

Auditor's Report

**To
The Partners
SHRIRAM ELECTRICITY LLP**

Report on the Financial Statements

We have audited the accompanying financial statements of **Shriram Electricity LLP** which comprise the Balance Sheet as at March 31, 2023, the statement of Profit & Loss for the year ended on March 31, 2023 and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance of the LLP in accordance with the Accounting Standards. This responsibility includes the design, implementation and maintenance of internal control 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the LLP'S preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) in the case of the Balance Sheet, of the state of affairs of the LLP as at March 31, 2023; and
- b) in the case of the statement of profit and loss, of the **Profit** for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. We report that:
 - a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) In our opinion proper books of account as required by law have been kept by the LLP so far as appears from our examination of those books.
 - c) The Balance Sheet and the statement profit & loss dealt with by this Report is in agreement with the books of account.
 - d) In our opinion the Balance Sheet and the statement of profit & loss comply with the Accounting Standards to the extent applicable.

**For BEGANI & BEGANI
CHARTERED ACCOUNTANTS
(FRN: 010779C)**

**SANKALP SOHANEY
(PARTNER)
M. No.:434993**

**Place: Raipur (C.G.)
Date: 15.05.2023
UDIN: 23434993BGWCVE7485**

SHREE RAM ELECTRICITY LLP
BALANCE SHEET AS AT 31st March 2023

(Amount in Rs.)

| Particulars | Note No | As at 31st Mar 2023 | As at 31st March 2022 |
|---|---------|---------------------|-----------------------|
| ASSETS | | | |
| (1) Non-current Assets | | | |
| (a) Property, Plant & Equipment | | | |
| (b) Capital work-in-progress | | | |
| (c) Investment Property | 1 | 2,06,12,640 | 2,06,12,640 |
| (d) Other Intangible Assets | | | |
| (e) Intangible Assets under development | | | |
| (f) Financial Assets | | | |
| (i) Investments | | | |
| (ii) Loans | 2 | 2,36,594 | 2,36,594 |
| (g) Other Non- current Assets | 3 | 12,451 | 12,451 |
| | | 2,08,61,685 | 2,08,61,685 |
| (2) Current Assets | | | |
| (a) Inventories | | | |
| (b) Financial Assets | | | |
| (i) Investments | | | |
| (ii) Trade receivables | | | |
| (iii) Bank, Cash & cash equivalents | 4 | 2,21,75,482 | 2,12,53,780 |
| (iv) Loans | | | |
| (c) Other Current Assets | 5 | 6,96,054 | 6,96,054 |
| | | 2,28,71,536 | 2,19,49,834 |
| TOTAL ASSETS | | 4,37,33,221 | 4,28,11,519 |
| EQUITY AND LIABILITIES: | | | |
| Equity | | | |
| (a) Equity Share capital | 6 | 3,57,60,487 | 3,54,21,415 |
| (b) Other Equity | 7 | 15,08,060 | 8,35,979 |
| | | 3,72,68,547 | 3,62,57,394 |
| Liabilities | | | |
| Share application money pending allotment | | | |
| (1) Non-current Liabilities : | | | |
| (a) Financial Liabilities | | | |
| (i) Borrowings | | | |
| (ii) Other long term liabilities | | | |
| (b) Provisions | | | |
| (c) Deferred tax liabilities (Net) | | | |
| (d) Other non current liabilities | | | |
| | | 3,72,68,547 | 3,62,57,394 |
| (2) Current Liabilities | | | |
| (a) Financial Liabilities | | | |
| (i) Borrowings | | | |
| (ii) Trade Payables | | | |
| (iii) Other financial liabilities | | | |
| (b) Other current liabilities | 8 | 52,174 | 1,41,625 |
| (c) Provisions | 9 | 64,12,500 | 64,12,500 |
| | | 64,64,674 | 65,54,125 |
| TOTAL EQUITY AND LIABILITIES | | 4,37,33,221 | 4,28,11,519 |

Significant accounting Policies

The accompanying Notes are an integral part of the financial statements.

As per our Report of even date

For, BEGANI & BEGANI
Chartered Accountants
FRN: 010779C

For Shriram Electricity LLP

(SANKALP SOHANEY)
PARTNER
M. No. 434993
PLACE : RAIPUR (C.G.)
DATED: 15.05.2023
UDIN: 23434993BGWCVE7485

(G.K. Chhanghani)
Authorised Signatory
Sarda Energy & Minerals Ltd
Designated Partner

(Sourabh Rathi)
Nominee
Mosh Varaya Infrastructure Ltd
Designated Partner

SHREE RAM ELECTRICITY LLP

Statement of profit and loss for the year ended 31st March 2023

| SI No | Particulars | Note No. | Year Ended 31.03.2023 | Year Ended 31.03.2022 |
|-------|--|----------|-----------------------|-----------------------|
| I. | Other income | 10 | 10,23,928.00 | 6,66,680.00 |
| II. | Total Revenue | | 10,23,928.00 | 6,66,680.00 |
| III. | Expenses: | | | |
| | Finance costs | 11 | - | - |
| | Other expenses | 12 | 8,850.00 | 27,440.00 |
| | Total Expenses | | 8,850.00 | 27,440.00 |
| IV. | Profit before Tax (II-III) | | 10,15,078.00 | 6,39,240.00 |
| V. | Tax expense: | | | |
| | (1) Current tax | | 3,16,700.00 | 1,99,443.00 |
| | (2) Deferred tax | | - | - |
| | (3) Income Tax related to earlier years | | 26,297.00 | 1,79,665.00 |
| | (4) MAT Credit Entitlement | | | |
| VI. | Profit for the period (IV - V) | | 6,72,081.00 | 2,60,132.00 |
| VII. | Total Comprehensive Income for the period | | 6,72,081.00 | 2,60,132.00 |

Significant accounting Policies

The accompanying Notes are an integral part of the financial statements.

As per our Report of even date

For, **BEGANI & BEGANI**

Chartered Accountants

FRN: 010779C

For Shriram Electricity LLP

(SANKALP SOHANEY)

PARTNER

M. No. 434993

PLACE : RAIPUR (C.G.)

DATED: 15.05.2023

UDIN: 23434993BGWCVE7485

(G.K. Chhanghani)

Authorised Signatory

Sarda Energy & Minerals Ltd

Designated Partner

(Sourabh Rathi)

Nominee

Mosh Varaya Infrastructure Ltd

Designated Partner

SHRI RAM ELECTRICITY LLP
NOTES "1" TO "12" FORMING PART OF THE BALANCE SHEET

| Note 1 | As at 31st Mar 2023 | As at 31st March 2022 |
|--------------------------------|------------------------|--------------------------|
| Investment Property | | |
| (a) Freehold Land - owned (IP) | 2,06,12,640.00 | 2,06,12,640.00 |
| | 2,06,12,640.00 | 2,06,12,640.00 |

| Note 2 | As at 31st Mar 2023 | As at 31st March 2022 |
|---|------------------------|--------------------------|
| OTHER NON-CURRENT ASSETS | | |
| (a) Advances other than capital advances | | |
| Unsecured, considered good | - | - |
| (i) Other loans and advances | 2,36,594.00 | 2,36,594.00 |
| | 2,36,594.00 | 2,36,594.00 |

| Note 3 | As at 31st Mar 2023 | As at 31st March 2022 |
|--------------------------------|------------------------|--------------------------|
| LOANS - FINANCIAL ASSET | | |
| (a) Other loans and advances | | |
| Unsecured, considered good | | |
| Preliminary Expenditure | 12,451.00 | 12,451.00 |
| | 12,451.00 | 12,451.00 |

| Note 4 | As at 31st Mar 2023 | As at 31st March 2022 |
|--------------------------------|------------------------|--------------------------|
| Cash & Bank Balance | | |
| Balances with banks | | |
| In current accounts | 11,427.87 | 11,427.87 |
| (iii) Deposits with bank | 2,21,64,054.00 | 2,12,42,352.00 |
| | 2,21,75,481.87 | 2,12,53,779.87 |

| Note 5 | As at 31st Mar 2023 | As at 31st March 2022 |
|---|------------------------|--------------------------|
| OTHER CURRENT ASSETS | | |
| Advances other than capital advances | | |
| Other Advances | | |
| (i) Balances with tax authorities | 6,96,054.00 | 6,96,054.00 |
| | 6,96,054.00 | 6,96,054.00 |

| Note 06 | As at 31st Mar 2023 | As at 31st March 2022 |
|---|------------------------|--------------------------|
| OTHER EQUITY | 3,57,60,487.00 | 3,54,21,415.00 |
| Capital Reserve | - | - |
| Securities Premium Account | | |
| Balance as per last financial statements | | |
| Less:- Securities Premium debited on share buy back | | |
| Closing Balance | - | - |

| Note 07 | As at 31st Mar 2023 | As at 31st March 2022 |
|--|--------------------------------|----------------------------------|
| Surplus in the statement of Profit and Loss | | |
| Reserves and Surplus | 8,35,978.87 | 5,75,846.87 |
| Add : Profit for the Year | 6,72,081.00 | 2,60,132.00 |
| | 15,08,059.87 | 8,35,978.87 |
| | | |
| | 15,08,059.87 | 8,35,978.87 |

| Note 08 | As at 31st Mar 2023 | As at 31st March 2022 |
|----------------------------------|--------------------------------|----------------------------------|
| Other current liabilities | | |
| (a) Audit Fee Payable | 8,850.00 | 8,850.00 |
| (b) Income Tax Payable | 34,474.00 | 1,32,775.00 |
| (c) Begani & Begani | 8,850.00 | 0.00 |
| | 52,174.00 | 1,41,625.00 |

| Note 09 | As at 31st Mar 2023 | As at 31st March 2022 |
|------------------------|--------------------------------|----------------------------------|
| Provisions | | |
| Provision for Expenses | 64,12,500.00 | 64,12,500.00 |
| | 64,12,500.00 | 64,12,500.00 |

| Note 10 | As at 31st Mar 2023 | As at 31st March 2022 |
|---------------------|--------------------------------|----------------------------------|
| Other Income | | |
| Interest Income | 10,23,928.00 | 6,66,680.00 |
| Total | 10,23,928.00 | 6,66,680.00 |

| Note 11 | As at 31st Mar 2023 | As at 31st March 2022 |
|----------------------|--------------------------------|----------------------------------|
| Finance Costs | | |
| Bank Charges | | |
| Total | - | - |

| Note 12 | As at 31st Mar 2023 | As at 31st March 2022 |
|----------------------------|--------------------------------|----------------------------------|
| Other Expenses | | |
| Retainership & Consultancy | | |
| Audit Fee | 8,850.00 | 8,850.00 |
| Filing Fee | | 404.00 |
| licence fee | | 0.00 |
| Interest Expenses | 0.00 | 18,186.00 |
| Total | 8,850.00 | 27,440.00 |

SHRIRAM ELECTRICITY LLP: RAIPUR (C.G.)

Notes to Financial Statement for the year ended 31st March 2023

1. Nature of Operation

Shri Ram Electricity has been formed by Sarda Energy & Minerals Ltd. (51%), Akshay Ispat Udyog Pvt. Ltd. (26%) and Mosh Varya Infrastructure Pvt Ltd.(23%) (earlier known as Chhattisgarh Construction Company Private Limited) as a Special Purpose Vehicle to put up the captive thermal power plant.

2. Basis of Preparation of Financial Statements

The accounts of the LLP are prepared under the historical cost convention using the accrual method of accounting in accordance with the generally accepted accounting principles in India.

2.1 SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS

a) Use of Estimates

The preparation of financial statements, in conformity with Generally Accepted Accounting Principles, requires the management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosures of contingent liabilities as at the date of financial statement and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

b) Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the LLP and the revenue can be reliably measured.

c) Property, Plant & Equipment

Tangible

Tangible assets are stated at cost, net of recoverable taxes less accumulated depreciation / amortization and impairment losses if any. Cost comprises purchase price and any attributable costs of bringing the asset to its working condition for its intended use.

All costs, including administrative, financing and general overhead expenses, as are specifically attributable to construction of a project or to the acquisition of a fixed asset or bringing it to its working condition, is included as part of the cost of construction of project or as a part of the cost of fixed asset, till commencement of commercial production.

Subsequent expenditure related to an item of tangible assets is added to its book value only, if it increases the future benefits from the existing asset beyond its previously assessed standard of performance.

Intangible

Intangible assets are carried at its cost, less accumulated amortization and impairment losses, if any. All costs, including financing costs relating to development of intangible assets which takes substantial period of time to get ready for its intended use are also included to the extent they are incurred, till commencement of commercial production.

d) Preliminary Expenses :

Preliminary Expenses will be amortized over a period of 5 years starting from the Financial Year from which commencement of commercial operations of the LLP will begin.

e) Notes To The Accounts

1. Value of imports on CIF Basis is Rs. Nil (Previous Year: Rs. Nil)
2. Expenditure in foreign currency is Rs. Nil (Previous Year: Rs. Nil)
3. Earnings in foreign currency is Rs. Nil (Previous Year: Rs. Nil)
4. In View of Uncertainty in Future Profits, No Provision for Deferred tax asset on Unabsorbed Losses as per Income Tax Act has been provided for in the books of account. (Previous Year: Rs. Nil)
5. The LLP has not received any memorandum (as required to be filed by the suppliers with the notified authority under the Micro, Small and Medium Enterprises development Act, 2006) claiming their status as on 31st March, 2023 as micro, small or medium enterprises. Consequently the amount paid/payable to these parties during the year is nil.
6. Previous year figures are regrouped and rearranged wherever necessary.

As per our report of even dated

**For, Begani & Begani
Chartered Accountants,**

On Behalf of Shri Ram Electricity LLP,

**(Sankalp Sohaney)
Partner
M.No. 434993**

**(G.K. Chhanghani)
Designated Partner
Authorised Signatory
Sarda Energy & Minerals Ltd**

**(Sourabh Rathi)
Designated Partner
Nominee
Mosh Varaya Infrastructure LTD.**

**PLACE: RAIPUR
DATED: 15.05.2023
UDIN: 23434993BGWCVE7485**