.

2. Refer below ageing schedule for trade payables

(₹ in Hundreds)

Particulars	As at March 31, 2024			
	Outstanding for following periods from due date of payment			Total
	Unbilled	Not due	Less than 1 year	
Undisputed dues				
-MSME	-	-	-	-
-Others	675.00	-	-	675.00
Disputed dues				
-MSME	-	-	-	-
-Others	-	-	-	-
Grand Total	675.00	-	-	675.00

Note 9 : Other financial liabilities

(₹ in Hundreds)

As at

March 31, 2024

Interest accrued but not due on loan from parent company

65.81

65.81

Note-10 : Other Current Liabilities

(₹ in Hundreds)

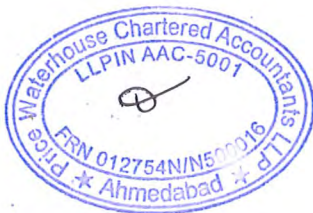
As at

March 31, 2024

Statutory dues (tax deducted at source)

91.74

91.74



TORRENT URJA 16 PRIVATE LIMITED

Notes forming part of financial statements for the period commencing from May 11, 2023 ("date of incorporation") to March 31, 2024

Note-11: Finance cost

(₹ in Hundreds)

Period commencing from
May 11, 2023
("date of incorporation")
to March 31, 2024

Interest Expense for financial liabilities classified at amortised cost
Loan from parent company (Refer note 17)

73.12

73.12

Note-12 : Other Expenses

(₹ in Hundreds)

Period commencing from
May 11, 2023
("date of incorporation")
to March 31, 2024

Rent (Refer note -20)
Auditors remuneration (Refer note -14)
Legal, professional and consultancy fees
Miscellaneous expenses

405.74

590.00

1,499.39

38.62

2,533.75

Note 13 : Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006)

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

Note 14: Auditors remuneration

(₹ in Hundreds)

Period commencing from
May 11, 2023
("date of incorporation")
to March 31, 2024

Audit fees (including taxes)

590.00

590.00

Note 15: Earnings/(loss) per share

Period commencing from
May 11, 2023
("date of incorporation")
to March 31, 2024

Basic and diluted earnings/(loss) per share

(26.07)

Basic and diluted earnings/(loss) per share

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

Period commencing from
May 11, 2023
("date of incorporation")
to March 31, 2024

(Loss) for the period (₹ in Hundreds)
Weighted average number of equity shares
Nominal value of shares (Rs.)

(2,606.87)

10,000

10

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 16: Operating segment

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



TORRENT URJA 16 PRIVATE LIMITED

Notes forming part of financial statements for the period commencing from May 11, 2023 ("date of incorporation") to March 31, 2024

Note 17: 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. Key management personnel	Chetan Bundela (non executive director) (from May 11, 2023) Lachman Lalwani (from May 11, 2023) Rishi Shah (from May 11, 2023)

B. Related party transactions:

	(₹ in Hundreds)
	Parent Company
	Period ended March 31, 2024
Nature of transactions	
Rent Expense	405.74
Torrent Power Limited	405.74
Loan taken during the period	2,000.00
Torrent Power Limited	2,000.00
Interest Expenses on Loan	73.12
Torrent Power Limited	73.12
Security deposit given	38.00
Torrent Power Limited	38.00
Equity contribution	1,000.00
Torrent Power Limited	1,000.00

C. Related party balances:

	(₹ in Hundreds)
	Parent Company
	As at March 31, 2024
Balances at the end of the period	
Other Non Current Financial Assets	38.00
Torrent Power Limited (Security Deposit)	38.00
Other Non Current Financial Liability	2,000.00
Torrent Power Limited (Borrowings)	2,000.00
Other Current Financial Liabilities	65.81
Torrent Power Limited (Interest accrued but not due)	65.81

D. Terms and conditions of outstanding balances:

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

Outstanding balances at the year-end are unsecured.



TORRENT URJA 16 PRIVATE LIMITED

Notes forming part of financial statements for the period commencing from May 11, 2023 ("date of incorporation") to March 31, 2024

Note 18: Financial instruments and risk review**A. Capital Management**

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

The Company's capital structure is represented by equity (comprising issued capital and retained earnings as detailed in notes 5, 6) and debt from parent company (borrowings as detailed in note 7).

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

Gearing ratio

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

	(₹ in Hundreds)
	As at
	March 31, 2024
Debt	2,000.00
Total equity	(1,606.87)
Debt to equity ratio	<u>(1.24)</u>

Footnotes :

1. Debt represents borrowing taken from the parent company.
2. Total equity is defined as equity share capital + all reserve.

B. Categories of financial instruments

	(₹ in Hundreds)	
	As at	
	March 31, 2024	
	Carrying value	Fair value
Financial assets		
Measured at amortised Cost		
Cash and cash equivalents	1,187.68	1,187.68
Other Non Current Financial Assets	38.00	38.00
Total Financial Assets	1,225.68	1,225.68
Financial liabilities		
Measured at amortised Cost		
Borrowings	2,000.00	2,000.00
Trade Payables	675.00	675.00
Other financial liabilities	65.81	65.81
Total Financial Liabilities	2,740.81	2,740.81

Footnotes:

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

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

C. Fair Value Measurement

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

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

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

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



TORRENT URJA 16 PRIVATE LIMITED

Notes forming part of financial statements for the period commencing from May 11, 2023 ("date of incorporation") to March 31, 2024

D. Financial risk management objectives

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

Liquidity risk

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

Interest risk

The Company's borrowings 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 Company uses a mix of interest rate sensitive financial instruments to manage the liquidity and fund requirements for its day to day operations.

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

	(₹ in Hundreds) As at March 31, 2024
Fixed rate borrowings	-
Floating rate borrowings	2,000.00
	<u>2,000.00</u>

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.

	(₹ in Hundreds) Period commencing from May 11, 2023 ("date of incorporation") to March 31, 2024
Impact on profit/(loss) before tax - increase in 50 basis points	(10.00)
Impact on profit/(loss) before tax - decrease in 50 basis points	10.00

Credit Risk:

The Company is having balances in cash and cash equivalents and security deposit. The balances in cash and cash equivalents is with scheduled banks with high credit rating and security deposit is with parent company hence there is perceived low credit risk of default.

Maturities of financial liabilities:

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

	As at March 31, 2024		(₹ in Hundreds)
	Less than 1 year	More than 1 year	Total
Financial liabilities			
Non current financial liabilities			
Borrowings	-	2,000.00	2,000.00
Current financial liabilities			
Trade payables	675.00	-	675.00
Other financial liabilities	65.81	-	65.81
Total financial liabilities	740.81	2,000.00	2,740.81



Note 19: Financial Ratios

Ratio	Numerator	Denominator	As at March 31, 2024
(a) Current Ratio (in times)	Current Assets	Current Liabilities	1.43
(b) Debt-Equity Ratio (in times)	Total Debt = All debt outstanding	Shareholder's Equity = Equity share capital + Other equity	(1.24)
(c) Debt Service Coverage Ratio (in times)	(Loss) after tax + Interest on debt	Interest expenses	(34.65)
(d) Return on Equity (ROE) Ratio (in %)	Loss for the period	Shareholder's Equity = Equity share capital + Other equity	162%
(e) Return on Capital employed (ROCE) (in %)	Loss before exceptional items and tax + Finance costs	Tangible Net Worth	158%

Footnote:

1. This is first year of incorporation of Company and hence reason for change in ratios is not applicable.

2. Further, (a) Inventory turnover Ratio, (b) Trade Receivables turnover Ratio, (c) Trade Payables turnover Ratio, (d) Net capital turnover Ratio, (e) Net profit Ratio are not applicable since the Company has not started its operations.

Note 20: Leases

	(₹ in Hundreds)
	Period commencing from May 11, 2023 ("date of incorporation") to March 31, 2024
Amount Recognised in the Statement of Profit and Loss	
Expense Relating to Lease of Low Value Assets (Refer Note 12)	405.74
	<u>405.74</u>



TORRENT URJA 16 PRIVATE LIMITED

Notes forming part of financial statements for the period commencing from May 11, 2023 ("date of incorporation") to March 31, 2024

Note 21: 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 period ended March 31, 2024.
- b) The Company has not obtained the borrowings from banks and financial institutions during the period ended March 31, 2024.
- 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 Willful Defaulter by any bank or financial institution or government or any government authority during the period ended March 31, 2024.
- f) There are no charges or satisfactions which were to be registered with the Registrar of Companies during the period ended March 31, 2024.
- g) The Company does not hold interest in subsidiary, associate and Joint Venture during the period ended March 31, 2024.
- 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 period ended March 31, 2024.
- i) During the period ended March 31, 2024, 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:
- 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 to or on behalf of the ultimate beneficiaries.
- During the period ended March 31, 2024, 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:
- 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.
- j) During the period ended March 31, 2024, 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 related 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 period ended March 31, 2024.
- 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 period ended March 31, 2024.

Note 22: Management note on 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 period and captures all the changes made in the audit log as per SAP note no 3042258 version 7 dated March 06, 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 March 27, 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 23: Previous year figures

The Company was incorporated on May 11, 2023. The Statement of Profit and Loss has therefore been prepared for the period from May 11, 2023 to March 31, 2024. These being first financial statements of the company, prior period figures are not applicable.

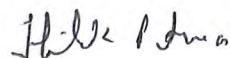
Note 24: Approval of financial statements

The financial statements were approved for issue by the board of directors on May 13, 2024.

Signature to Note 1 to 24

In terms of our report attached

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



Hiral Patwa
Partner
Membership No.: 128990

Place: Ahmedabad
Date: May 13, 2024

For and on behalf of the Board of Directors



Rishi Shah
Director
DIN:10121181

Chetan Bundela
Director
DIN:10135419

Place: Ahmedabad
Date: May 13, 2024

Place: Ahmedabad
Date: May 13, 2024

