INDEPENDENT AUDITORS' REPORT

To the Members of TATO HYDRO POWER PRIVATE LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **TATO HYDRO POWER PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2023, and the Statement of Loss (including other comprehensive income), Statement of Cash Flows and Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information ("hereinafter referred to as Financial Statements").

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 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, and loss and other comprehensive income, Changes in Equity and its Cash flows for the year ended on that date

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs 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.

Material Uncertainty Related to Going Concern

We draw attention to Note No. 14 in the Financial Statements, which indicates that the company has accumulated loss of Rs 39556 thousand (previous year Rs 39516 thousand) which has resulted into erosion of company's net worth. Also, the company's current liabilities exceeded its total assets, these events and conditions indicate that a material uncertainty exists that may cast significant doubt on the company's ability to continue as a going concern. However, management of the company is confident that the company's future plans and prospects will help the company to turn around in future and promoter of the company has assured to infuse the funds as and when required, hence the company has prepared its financial statement on going concern basis.

Our opinion is not modified in respect of this matter.

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Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon and we do not provide a separate opinion on these matters. For each matter below our description of how our audit addressed the matter is provided in that context

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the auditors' responsibilities for the Financial Statements section of our report including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risk of material misstatement of the financial statement of the Financial Statements. The result of our audit procedures, including the procedures performed to address to address the matters below, provide the basis for our audit opinion on the accompanying Financial Statements.

Described below to be the Key Audit Matters to be communicated in our Report.

Sr. No.	The key audit matter	How the matter was addressed in our audit
1	The Company is developing a 700MW run of the river" hydroelectric power project on the Siyom River in West Siang, Arunachal Pradesh. A Memorandum of Agreement (MoA) was signed in February 2006 with the Government of Arunachal Pradesh (GoAP). GoAP has served a notice of intension to terminate the MoA on 09.03.2020 which was replied on 16.03.2020. The Ministry of Power, on 22.12.2021, has allotted the subject project to NEEPCO Ltd, Central Public Sector Undertaking, for further development. NEEPCO has concluded the due-diligence of the project and is in process of seeking approval for taking over assets / documents from the Company. Based on above development the project assets and liability have been stated at their net realizable value or cost, whichever is less. The company has shown project assets and liabilities as held for sale.	The letter dated 22nd December 2021 received from the GoAP was examined. Due -diligence Letter Dt. 28.02.2023 from NEEPCO received

Information Other than the Financial Statements and Auditors' Report Thereon

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and our auditors' report thereon.

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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.

Responsibility of Management and those charged with Governance for the Financial Statements

The Company's management and Board of Directors are 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 state of affairs, profit/loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) 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.

In preparing the financial statements, management and Board of Directors are 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.

Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may

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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.

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditors' Report) Order, 2020 ("the Order") issued by the Central Government in terms of section 143 (11) of the Act, we give in the "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

1. 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 Cash Flow statement and the Statement of Changes in Equity and dealt with by this Report are in agreement with the relevant books of account and returns..

   d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under section 133 of the Act read with the relevant rules made thereunder.

   e) The matter described in the material uncertainty related to going concern section above, in our opinion, may have significant doubt on the functioning of the company.

   f) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164(2) of the Act.

   g) With respect to the matter to be included in the Auditors' Report under section 197(16) as no remuneration has been paid by the Company to the Directors during the current year Section 197 (16) does not apply and required to be commented by us.

   h) 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 B"**.

   i) With respect to the other matters to be included in the Auditors' 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 has disclosed the impact of pending litigations as at March 31, 2023 on its financial position in its financial statements.

      ii. . The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

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iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2023.

iv. (a) The management has represented to us that, to the best of it's knowledge and belief 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 person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the ultimate beneficiaries,

(b) The management has represented to us that, to the best of it's knowledge and belief no funds have been received by the company from any person or entity, 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 our audit procedure that has been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement

v. The company has not declared or paid any dividend during the year.

vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 requires all companies which use accounting software for maintaining their books of account, to use such an accounting software which has a feature of audit trail, with effect from the financial year beginning on 1 April 2023 and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 (as amended) is not applicable for the current financial year.

For SHRIDHAR & ASSOCIATES
Chartered Accountants
Firm's Registration No 134427W

Jitendra Sawjiany
Partner
(Membership No. 050980)
Place: Mumbai,
Date: 18th April 2023
UDIN: 23050980BGXYXG6239

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Annexure "A" to Independent Auditors' Report

Referred to in paragraph 1. under the heading "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" of the Independent Auditors' Report of even date to the members of TATO HYDRO POWER PRIVATE LIMITED on the Ind AS financial statements as of and for the year ended March 31, 2023

In terms of the information and explanation sought by us and given by the company and the books of accounts examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

(i) (a) The Company has maintained proper records Property showing full particulars including quantitative details and situation of its property plant and equipment and shown it as **Held for Sale from 2020-21 as per Note 3.2.**

(b) According to the information and explanation given to us the leasehold land land is in the name of the Company for 50 years lease period w.e.f 29th March 2008.

(c) The company does not have any proceedings initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act

(d) The company has not revalued its property, plant and equipment (including right to use assets or intangible assets during the year ended 31st March 2023 as same are **held for sale as per note 3.2.**

(ii) The Company does not have any inventory. Therefore, the provision of clause 3 (ii) of the order is not applicable to the company.

(iii) In our opinion and according to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to any company, firm, limited liability partnerships or other party covered in the register maintained under Section 189 of the Act.

(iv) Based on the information and explanations given to us in respect of loans, investments, guarantees and securities, the Company has complied with the provisions of Section 185 and 186 of the Act, to the extent applicable.

(v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning the directives issued by the Reserve Bank of India, provisions of Section 73 to 76 of the Act, any other relevant provisions of the Act and the relevant rules framed thereunder.

(vi) According to the information and explanations given to us, provisions relating to maintenance of cost records as prescribed under sub section (1) of section 148 of the act, are not applicable to the company.

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(vii) (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of tax deducted at source, goods and service tax, and is regular in depositing undisputed statutory dues, including provident fund, income tax, and other material statutory dues, as applicable, with the appropriate authorities.

(b) According to the information and explanations given to us, there are no undisputed dues in respect of provident fund, employees' state insurance, income tax, duty of customs, goods and services tax and cess as at March 31, 2023 which were outstanding for a period of more than six months from the date they became payable.

(c) According to the information and explanations given to us and the records of the Company examined by us, there are not any dues of income tax, as at March 31, 2023 and which have been deposited on account of a dispute.

(viii) According to the information and explanations given to us and based on examination of the records of the Company, no income has been surrendered or disclosed as income during the year.

(ix) (a) According to the information and explanations given to us and based on examination of the records of the Company, the Company has not defaulted in repayment of loans or borrowings to any financial institution or bank or dues to debenture holders except for the following instances of defaults in repayment of principal and interest amount. The Company did not have any loans or borrowings from government during the year.

(b) The Company is not declared a willful defaulter by any Bank or Financial Institution or other lender.

(c) The Company did not raise any money by way of initial public offer or further public Offer (including debt instruments) and in our opinion and according to the information and explanations given to us, the term loans have been applied for the purposes for which they were raised.

(d) As explained to us no funds were raised on short term basis have been utilized for long term purposes.

(e) As explained to us the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

(f) As explained to us the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.

(x) (a)The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and in our opinion and according to the information and explanations given to us, the term loans have been applied for the purposes for which they were raised.

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(b) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence the provisions of clause 3(xiv) of the Order are not applicable to the Company.

(xi) According to the information and explanations given to us, in respect of whom we are unable to comment on any potential implications for the reasons described therein, no fraud by the Company or fraud on the Company by its officers and employees has been noticed or reported during the course of our audit.

(xii) The Company has not paid managerial remuneration during the current year and therefore, the provisions clause (ix) of the order is not applicable to the Company.

(xiii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company and accordingly the provisions of clause 3(xii) of the Order are not applicable.

(xiv) According to the information and explanations given to us and based on our examination of the records of the Company transactions entered into by the Company with the related parties are in compliance with Sections 177 and 188 of the Act, where applicable and the details of related party transactions as required by the applicable accounting standards have been disclosed in the financial statements.

(xv) According to the information and explanations given to us and based on our examination of the records of the Company in respect of which we are unable to comment on any potential implications for the reasons described therein, the Company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, the provisions of clause 3(xv) of the Order are not applicable to the Company.

(xvi) According to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of clause 3(xvi) of the Order are not applicable to the Company.

(xvii) According to the information and explanations given to us, the company has incurred cash losses Rs. 40,000 in the financial year and Nil in the immediately preceding financial year.

(xviii) There has not been any resignation of the statutory auditors during the year.

(xix) According to the explanation and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, and our knowledge of the Board of Directors and management plans, we are of the opinion that a material uncertainty exists as on the date of the audit report that company is 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.

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(xx) The company is not required to constitute a CSR committee as section 135 is not applicable.

(xxi) The company is not a holding company and hence reporting under this clause is not applicable.

For SHRIDHAR & ASSOCIATES
Chartered Accountants
Firm's Registration No 134427W

Jitendra Sawjiany
Partner
(Membership No. 050980)
Place: Mumbai,
Date: 18th April 2023
UDIN: 23050980BGXYXG6239

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Annexure B to the Independent Auditor's Report on the financial statements of TATO HYDRO POWER PRIVATE LIMITED for year ended March 31, 2023

Report on the internal financial controls with reference to the aforesaid financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

(Referred to in paragraph 2(g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

We were engaged to audit the internal financial controls with reference to financial statements of **TATO HYDRO POWER PRIVATE LIMITED** as of March 31, 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date

Management's Responsibility for Internal Financial Controls

The Company's Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Controls over Financial Reporting ('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 Companies Act, 2013 (hereinafter referred to as "the Act").

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit conducted in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India.

Because of the matter described in the Disclaimer of Opinion section below, we were able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on internal financial controls system with reference to the financial statements of the Company.

Meaning of Internal Financial controls with Reference to Financial Statements

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 include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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Inherent Limitations of Internal Financial Controls with reference to Financial Statements

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 control 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

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

For SHRIDHAR & ASSOCIATES
Chartered Accountants
Firm's Registration No 134427W

Jitendra Sawjiany
Partner
(Membership No. 050980)
Place: Mumbai,
Date: 18th April 2023
UDIN: 23050980BGXYXG6239

Tato Hydro Power Private Limited
Balance Sheet as at March 31, 2023

Rupees in thousands

Particulars	Note	As at March 31, 2023	As at March 31, 2022
ASSETS			
Current assets			
Financial assets			
Cash and cash equivalents	3.1	170	174
Asset classified as held for sale	3.2	2,205	2,205
Total Assets		**2,375**	**2,379**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	3.3	1,508	1,508
Other equity			
Instruments entirely equity in nature	3.4	595	595
Reserves and surplus	3.5	(39,556)	(39,516)
Liabilities			
Current liabilities			
Financial liabilities			
Borrowings	3.6	39,223	39,223
Trade payables			
(i) Total outstanding due of micro and small enterprises		-	-
(ii) Total outstanding due of other than (i) above		-	-
Other financial liabilities	3.7	605	569
Total Equity and Liabilities		**2,375**	**2,379**
Significant accounting policies	2		
Notes on financial statements	1 to 19		

The accompanying notes are an integral part of these financial statements.
As per our attached report of even date.

For Shridhar & Associates
Chartered Accountants
Firm Registration Number: 0134427W

For and on behalf of Board of Directors

Jitendra Sawjiany
Partner
Membership Number: 050980

Phanindra Kumar Nemani
Director
DIN: 00051091

Sameer Kumar Gupta
Director
DIN : 03486281

Place: Mumbai
Date : April 18, 2023

Place: Mumbai
Date : April 18, 2023

Tato Hydro Power Private Limited
Statement of Profit and Loss for the year ended March 31, 2023

Rupees in thousands

Particulars	Note	Year ended March 31, 2023	Year ended March 31, 2022
Other income		-	-
Total Income		-	-
Expenses			
Other expenses		-	-
Total expenses		-	-
Profit / (Loss) before tax		-	-
Income tax expense			
Current tax		-	-
Profit/ (loss) from continuing operation		-	-
Discontinuing operation			
Profit / (loss) from discontinuing operation		(40)	811
Tax expense discontinuing operation			-
Profit/ (loss) from discontinuing operation		(40)	811
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Remeasurements of post employment benefit obligation (net)		-	-
Other Comprehensive Income/ (Loss) for the year		-	-
Total Comprehensive Income/ (Loss) for the year		(40)	811
Earnings per equity share: (Face value of Rs. 10 each)			
Basic and Diluted	7	(0.26)	5.38

Significant accounting policies	2
Notes on financial statements	1 to 19

The accompanying notes are an integral part of these financial statements
As per our attached report of even date.

For Shridhar & Associates
Chartered Accountants
Firm Registration Number: 0134427W

For and on behalf of Board of Directors

Jitendra Sawjiany
Partner
Membership Number: 050980

Phanindra Kumar Nemani
Director
DIN: 00051091

Sameer Kumar Gupta
Director
DIN : 03486281

Place: Mumbai
Date : April 18, 2023

Place: Mumbai
Date : April 18, 2023

Tato Hydro Power Private Limited
Cash Flow Statement for the year ended March 31, 2023

Rupees in thousands

	Particulars	Year ended March 31, 2023	Year ended March 31, 2022
(A)	**Cash flow from Operating activities**		
	Net Profit/ (Loss) before tax	-	-
	Adjustments for:		
	Depreciation expenses	-	-
	Provision written back	-	-
	Loss/ profit on sale of fixed assets	-	-
	Operating loss before working capital changes	-	-
	Adjustment for:		
	Increase/ (Decrease) in other current financial liabilities	-	-
	Net cash generated from/ (used in) operating activities - Continuing Operations	-	-
	Net cash generated from/ (used in) operating activities - Discontinuing Operations	(4)	(65)
	Net cash generated from/ (used in) operating activities - Continuing and Discontinuing Operations	(4)	(65)
(B)	**Cash flow from Investing activities**		
	Sale of fixed asset	-	-
	Net cash generated from/ (used in) investing activities - Continuing Operations	-	-
	Net cash generated from/ (used in) investing activities - Discontinuing Operations	-	-
	Net cash generated from/ (used in) investing activities - Continuing and Discontinuing Operations	-	-
(C)	**Cash flow from Financing activities**		
	Inter corporate deposit received	(0)	13
	Net cash generated from/ (used in) financing activities - Continuing Operations	(0)	13
	Net cash generated from/ (used in) financing activities - Discontinuing Operations	-	-
	Net cash generated from/ (used in) financing activities - Continuing and Discontinuing Operations	(0)	13
	Net increase/ (decrease) in cash and cash equivalents (A+B+C)	(4)	(52)
	Cash and cash equivalents at the beginning of the year :		
	Bank balance - current account	174	226
	Cash and cash equivalents at the end of the year :		
	Bank balance - current account	170	174

Notes:
The cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS 7) statement of cash flows

The accompanying notes are an integral part of these financial statements.
As per our attached report of even date.

For Shridhar & Associates
Chartered Accountants
Firm Registration Number: 0134427W

Jitendra Sawjiany
Partner
Membership Number: 050980

Place: Mumbai
Date : April 18, 2023

For and on behalf of Board of Directors

Phanindra Kumar Nemani
Director
DIN: 00051091

Sameer Kumar Gupta
Director
DIN : 03486281

Place: Mumbai
Date : April 18, 2023

Tato Hydro Power Private Limited
Statement of changes in Equity for the year ended March 31, 2023

A. Equity Share Capital

Rupees in thousands

Particulars	Amount
As at April 01, 2021	1,508
Changes in equity share capital	-
As at March 31, 2022	**1,508**
Changes in equity share capital	-
As at March 31, 2023	**1,508**

B. Other Equity

Rupees in thousands

Particulars	Instruments entirely equity in nature		Reserves and surplus			Total other equity (A+B)
	Compulsory Convertible Preference Shares	Total (A)	Securities Premium	Retained Earnings	Total (B)	
Balance as at April 01, 2021	**595**	**595**	**7,34,097**	**(7,74,424)**	**(40,328)**	(39,732)
Profit/ (Loss) for the year	-	-	-	811	811	**811**
Other Comprehensive Income for the year	-	-	-	-	-	-
Total Comprehensive Income/ (Loss) for the year	-	-	-	811	811	**811**
Balance as at March 31, 2022	**595**	**595**	**7,34,097**	**(7,73,613)**	**(39,517)**	(38,921)
Profit/ (Loss) for the year	-	-	-	(40)	(40)	**(40)**
Other Comprehensive Income for the year	-	-	-	-	-	-
Total Comprehensive Income/ (Loss) for the year	-	-	-	(40)	(40)	**(40)**
Balance as at March 31, 2023	**595**	**595**	**7,34,097**	**(7,73,653)**	**(39,557)**	(38,961)

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

As per our attached report of even date.
For Shridhar & Associates
Chartered Accountants
Firm Registration Number: 0134427W

For and on behalf of Board of Directors

Jitendra Sawjiany
Partner
Membership Number: 050980

Place: Mumbai
Date : April 18, 2023

Phanindra Kumar Nemani
Director
DIN: 00051091

Place: Mumbai
Date : April 18, 2023

Sameer Kumar Gupta
Director
DIN : 03486281

1) General information

Tato Hydro Power Private Limited is a wholly owned subsidiary of Reliance Power Limited. The Company has been set up as a special purpose vehicle to develop and generate a "700 Mega watt run of the river" hydroelectric power project on the Siyom River in West Siang, Arunachal Pradesh. Register Address of the company is Ground Floor, Reliance Centre, 19, Walchand Hirachand Marg, Ballard Estate, Mumbai 400 001.

These financial statements were authorised for issue by the Board of Directors on April 18, 2023.

2) Significant accounting policies, critical accounting estimate and judgments:

2.1 Basis of preparation, measurement and significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Basis of preparation

Compliance with Ind AS
The financial statements of the Company have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 and relevant provisions of the Companies Act, 2013 ("the Act").

Historical cost convention
The financial statements have been prepared under the historical cost convention, as modified by the following:
- Certain financial assets and financial liabilities at fair value;
- Defined benefit plans – plan assets that are measured at fair value;

Fair value measurement
Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- 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

Current vis-à-vis non-current classification
The assets and liabilities reported in the balance sheet are classified on a "current/non-current basis", with separate reporting of assets held for sale and liabilities. Current assets, which include cash and cash equivalents, are assets that are intended to be realized, sold or consumed during the normal operating cycle of the Company or in the 12 months following the balance sheet date; current liabilities are liabilities that are expected to be settled during the normal operating cycle of the Company or within the 12 months following the close of the financial year. The deferred tax assets and liabilities are classified as non-current assets and liabilities.

(b) Property, plant and equipment

All items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Expenditure incurred on assets which are not ready for their intended use comprising direct cost, related incidental expenses and attributable borrowing cost are disclosed under Capital Work-in-Progress.

Depreciation methods, estimated useful lives and residual value:

Depreciation is provided to the extent of depreciable amount on Straight Line Method (SLM) based on useful life of the assets as prescribed in Part C of Schedule II to the Companies Act, 2013 except in case of motor vehicles where the estimated useful life has been considered as five year based on technical evaluation by the management.

Estimated useful lives, residual values and depreciation methods are reviewed annually, taking into account commercial and technological obsolescence as well as normal wear and tear and adjusted prospectively, if appropriate

(c) Intangible assets:

Intangible assets are stated at cost of acquisition net of recoverable taxes less accumulated amortization / depletion and impairment loss, if any. The cost comprises of purchase price, borrowing costs and any cost directly attributable to bringing the asset to its working condition for the intended use.

Expenditure incurred on acquisition of intangible assets which are not ready to use at the reporting date is disclosed under "intangible assets under development".

Amortisation method and periods

Amortization is charged on a straight-line basis over the estimated useful lives. The estimated useful life and amortization method are reviewed at the end of each annual reporting period, with the effect of any changes in the estimate being accounted for on a prospective basis.

Computer software is amortised over an estimated useful life of 3 years.

(d) Impairment of non-financial assets

Assets which are subject to depreciation or amortisation are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use.

(e) Financial instruments:

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instruments of another entity.

Investments and other financial assets

i. Classification

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.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

ii. Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

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 Company classifies its debt instruments:

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 is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in other 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 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.

Fair value through profit or loss (FVPL):
Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognised in profit or loss in the period in which it arises. Interest income from these financial assets is included in other income.

iii. **Impairment of Financial Assets:**

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

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

iv. **Derecognition of Financial Assets**

A financial asset is derecognised only when:

- The Company has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised. Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the group retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

v. **Income recognition:**

Interest income

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. While calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses.

Dividend

Dividends are recognised in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

(f) Offsetting Financial instruments:

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

(g) Contributed equity:

Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

(h) Financial liabilities:

i. Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definition of a financial liability and an equity instrument.

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

ii. Initial recognition and measurement:

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

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

iii. Subsequent measurement:

The measurement of financial liabilities depends on their classification, as described below:

Borrowings: Borrowings are subsequently carried at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the statement of profit and loss over the period of the borrowings using the effective interest method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be draw-down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be draw-down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

Trade and other payable: These amounts represents obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. These payable are classified as current liabilities if payment is due within one year or less otherwise they are presented as non-current liabilities. Trade and payables are subsequently measured at amortised cost using the effective interest method.

iv. Derecognition:

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other gains/ (losses). When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

v. Income recognition:

Interest income

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. While calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses.

Dividend

Dividends are recognised in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

(i) Borrowing costs:

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

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

Other borrowing costs are expensed in the period in which they are incurred.

(j) Provisions, Contingent Liabilities and Contingent Assets:

Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

Contingent liabilities

Contingent liabilities are disclosed when there is a possible obligation arising from past events, 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 Company. A present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or reliable estimate of the amount cannot be made, is termed as contingent liability.

Contingent Assets:

A contingent asset is disclosed, where an inflow of economic benefits is probable.

(k) Foreign currency translation:

i. Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The financial statements are presented in 'Indian Rupees' (Rs.), which is the Company's functional and presentation currency

ii. Transactions and balances

(i) Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions.

(ii) All exchange differences arising on reporting on foreign currency monetary items at rates different from those at which they were initially recorded are recognised in the Statement of Profit and Loss.

(iii) Non-monetary items denominated in foreign currency are stated at the rates prevailing on the date of the transactions / exchange rate at which transaction is actually effected.

(iv)

(l) Revenue from Contracts with Customers and Other Income

Revenue is measured at the fair value of the consideration received or receivable and represents amount receivable for goods supplied, stated net of discounts, returns and value added taxes

(i) Service Income

Service income represents income from support service recognised as per the terms of the service agreements entered into with the respective parties.

(ii) Income from Generation Based Incentive

Income from Generation Based Incentive is accounted on accrual basis considering eligibility of project for availing the income.

(iii) For income recognition refer note 2.1.e (v)

(m) Employee benefits:

Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

Other long-term employee benefit obligations

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

Post employee obligations

The group operates the following post-employment schemes:

- defined benefit plans such as gratuity
- defined contribution plans such as provident fund.

Gratuity obligations

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

Defined contribution plans

The Company pays provident fund contributions to publicly administered provident funds as per local regulations. The group has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

(n) Income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Company operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

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

(o) Cash and cash equivalents:

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institution,other short term highly liquid investment with an original maturity of three months or less that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

(p) Earnings per share

Basic earnings per share
Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company
- by the weighted average number of equity shares outstanding during the financial year.

Diluted earnings per share
Diluted earnings per share adjust the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

(q) Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

(r) Segment Reporting:

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision-Maker. The Chief Operating Decision-Maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Directors of the Company that makes strategic decisions.

(s) Recent accounting pronouncement:

On March 31, 2023, the Ministry of Corporate Affairs (MCA) has notified Companies (Indian Accounting Standards) Amendment Rules, 2023. This notification has resulted into amendments in the following existing accounting standards which are applicable to company from April 1, 2023.

i. Ind AS 101 – First-time Adoption of Indian Accounting Standards
ii. Ind AS 102 – Share-based Payment
iii. Ind AS 103 - Business Combination
iv. Ind AS 107 – Financial Instruments Disclosures
v. Ind AS 109 - Financial Instrument
vi. Ind AS 115 – Revenue from Contracts with Customers
vii. Ind AS 1 – Presentation of Financial Statements
viii. Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors
ix. Ind AS 12 – Income Taxes
x. Ind AS 34 - Interim Financial Reporting

Application of above standards are not expected to have any significant impact on the company's financial statements

(t) Dividends:

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

2.2 Critical accounting estimates and judgements

The preparation of financial statements under Ind AS requires management to take decisions and make estimates and assumptions that may impact the value of revenues, costs, assets and liabilities and the related disclosures concerning the items involved as well as contingent assets and liabilities at the balance sheet date. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Company make estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

(a) Income taxes

There are transactions and calculations for which the ultimate tax determination is uncertain and would get finalized on completion of assessment by tax authorities. Where the final tax outcome is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

(b) Provision

Estimates of the amounts of provisions recognised are based on current legal and constructive requirements, technology and price levels. Because actual outflows can differ from estimates due to changes in laws, regulations, public expectations, technology, prices and conditions, and can take place many years in the future, the carrying amounts of provisions are regularly reviewed and adjusted to take account of such changes.

Tato Hydro Power Private Limited
Notes to the financial statements for the year ended March 31, 2023 (Continued)

Particulars	As at March 31, 2023	As at March 31, 2022
		Rupees in thousands
Current financial assets		
3.1 Cash and cash equivalents		
Balance with banks:		
in current account	170	174
	170	**174**
3.2 Asset classified as held for sale		
Asset held for sale (refer note 4)	2,205	2,205
Hence no depreciation proveded w.e.f year 2020-21		
	2,205	**2,205**

Rupees in thousands

Particulars	As at March 31, 2022	As at March 31, 2021
3.3 Equity share capital		
Authorised share capital		
95,000,000 (March 31, 2022: 95,000,000) equity shares of Rs. 10 each	9,50,000	9,50,000
	9,50,000	**9,50,000**
Issued, subscribed and fully paid up capital		
150,800 (March 31, 2022: 150,800) equity shares of Rs. 10 each fully paid-up	1,508	1,508
	1,508	**1,508**
3.3.1 Reconciliation of number of equity shares		
Equity shares		
Balance at the beginning of the year - 150,800 (April 01, 2022: 150,800) shares of Rs. 10 each	1,508	1,508
Balance at the end of the year - 150,800 (March 31, 2022: 150,800) shares of Rs. 10 each	**1,508**	**1,508**

3.3.2 Terms/ rights attached to equity shares

a) Equity shares

The Company has only one class of equity shares having face value of Rs.10 per share. Each holder of the equity share is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the remaining assets of the Company, after distribution of all preferential amounts.

3.3.3 Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

	As at March 31, 2023		As at March 31, 2022	
Equity shares	No. of Shares	Percentage of share holding	No. of Shares	Percentage of share holding
Reliance Power Limited (Equity shares of Rs.10 each fully paid-up)	1,50,800	100%	1,50,800	100%
	1,50,800	**100%**	1,50,800	100%

3.3.4 Shares held by Holding Company

	As at March 31, 2023	As at March 31, 2022
Equity Shares		
Reliance Power Limited - 150,800 (March 31, 2022: 150,800) shares of Rs. 10 each fully paid-up (Of the above 150,799 (March 31, 2022: 150,799) equity shares are held by Reliance Power Limited, the holding company and the balance 1 share is jointly held by Reliance Power Limited and its nominee)	1,508	1,508
	1,508	1,508

Rupees in thousands

Particulars	As at March 31, 2023	As at March 31, 2022
Other equity		
3.4.1 Preference share capital		
Authorised share capital		
50,000,000 (March 31, 2022: 50,000,000) preference shares of Re. 1 each	50,000	50,000
	50,000	**50,000**
Issued, subscribed and fully paid up capital		
595,300 (March 31, 2022: 595,300)Preference shares [refer note no. 3.5.3(a) below for terms]	595	595
	595	**595**

3.4.2 Reconciliation of number of Preference Share

Preference shares		
Balance at the beginning of the year 595,300 (April 01, 2022: 595,300) shares of Re. 1 each fully paid-up	595	595
Balance at the end of the year - 595,300 (March 31, 2022: 595,300) shares of Rs. 1 each fully paid-up	**595**	**595**

3.4.3 Terms/ rights attached to Preference shares

a) Preference shares

7.5% Compulsory Convertible Redeemable Non-Cumulative Preference Shares (CCRPS)

The Company shall have a call option on CCRPS which can be exercised by the Company in one or more tranches and in part or in full before the end of agreed tenure (20 years) of the said shares. In case the call option is exercised, CCRPS shall be redeemed at an issue price (i.e face value and premium). The holders of CCRPS however, shall have an option to convert CCRPS into equity shares at any time during the tenure of such shares. At the end of tenure and to the extent the Company or the shareholder has not exercised their options, CCRPS shall be compulsorily converted into equity shares. On conversion, in either case, each CCRPS shall be converted into one fully paid equity share of Rs. 10 each at a premium of Rs. 990 share. If during the tenure of CCRPS, the Company declares equity dividend, CCRPS holders shall also be entitled to dividend on their shares at the same rate as the equity dividend and this dividend will be over and above the coupon rate of 7.5%. These preference shares shall continue to be non cumulative.

3.4.4 Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

	As at March 31, 2023		As at March 31, 2022	
	No. of Shares	Percentage of share holding	No. of Shares	Percentage of share holding
Preference shares				
Reliance Power Limited	5,95,300	100%	95,300	16%
Dhursar Solar Power Private Limited	-	-	5,00,000	84%
	5,95,300	**100%**	5,95,300	100%

3.4.5 Shares held by Holding Company / Subsidiary of holding company

	As at March 31, 2023	As at March 31, 2022
Preference shares		
Reliance Power Limited - 595,300 (March 31, 2022: 595,300) preference shares of Re.1 each fully paid-up	595	595
	595	595

3.4.6 Movement of instruments entirely equity in nature

Preference shares		
Balance at the beginning of the year	595	595
Add : Issued during the year	-	-
Closing balance	595	595

Tato Hydro Power Private Limited
Notes to the financial statements for the year ended March 31, 2023 (Continued)

Rupees in thousands

	Particulars	As at March 31, 2023	As at March 31, 2022
3.5	**Reserves and Surplus**		
	Balance at the end of the year		
3.5.1	Securities premium	7,34,097	7,34,097
3.5.2	Retained earnings	(7,73,653)	(7,73,613)
	Total	**(39,556)**	**(39,516)**
3.5.3	**Securities premium**		
	Balance at the beginning of the year	7,34,097	7,34,097
	Add during the year	-	-
	Balance at the end of the year	**7,34,097**	**7,34,097**
3.5.4	**Retained earnings**		
	Balance at the beginning of the year	(7,73,613)	(7,74,424)
	Profit/ (Loss) for the year	(40)	811
	Balance at the end of the year	**(7,73,653)**	**(7,73,613)**

Nature and purpose of other reserves:
Securities premium
Securities premium is created to record premium received on issue of shares.The reserve is utilized in accordance with the provision of the Companies Act,2013

	Particulars	As at March 31, 2023	As at March 31, 2022
3.6	**Borrowings**		
	(Unsecured and considered good)		
	Inter-corporate deposits taken from holding company (refer note 6) (interest free repayable on demand)	39,223	39,223
		39,223	**39,223**
3.7	**Other financial liabilities**		
	Dues to Holding Company (refer note 6)	453	429
	Dues to Fellow Subsidiary	55	55
	Creditors for supplies and services	97	85
		605	**569**

4) Project Status:

The Company is developing a 700MW run of the river" hydroelectric power project on the Siyom River in West Siang, Arunachal Pradesh.

A Memorandum of Agreement (MoA) was signed in February 2006 with the Government of Arunachal Pradesh (GoAP). The Company has submitted the detailed project report to Central Electricity Authority (CEA). Most of the statutory clearances including CEA concurrence, Environmental clearance, Defence Clearance, State level NOCs/clearances available except Forest Clearance. Proposal for forest clearance is in process with MoEF. The process of identification and settlement of forest rights under "The Schedule Tribes and Other Traditional Forest Dwellers Act -2006 have been completed. GoAP has served a notice of intension to terminate the MoAon 09.03.2020 which was replied on 16.03.2020. The Ministry of Power, on 22.12.2021, has allotted the subject project to NEEPCO Ltd, Central Public Sector Undertaking, for further development NEEPCO has concluded the due-diligence of the project and is in process of seeking approval for taking over assets / documents from the Company.

Based on above development the project assets and liability have been stated at their net realizable value or cost, whichever is less. The company has shown project assets and liabilities as held for sale.

5) Details of remuneration to auditors:

Rupees in thousands

	Year ended March 31, 2023	Year ended March 31, 2022
(a) As auditors		
For statutory audit (excluding taxes)	10	10
For other (excluding taxes)	-	6
	10	**16**

6) Related party transactions:

A. Parties where control exists:

Holding Company:
Reliance Power Limited (R Power)

B. Other related party where transaction have taken place during the year

Fellow subsidiary
Siyom Hydro Power Private Limited (SHPL)
Reliance Cleangen Limited (RCGL)

C. Details of transactions during the year and closing balance at the end of the year:

Rupees in thousands

Transactions during the year:	March 31, 2023	March 31, 2022
Expenses paid on our behalf		
SHPL		15
RCGL		40
R Power	24	13

Rupees in thousands

Closing balance	March 31, 2023	March 31, 2022
Equity share capital (excluding premium)		
R Power	1,508	1,508
Preference share capital (excluding premium)		
R Power	595	595
Inter corporate deposits payable		
R Power	39,223	39,223
Other payables		
R Power	453	429
SHPL	15	15
RCGL	40	40

7) Earnings per share:

Particulars	March 31, 2023	March 31, 2022
Profit available to equity shareholders		
Profit /(Loss) after tax (A) (Rupees in thousands)	(40)	811
Weighted average number of equity share (B)*	1,50,800	1,50,800
Earnings per share Basic and diluted (A / B) (Rs.)*	(0.26)	5.38
Nominal value of an equity share (Rs.)	10.00	10.00

*7.5% Compulsory Convertible Non-Cumulative Redeemable Preference Shares had an anti-dilutive effect on earnings per share and hence have not been considered for the purpose of computing dilutive earnings per share

8) Income taxes

The reconciliation of tax expense and the accounting profit multiplied by tax rate:

Rupees in thousands

Particulars	March 31, 2023	March 31, 2022
Profit before tax	(40)	811
Tax at the Indian tax rate of 26% (2021-22: 26%)	(10.40)	210.95
Tax losses not claimed under the Income Tax Act, 1961	(10.40)	210.95
Income tax expense	-	-

Note: The Company has not recognised deferred tax asset on the unabsorbed losses as it does not claim the unabsorbed losses in the income tax returns filed by the Company.

9) Fair value measurements

(a) Financial instruments by category

The Company does not have any financial assets or liabilities which are measured at FVPL or FVOCI. Financial assets and liabilities which are measured at amortised cost are as follows:

Rupees in thousands

Particulars	March 31, 2023	March 31, 2022
Financial assets		
Cash and cash equivalents	169	174
Total financial assets	**169**	**174**
Financial liabilities		
Inter corporate deposits	39,223	39,223
Retention money payable	-	-
Dues to Holding Company	453	429
Dues to Fellow Subsidiary	55	55
Creditors for supplies and services	97	85
Total financial liabilities	**39,828**	**39,792**

(b) Fair value hierarchy

There are no long term financial assets and financial liabilities which are measured at amortised cost or fair value.

(c) Valuation technique used to determine fair values

The carrying amount of current financial assets and liabilities are considered to be the ame as their fair values, due to their short term nature.

Note

Level 1 : Level 1 hierarchy includes financial instruments measured using quoted prices.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities which are included in level.

10) Financial risk management

The Company's business activities expose it to a variety of financial risks, namely liquidity risk and credit risk.

Risk	Exposure arising from	Measurement	Management
Credit Risk	Cash and cash equivalents, financial assets measured at amortised cost.	Aging analysis	Diversification of bank deposits
Liquidity Risk	Borrowings and other financial liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities

(a) Credit risk

The company is exposed to credit risk, which is the risk that counterparty will default on its contractual obligation resulting in a financial loss to the company. Credit risk arises from cash and cash equivalents and financial assets carried at amortised cost

Credit risk management

Credit risk is managed at company level depending on the policy surrounding credit risk management. For banks and financial institutions, only high rated banks/institutions are accepted. Generally all policies surrounding credit risk have been managed at company level.

(i) Cash and cash equivalents

The Company held cash and cash equivalents with credit worthy banks aggregating Rs.170 thousand, and Rs.174 thousand as at March 31, 2023, and March 31, 2022 respectively. The credit worthiness of such banks is evaluated by the management on an ongoing basis and is considered to be good.

(b) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due.

Management monitors rolling forecasts of the company's liquidity position and cash and cash equivalents on the basis of expected cash flows. This is generally carried out in accordance with practice and limits set by the company.

Maturities of financial liabilities

The amounts disclosed in the below are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Rupees in thousands

March 31, 2023	Less than 1 years	Between 1 year and 5 years	More than 5 years	Total
Financial liabilities				
Retention money payable	-	-	-	-
Inter-corporate deposits	39,223	-	-	39,223
Dues to Holding Company	453	-	-	453
Dues to Fellow Subsidiary	55			55
Creditors for supplies and services	97	-	-	97
Total financial liabilities	**39,828**	-	-	**39,828**

Rupees in thousands

March 31, 2022	Less than 1 years	Between 1 year and 5 years	More than 5 years	Total
Financial liabilities				
Retention money payable	-	-	-	-
Inter-corporate deposits	39,223	-	-	39,223
Dues to Holding Company	429	-	-	429
Dues to Fellow Subsidiary	55			55
Creditors for supplies and services	85	-	-	85
Total financial liabilities	**39,792**	-	-	**39,792**

11) Capital Management

(a) Risk Management

The company's objectives when managing capital are to safeguard the company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Company monitors capital on basis of total equity on a periodic basis. Equity comprises all components of equity includes the fair value impact. Debt represent inter corporate deposit. The following table summarizes the capital of the Company:

Rupees in thousands

Particulars	March 31, 2023	March 31, 2022
Equity	(37,453)	(37,413)
Debt	39,223	39,223
Total	**1,770**	**1,810**

12) Changes in Liabilities arising from Financing Activities

Disclosure pursuant to para 44A to 44E of Ind AS7 – Statement of cash flows

Rupees in thousands

Particulars	March 31, 2023	March 31, 2022
Short term Borrowings		
Opening Balance	39,223	39,210
Availed during the year	-	13
Repaid During the year	-	-
Closing Balance	39,223	39,223

13) Segment Reporting

Presently, the Company is engaged in only one segment viz 'Generation of Power' and as such there is no separate reportable segment as per Ind AS 108 'Operating Segments'. Presently, the Company's operations are predominantly confined in India and also all non-current assets are located in India. The Company does not have revenue from any type of product or service or any external customer.

14) Going concern

The Company has accumulated loss which has resulted into erosion of the Company's net worth. The management feels that this erosion is temporary in nature and the Company's future business plans and prospects will help the Company to turn around in future. The promoter of the Company has assured to infuse the funds as and when required, hence the Company has prepared its Financial Statements on going concern basis.

15) Disclosure under Micro, Small and Medium Enterprises Development Act, 2006

Disclosure of payable to vendors as defined under the "Micro, Small and Medium Enterprise Development Act, 2006" is based on the information available with the Company regarding the status of registration of such vendors under the said Act as per the intimations received from them as request made by the Company. There are no overdue principal amounts / interest payable amounts for delayed payments to such vendors at the Balance Sheet date. There are no delays in payment made to such suppliers during the year or for any earlier years and accordingly, there is no interest paid or outstanding interest in this regard in respect of payments made during the year or brought forward from previous years.

Tato Hydro Power Private Limited
Notes to the financial statements for the year ended March 31, 2023 (Continued)

16) (a) The company has not advanced or loaned or invested funds to any other person(s) or equity(ies), including foreign (intermediaries) with the understanding that the intermediary shall directly or indirectly lend or invest in other person 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.

(b) The companies have not received any fund from person(s) of equity(ies), including foreign entities (Funding Party) with the understanding (Whether recorded in writing or otherwise) that the companies 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 (company ultimate beneficiaries) or provide by guarantee, security or the like to or on behalf of the ultimate beneficiaries.

17) As per the Section 248 of companies Act , 2013, there are no balance outstanding with stuck off companies.

18) During the year company is not declared willful defaulter by any bank or financial institution or other lender

19) Ratios

Sr	Particulars	March 31, 2023	March 31, 2022
A	Current ratio	0.06	0.06
B	Debt Equity ratio	(1.05)	(1.05)
C	Debt Service Coverage ratio	NA	NA
D	Return on Equity ratio (Since company have negative net worth)	NA	NA
E	Inventory turnover ratio	NA	NA
F	Trade Receivables turnover ratio	NA	NA
G	Trade Payables turnover ratio	NA	NA
H	Net Capital turnover ratio	NA	NA
I	Net Profit ratio	NA	NA
J	Return on capital employed	0.00	0.00
K	Return on Investment	0.00	0.00

Ratios have been computed as under:

- Current Ratio: Current Assets/Current Liabilities
- Debt Equity Ratio = Total Debt / Equity excluding Revaluation Reserve
- Debt Service Coverage Ratio = Earnings before Interest and Tax and exceptional items / (Interest on Long Term and Short Term Debt for the period/year + Principal Repayment of Long Term Debt for the period/ year).
- Return on Equity = Net profit / Shareholder's fund
- Inventory turnover ratio = Turnover / Average inventory
- Trade Receivables turnover ratio = Turnover / Average Receivables
- Trade Payables turnover ratio = Turnover / Average Payables
- Net Capital turnover ratio = Turnover / Capital Employed
- Net Profit ratio = Net Profit / Turnover
- Return on capital employed = Net Profit / (Debt +Equity)
- Return on Investment = Net profit before interest and dividend / Equity

As per our attached report of even date

For Shridhar & Associates
Chartered Accountants
Firm Registration Number: 0134427W

For and on behalf of Board of Directors

Jitendra Sawjiany
Partner
Membership Number: 050980

Phanindra Kumar Nemani
Director
DIN: 00051091

Sameer Kumar Gupta
Director
DIN : 03486281

Place: Mumbai
Date : April 18, 2023

Place: Mumbai
Date : April 18, 2023