

**TORRENT SAURYA URJA 3 PRIVATE LIMITED**

# 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, 2021, and the statement of Profit and Loss (including Other Comprehensive Income), statement of changes in equity and statement of cash flows for the period then ended, and notes to the financial statements for the period commencing from February 17, 2021 ("date of incorporation") to March 31, 2021, including a summary of significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, total comprehensive income (comprising of loss and other comprehensive income), changes in equity and its cash flows for the period commencing from February 17, 2021 ("date of incorporation") to March 31, 2021.

#### Basis for opinion

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

#### Other Information

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

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

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

We have nothing to report in this regard.

Price Waterhouse Chartered Accountants LLP, 1701, 17th Floor, Shapath V, Opp. Karnavati Club, SG Highway  
Ahmedabad - 380 051, Gujarat, India  
T: +91 (79) 3091 7000, F: +91 (79) 3091 7082

Registered office and Head office: Sucheta Bhawan, 11A Vishnu Digambar Marg, New Delhi 110 002

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# **Price Waterhouse Chartered Accountants LLP**

## **INDEPENDENT AUDITOR'S REPORT**

To the Members of Torrent Saurya Urja 3 Private Limited

Report on the Financial Statements

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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 judgment 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

# Price Waterhouse Chartered Accountants LLP

## INDEPENDENT AUDITOR'S REPORT

To the Members of Torrent Saurya Urja 3 Private Limited

Report on the Financial Statements

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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, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
11. As required by Section 143(3) of the Act, we report that:
- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and Cash Flow Statement 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, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.

# **Price Waterhouse Chartered Accountants LLP**

## **INDEPENDENT AUDITOR'S REPORT**

To the Members of Torrent Saurya Urja 3 Private Limited

Report on the Financial Statements

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- f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, 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 for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the period ended March 31, 2021.
  - iv. The reporting on disclosures relating to Specified Bank Notes is not applicable to the Company for the period ended March 31, 2021
- 12. The Company has not paid/ provided for managerial remuneration during the period ended March 31, 2021. Accordingly, reporting under Section 197(16) of the Act is not applicable to the Company.

For Price Waterhouse Chartered Accountants LLP

Firm Registration Number: 012754N / N500016

Viren Shah

Partner

Membership Number: 046521

UDIN: 21046521AAAABX9342

Place: Ahmedabad

Date: April 29, 2021

# Price Waterhouse Chartered Accountants LLP

## Annexure A to Independent Auditors' Report

Referred to in paragraph 11(f) of the Independent Auditors' Report of even date to the members of Torrent Saurya Urja 3 Private Limited on financial statements for the period ended March 31, 2021

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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, 2021 in conjunction with our audit of the financial statements of the Company for the period commencing from February 17, 2021 ("date of incorporation") to March 31, 2021.

### 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 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.

### Auditors' 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 on Audit of Internal Financial Controls Over Financial Reporting (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.

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# **Price Waterhouse Chartered Accountants LLP**

## **Annexure A to Independent Auditors' Report**

Referred to in paragraph 11(f) of the Independent Auditors' Report of even date to the members of Torrent Saurya Urja 3 Private Limited on financial statements for the period ended March 31, 2021

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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, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

Viren Shah  
Partner  
Membership Number: 046521  
UDIN: 21046521AAAABX9342

Place: Ahmedabad  
Date: April 29, 2021

# 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 period ended March 31, 2021

- 1 Matters specified in clauses (i), (ii), (iii), (iv), (v), (vi), (viii), (ix), (xi), (xii), (xiv), (xv), (xvi) of paragraph 3 of the CARO, 2016 does not apply to the Company.
- ii (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues, including income tax and other material statutory dues, as applicable, with the appropriate authorities.  
  
(b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of income-tax which have not been deposited on account of any dispute.
- iii During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the period, nor have we been informed of any such case by the Management.

The Company has entered into transactions with related parties in compliance with the provisions of Section 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard (Ind AS) 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 provisions of Clause 3(xiii) of the Order are not applicable to the Company.

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

Viren Shah  
Partner  
Membership Number: 046521  
UDIN: 21046521AAAABX9342

Place: Ahmedabad  
Date: April 29, 2021

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**TORRENT SAURYA URJA 3 PRIVATE LIMITED****Balance Sheet**

as at 31st March, 2021

	Note	(Amount in hundreds) As at 31st March, 2021
<b>Assets</b>		
<b>Current assets</b>		
Financial assets		
Cash and cash equivalents	3	5,000.00
		5,000.00
<b>Equity and liabilities</b>		
<b>Equity</b>		
Equity Share Capital	4	5,000.00
Other equity	5	(647.51)
		<hr/> 4,352.49
<b>Current liabilities</b>		
Financial liabilities		
Trade payables	6	
Total outstanding dues of micro and small enterprises		
Total outstanding dues other than micro and small enterprises		610.01
Other current liabilities	7	37.50
		647.51
		5,000.00

**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:

Date:

**Saurabh Mashruwala**

Director

DIN - 01786490

Place : Ahmedabad

Date : 29th April, 2021

**Nisarg Shah**

Director

DIN - 08812336

Place : Ahmedabad

Date : 29th April, 2021

**TORRENT SAURYA URJA 3 PRIVATE LIMITED****Statement of Profit and Loss**

For the period from 17th February, 2021 (Date of incorporation) to 31st March, 2021

	Note	(Amount in hundreds) From 17th February, 2021 to 31st March, 2021
<b>Income</b>		
<b>Expenses</b>		
Other expenses	8	647.51
<b>Total expenses</b>		647.51
<b>Loss before tax</b>		(647.51)
<b>Tax expenses</b>		
Current tax		
Deferred tax		
<b>Loss for the period</b>		(647.51)
<b>Other comprehensive income for the period (net of tax)</b>		
<b>Total comprehensive income for the period</b>		<u>(647.51)</u>
Basic/diluted loss per share of face value of Rs.10 each (in Rs.) (Refer note 11)		(10.99)

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:  
Date:

**Saurabh Mashruwala**  
Director  
DIN - 01786490

Place : Ahmedabad  
Date : 29th April, 2021

**Nisarg Shah**  
Director  
DIN - 08812336

Place : Ahmedabad  
Date : 29th April, 2021

**Statement of Cash Flow**

For the period from 17th February, 2021 (Date of incorporation) to 31st March, 2021

	Note	(Amount in hundreds) From 17th February, 2021 to 31st March, 2021
<b>Cash flow from operating activities</b>		
Loss before tax		(647.51)
<b>Movement in working capital:</b>		
Trade payables	6	610.01
Other current liabilities	7	37.50
<b>Cash (used in)/generated from operations</b>		
Taxes paid		
<b>Net cash flow (used in)/generated from operating activities</b>		
<b>Cash flow from financing activities</b>		
Proceed from issue of Share capital	4	5,000.00
<b>Net cash generated from financing activities</b>		000.00
<b>Net Increase in Cash and cash equivalents</b>	3	5,000.00
<b>Cash and cash equivalents as at beginning of the period</b>		
<b>Cash and cash equivalents as at end of the period</b>		5,000.00

See accompanying notes forming part of the financial statements

	Note	As at 31st March, 2021
<b>Notes:</b>		
1. Cash and cash equivalents as at end of the period:		
Cash and Cash equivalents		
Balance in current accounts	3	5,000.00
		5,000.00

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.

In terms of our report attached

For and on behalf of the Board of Directors

**For Price Waterhouse Chartered Accountants LLP**

Firm Registration Number : 012754N / N500016

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

**Saurabh Mashruwala**  
Director  
DIN - 01786490

**Nisarg Shah**  
Director  
DIN - 08812336

Place:

Place : Ahmedabad

Place : Ahmedabad

Date:

Date : 29th April, 2021

Date : 29th April, 2021

**TORRENT SAURYA URJA 3 PRIVATE LIMITED**

Statement of changes in equity for the period From 17th February, 2021 (Date of Incorporation) to 31st March, 2021

(Amount in hundreds)

**A. Equity share capital (refer note 4)**

Equity Share capital issued during the period

5,000.00

**Balance as at 31st March, 2021****5,000.00****B. Other equity (refer note 5)****Reserves and surplus  
Retained earnings****Balance as at 17th February, 2021**

Loss for the period

(647.51)

Other comprehensive income for the period (net of tax)

**Total comprehensive income for the period****(647.51)****Balance as at 31st March, 2021****(647.51)**

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: 29th April, 2021

**Saurabh Mashruwala**

Director

DIN - 01786490

Place : Ahmedabad

Date : 29th April, 2021

**Nisarg Shah**

Director

DIN - 08812336

Place : Ahmedabad

Date : 29th April, 2021

**TORRENT SAURYA URJA 3 PRIVATE LIMITED**

Notes forming part of financial statements for the period 17th February, 2021 (date of incorporation) to 31st March, 2021

**Note-3 : Cash & Cash Equivalents**

(Amount in hundreds)

As at

31st March, 2021

Balances with banks

Balance in current accounts

5,000.00

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5,000.00

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**TORRENT SAURYA URJA 3 PRIVATE LIMITED**

Notes forming part of financial statements for the period 17th February, 2021 (date of incorporation) to 31st March, 2021

**Note-4 : Equity Share Capital**

(Amount in hundreds)

As at  
31st March, 2021**Authorised**

50,000 equity shares of Rs.10 each

5,000.00

5,000.00

**Issued, subscribed and paid up**

50,000 equity shares of Rs.10 each

5,000.00

5,000.00

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

No. of shares  
As at  
31st March, 2021

Shares issued during the period

50,000.00

Outstanding at the end of the period

50,000.00

- 2 Shares held by holding company :

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

- 3 Terms / Rights attached to equity shares :

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

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

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

Name of the Shareholder

	As at 31st March, 2021	
No. of shares	% holding	

Torrent Power Limited (Jointly with nominees)

50,000

100.00%

**Note-5 : Other Equity**As at  
31st March, 2021**Reserves and surplus**

Retained earnings

(647.51)

(647.51)

**TORRENT SAURYA URJA 3 PRIVATE LIMITED****Notes forming part of financial statements for the period 17th February, 2021 (date of incorporation) to 31st March, 2021****(Amount in hundreds)****Note-6 : Current Trade Payables****As at  
31st March, 2021**

Trade payables for goods and services

Total outstanding dues of micro and small enterprises

Total outstanding dues other than micro and small enterprises

**610.01****610.01****Note-7 : Other Current Liabilities****As at  
31st March, 2021**

Statutory dues (tax deducted at source)

**37.50****37.50**

**TORRENT SAURYA URJA 3 PRIVATE LIMITED****Notes forming part of financial statements for the period 17th February, 2021 (date of Incorporation) to 31st March, 2021****Note-8 : Other Expense****(Amount in hundreds)****From 17th February, 2021  
to 31st March, 2021**Auditors remuneration (Refer note -10)  
Legal, professional and consultancy fees

590.00

57.51647.51

**TORRENT SAURYA URJA 3 PRIVATE LIMITED**

**Notes forming part of financial statements for the period 17th February, 2021 (date of incorporation) to 31st March, 2021**

**Note 9: 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.

(Amount in Hundreds)

**Note 10: Auditors remuneration (Including taxes)****From 17th February, 2021  
to 31st March, 2021**As auditor  
Audit fees590.00590.00**Note 11: Earnings per share****As at 31st March, 2021**

Basic earnings per share	(10.99)
Diluted earnings per share	(10.99)

**Basic and diluted earnings per share**

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

**As at 31st March, 2021**

(Loss) for the period attributable to the Company used in calculation of basis earning per share (amount in hundred)	(647.51)
Weighted average number of equity shares (in hundred)	58.90

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

**Note 12: Operating segment**

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



**TORRENT SAURYA URJA 3 PRIVATE LIMITED**

Notes forming part of financial statements for the period 17th February, 2021 (date of incorporation) to 31st March, 2021

**Note 13: Related party disclosures****(a) Names of related parties and description of relationship:**

1	Parent Company	Torrent Power Limited
2	Ultimate parent company	Torrent Investments Private Limited (formerly known as Torrent Private Limited)
3	Non Executive Directors	Saurabh Mashruwala Nisarg Shah Jigish Mehta Naresh Joshi

# **TORRENT SAURYA URJA 3 PRIVATE LIMITED**

**Notes forming part of financial statements for the period 17th February, 2021 (date of incorporation) to 31st March, 2021**

## **Note 13: Related party disclosures (Contd.)**

(Amount in Hundreds)

### **(b) Related party transactions**

	Period ended
	31st March, 2021
Nature of transactions	
Equity contribution	5,000.00
Torrent Power Limited	5,000.00

**Note 14: Financial Instruments and risk review****Categories of financial instruments**

	As at 31st March, 2021	
	Carrying value	Fair value
<b>Financial assets</b>		
(Measured at amortised Cost)		
Cash and cash equivalents	5,000.00	5,000.00
Total Financial Assets	5,000.00	5,000.00
<b>Financial liabilities</b>		
(Measured at amortised Cost)		
Trade Payables	610.01	610.01
Total Financial Liabilities	610.01	610.01

**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.                     |

**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 that derive directly from its operations.

**TORRENT SAURYA URJA 3 PRIVATE LIMITED**

Notes forming part of financial statements for the period 17th February, 2021 (date of incorporation) to 31st March, 2021

**Note 14: Financial instruments and risk review (Contd.)****Financial risk management objectives****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.

**Liquidity tables**

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 31st March, 2021**

		(Amount in Hundreds)
	<b>Less than 1 year</b>	<b>Total</b>
<b>Financial liabilities</b>		
<b>Current financial liabilities</b>		
Trade payables	<u>610.01</u>	<u>610.01</u>
	<u>610.01</u>	<u>610.01</u>
<b>Total financial liabilities</b>	<u>610.01</u>	<u>610.01</u>

**TORRENT SAURYA URJA 3 PRIVATE LIMITED**

**Notes forming part of financial statements for the period 17th February, 2021 (date of incorporation) to 31st March, 2021**

**Note 15: Previous year figures**

The Company was incorporated on 17th February, 2021. The Statement of Profit and Loss has therefore been prepared for the period from 17th February, 2021 to 31st March, 2021. These being first financial statements of the company, prior period figures not applicable.

**Note 16: Approval of financial statements**

The financial statements were approved for issue by the board of directors on 29th April, 2021

**Signature to Note 1 to 16**

In terms of our report attached

For and on behalf of the Board of Directors

**For Price Waterhouse Chartered Accountants LLP**

Chartered Accountants

Firm Registration Number : 012754N / N500016

Viren Shah  
Partner  
Membership No : 046521

Place: Ahmedabad  
Date: 29th April, 2021

Saurabh Mashruwala  
Director  
DIN - 01786490

Place: Ahmedabad  
Date: 29th April, 2021

Nisarg Shah  
Director  
DIN - 08812336

Place: Ahmedabad  
Date: 29th April, 2021



**TORRENT SAURYA URJA 3 PRIVATE LIMITED**

**Notes forming part of financial statements for the period 17<sup>th</sup> February, 2021  
(date of incorporation) to 31st March, 2021**

**Note 1A. General Information:**

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

The Company was incorporated on 17<sup>th</sup> February, 2021. The financial statements of the Company have been prepared for the period from 17<sup>th</sup> February, 2021 (date of incorporation) to 31<sup>st</sup> March, 2021 (period).

**Note 1 B: New and amended standards adopted by the Company**

The Company has applied the following Ind AS for the first time for its annual reporting period commencing 17<sup>th</sup> February, 2021:

Definition of Material – amendments to Ind AS 1

The amendments listed above are not expected to significantly affect the current or future periods.

**Note 2. Significant accounting policies****2.1 Basis of preparation:****a) Compliance with Ind AS**

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

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

**b) Historical cost convention**

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

All assets and liabilities have been classified as current or non-current as set out in 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.

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

### **Notes forming part of financial statements for the period 17<sup>th</sup> February, 2021 (date of incorporation) to 31st March, 2021**

#### **2.4 Earnings per share**

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

#### **2.5 Provisions, contingent liabilities and contingent assets**

##### **Provisions:**

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

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

##### **Contingent liability:**

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

##### **Contingent assets:**

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

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

#### **2.6 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

**TORRENT SAURYA URJA 3 PRIVATE LIMITED****Notes forming part of financial statements for the period 17<sup>th</sup> February, 2021  
(date of incorporation) to 31st March, 2021**

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****Debt instruments**

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the debt instruments can be classified:

**• Amortised cost:**

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

**• Fair value through other comprehensive income (FVOCI):**

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains and losses and impairment expenses in other expenses.

**• Fair value through profit or loss (FVTPL):**

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

**iv) Impairment of financial assets**

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

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 18 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.

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

**Notes forming part of financial statements for the period 17<sup>th</sup> February, 2021  
(date of incorporation) to 31st March, 2021**

### **v) Derecognition of financial assets**

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

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

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

### **vi) Income recognition**

Interest income from financial assets is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably.

## **2.7 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.

### **ii) 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.

### **iii) Derecognition of financial liabilities**

**TORRENT SAURYA URJA 3 PRIVATE LIMITED****Notes forming part of financial statements for the period 17<sup>th</sup> February, 2021  
(date of incorporation) to 31st March, 2021**

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.

**2.8 Leases:****The Company as a lessee:****Short term leases and leases of low value assets:**

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

**2.9 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.