

INDEPENDENT AUDITOR'S REPORT

To the Members of Walwhan Solar AP Limited

Report on the Audit of the Standalone Financial Statements**Opinion**

We have audited the accompanying standalone financial statements of Walwhan Solar AP Limited ("the Company"), which comprise the Balance sheet as at March 31, 2023, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone 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 ("ICAI") 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 audit opinion on the standalone financial statements.

Information Other than the Financial Statements and Auditor's Report Thereon

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

Our opinion on the standalone 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 standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether such 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 for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity 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 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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



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Independent auditor's report for the year ended March 31, 2023

and prudent; and the 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone 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 standalone 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 standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.



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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.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. 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, in electronic mode on servers physically located in India so far as it appears from our examination of those books except that we are unable to comment whether daily backups were taken due to absence of logs beyond the cyclic period of 90 days (refer note 46 to the financial statements);
 - (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - (e) 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;
 - (f) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph (b) above;
 - (g) With respect to the adequacy of the internal financial controls with reference to these standalone financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
 - (h) The provisions of section 197 read with Schedule V of the Act are applicable to the Company for the year ended March 31, 2023. However, no managerial remuneration has been paid/ provided by the Company to its directors;
 - (i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended 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 on its financial position in its standalone financial statements - Refer Note 42 to the standalone 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;
- iv. a) The management has represented that, to the best of its 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 that, to the best of its 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 such audit procedures performed that have 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. No dividend has been declared or paid during the year by the Company.
- vi. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Company only w.e.f. April 1, 2023, reporting under this clause is not applicable.

For SRBC & CO LLP

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003



per Suresh Yadav
Partner

Membership Number: 119878

UDIN: 23119878BGTCPE1466

Place of Signature: Mumbai

Date: April 17, 2023



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Annexure '1' referred to in paragraph 1 under the heading 'Report on Other Legal and Regulatory Requirements' of our report of even date

Re: Walwhan Solar AP Limited ("the Company")

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

- (i) (a)(A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (a)(B) The Company has not capitalized any intangible assets in the books of the Company and accordingly, the requirement to report on clause 3(i)(a)(B) of the Order is not applicable to the Company.
- (b) Property, Plant and Equipment have been physically verified by the management during the year and no material discrepancies were identified on such verification.
- (c) The title deeds of immovable properties disclosed in Note 5A to the financial statements included in property, plant and equipment are held in the erstwhile name of the Company.
Lease deeds of leasehold land disclosed in Note 5B to the financial statements are held in the erstwhile name of the Company.
- (d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended March 31, 2023.
- (e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The inventory has been physically verified by the management during the year. In our opinion, the frequency of verification by the management is reasonable and the coverage and procedure for such verification is appropriate. Discrepancies of 10% of more in aggregate for each class of inventory were not noticed.
- (b) The Company has not been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks or financial institutions during any point of time of the year on the basis of security of current assets. Accordingly, the requirement to report on clause 3(ii)(b) of the Order is not applicable to the Company.



- (iii) (a) During the year the Company has provided loans, advances in nature of loans, stood guarantee and provided security to companies as follows:

(Rs. in lakhs)

	Guarantees	Security	Loans	Advances in nature of loans
Aggregate amount granted/ provided during the year				
- Subsidiaries	-	-	-	-
- Joint Ventures	-	-	-	-
- Associates	-	-	-	-
- Others	#	-	1,602.10	-
Balance outstanding as at balance sheet date in respect of above cases				
- Subsidiaries	-	-	-	-
- Joint Ventures	-	-	-	-
- Associates	-	-	-	-
- Others	#	-	1,198.05	-

During the year the Company along with other fellow subsidiaries has given guarantee to a lender towards loans amounting to Rs. 850 crores taken by the Holding Company i.e. Walwhan Renewable Energy Limited.

- (b) During the year the guarantee provided and the terms and conditions of the grant of all loans to companies are not prejudicial to the Company's interest. During the year the Company has not made investments, provided security and granted advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties.
- (c) The Company has granted loans to companies where the schedule of repayment of principal and payment of interest has been stipulated and the repayment or receipts are regular.
- (d) There are no amounts of loans and advances in the nature of loans granted to companies, firms, limited liability partnerships or any other parties which are overdue for more than ninety days.
- (e) During the year, the Company had renewed loans given to companies to settle the loan granted to these parties which had fallen due during the year.

The aggregate amount of such dues renewed and the percentage of the aggregate to the total loans granted during the year are as follows:

(Rs. in lakhs)

Name of the parties	Aggregate amount of loans granted during the year	Aggregate amount of existing loans renewed	Percentage of the aggregate to the total loans granted during the year
Walwhan Renewable Energy Limited	1,602.10	399.05	25%



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- (f) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.
- (iv) There are no loans, investments, guarantees and securities in respect of which provision of section 185 of the Companies Act, 2013 are applicable and hence not commented upon.
- In our opinion and according to the information and explanations given to us, provisions of section 186 of the Companies Act 2013 in respect of loans and advances given, investments made and, guarantees, and securities given are not applicable to the Company and hence not commented upon.
- (v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Act, related to power generation through renewable sources and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.
- (vii) (a) Undisputed statutory dues including provident fund, income-tax, goods and service tax and other statutory dues have generally been regularly deposited with the appropriate authorities though there has been a slight delay in a few cases. Undisputed dues in respect of professional tax have not generally been regularly deposited with the appropriate authorities. The provisions relating to employees' state insurance, sales-tax, service tax, duty of custom, duty of excise, value added tax and cess are not applicable to the Company.

According to the information and explanations given to us and audit procedures performed by us, undisputed amounts payable in respect of provident fund, employees' state insurance, profession tax, income-tax and goods and service tax were outstanding, at the year end, for a period of more than six months from the date they became payable, are as follows:

Name of the Statute	Nature of the Dues	Amount (Rs.)	Period to which the amount relates	Due Date	Date of Payment
Professional Tax	Professional Tax	39,650	upto March 2022	Various dates	Not paid
Professional Tax	Professional Tax	3,000	April to September 2022	Various dates	Not paid



- (b) The dues of income-tax which have not been deposited on account of any dispute, are as follows:

Name of the statute	Nature of the dues	Amount (Rs. in lakhs)	Period to which the amount relates	Forum where the dispute is pending
Income Tax Act, 1961	Income Tax	436.01	AY 2018-19	Appeal filed with CIT(A)

- (viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.
- (ix) (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) The Company has not raised monies by way of term loans during the year hence, the requirement to report on clause (ix)(c) of the Order is not applicable to the Company.
- (d) On an overall examination of the financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) On an overall examination of the financial statements of the Company, 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) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries or associate companies and the Company does have any joint venture. Hence, the requirement to report on clause (ix)(f) of the Order is not applicable to the Company.
- (x) (a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.
- (b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.



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- (b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by cost auditor, secretarial auditor or by us in Form ADT - 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- (xii) The Company is not a nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a), 3(xii)(b) and 3(xii)(c) of the Order is not applicable to the Company.
- (xiii) Transactions with the related parties are in compliance with sections 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards. The provisions of section 177 are not applicable to the Company and accordingly the requirements to report under clause 3(xiii) of the Order insofar as it relates to section 177 of the Act is not applicable to the Company.
- (xiv) (a) The Company has an internal audit system commensurate with the size and nature of its business.
(b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.
- (xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.
- (xvi) (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company
(b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause (xvi)(b) of the Order is not applicable to the Company.
(c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company
(d) The Tata Group has total six Core Investment Company as part of the Group.
- (xvii) The Company has not incurred cash losses in the current financial year and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.



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Independent auditor's report for the year ended March 31, 2023

- (xix) On the basis of the financial ratios disclosed in note 34 to the financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due
- (xx) (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in note 29(b) to the financial statements.
- (b) There are no unspent amounts in respect of ongoing projects, that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of Companies Act. This matter has been disclosed in note 29 (b) to the financial statements.

For SRBC & CO LLP

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003


per Suresh Yadav
Partner

Membership Number: 119878

UDIN: 23119878BGTCPE1466

Place of Signature: Mumbai

Date: April 17, 2023



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Independent auditor's report for the year ended March 31, 2023

Annexure 2 to the Independent Auditor's Report of Even Date on the Standalone Financial Statements of Walwhan Solar AP Limited

Report on the Internal Financial Controls under Clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to standalone financial statements of **Walwhan Solar AP Limited** ("the Company") as of March 31, 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to these standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to these standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to these standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to these standalone financial statements.

Meaning of Internal Financial Controls With Reference to these Standalone Financial Statements

A company's internal financial controls with reference to standalone 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 standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit



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preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls With Reference to Standalone Financial Statements

Because of the inherent limitations of internal financial controls with reference to standalone 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 standalone financial statements to future periods are subject to the risk that the internal financial control with reference to standalone 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, adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For SRBC & CO LLP

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003



per Suresh Yadav
Partner

Membership Number: 119878

UDIN: 23119878BGTCPE1466

Place of Signature: Mumbai

Date: April 17, 2023



Walwhan Solar AP Limited
Standalone Balance Sheet as at 31st March, 2023

	Notes	As at 31st March, 2023 ₹ Lakhs	As at 31st March, 2022 ₹ Lakhs
ASSETS			
Non-current Assets			
(a) Property, Plant and Equipment	5A	30,598.53	32,575.64
(b) Right of Use Assets	5B	219.43	234.09
(c) Capital Work-in-Progress	6	38.14	29.37
(d) Financial Assets			
(i) Investments	7	1,955.73	1,955.73
(ii) Loans	15	1,198.05	-
(iii) Other Financial Assets	8	1.26	1.26
(e) Non-current Tax Assets (Net)	9	26.77	79.27
Total Non-current Assets		34,037.91	34,875.36
Current Assets			
(a) Inventories	11	36.97	35.84
(b) Financial Assets			
(i) Investments	12	-	113.77
(ii) Trade Receivables	13	2.11	2.19
(iii) Unbilled Revenue		479.93	593.72
(iv) Cash and Cash Equivalents	14	1.77	4.77
(v) Loans	15	-	690.99
(vi) Other Financial Assets	8	15.28	88.12
(c) Other Current Assets	10	2.37	2.65
Total Current Assets		538.43	1,532.05
TOTAL ASSETS		34,576.34	36,407.41
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	16	2,037.40	2,037.40
(b) Other Equity	17	13,851.54	13,256.82
Total Equity		15,888.94	15,294.22
LIABILITIES			
Non-current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	18	15,592.87	17,186.87
(ii) Lease Liabilities	19	52.30	51.67
(b) Deferred Tax Liabilities (Net)	20	2,531.41	1,773.14
(c) Provisions	21	5.06	4.60
Total Non-current Liabilities		18,181.64	19,016.28



Walwhan Solar AP Limited
Standalone Balance Sheet as at 31st March, 2023

	Notes	As at 31st March, 2023 ₹ Lakhs	As at 31st March, 2022 ₹ Lakhs
Current Liabilities			
(a) Financial Liabilities			
(i) Trade Payables			
	22		
		23.11	34.65
		211.76	138.01
	(ii) Other Financial Liabilities	97.50	1,730.33
	23		
	(b) Provisions	0.34	0.29
	21		
	(c) Other Current Liabilities	173.05	193.63
	24		
	Total Current Liabilities	505.76	2,096.91
TOTAL EQUITY AND LIABILITIES		34,576.34	36,407.41

See accompanying notes to the Standalone Financial Statements

As per our report of even date.

For and on behalf of the Board of Directors,

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration No: 324982E/E300003

Danish Afroz
Director
DIN 0946118

Prashant Joshi
Director
DIN 09548231

per Suresh Yadav
Partner
Membership No. 119878



Ashwinikumar Patil
Chief Executive Officer

Behram Mehta
Chief Financial Officer

Monisha Meghna
Company Secretary

Place : Mumbai
Date : 17th April 2023

Place : Mumbai
Date : 17th April 2023



Waiwhan Solar AP Limited
Statement of Profit and Loss for the year ended 31st March, 2023

	Notes	For the year ended 31st March, 2023 ₹ Lakhs	For the year ended 31st March, 2022 ₹ Lakhs
I Revenue from Operations	25	5,568.05	6,256.59
II Other Income	26	147.16	127.40
III Total Income (I + II)		5,715.21	6,383.99
IV Expenses			
Employee Benefits Expense	27	51.86	58.57
Finance Costs	28	1,644.92	1,883.75
Depreciation and Amortization Expenses	5B	1,863.21	1,918.05
Other Expenses	29	802.37	1,747.25
Total Expenses		4,362.36	5,607.62
V Profit Before Tax (III - IV)		1,352.85	776.37
VI Tax Expense			
Current Tax	30	-	-
Deferred Tax	30	758.27	254.78
		758.27	254.78
VII Profit after tax for the year (V - VI)		594.58	521.59
VIII Other Comprehensive Income/(Expenses)			
Add/(Less):			
(i) Items that will not be reclassified to profit or loss			
(a) Remeasurement of the Defined Benefit Plans		0.14	0.07
		0.14	0.07
IX Total Comprehensive Income for the Year (VII + VIII)		594.72	521.66
X Basic and Diluted Earnings Per Equity Share (of ₹ 10/- each) (₹)	31		
(i) Basic (in INR)		2.92	2.56
(ii) Diluted (in INR)		2.92	2.56

See accompanying notes to the Standalone Financial Statements

As per our report of even date.

For and on behalf of the Board of Directors,

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration No: 324982E/E300003


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Walwhan Solar AP Limited
Statement of Cash Flows for the year ended 31st March, 2023

	₹ Lakhs	
	For the year ended 31st March, 2023	For the year ended 31st March, 2022
A. Cash Flow from Operating Activities		
Profit before tax	1,352.85	776.37
Adjustments to reconcile Profit Before Tax to Net Cash Flows:		
Depreciation and Amortization Expense	1,863.21	1,918.05
Gain/(Loss) on Disposal of Property, Plant and Equipment (Net)	(217.64)	(1,187.64)
Finance Cost	1,644.92	1,883.75
Interest Income	(38.14)	(84.37)
Interest Income on income tax refund	(8.55)	(10.19)
Gain on Sale/Fair Value of Current Investments measured at FVTPL	(28.88)	(14.78)
Operating profit before changes in Operating Assets & Liabilities	3,214.92	2,504.82
Working Capital Adjustments:		
Adjustments for (increase)/decrease in Operating Assets:		
Inventories	(1.13)	14.63
Trade Receivables	0.08	596.50
Unbilled Revenue	113.79	74.62
Other Current Assets	0.28	1.92
Other Non-current Assets	-	0.19
Other Financial Assets - Current	(0.05)	(1.13)
Other Financial Assets - Non-Current	-	(0.13)
Movement in Operating Asset	112.97	686.60
Adjustments for increase/(decrease) in Operating Liabilities:		
Trade Payables	62.21	16.22
Other Current Liabilities	(20.58)	14.92
Current Provisions	0.05	(0.03)
Non-current Provisions	0.60	(0.58)
Movement in Operating Liability	42.28	30.53
Cash Flow from Operations	4,723.02	3,998.32
Income-tax Paid (Net)	61.06	166.80
Net Cash Flow from Operating Activities A	4,784.08	4,165.12
B. Cash Flow from Investing Activities		
Capital expenditure on Property, Plant and Equipment and Other Intangible assets (including capital advances)	348.62	2,223.34
Purchase of Current Investments	(4,134.00)	(6,719.99)
Proceeds from sale of Current Investments	4,276.65	6,757.38
Inter-corporate Deposits		
- Given	(1,203.05)	(1,483.99)
- Received back	695.99	845.00
Interest Received	111.03	8.43
Net Cash Flow from Investing Activities B	95.24	1,630.17
C. Cash Flow from Financing Activities		
Repayment of Non-current Borrowings - Related party	(1,594.00)	(3,522.00)
Payment of principal portion of lease liabilities	(4.38)	(4.38)
Proceeds from current borrowings-related party	124.16	4.00
Repayment of current borrowings-related party	(124.16)	(4.00)
Finance Cost Paid	(3,283.94)	(2,275.34)
Net Cash Flow used in Financing Activities C	(4,882.32)	(5,801.72)
Net decrease in Cash and Cash Equivalents (A+B+C)	(3.00)	(6.43)
Cash and Cash Equivalents as at 1st April (Opening Balance)	4.77	11.20
Cash and Cash Equivalents as at 31st March (Closing Balance)	1.77	4.77

Note:

The above cash flow has been prepared under the "Indirect Method" as set out in Indian Accounting Standard (Ind AS) 7 - statement of cash flows

Breakup of Cash and Cash Equivalents as at 1st April

(i) Balances with Banks:

In Current Accounts	4.77	11.20
	4.77	11.20

Breakup of Cash and Cash Equivalents as at 31st March

(i) Balances with Banks:

In Current Accounts	1.77	4.77
	1.77	4.77



Walwhan Solar AP Limited
Statement of Cash Flows for the year ended 31st March, 2023

Reconciliation of liabilities from Financing Activities

Particulars	As at 1st April, 2022	Cash flows		Non-cash Transactions	₹ Lakhs
		Proceeds	Repayment		As at 31st March, 2023
Non-current Borrowings (including Current Maturity of Non-current Borrowings)	17,186.87	-	(1,594.00)	-	15,592.87
Current Borrowings	-	124.16	(124.16)	-	-
Lease Liabilities	51.67	-	(4.38)	5.01	52.30
Total	17,238.54	124.16	(1,722.54)	5.01	15,645.17

Particulars	As at 1st April, 2021	Cash flows		Non-cash Transactions	₹ Lakhs
		Proceeds	Repayment		As at 31st March, 2022
Non-current Borrowings (including Current Maturity of Non-current Borrowings)	20,708.87	-	(3,522.00)	-	17,186.87
Current Borrowings	-	4.00	(4.00)	-	-
Lease Liabilities	51.02	-	(4.38)	5.03	51.67
Total	20,759.89	4.00	(3,530.38)	5.03	17,238.54

As per our report of even date.

For and on behalf of the Board of Directors,

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration No: 324982E/E300003


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Monisha Meghna
Company Secretary

Place : Mumbai
Date : 17th April 2023

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Date : 17th April 2023



Walwhan Solar AP Limited
Statement of Changes in Equity for the year ended 31st March, 2023

A. Equity Share Capital

	No. of Shares	₹ Lakhs
		Amount
Balance as at 1st April, 2021	2,03,73,956	2,037.40
Issued during the year	-	-
Balance as at 31st March, 2022	2,03,73,956	2,037.40
Issued during the year	-	-
Balance as at 31st March, 2023	2,03,73,956	2,037.40

B. Other Equity

Description	₹ Lakhs		
	Reserves and Surplus		Total
	Securities Premium	Retained Earnings	
Balance as at 1st April, 2021	11,824.90	910.26	12,735.16
Profit for the year	-	521.59	521.59
Other Comprehensive Income for the year	-	0.07	0.07
Total Comprehensive Income	-	521.66	521.66
Balance as at 31st March, 2022	11,824.90	1,431.92	13,256.82
Balance as at 31st March, 2022	11,824.90	1,431.92	13,256.82
Profit for the year	-	594.58	594.58
Other Comprehensive Income for the year	-	0.14	0.14
Total Comprehensive Income	-	594.72	594.72
Balance as at 31st March, 2023	11,824.90	2,026.64	13,851.54

See accompanying notes to the Standalone Financial Statements

As per our report of even date.

For and on behalf of the Board of Directors,

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration No: 324982E/E300003


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Monisha Meghna
Company Secretary

Place : Mumbai
Date : 17th April 2023

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Date : 17th April 2023



Walwhan Solar AP Limited
Notes to the Financial Statements for the year ended 31st March, 2023

1. Corporate Information:

Walwhan Solar AP Limited (formerly known as "Walwhan Solar AP Private Limited" and "Welspun Solar AP Private Limited") (the 'Company' or 'WSAPL') was incorporated on February 11th, 2008 under the companies Act, 2013 vide CIN 'U40109MH2008PLC178769' as subsidiary of Walwhan Renewable Energy Limited. The Company was incorporated for setting up solar power projects in India. Company has commissioned solar power projects of 5MW at Pulivendula, YSR District (Andhra Pradesh) on 31 December 2011 and 20 MW, 15 MW and 15 MW at Village – Sri Mandrup Nagar and Rawara, Tehsil- Phalodi, Dist.- Jodhpur (Rajasthan) on 22 Jan, 2013, 31 Jan, 2013 and 19 Feb 2013 respectively.

The Company is a public limited Company incorporated and domiciled in India and has its registered office at C/o The Tata Power Company Limited, Corporate Centre B, 34 Sant Tukaram Road, Carnac Bunder Mumbai City - 400009.

2. Significant Accounting Policies:

2.1 Statement of compliance

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) read with section 133 of the Companies Act, 2013.

The accounting policies adopted are consistent with those of the previous financial year.

2.2 Basis of preparation and presentation

The financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value:

- derivative financial instruments,
- certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments).
- employee benefit expenses (Refer Note 21 for Accounting policy)

Historical cost is the amount of cash or cash equivalents paid or the fair value of the consideration given to acquire assets at the time of their acquisition or the amount of proceeds received in exchange for the obligation, or at the amounts of cash or cash equivalents expected to be paid to satisfy the liability in the normal course of business.

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 financial statements are presented in Indian Rupees (₹) and all amounts are in Lakhs unless otherwise stated.

3. Other Significant Accounting Policies

3.1 Foreign Currencies

The functional currency of the Company is Indian Rupee (₹).

Foreign Currencies transactions are recorded at exchange rates prevailing on the date of the transaction. Foreign currency denominated monetary assets and liabilities are translated at the exchange rate prevailing on the balance sheet date and exchange gains and losses arising on settlement and restatement are recognized in the statement of profit and loss.

Non-monetary assets and liabilities that are measured in terms of historical cost in foreign currencies are not retranslated.

3.2 Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- expected to be realized or intended to be sold or consumed in normal operating cycle,
- held primarily for the purpose of trading,
- expected to be realized within twelve months after the reporting year, or
- cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting year.

All other assets are classified as non-current.

A liability is current when:

- it is expected to be settled in normal operating cycle,
- it is held primarily for the purpose of trading,
- it is due to be settled within twelve months after the reporting year, or
- there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting year.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified twelve months as its operating cycle.



3.3 Financial Instruments

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

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instruments.

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

3.4 Financial Assets

All regular purchases or sales of financial assets are recognized and derecognized on a trade date basis. Regular purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place.

All recognized financial assets are subsequently measured in their entirety at either amortized cost or fair value, depending on the classification of the financial assets.

3.4.1 Financial assets at amortised cost

Financial assets are subsequently measured at amortized cost using the effective interest rate method if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

3.4.2 Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition, the Company makes an irrevocable election on an instrument-by-instrument basis to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments, other than equity investment which are held for trading. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognized in other comprehensive income and accumulated in the 'Reserve for equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to profit or loss on disposal of the equity investment classified as FVTOCI.

3.4.3 Financial assets at fair value through profit or loss (FVTPL)

Investments in equity instruments are classified as at FVTPL, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income.

Other financial assets are measured at fair value through profit or loss unless it is measured at amortized cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognized in statement of profit and loss.

3.4.4 Investment in Subsidiaries, Jointly Controlled Entities and Associates

Investment in subsidiaries, jointly controlled entities and associates are measured at cost less impairment as per Ind AS 27 - Separate Financial Statements.

3.4.5 Derecognition

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

- the right to receive cash flows from the asset have expired, or
- the Company has transferred its right to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its right to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.



3.4.6 Impairment of financial assets

The Company assesses at each date of balance sheet whether a financial asset or a Company of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognizes lifetime expected losses for all contract assets and / or all trade receivables provided that there is no financing component. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses dependent whether the credit risk on the financial asset has increased significantly since initial recognition.

3.5 Financial liabilities and equity instruments

3.5.1 Classification as debt or equity

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

3.5.2 Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognized at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognized and deducted directly in equity. No gain or loss is recognized in the statement of profit and loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

3.5.3 Financial liabilities

All financial liabilities are recognized initially at fair value and in case of financial liabilities at amortised cost, net of directly attributable transaction costs.

All financial liabilities are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognized in statement of profit and loss when the liabilities are derecognized as well as through the Effective Interest Rate (EIR) amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

3.5.4 Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. 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 recognized in the statement of profit and loss.

3.6 Reclassification of financial assets and liabilities

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments. At each reporting date, if financial liability meets the definition of equity, it is classified as equity. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting year following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

3.7 Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

3.8 Dividend distribution to equity shareholders of the Parent Company

The Company recognizes a liability to make dividend distributions to its equity holders when the distribution is authorized and the distribution is no longer at its discretion. As per the corporate laws in India, a distribution is authorized when it is approved by the shareholders. A corresponding amount is recognized directly in equity.

4. Critical accounting estimates and judgements

In the application of the Companies accounting policies, management of the Company is required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the year in which the estimate is revised if the revision affects only that year, or in the year of the revision and future years if the revision affects both current and future years. Detailed information about each of these estimates and judgments is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The areas involving critical estimates or judgments are:

Estimates used for impairment of property, plant and equipment of certain cash generating units (CGU) - Note 5

Estimated fair value of unquoted securities and impairment of investments - Note 7

Estimation of current tax and deferred tax expense - Note 20 & 30

Estimates and judgment are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.



5 Property, Plant and Equipment

Accounting Policy

Property, plant and equipment is stated at cost less accumulated depreciation and accumulated impairment losses, if any. Cost includes purchase price (net of trade discount and rebates) and any directly attributable cost of bringing the asset to its working condition for its intended use and for qualifying assets, borrowing costs capitalized in accordance with Ind AS 23. Capital work in progress is stated at cost, net of accumulated impairment loss, if any. Cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in statement of profit and loss as incurred.

Depreciation

Depreciation commences when an asset is ready for its intended use. Freehold land and assets held for sale are not depreciated.

Depreciation is recognized on the cost of assets (other than freehold land and properties under construction) less their residual values over their estimated useful lives, using the straight-line method.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis. The Company, based on technical assessment made by technical expert and management estimate, depreciates certain items of building, plant and equipment over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Estimated useful lives of the assets are as follows:

Type of asset	Useful lives
Buildings-Plant	25 years
Plant and Equipment	25 years
Furniture and Fixtures	10 years
Office Equipment	5 years
Vehicles	10 years

Derecognition

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

Impairment

Impairment of Tangible Assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets.

When the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the CGU's to which the individual assets are allocated. These budgets and forecast calculations generally cover Power Purchase agreement period after considering the expected PLF (Plant Load Factor) and cost inflation.

Impairment losses of tangible assets are recognized in the statement of profit and loss.



5 Property, Plant and Equipment (Contd.)

A. Owned Assets

₹ Lakhs

Description	Freehold Land	Buildings	Plant and Equipment	Furniture and Fixtures	Office Equipment	Vehicles	Total
Cost							
Balance as at 1st April, 2022	673.22	1,659.96	49,927.89	0.91	11.44	8.50	52,281.92
Additions during the year	-	2.95	86.13	-	-	-	89.08
Disposals of assets	-	(299.86)	(78.79)	4.95	(1.64)	-	(375.34)
Balance as at 31st March, 2023	673.22	1,363.05	49,935.23	5.86	9.80	8.50	51,995.66
Accumulated depreciation and impairment							
Balance as at 1st April, 2022	-	556.66	19,133.07	0.77	9.69	6.09	19,706.28
Depreciation for the year	-	64.15	1,782.81	0.22	0.61	0.76	1,848.55
Eliminated on disposals of assets	-	(128.41)	(32.23)	4.51	(1.57)	-	(157.70)
Balance as at 31st March, 2023	-	492.40	20,883.65	5.50	8.73	6.85	21,397.13
Net carrying amount							
As at 31st March, 2023	673.22	870.65	29,051.58	0.36	1.07	1.65	30,598.53
As at 31st March, 2022	673.22	1,103.30	30,794.82	0.14	1.75	2.41	32,575.64

₹ Lakhs

Description	Freehold Land	Buildings	Plant and Equipment	Furniture and Fixtures	Office Equipment	Vehicles	Total
Cost							
Balance as at 1st April, 2021	673.22	1,660.94	51,692.09	5.86	20.38	8.50	54,060.99
Additions during the year	-	-	164.01	-	-	-	164.01
Disposals of assets	-	(0.98)	(1,928.21)	(4.95)	(8.94)	-	(1,943.08)
Balance as at 31st March, 2022	673.22	1,659.96	49,927.89	0.91	11.44	8.50	52,281.92
Accumulated depreciation and impairment							
Balance as at 1st April, 2021	-	492.95	18,046.78	4.72	17.57	5.33	18,567.35
Depreciation for the year	-	64.01	1,828.44	0.56	0.61	0.76	1,894.38
Eliminated on disposals of assets	-	(0.30)	(742.15)	(4.51)	(8.49)	-	(755.45)
Balance as at 31st March, 2022	-	556.66	19,133.07	0.77	9.69	6.09	19,706.28
Net carrying amount							
As at 31st March, 2022	673.22	1,103.30	30,794.82	0.14	1.75	2.41	32,575.64
As at 31st March, 2021	673.22	1,167.99	33,645.31	1.14	2.81	3.17	35,493.64

Notes:

- During the previous year ended 31st March 2022, the holding Company i.e. Walwhan Renewable Energy Limited availed term loan from State Bank of India and NIIF Infrastructure Finance Limited of INR 120,000 Lakhs and as a part of security, the Company along with certain other fellow subsidiaries has offered first pari-passu charge over:
 - All the movable assets of the Company including but not limited to movable plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles, and all other movable assets, both present and future
 - All current assets of the Company including but not limited to book debts, operating cash flows, receivables, commission, revenues, other current assets, both present and future.

Charge on all rights, titles, interest, benefits, claims and demands under all material project documents, contracts, insurance policies, permits/approvals, clearances etc. with respect the Company.
- During the year ended 31st March 2023, the Company has written off certain building works & machinery of ₹ 217.64 Lakhs (Gross Block ₹ 375.34 Lakhs, accumulated depreciation ₹ 157.70 Lakhs) based on physical verification done by the Management.
- During the year ended 31st March 2022, the Company has written off Solar Modules and Solar Inverter of ₹ 1,185.91 Lakhs (Gross Block ₹ 1,925.29 Lakhs, accumulated depreciation ₹ 739.38 Lakhs) based on management assessment for their usability.
- The Company is in possession of land which are still registered in the erstwhile name of the Company



5 Property, Plant and Equipment (Contd.)

B. Right of Use Assets

₹ Lakhs	
Description	Land
Cost	
Balance as at 1st April, 2022	275.12
Additions during the year	-
Transition impact of Ind AS 116	-
Balance as at 31st March, 2023	275.12
Accumulated depreciation and impairment	
Balance as at 1st April, 2022	41.03
Depreciation for the year	14.66
Balance as at 31st March, 2023	55.69
Net carrying amount	
As at 31st March, 2023	219.43
As at 31st March, 2022	234.09

₹ Lakhs	
Description	Land
Cost	
Balance as at 1st April, 2021	275.12
Additions during the year	-
Transition impact of Ind AS 116	-
Balance as at 31st March, 2022	275.12
Accumulated depreciation and impairment	
Balance as at 1st April, 2021	17.36
Depreciation for the year	23.67
Balance as at 31st March, 2022	41.03
Net carrying amount	
As at 31st March, 2022	234.09
As at 31st March, 2021	257.76

Note :

- a) The lease deeds of immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee disclosed above are held in the erstwhile name of the Company.

Depreciation / Amortisation:

	For the year ended 31st March, 2023 ₹ Lakhs	For the year ended 31st March, 2022 ₹ Lakhs
Depreciation on Tangible Assets	1,848.55	1,894.38
Amortisation on right of use assets	14.66	23.67
Total	1,863.21	1,918.05



6. Capital Work-in-Progress

Accounting Policy

Capital work in progress is stated at cost, net of accumulated impairment loss, if any.

Non-current

Capital Work-in-Progress

	As at 31st March, 2023 ₹ Lakhs	As at 31st March, 2022 ₹ Lakhs
	38.14	29.37
	38.14	29.37

CWIP ageing Schedule as at 31st March, 2023

Capital Work in Progress	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	32.75	5.39	-	-	38.14
Total	32.75	5.39	-	-	38.14

CWIP ageing Schedule as at 31st March, 2022

Capital Work in Progress	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	29.37	-	-	-	29.37
Total	29.37	-	-	-	29.37



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7. Non-current Investments

	As at 31st March, 2023 Quantity	As at 31st March, 2022 Quantity	Face Value (in ₹ unless stated otherwise)	As at 31st March, 2023 ₹ Lakhs	As at 31st March, 2022 ₹ Lakhs
(A) Investment in Subsidiaries (Unquoted)					
Investment in Equity Shares fully Paid-up [Refer note 40]					
Walwhan Solar KA Limited	10,000	10,000	10	1.00	1.00
(B) Interest free loans to subsidiary				46.33	46.33
(C) Investment in Associates (Unquoted)					
Investment in Equity Shares fully Paid-up [Refer note 40]					
Northwest Energy Private Limited	75,20,000	75,20,000	10	752.00	752.00
Walwhan Solar Energy GJ Limited	1,15,64,000	1,15,64,000	10	1,156.40	1,156.40
				1,955.73	1,955.73

Note:

1. Aggregate Carrying Value of Unquoted Investments

1,955.73

1,955.73



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Walwhan Solar AP Limited
Notes to the Financial Statements for the year ended 31st March, 2023

8. Other Financial Assets

Non-current

(At Amortised Cost)

(i) Security Deposits

Considered Good - Unsecured

	As at 31st March, 2023 ₹ Lakhs	As at 31st March, 2022 ₹ Lakhs
	1.26	1.26
	1.26	1.26

Current (Refer note 5A (a))

(At Amortised Cost)

(i) Security Deposits

Considered Good - Unsecured

	8.98	8.98
	8.98	8.98

(ii) Accruals

Unsecured, considered good

Interest Accrued on Bank Deposits

Interest Accrued on Loans to Related Parties [Refer note 32]

	-	0.06
	5.12	77.95
	5.12	78.01

(iii) Others

Unsecured, considered good

In Deposit Accounts (with maturity less than twelve months)

	-	1.13
	-	1.13

	15.28	88.12
--	--------------	--------------

9. Tax Assets

Non-current Tax Assets

Advance Income-tax (Net)

	As at 31st March, 2023 ₹ Lakhs	As at 31st March, 2022 ₹ Lakhs
	26.77	79.27
	26.77	79.27



Walwhan Solar AP Limited
Notes to the Financial Statements for the year ended 31st March, 2023

10. Other Assets

	As at 31st March, 2023 ₹ Lakhs	As at 31st March, 2022 ₹ Lakhs
Current (Refer note 5A (a))		
(i) Balances with Government Authorities		
Unsecured, considered good		
Advances	0.46	0.46
	<u>0.46</u>	<u>0.46</u>
(ii) Other Loans and Advances		
Unsecured, considered good		
Prepaid Expenses	1.14	1.14
Advances to Vendors	0.22	0.50
Other Advances	0.55	0.55
	<u>1.91</u>	<u>2.19</u>
	<u>2.37</u>	<u>2.65</u>



Walwhan Solar AP Limited
Notes to the Financial Statements for the year ended 31st March, 2023

11. Inventories (Refer note 5A (a))
Accounting Policy

Inventories are stated at the lower of cost and net realisable value.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

- Cost of inventory includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.

Costs of inventories are determined on weighted average basis.

- Finished goods and work in progress: cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs.

Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

Unserviceable/damaged stores and spares are identified and written down based on technical evaluation.

	<u>As at</u> <u>31st March, 2023</u> <u>₹ Lakhs</u>	<u>As at</u> <u>31st March, 2022</u> <u>₹ Lakhs</u>
Inventories (lower of cost and net realisable value)		
Stores and Spares	36.97	35.84
	36.97	35.84



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12. Current Investments (Refer note 5A (a))

	As at 31st March, 2023 Quantity	As at 31st March, 2022 Quantity	As at 31st March, 2023 ₹ Lakhs	As at 31st March, 2022 ₹ Lakhs
I Investment carried at fair value through profit or loss				
Current Portion of Long-term Investments				
Mutual Funds (quoted)				
SBI Liquid Fund direct Growth	-	1,784.26	-	59.46
IDFC Cash Fund - Growth - Direct Plan	-	2,112.95	-	54.31
			-	113.77

Notes:

- | | | |
|---|---|--------|
| 1. Aggregate Market Value of Quoted Investments | - | 113.77 |
| 2. Aggregate Carrying Value of Quoted Investments | - | 113.77 |



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13. Trade Receivables (Refer note 5A (a))

(Unsecured unless otherwise stated)
(At Amortised Cost)

Unsecured, considered good
Trade Receivables

	As at 31st March, 2023 ₹ Lakhs	As at 31st March, 2022 ₹ Lakhs
	2.11	2.19
	2.11	2.19

The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the days the receivables are due and the rates as given in the provision matrix. The ageing of trade receivables at the end of reporting period is as follows:

Trade Receivables Ageing schedule as at 31st March, 2023

Particulars	Outstanding for following periods from due date of payment #						Total
	Not Due	Less than 6 Months	6 Months - 1 Year	1 Year - 2 Year	2 Year - 3 Year	More than 3 Year	
(i) Undisputed Trade Receivables							
a) Considered good	2.11	-	-	-	-	-	2.11
b) Significant increase in credit risk	-	-	-	-	-	-	-
c) Credit Impaired	-	-	-	-	-	-	-
(ii) Disputed Trade Receivables							
a) Considered good	-	-	-	-	-	-	-
b) Significant increase in credit risk	-	-	-	-	-	-	-
c) Credit Impaired	-	-	-	-	-	-	-
Total	2.11	-	-	-	-	-	2.11

Where due date of payment is not available date of transaction has been considered

Trade Receivables Ageing schedule as at 31st March, 2022

Particulars	Outstanding for following periods from due date of payment #						Total
	Not Due	Less than 6 Months	6 Months - 1 Year	1 Year - 2 Year	2 Year - 3 Year	More than 3 Year	
(i) Undisputed Trade Receivables							
a) Considered good	2.19	-	-	-	-	-	2.19
b) Significant increase in credit risk	-	-	-	-	-	-	-
c) Credit Impaired	-	-	-	-	-	-	-
(ii) Disputed Trade Receivables							
a) Considered good	-	-	-	-	-	-	-
b) Significant increase in credit risk	-	-	-	-	-	-	-
c) Credit Impaired	-	-	-	-	-	-	-
Total	2.19	-	-	-	-	-	2.19

Where due date of payment is not available date of transaction has been considered



14. Cash and Cash Equivalents (Refer note 5A (a))

Accounting Policy

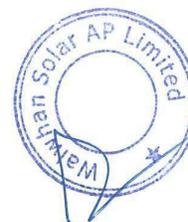
Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. Cash and cash equivalents include balances with banks which are unrestricted for withdrawal and usage.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

	As at 31st March, 2023 ₹ Lakhs	As at 31st March, 2022 ₹ Lakhs
(i) Balances with Banks:		
In Current Accounts	1.77	4.77
Cash and Cash Equivalents as per Balance Sheet	1.77	4.77
Cash and Cash Equivalents as per Statement of Cash Flows	1.77	4.77



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Walwhan Solar AP Limited**Notes to the Financial Statements for the year ended 31st March, 2023****15. Loans (Refer note 5A (a))****Non-current
(At Amortised Cost)****(i) Loans to Related Parties**

Considered Good - Unsecured [Refer note 32]

	As at 31st March, 2023 ₹ Lakhs	As at 31st March, 2022 ₹ Lakhs
	1,198.05	-
	1,198.05	-

Current**(At Amortised Cost)****(ii) Loans to Related Parties**

Considered Good - Unsecured [Refer note 32]

	As at 31st March, 2023 ₹ Lakhs	As at 31st March, 2022 ₹ Lakhs
	-	690.99
	-	690.99

During the year ended 31st March 2023, loan to Related Parties comprises loan given to Walwhan Renewable Energy Limited (Holding Company). The Company entered into an Inter Corporate Deposits ('ICD's) agreements with Walwhan Renewable Energy Limited for a period of 3 years 3 months. As per agreements loans are unsecured and carry interest @ 6.95% p.a.



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16. Share Capital

	As at 31st March, 2023		As at 31st March, 2022	
	Number	₹ Lakhs	Number	₹ Lakhs
Authorised				
Equity Shares of ₹ 10/- each	2,50,00,000	2,500.00	2,50,00,000	2,500.00
		<u>2,500.00</u>		<u>2,500.00</u>
Issued				
Equity shares of ₹ 10 each	2,03,73,956	2,037.40	2,03,73,956	2,037.40
Subscribed and Paid-up				
Equity shares of ₹ 10 each	2,03,73,956	2,037.40	2,03,73,956	2,037.40
Total Issued, Subscribed and fully Paid-up Share Capital		<u>2,037.40</u>		<u>2,037.40</u>

(i) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

	As at 31st March, 2023		As at 31st March, 2022	
	Number	₹ Lakhs	Number	₹ Lakhs
Equity Shares				
At the beginning of the year	2,03,73,956	2,037.40	2,03,73,956	2,037.40
Issued during the year	-	-	-	-
Outstanding at the end of the year	<u>2,03,73,956</u>	<u>2,037.40</u>	<u>2,03,73,956</u>	<u>2,037.40</u>

(ii) Terms/rights attached to Equity Shares

The Company has issued only one class of Equity Shares having a par value of ₹ 10/- per share. Each holder of Equity Shares 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 remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of Equity Shares held by the shareholders.

(iii) Details of shareholders holding more than 5% shares in the Company and details of share held by the holding Company & its subsidiaries

	As at 31st March, 2023		As at 31st March, 2022	
	Number	% Holding	Number	% Holding
Equity Shares of ₹ 10/- each fully paid				
Walwhan Renewable Energy Limited (Including six equity share held by nominee shareholder on behalf of Walwhan Renewable Energy Limited)	2,03,73,956	100.00	2,03,73,956	100.00

(iv) Details of share held by the holding Company & its subsidiaries

	As at 31st March, 2023		As at 31st March, 2022	
	Number	% Holding	Number	% Holding
Equity Shares of ₹ 10/- each fully paid				
Walwhan Renewable Energy Limited (Including six equity share held by nominee shareholder on behalf of Walwhan Renewable Energy Limited)	2,03,73,956	100.00	2,03,73,956	100.00

(v) Shareholding of Promoters

	As at 31st March, 2023		As at 31st March, 2022	
	Number	% Holding	Number	% Holding
Walwhan Renewable Energy Limited (Including six equity share held by nominee shareholder on behalf of Walwhan Renewable Energy Limited)	2,03,73,956	100.00	2,03,73,956	100.00

There is no change in promoters shareholding during the year



Walwhan Solar AP Limited

Notes to the Financial Statements for the year ended 31st March, 2023

17. Other Equity

	As at 31st March, 2023	As at 31st March, 2022
	₹ Lakhs	₹ Lakhs
Securities Premium		
Opening Balance	11,824.90	11,824.90
Add: Share Securities Premium collected during the year	-	-
Closing Balance	<u>11,824.90</u>	<u>11,824.90</u>
Retained Earnings		
Opening balance	1,431.92	910.26
Add: Profit for the year	594.58	521.59
Other Comprehensive Income/(Expense) arising from Remeasurement of Defined Benefit Obligation (Net of Tax)	0.14	0.07
Closing Balance	<u>2,026.64</u>	<u>1,431.92</u>
Total	<u><u>13,851.54</u></u>	<u><u>13,256.82</u></u>

Nature and purpose of reserves

Securities Premium

Securities Premium Reserve is used to record the premium on issue of shares and is utilised in accordance with the provisions of the Companies Act, 2013.

Retained Earnings

Retained Earnings are the profits of the Company earned till date net of appropriations.



18. Non-current Borrowings

	As at 31st March, 2023 ₹ Lakhs	As at 31st March, 2022 ₹ Lakhs
Unsecured - At Amortised Cost		
Term Loans		
Loans from Related Parties [Refer note 32]	15,592.87	17,186.87
Total	15,592.87	17,186.87

Security and terms of repayment

Loans from Related Parties - Non Current Borrowings

Loan from Related Parties includes loan taken from Walwhan Renewable Energy Limited (Holding Company). The Company entered into an amended Inter Corporate Deposit ('ICD') agreement with Walwhan Renewable Energy Limited for an amount of ₹ 35,300 Lakhs on 11th April, 2018 ('ICD'). This agreement was in supersession of the earlier ICD Agreement. As per amended agreement loan is repayable as a bullet repayment at the end of 9 years from the date of disbursement of loan, loan is unsecured and interest is payable @10% p.a. Also as per agreement terms, the Company can prepay a part or entire amount of loan without any prepayment premium.



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19. Lease Liabilities

As a Lessee

i) Right-of-use Assets

The Company recognises right -of -use assets at the commencement date of the lease. Right - of -use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right - of -use assets includes the amount of lease liabilities recognised, initial direct costs incurred, lease payments made at or before the commencement date less any lease incentives received and estimate of costs to dismantle. Right - of - use assets are depreciated on a straight - line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

- land - 25 years

The Company presents right-to-use assets that do not meet the definition of investment property in 'Property, plant and equipment.

ii) Lease Liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. In calculating the present value of lease payments, the Company generally uses its incremental borrowing rate at the lease commencement date if the discount rate implicit in the lease is not readily determinable.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. The carrying amount is remeasured when there is a change in future lease payments arising from a change index or rate. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

The Company presents lease liabilities in ₹ 52.30 lakhs (31st March, 2022 : ₹ 51.67 lakhs) in the Balance Sheet.

iii) Short term leases and leases of low value of assets

The Company applies the short- term lease recognition exemption to its short- term leases. It also applies the lease of low-value assets recognition exemption that a reconsidered to be low value. Lease payments on short- term leases and leases of low value assets are recognised as expense on a straight- line basis over the lease term.

Lessee

The Company has lease contracts for land used in its operations. Lease of land have lease terms of 30 years. Generally, the Company is restricted from assigning and subleasing the leased assets.

Amount recognised in the Statement of Profit and Loss	₹ Lakhs	
	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Depreciation of Right-of-use assets	14.66	17.36
Interest on lease liabilities	5.00	5.02

Refer Note 5B for additions to Right -Of -Use Assets and the carrying amount of Right- Of -Use Assets as at 31st March, 2023.

Amount recognised in the Statement of Cash Flows	₹ Lakhs	
	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Total cash outflow of leases	4.38	4.38

Carrying amount of Lease liabilities

	As at 31st March, 2023	As at 31st March, 2022
	₹ Lakhs	₹ Lakhs
Non-current Lease Liabilities	52.30	51.67
	52.30	51.67



20. Deferred Tax (Net)

Accounting Policy

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. In assessing the recoverability of deferred tax assets, the Company relies on the same forecast assumptions used elsewhere in the financial statements and in other management reports.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

For operations carried out under tax holiday period (80IA benefits of Income Tax Act, 1961), deferred tax assets or liabilities, if any, have been established for the tax consequences of those temporary differences between the carrying values of assets and liabilities and their respective tax bases that reverse after the tax holiday ends.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognised as deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised. The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent that it is no longer probable that it will pay normal tax during the specified period.

In the situations where one or more units of the Company are entitled to a tax holiday under the tax law, no deferred tax (asset or liability) is recognized in respect of temporary differences which reverse during the tax holiday period, to the extent the concerned unit's gross total income is subject to the deduction during the tax holiday period. Deferred tax in respect of temporary differences which reverse after the tax holiday period is recognized in the year in which the temporary differences originate. However, the Company restricts recognition of deferred tax assets to the extent it is probable that sufficient future taxable income will be available against which such deferred tax assets can be realized. For recognition of deferred taxes, the temporary differences which originate first are considered to reverse first.

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.



20. Deferred Tax (Net)

Deferred Tax (Liabilities) / Assets

	As at 31st March, 2023 ₹ Lakhs	As at 31st March, 2022 ₹ Lakhs
Deferred Tax Assets	1,586.62	1,636.06
Deferred Tax Liabilities	(4,118.03)	(3,409.20)
Total - Net Deferred Tax (Liabilities) / Assets	(2,531.41)	(1,773.14)

Financial year 2022-23	Opening Balance	Recognised in Profit or Loss	Closing Balance
Deferred Tax Assets in relation to:			
Carry Forward Losses	1,636.06	(49.44)	1,586.62
	1,636.06	(49.44)	1,586.62
Deferred Tax Liabilities in relation to:			
Property, Plant and Equipment	(3,409.20)	(708.83)	(4,118.03)
	(3,409.20)	(708.83)	(4,118.03)
Net Deferred Tax (Liabilities)	(1,773.14)	(758.27)	(2,531.41)

Financial year 2021-22	Opening Balance	Recognised in Profit or Loss	Closing Balance
Deferred Tax Assets in relation to:			
Carry Forward Losses	1,570.47	65.59	1,636.06
	1,570.47	65.59	1,636.06
Deferred Tax Liabilities in relation to:			
Property, Plant and Equipment	(3,088.83)	(320.37)	(3,409.20)
	(3,088.83)	(320.37)	(3,409.20)
Net Deferred Tax (Liabilities)	(1,518.36)	(254.78)	(1,773.14)

Reconciliation of Deferred Tax Expense amount recognised in profit or loss

	For the year ended 31st March, 2023 ₹ Lakhs	For the year ended 31st March, 2022 ₹ Lakhs
Deferred Tax Assets (Net)		
Net (increase)/decrease in Deferred Tax Assets	49.44	(65.59)
Deferred Tax Liabilities (Net)		
Net increase/(decrease) in Deferred Tax Liabilities	708.83	320.37
Deferred Tax Expense (Net)	758.27	254.78



21. Provisions

Accounting Policy

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

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

Present obligations arising under onerous contracts are recognized and measured as provisions with charge to statement of profit and loss. An onerous contract is considered to exist where the Company has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract.

Defined contribution plans

Payments to defined contribution retirement benefit plans are recognized as an expense when employees have rendered service entitling them to the contributions.

If the contribution payable to the plan for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

Defined benefits plans

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method. Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods. Past service costs are recognized in the statement of profit and loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognizes related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognizes the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non routine settlements; and
- Net interest expense or income.

The cost of the defined benefit gratuity plan and other post- employment medical benefits and the present value of the gratuity obligation are determined us in actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long- term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds. The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

A liability for a termination benefits recognized at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognizes any related restructuring costs.



21. Provisions (Contd.)

Other employee benefits

A liability is recognized for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognized in respect of current employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognized in respect of other non- current employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

	As at 31st March, 2023 ₹ Lakhs	As at 31st March, 2022 ₹ Lakhs
Non-current		
Provision for Employee Benefits		
Compensated Absences & Sick Leave Benefits	2.47	2.37
Gratuity (Net) [Refer note 21 (2.3)]	2.24	1.91
Post-Employment Medical Benefits [Refer note 21 (2.3)]	0.34	0.31
Other Defined Benefit Plans [Refer note 21 (2.3)]	0.01	0.01
Total	5.06	4.60
Current		
Provision for Employee Benefits		
Compensated Absences & Sick Leave Benefits	0.17	0.15
Gratuity (Net) [Refer note 21 (2.3)]	0.17	0.14
Total	0.34	0.29



21. Provisions (Contd.)

Employee benefit plan

1. Defined Contribution plan

The Company makes provident fund contributions to defined contribution plan for eligible employees. Under the schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The provident fund contributions as specified under the law are paid to the statutory provident fund authorities. The Company has no obligation, other than the contribution payable to the fund. The Company recognizes such contribution payable to the fund as an expense, when an employee renders the related service.

The Company recognized ₹ 1.22 Lakhs (previous year 31 March, 2022 ₹ 1.31 Lakhs) for Provident Fund contributions in the Statement of Profit and Loss. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

2. Defined benefit plans

2.1 The Company operates the following unfunded defined benefit plans:

Post Employment Medical Benefits

The Company provides certain post-employment health care benefits to superannuated employees at some of its locations. In terms of the plan, the retired employees can avail free medical check-up and medicines at Company's facilities.

Retirement Gift

The Company has a defined benefit plan granting a pre-determined sum as retirement gift on superannuation of an employee.

Gratuity

The Company has a defined benefit gratuity plan. The gratuity plan is primarily governed by the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of five years are eligible for gratuity. The level of benefits provided depends on the member's length of service and salary at the retirement date.

2.2 The principal assumptions used for the purposes of the actuarial valuations were as follows:

Valuation as at

Discount Rate/ Expected Rate of Return on Plan Assets

Salary Growth Rate

- Management

- Non-Management

Mortality Table

Withdrawal Rate - Age 21 to 44 years

- Management

- Non-Management

Withdrawal Rate - Age 45 years and above

- Management

- Non-Management

Retirement Age

	31st March, 2023	31st March, 2022
	7.30%	6.80%
	7.00%	7.00%
	6.00%	6.00%
Indian Assured Lives Mortality (2006-08) (modified) Ult		Indian Assured Lives Mortality (2006-08) (modified) Ult
	6.00%	6.00%
	0.50%	0.50%
	2.00%	2.00%
	0.50%	0.50%
	60 Years	60 Years



21. Provisions (Contd.)

2.3 The amounts recognized in the financial statements and the movements in the net defined benefit obligations over the year are as follows:

Unfunded Plan - Gratuity and Other Defined Benefit Plans:

Balance as at 1st April, 2021

Current service cost

Past service cost

Interest Cost/(Income)

Amount recognised in Statement of Profit and Loss

Remeasurement (gains)/losses

Actuarial (gains)/losses arising from changes in demographic assumptions

Actuarial (gains)/losses arising from changes in financial assumptions

Actuarial (gains)/losses arising from experience

Amount recognised in Other Comprehensive Income

Benefits paid

Balance as at 31st March, 2022

Balance as at 1st April, 2022

Current service cost

Past service cost

Interest Cost/(Income)

Amount recognised in Statement of Profit and Loss

Remeasurement (gains)/losses

Actuarial (gains)/losses arising from changes in demographic assumptions

Actuarial (gains)/losses arising from changes in financial assumptions

Actuarial (gains)/losses arising from experience

Amount recognised in Other Comprehensive Income

Acquisitions credit/(cost)

Balance as at 31st March, 2023

₹ Lakhs

Gratuity	Other Defined Benefit Plans
2.27	0.34
0.66	0.11
-	-
0.15	0.02
0.81	0.13
-	0.03
(0.05)	(0.02)
0.13	(0.16)
0.08	(0.15)
(1.11)	-
2.05	0.32
2.05	0.32
0.47	0.09
-	0.00
0.14	0.02
0.61	0.11
-	-
(0.16)	(0.07)
0.10	(0.02)
(0.06)	(0.08)
(0.19)	-
2.41	0.35



21. Provisions (Contd.)

2.4 Sensitivity analysis

The sensitivity of the defined benefit obligations to changes in the weighted principal assumptions is:

Change in assumption	31st March, 2023		31st March, 2022		Increase in assumption	31st March, 2023		31st March, 2022	
	₹ Lakhs	₹ Lakhs	₹ Lakhs	₹ Lakhs		₹ Lakhs	₹ Lakhs	₹ Lakhs	₹ Lakhs
Discount rate	0.50%	0.50%	Decrease by	(0.20)	(0.18)	Increase by	0.23	0.21	
Salary escalation rate	0.50%	0.50%	Increase by	0.16	0.14	Decrease by	(0.14)	(0.13)	
Withdrawal rate	5%	5%	Decrease by	(0.19)	(0.23)	Increase by	-	-	
Mortality rates	1 year	1 year	Increase by	0.01	0.01	Decrease by	(0.01)	(0.01)	
Healthcare cost	0.50%	0.50%	Increase by	0.06	0.06	Decrease by	(0.05)	(0.05)	

The figures in the bracket signifies reduction in liability.

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognized in the balance sheet.

The method and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

2.5 The expected maturity analysis of undiscounted defined benefit obligation (Unfunded) is as follows:

	31st March, 2023	31st March, 2022
	₹ Lakhs	₹ Lakhs
Within 1 year	0.18	0.14
Between 1 - 2 years	0.21	0.17
Between 2 - 3 years	0.25	0.20
Between 3 - 4 years	0.29	0.23
Between 4 - 5 years	0.32	0.26
Beyond 5 years	1.67	1.47

2.6 Risk exposure:

Through its defined benefit plans, the Company is exposed to a number of risks, the most significant of which are detailed below:

Asset volatility:

The plan liabilities are calculated using a discount rate set with reference to government bond yield. If plan assets underperform this yield, it will result in deficit. These are subject to interest rate risk. To offset the risk, the plan assets have been deployed in high grade insurer managed funds.

Inflation rate risk:

Higher than expected increase in salary and medical cost will increase the defined benefit obligation.

Demographic risk:

This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligations is not straight forward and depends upon the combination of salary increase, discount rate and vesting criterion.



22. Trade Payables

	As at 31st March, 2023 ₹ Lakhs	As at 31st March, 2022 ₹ Lakhs
Current		
Outstanding dues of micro enterprises and small enterprises	23.11	34.65
Outstanding dues of trade payables other than micro enterprises and small enterprises	211.76	138.01
Total	234.87	172.66

Trade Payables Ageing schedule as at 31st March, 2023

₹ Lakhs

Particulars	Outstanding for following periods from due date of payment #							Total
	Unbilled Not Due	Not Due	Less than 6 Months	6 Months - 1 Year	1-2 Years	2-3 years	More than 3 years	
(i) Undisputed Trade Payables								
a) MSME	16.89	-	4.32	0.45	1.45	-	-	23.11
b) Others	148.36	0.05	58.93	3.42	0.83	-	0.17	211.76
(ii) Disputed Trade Payables								
a) MSME	-	-	-	-	-	-	-	-
b) Others	-	-	-	-	-	-	-	-
Total	165.25	0.05	63.25	3.87	2.28	-	0.17	234.87

Where due date of payment is not available date of transaction has been considered

Trade Payables Ageing schedule as at 31st March, 2022

₹ Lakhs

Particulars	Outstanding for following periods from due date of payment #							Total
	Unbilled Not Due	Not Due	Less than 6 Months	6 Months - 1 Year	1-2 Years	2-3 years	More than 3 years	
(i) Undisputed Trade Payables								
a) MSME	15.06	4.16	13.12	2.31	-	-	-	34.65
b) Others	10.20	78.94	43.03	4.55	0.04	1.08	0.17	138.01
(ii) Disputed Trade Payables								
a) MSME	-	-	-	-	-	-	-	-
b) Others	-	-	-	-	-	-	-	-
Total	25.26	83.10	56.15	6.86	0.04	1.08	0.17	172.66

Where due date of payment is not available date of transaction has been considered



Walwhan Solar AP Limited

Notes to the Financial Statements for the year ended 31st March, 2023

23. Other Financial Liabilities

Current

(At Amortised Cost)

- (a) Interest accrued but not due on Borrowings-Others [Refer note 32]
(b) Payables for Capital Supplies and Services

	As at 31st March, 2023	As at 31st March, 2022
	₹ Lakhs	₹ Lakhs
	44.86	1,688.88
	52.64	41.45
	97.50	1,730.33



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Walwhan Solar AP Limited
Notes to the Financial Statements for the year ended 31st March, 2023

24. Other Liabilities

	As at 31st March, 2023 ₹ Lakhs	As at 31st March, 2022 ₹ Lakhs
Current		
Statutory Liabilities	172.41	193.11
Other Liabilities	0.64	0.52
Total	173.05	193.63



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25. Revenue from Operations

Revenue recognition

Accounting Policy

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

Sale of Power - Generation (Solar)

Revenue from sale of power is recognised net of estimated rebates and other similar allowances when the units of electricity is delivered.

Delayed payment charges

Delayed payment charges and interest on delayed payments livable as per the relevant contracts are recognized on actual realization or accrued based on an assessment of certainty of realization supported by either an acknowledgement from customers or on receipt of favorable order from regulator / authorities The management has assessed that the Company will meet Ind AS 115 criteria for revenue recognition in respect of delay payment charge only at his stage.

Unbilled revenue

Unbilled revenue represents services rendered by the Company but not invoiced as at balance sheet date. The Company presents such unbilled revenue as financial asset if it has unconditional right to receive and billing is dependent only on the passage of time. If unconditional right to receive does not exist, then amount is presented as non-financial asset.

The transaction price is determined based on the per unit rate of electricity agreed as per the long term power purchase agreements. The transaction price is adjusted for significant financing component, if any and the adjustment is accounted as finance cost.

Credit Risk Policy

Financial asset for which loss allowance is measured using lifetime expected credit losses:

The Company has customers (state government utilities) with capacity to meet the obligations and therefore the risk of default is negligible or nil. Further the management believes that the unimpaired amounts that are past due by more than 30 days continue to be collectible in full, based on historical payment behavior, extensive analysis of customer credit risk, applicability of delayed payment charges prescribed in the power purchase agreement (PPA) and other related factors. Hence, no impairment loss has been recognized during the reporting periods in respect of trade receivables.



25. Revenue from Operations (Contd.)

	For the year ended 31st March, 2023 ₹ Lakhs	For the year ended 31st March, 2022 ₹ Lakhs
(a) Sale of Electricity	5,670.87	6,390.22
Less: Rebate/ Discount	(103.82)	(133.63)
	5,567.05	6,256.59
(b) Other Operating Revenue		
Compensation income	1.00	-
	1.00	-
	5,568.05	6,256.59

Details of Revenue from contract with customers

	For the year ended 31st March, 2023 ₹ Lakhs	For the year ended 31st March, 2022 ₹ Lakhs
Revenue from power supply (net of cash discount)	5,567.05	6,256.59
Total revenue from contract with customers	5,567.05	6,256.59
Add : Rebate/ Discount	103.82	133.63
Total revenue as per contracted price	5,670.87	6,390.22

Receivables

Trade receivables (Gross)	2.11	2.19
Unbilled revenue	479.93	593.72
Less : Allowances for doubtful trade receivable	-	-
Net receivables	482.04	595.91

The Company has entered into long term agreement for sale of power to Discom at a fixed rate per unit. The management has assessed and determined that amount invoiced / to be invoiced as the agreement reflects appropriate revenue for the period. Contract asset is the right to consideration in exchange for goods or services transferred to the customer. Contract liability is the entity's obligation to transfer goods or services to a customer for which the entity has received consideration from the customer in advance. Contract assets are transferred to unbilled revenue / receivables when the rights become unconditional and contract liabilities are recognized as and when the performance obligation is satisfied. The Company does not have any contract assets/liabilities at the reporting date.

Disaggregation of Revenue

The Company has a single stream of revenue i.e. sale of power



26. Other Income

Accounting Policy

Interest income

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

	For the year ended 31st March, 2023 ₹ Lakhs	For the year ended 31st March, 2022 ₹ Lakhs
(a) Interest Income		
(i) Financial Assets held at Amortised Cost		
Interest on Banks Deposits	0.01	0.05
Interest on Loans to related party [Refer Note 32]	38.13	84.32
	<u>38.14</u>	<u>84.37</u>
(ii) Others		
Interest on Income-tax Refund	8.55	10.19
	<u>46.69</u>	<u>94.56</u>
(b) Gain/(Loss) on Investments		
Gain on Sale of Current Investment measured at FVTPL	28.88	14.78
	<u>28.88</u>	<u>14.78</u>
(c) Other Non-operating Income		
Miscellaneous Revenue	71.59	18.06
	<u>71.59</u>	<u>18.06</u>
Total	<u><u>147.16</u></u>	<u><u>127.40</u></u>



Walwhan Solar AP Limited
Notes to the Financial Statements for the year ended 31st March, 2023

27. Employee Benefits Expense

	For the year ended 31st March, 2023 ₹ Lakhs	For the year ended 31st March, 2022 ₹ Lakhs
Salaries and Wages	44.98	51.90
Contribution to Provident Fund [Refer Note 21.1]	1.22	1.31
Gratuity [Refer Note 21(2.3)]	0.61	0.81
Leave Encashment Scheme	0.66	1.47
Pension	0.90	1.17
Staff Welfare Expenses	3.49	1.91
Total	51.86	58.57

28. Finance Costs

Accounting Policy

Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

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

All other borrowing costs are recognised in statement of profit and loss in the period in which they are incurred.

	For the year ended 31st March, 2023 ₹ Lakhs	For the year ended 31st March, 2022 ₹ Lakhs
(a) Interest Expense:		
On Borrowings (Carried at Amortised Cost)		
Interest on borrowings from related parties [Refer Note 32]	1,639.74	1,876.54
Others		
Interest on lease liabilities	5.00	5.02
	1,644.74	1,881.56
(b) Other Finance Costs:		
Other Finance Costs	0.18	2.19
	0.18	2.19
	1,644.92	1,883.75



Walwhan Solar AP Limited
Notes to the Financial Statements for the year ended 31st March, 2023

29. Other Expenses

	For the year ended 31st March, 2023 ₹ Lakhs	For the year ended 31st March, 2022 ₹ Lakhs
Consumption of Stores, Oil, etc.	39.65	26.46
Repairs and Maintenance -		
(i) To Buildings and Civil Works	28.17	93.83
(ii) To Machinery and Hydraulic Works	81.28	143.80
(iii) To Furniture, Vehicles, etc.	4.67	8.61
	<u>114.12</u>	<u>246.24</u>
Rates and Taxes	0.81	4.79
Insurance	27.89	30.21
Other Operation Expenses	114.42	44.59
Travelling and Conveyance Expenses	13.37	9.45
Consultants' Fees	8.91	14.85
Auditors' Remuneration [Refer note 29 a]	9.13	8.60
Cost of Services Procured	199.79	143.32
Corporate Social Responsibility Expenses [Refer note 29 b]	31.73	27.00
Loss on Disposal of Property, Plant and Equipment	217.64	1,187.64
Miscellaneous Expenses	24.91	4.10
	<u>802.37</u>	<u>1,747.25</u>

29 a Payment to the auditors comprises :

	For the year ended 31st March, 2023 ₹ Lakhs	For the year ended 31st March, 2022 ₹ Lakhs
As Auditors		
Statutory Audit	3.03	3.07
Tax Audit	1.38	1.42
Other Service	4.34	3.65
Reimbursement of Expense	0.38	0.46
Total	<u>9.13</u>	<u>8.60</u>

29 b Corporate Social Responsibility Expenses

	For the year ended 31st March, 2023 ₹ Lakhs	For the year ended 31st March, 2022 ₹ Lakhs
Contribution to Tata Power Community Development Trust	31.73	27.00
Expenses incurred by the Company	-	-
Total	<u>31.73</u>	<u>27.00</u>

Amount required to be spent as per section 135 of the Act

31.73 **27.00**

Amount spent during the year on:

- (a) Construction/Acquisition of asset
(b) On purposes other than (a) above

- -
31.73 27.00

Note :

In FY23, the Company had undertaken various CSR initiatives and projects primarily in the areas of Education (science based learning), Financial Inclusivity (linkages with Government schemes), Employability / Employment (vocational training and skilling) and Entrepreneurship (micro-enterprises).



30. Income taxes

**Current Tax
Accounting Policy**

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities.

Current income tax relating to items recognized outside statement of profit and loss is recognized outside statement of profit and loss (either in other comprehensive income or in equity). Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

(i) Income taxes recognized in statement of profit and loss

	31st March, 2023 ₹ Lakhs	31st March, 2022 ₹ Lakhs
Current tax		
In respect of the current year	-	-
In respect of the previous years	-	-
	-	-
Deferred tax		
Deferred tax	758.27	254.78
	758.27	254.78
Total income tax expense recognized in the current year	758.27	254.78

The income tax expense for the year can be reconciled to the accounting profit as follows:

	31st March, 2023 ₹ Lakhs	31st March, 2022 ₹ Lakhs
Profit before tax	1,352.85	776.37
Profit before tax considered for tax working	1,352.85	776.37
Income tax expense calculated at 25.17% for 2022-23 and 2021-22.	340.51	195.41
Add/(Less) tax effect on account of :		
Effect of movement of tax on which no deferred tax was recognized or adjustment arising in current year	(1.50)	46.60
Impact of new tax rate adoption		
Effect of expenses that are not deductible in determining taxable profit	10.67	12.77
Reversal of deferred tax on expenses disallowed (Refer Note 42)	408.58	-
Income tax expense recognized in statement of profit and loss	758.27	254.78
Tax expense	758.27	254.78
Income tax expense recognized in statement of profit and loss	758.27	254.78

Note:

- a. The tax rate used for the years 2022-23 and 2021-22 reconciliation above is the corporate tax rate of 25.17% payable by corporate entities in India on taxable profits under the Indian tax law. The Company is in new tax regime for FY 2022-23 and FY 2021-22.



31. Earnings Per Share

Accounting Policy

Basic earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares outstanding during the period. Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Company (after adjustment for income in respect of dilutive potential ordinary shares) by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

	For the year ended 31st March, 2023 ₹ Lakhs	For the year ended 31st March, 2022 ₹ Lakhs
Earnings Per Share		
Profit for the year attributable to owners of the Company for Basic and Diluted EPS	594.58	521.59
Weighted average no. of equity shares for Basic and Diluted EPS	2,03,73,956	2,03,73,956
Earnings Per Share		
- Basic and Diluted (In ₹)	2.92	2.56



Walwhan Solar AP Limited
Notes to the Financial Statements for the year ended 31st March, 2023

32. Related Party Disclosures:

Disclosure as required by Ind AS 24 - "Related Party Disclosures" are as follows:

Names of the related parties and description of relationship:

(a) Related parties where control exists:

(i) Ultimate Holding Company

The Tata Power Company Limited (TPCL)

(ii) Intermediate Holding Company

Tata Power Renewable Energy Limited (TPREL)

(iii) Holding Company

Walwhan Renewable Energy Limited (WREL)

(iv) Subsidiary Company

Walwhan Solar KA Limited (WSKAL)

(b) Shareholders holding more than 5% of shares in Intermediate Holding Company
Green Forest New Energies Bidco Limited (UK) w.e.f 18th August 2022

(c) Associates Companies

Walwhan Solar Energy GJ Limited (WSEGGJL)

Northwest Energy Private Limited (NEPL)

(d) Other related parties (where transaction have taken place during the year or previous year)

(i) Fellow Subsidiary companies

Tata Power Solar Systems Limited (TPSSL)

TP Ajmer Distribution Limited (TP Ajmer)

Walwhan Solar MP Limited (WSMPL)

Walwhan Solar RJ Limited (WSRJL)

Mailton Power Limited

Coastal Gujarat Power Limited

(ii) Subsidiaries of Promoter Group of Ultimate Holding Company

Tata AIG General Insurance Company Limited

Infiniti Retail Limited

(iii) Joint Ventures of Ultimate Holding Company

Powerlink Transmission Limited

(e) Key Management Personnel and directors

(i) Directors

Mahesh Paranjpe

Danish Afroz (Director w.e.f. 27th January 2022)

Aditya Gupta (Director upto 17th June 2022)

Amek Naik (Director upto 31st January 2022)

Prashant Joshi (Director w.e.f. 16th June 2022)

(ii) Key Management Personnel

Ashwinikumar Patil - Chief Executive Officer

Behram Mehta- Chief Financial Officer

Monisha Meghna (Company Secretary - w.e.f. 02nd June 2022)

(f) Details of Transactions and balance outstanding:

S.No. Particulars

Year ended

Associates Companies

Intermediate Holding Company

Fellow Subsidiaries

Joint Ventures of Ultimate Holding Company

Subsidiaries of Promoter Group of Ultimate Holding Company

Holding Company

Ultimate Holding Company

Total

Northwest Energy Private Limited

Tata Power Renewable Energy Limited

Solar Raj Limited

Walwhan Solar RJ Limited

Walwhan Solar MP Limited

Walwhan Solar Distribution Limited

TP Ajmer Distribution Limited

Mailton Power Limited

Coastal Gujarat Power Limited

Tata Power Solar System Limited

Powerlink Transmission Limited

Infiniti Retail Limited

Tata AIG General Insurance Company Limited

Walwhan Renewable Energy Limited

The Tata Power Company Limited

Business Support expenses and Others

2022

2023

9.33

12.11

-

-

-

-

-



Waluhan Solar AP Limited
Notes to the Financial Statements for the year ended 31st March, 2023

32. Related Party Disclosures:

S.No.	Particulars	Year ended	Fellow Subsidiaries										Total				
			Northwest Energy Private Limited	Waiwhan Solar Raj Limited	Waiwhan Solar RJ Limited	Waiwhan Solar MP Limited	TP Ajmer Distribution Limited	Maitihon Power Limited	Coastal Gujarat Power Limited	Tata Power Solar System Limited	Powerlink Transmission Limited	Infiniti Retail Limited		Tata AIG General Insurance Company Limited	Waluhan Renewable Energy Limited	Ultimate Holding Company	
2.	Repayment of Non-current borrowings	2023	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,594.00
		2022	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3,522.00
3.	Current borrowings taken from	2023	-	-	-	-	-	-	-	-	-	-	-	-	-	-	124.16
		2022	-	-	-	-	-	-	-	-	-	-	-	-	-	-	4.00
4.	Repayment of Current borrowings	2023	-	-	-	-	-	-	-	-	-	-	-	-	-	-	124.16
		2022	-	-	-	-	-	-	-	-	-	-	-	-	-	-	4.00
5.	Interest Income	2023	-	-	-	-	-	-	-	-	-	-	-	-	-	-	38.13
		2022	-	-	-	-	-	0.33	-	-	-	-	-	-	-	-	84.32
6.	Interest Expense	2023	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,639.74
		2022	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,876.54
7.	Other Income	2023	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1.18
		2022	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8.	Receiving of services	2023	-	-	-	-	-	-	-	-	-	-	-	-	-	-	53.34
		2022	-	-	-	-	-	-	-	-	-	-	-	-	-	-	35.63
9.	Purchases of Goods & Services	2023	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		2022	-	-	-	-	-	-	-	-	-	-	-	-	-	-	30.21
10.	Loan given	2023	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2.82
		2022	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11.	Loan given received back	2023	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,203.05
		2022	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,483.99
12.	Transfer of Employee benefit Liabilities from	2023	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.16
		2022	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13.	Transfer of Employee benefit Liabilities to	2023	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.02
		2022	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.13
14.	Rent Income	2023	9.90	9.90	9.90	9.90	9.90	9.90	9.90	9.90	9.90	9.90	9.90	9.90	9.90	9.90	25.70
		2022	6.02	6.02	6.02	6.02	6.02	6.02	6.02	6.02	6.02	6.02	6.02	6.02	6.02	6.02	16.06



33. Financial Instruments

33.1 Fair values

Set out below, is a comparison by class of the carrying amount and fair value of the financial instruments:

	Carrying value		Fair Value	
	31st March, 2023	31st March, 2022	31st March, 2023	31st March, 2022
	₹ Lakhs	₹ Lakhs	₹ Lakhs	₹ Lakhs
Financial assets				
Cash and Cash Equivalents *	1.77	4.77	1.77	4.77
Trade Receivables*	2.11	2.19	2.11	2.19
Unbilled Revenues*	479.93	593.72	479.93	593.72
Loans *	1,198.05	690.99	1,198.05	690.99
FVTPL Financial Investments	-	113.77	-	113.77
Other Financial Assets*	16.54	89.38	16.54	89.38
Total	1,698.40	1,494.82	1,698.40	1,494.82
Financial liabilities				
Trade Payables*	234.87	172.66	234.87	172.66
Fixed rate Borrowings (including Current Maturities)*	15,592.87	17,186.87	15,592.87	17,186.87
Lease Liabilities*	52.30	51.67	52.30	51.67
Other Financial Liabilities*	97.50	1,730.33	97.50	1,730.33
	15,977.54	19,141.53	15,977.54	19,141.53

* At Amortized cost

Notes: The management assessed that cash and cash equivalents, other balances with bank, trade receivables, loans, finance lease receivables, unbilled revenues, trade payables, other financial assets and liabilities approximate their carrying amounts largely due to the short term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties. The following methods and assumptions were used to estimate the fair values.

- Fair value of the mutual funds are based on the price quotations near the reporting date.
- Does not include investment in subsidiaries and associates of ₹1,955.73 Lakhs (31st March, 2022 : ₹1,955.73 Lakhs) which is being carried at cost.

33.2 Fair value hierarchy

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

Level 1 Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities. This includes quoted equity instruments, government securities, quoted borrowings (fixed and floating rate) and mutual funds that have quoted price.

Level 2 Inputs are other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices). This includes derivative financial instruments and unquoted borrowings (fixed and floating rate)

Level 3 Inputs are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data. This includes unquoted equity shares.

The following table summarizes financial assets and liabilities measured at fair value on a recurring basis and financial assets that are not measured at fair value on a recurring basis (but fair value disclosures are required) :



33. Financial Instruments (Contd.)

		Fair value hierarchy as at 31st March, 2023			
	Date of valuation	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
		₹ Lakhs	₹ Lakhs	₹ Lakhs	₹ Lakhs
Asset for which fair values are disclosed					
Other non-current Financial Assets	31st March, 2023	-	1.26	-	1.26
		-	1.26	-	1.26
Liabilities for which fair values are disclosed					
Fixed rate Borrowings	31st March, 2023	-	15,592.87	-	15,592.87
Total		-	15,592.87	-	15,592.87
		Fair value hierarchy as at 31st March, 2022			
	Date of valuation	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
		₹ Lakhs	₹ Lakhs	₹ Lakhs	₹ Lakhs
Asset measured at fair value					
FVTPL Financial Investments	31st March, 2022	113.77	-	-	113.77
Asset for which fair values are disclosed					
Other non-current Financial Assets	31st March, 2022	-	1.26	-	1.26
		113.77	1.26	-	115.03
Liabilities for which fair values are disclosed					
Fixed rate Borrowings	31st March, 2022	-	17,186.87	-	17,186.87
Total		-	17,186.87	-	17,186.87

Note: The carrying amounts of cash and cash equivalents, other bank balance, unbilled revenue, other financial assets, financial investments, trade payable and other financial liabilities are considered to be the same as their fair value due to their short term nature.



33. Financial Instruments (Contd.)

33.3 Capital Management & Gearing Ratio

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximize the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. From time to time, the Company reviews its policy related to dividend payment to shareholders, return capital to shareholders or fresh issue of shares. The Company monitors capital using gearing ratio, which is net debt divided by total capital plus net debt. The Company's policy is to keep the gearing ratio between 60% and 75% at level. The Company includes within net debt, interest bearing loans and borrowings, less cash and cash equivalents, excluding discontinued operations as detailed in the notes below.

The Company's capital management is intended to create value for shareholders by facilitating the meeting of its long-term and short-term goals. Its Capital structure consists of net debt (borrowings as detailed in notes below) and total equity.

Gearing ratio

The gearing ratio at the end of the reporting period was as follows:

	₹ Lakhs	
	31st March, 2023	31st March, 2022
Debt (i)	15,637.73	18,875.75
Less: Cash and Bank balances	(1.77)	(4.77)
Net debt	15,635.96	18,870.98
Total Capital (ii)	15,888.94	15,294.22
Capital and net debt	31,524.90	34,165.20
Net debt to Total Capital plus net debt ratio (%)	49.60	55.23

(i) Debt is defined as Non-current borrowings (including current maturities) and Current borrowings (excluding derivative, financial guarantee contracts and contingent considerations) and interest accrued on Non-current and Current borrowings.

(ii) Equity is defined as Equity share capital, Unsecured perpetual securities and other equity including reserves and surplus.

33.4 Financial risk management objectives and policies

The Company's principal financial liabilities comprise borrowings, trade and other payables and other financial liabilities. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include loans, trade and other receivables, cash and cash equivalents, unbilled receivables and other financial assets that derive directly from its operations.

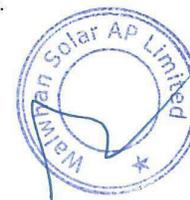
The Company is exposed to market risk, credit risk and liquidity risk. The Company senior management oversees the management of these risks. The Company's senior management reviews the financial risks and the appropriate financial risk governance framework for the Company. The Company financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives.

33.4.1 Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of three types of risk: currency risk, interest rate risk and equity price risk. The currency risk and equity price risk is not applicable for the Company.

a. Interest rate risk management

As the entire borrowings of the Company is at a fixed interest rate, there is no Interest rate risk for the Company at present.



33. Financial Instruments (Contd.)

33.4.2 Credit risk management

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities including loans, foreign exchange transactions and other financial instruments. The Company generally deals with parties which has good credit rating/ worthiness given by external rating agencies or based on Company's internal assessment as listed below:

	₹ Lakhs	
	31st March, 2023	31st March, 2022
Trade Receivables	2.11	2.19
Loans	1,198.05	690.99
Other Financial Assets	16.54	89.38
Unbilled Revenue	479.93	593.72
	1,696.63	1,376.28

a) The trade receivables as stated above are due from the Discoms & are under normal course of Business & as such the Company believes exposure to credit risk to be minimal.

The Company has not acquired any credit impaired asset. There was no modification in any financial assets.

b) Loans are given to related party for short term purposes. Accordingly, no credit risk has been envisaged.

33.4.3 Liquidity risk management

The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities. The Company has access to a sufficient variety of sources of funding and debt maturing within 12 months can be rolled over with existing lenders.

The table below summarizes the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

	₹ Lakhs				
	Up to 1 year	1 to 5 years	5+ years	Total	Carrying Amount
31st March, 2023					
Financial Liability					
Borrowings #	-	15,592.87	-	15,592.87	15,592.87
Future Interest	1,559.29	4,682.13	-	6,241.42	-
Lease Liabilities	5.46	21.85	90.14	117.46	52.30
Trade Payables	234.87	-	-	234.87	234.87
Other Financial Liabilities	97.50	-	-	97.50	97.50
Total Non-Financial Liability	1,897.12	20,296.85	90.14	22,284.12	15,977.54
31st March, 2022					
Financial Liability					
Borrowings #	-	17,186.87	-	17,186.87	17,186.87
Future Interest	1,718.69	6,874.75	-	8,593.44	-
Lease Liabilities	5.46	21.85	95.61	122.92	51.67
Trade Payables	172.66	-	-	172.66	172.66
Other Financial Liabilities	1,730.33	-	-	1,730.33	1,730.33
Total Financial Liability	3,627.14	24,083.47	95.61	27,806.22	19,141.53

The table has been drawn up based on the undiscounted contractual maturities of the financial liabilities including interest that will be paid on those liabilities upto the maturity of the instruments, ignoring the call and refinancing options available with the Company. The amounts included above for variable interest rate instruments for non-derivative liabilities is subject to change if changes in variable interest rates differ to those estimates of interest rates determined at the end of the reporting period.



34. Financial Ratios

SI No	Ratios	Numerator	Denominator	As at 31st March, 2023	As at 31st March, 2022	% of Variance	Reason for Variance
a)	Current Ratio (refer note i)	Current Assets	Current Liabilities	1.06	0.73	46	There is improvement in current ratio due to repayment of interest accrued on borrowings and better working capital management in current year as compared to previous year.
b)	Debt-equity ratio (refer note ii)	Total Debt	Net worth	0.99	1.24	(20)	Refer note below
c)	Debt service coverage ratio (refer note iii)	Profit before Tax + Interest expenses including interest expense on lease payments + Depreciation and amortisation expenses	Interest expenses including interest expense on lease payments + Repayment of Non-current borrowings	2.96	2.43	22	Refer note below
d)	Return on equity ratio (refer note iv)	Net Profit after taxes	Average Shareholder's Equity	3.81	3.47	10	Refer note below
e)	Inventory turnover ratio	Cost of goods sold	Average Inventories	-	-	-	This ratio is not computed since the Company is having spare parts and tools inventory. The Company does not have finished goods inventory.
f)	Trade receivables turnover ratio (refer note v)	Revenue from operations	Average trade receivable	10.33	6.72	54	There is improvement in trade receivable turnover ratio on account of average trade receivable lesser in current year as compared to previous year.
g)	Trade payables turnover ratio (refer note vi)	Net credit Purchases	Average trade payable	2.71	3.24	(16)	Refer note below
h)	Net capital turnover ratio (refer note vii)	Net Sales	Working capital	170.43	(11.08)	(1,639)	There is improvement in net capital turnover ratio due to better working capital management in current year as compared to previous year.
i)	Net profit ratio	Net Profit after taxes	Revenue from operations	10.68	8.34	28	There is improvement in net profit ratio due to increase in net profit after tax (PAT) in current year as compared to previous year.
j)	Return on capital employed (refer note viii)	Earning before interest and taxes	Capital employed	8.55	7.08	21	Refer note below
k)	Return on investment (refer note ix)	(Interest income + Dividend income + Gain on fair value of current investment at FVTPL)	Average of (Investment + Fixed deposit+ Loans Given)	2.27	4.04	(44)	There is decrease in return on investment ratio due to fall in other income (interest income) in current year as compared to previous year.

Note : Reason for variance has been given for those ratio whereby variation is more than 25% (+/-)

Formula used to compute ratios

i) Current Ratio = Current Assets/ Current Liabilities

ii) Debt Equity Ratio = Total Debt / Net worth

Total debt includes Long term borrowings (including current maturities of long term borrowings), lease liabilities (current and non current), short term borrowings and interest accrued on debts and lease liabilities.

Net worth includes Issued share capital and other equity

iii) Debt service coverage ratio = (Profit before Tax + Interest expenses including interest expense on lease payments + Depreciation and amortisation expenses) / (Interest expenses including interest expense on lease payments + scheduled principal repayment of Non-current borrowings)

Scheduled principal repayment of long term borrowings does not include prepayments (including prepayment by exercise of call/put option), further repayment through refinancing is included in schedule repayment

iv) Return on equity = Net Profit after taxes/ Average Shareholder's Equity

Net Profit: Profit for the year attributable to owners of the Company and Average Shareholder's Equity: Average of opening and closing balance of Total Equity

Total Equity: Issued share capital and other equity

v) Trade receivables turnover ratio = Revenue from operations/ Average trade receivables and unbilled revenue

vi) Trade payables turnover ratio = Net credit purchases/ Average trade payable

Net credit purchases consist of other expenses excluding

a) Bad debts (including provision)

b) Net loss on foreign exchange

c) CSR expenses

d) Loss on Disposal of Property, Plant and Equipment

Trade Payable as per balance sheet less employee related trade payables

vii) Net capital turnover ratio = Net Sales/ Working capital

Net sales shall be calculated as total revenue from operations. Working capital shall be calculated as current assets minus current liabilities

viii) Return on capital employed= Earning before interest and taxes / Average Capital employed

Earning before interest and taxes means Profit before tax plus interest expense

Average Capital Employed: Total equity + Total Debt + Deferred Tax Liability

Total Debt: Long term borrowings (including current maturities of long term borrowings), lease liabilities (current and non current), short term borrowings and interest accrued on debts

Total Equity: Issued share capital, other equity

ix) Return on investment = (Interest income + Dividend income + Gain on fair value of current investment at FVTPL)/ Average of (Investment + Fixed deposit+ Loans Given)

Interest income: Interest on bank deposits + Interest on non-current investment + Interest on loans given to subsidiaries



Walwhan Solar AP Limited
Notes to the Financial Statements for the year ended 31st March, 2023

35. Segment reporting

The Company is engaged in a single segment i.e., the business of "generation of power" from where it is earning its revenue and incurring expense. The operating results are regularly reviewed and performance is assessed by its Chief Operating Decision Maker (CODM). All the Company's resources are dedicated to this single segment and all the discrete financial information is available for this segment. All non-current assets of the Company are located in India.

The Company is having all its revenue from sale of power to single customer located in India.

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

	As at 31st March, 2023 ₹ Lakhs	As at 31st March, 2022 ₹ Lakhs
(a) Principal amount remaining unpaid as on 31st March	23.11	34.65
(b) Interest due thereon as on 31st March @	0.37	0.29
(c) The amount of Interest paid along with the amounts of the payment made to the supplier beyond the appointed day @	-	-
(d) The amount of Interest due and payable for the year @	0.08	0.29
(e) The amount of Interest accrued and remaining unpaid as at 31st March @	0.37	0.29
(f) The amount of further interest due and payable even in the succeeding years, until such date when the interest dues as above are actually paid @	-	-

Dues to Micro and small enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

@ Amounts unpaid to Micro and small enterprises vendors on account of retention money have not been considered for the purpose of interest calculation.

37. Capital Commitments

Particulars	₹ Lakhs	
	As at 31st March, 2023	As at 31st March, 2022
Estimated amount of contracts remaining to be executed on capital account and not provided for	47.54	37.89
Total	47.54	37.89

The Company does not have any long term commitment or material non-cancellable contractual commitments/ contracts which might have a material impact on the financial statements.

38. Code on Social Security

The Code on Social Security 2020 has been notified in the Official Gazette on 29th September, 2020. The effective date from which the changes are applicable is yet to be notified and the rules are yet to be framed. Impact if any of the change will be assessed and accounted in the period in which said Code becomes effective and the rules framed thereunder are notified.

39. Significant Events after the Reporting Period

There were no significant adjusting events that occurred subsequent to the reporting period other than the events disclosed in the relevant notes.

40. Exemption from preparation of Consolidated Financial Statements.

Given below is the list of investments in subsidiary & Associates made by the Company. There are no joint ventures of the Company.

Name of the Investee	Relationship	% voting interest held	Key business	Principal Place of Business
Walwhan Solar KA Limited	Subsidiary	100%	Solar power generation in India	c/o Tata Power Company Limited, Corporate Center B, 34 Sant Tukaram Road, Carnac Bunder, Mumbai 400 009, Maharashtra, India.
Walwhan Solar Energy GJ Limited	Associate	49%	Solar power generation in India	c/o Tata Power Company Limited, Corporate Center B, 34 Sant Tukaram Road, Carnac Bunder, Mumbai 400 009, Maharashtra, India.
Northwest Energy Private Limited	Associate	47%	Solar power generation in India	c/o Tata Power Company Limited, Corporate Center B, 34 Sant Tukaram Road, Carnac Bunder, Mumbai 400 009, Maharashtra, India.



Walwhan Solar AP Limited
Notes to the Financial Statements for the year ended 31st March, 2023

The Company is a wholly owned subsidiary of Walwhan Renewable Energy Limited ('the Parent Company) which is engaged in the business of solar power generation in India. The registered office of the Parent Company is located at c/o Tata Power Company Limited, Corporate Center B, 34 Sant Tukaram Road, Carnac Bunder, Mumbai 400 009, Maharashtra, India. The Parent Company prepares consolidated financial statements in accordance with Ind AS, which are available for public use on its holding Company website, viz. <https://www.tatapowerrenewables.com/wrel/compliances.html>. Accordingly, the Company has used exemption from consolidation and has prepared these Standalone Financial Statements which comprise the Balance Sheet as at 31st March 2023, the Statement of Profit and Loss, the Statement of Cash Flows and the Statement of Changes in Equity for the year ended as on that date, and accounting policies and other explanatory information (together hereinafter referred to as 'Standalone Financial Statements' or 'financial statements').

41. Other statutory information

- a) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.
- b) The Company does not have any transactions with companies struck off.
- c) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- d) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- e) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
 - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- f) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
- g) The Company has not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961

42. Contingent Liability

Pursuant to the search proceedings conducted by the Income tax authorities in the premises of erstwhile management/shareholders of Walwhan Renewable Energy Limited (WREL) and its subsidiaries in the year 2017 and subsequent investigation, during the year the orders u/s 153C have been received by Walwhan Solar AP Limited (WSAPL) wherein capital expenditure amounting to Rs. 1579 Lakhs have been disallowed and also initiated the penalty proceedings.

Based on the internal assessment performed by the WSAPL, the management believes there no tax outflow in the respective assessment years. However, considering the disallowance made by the authorities, the Company has recomputed the deferred tax relating to tax losses, depreciation and MAT credit and accordingly recognized a charge amounting to Rs 408 Lakhs.

Further, WSAPL have filed an appeal against these orders before higher authorities. Management has, based on its best estimates, considered an amount of Rs 400 lakhs as a contingent liability in respect of penalty proceedings as of 31st March 2023.

43. Guarantees

The company along with other fellow subsidiaries have outstanding guarantee to a lender towards loan amounting to ₹ 85,000 lakhs taken by the holding company i.e. Walwhan Renewable Energy Limited. Outstanding balance of loan as at March 31, 2023 towards which guarantee has been provided is ₹ 80,750 lakhs.

44. The Board of Director of the Company in its meeting held on 25th January 2023 has approved the Schemes of Arrangement for merger of the Company with Tata Power Renewable Energy Limited. Post regulatory and other necessary approvals, the merger would be accounted by applying the principles of Appendix C of Ind AS 103 - 'Business combinations of entities under common control' using pooling of interest method.



Walwhan Solar AP Limited

Notes to the Financial Statements for the year ended 31st March, 2023

45. During the year ended March 2023, there was a cyber-attack on some of the Information Technology (IT) infrastructure of the Tata Power Group. The Ultimate Holding Company had taken steps to retrieve and restore the systems. All critical operational systems were functioning, however as a measure of abundant precaution, restricted access and preventive checks had been put in place by the Ultimate Holding Company. The Ultimate Holding Company with the help of the external experts had investigated the matter and concluded that there is no significant impact on the operations of the Company and no impact on the financial statements of the Company for the year ended March 31, 2023 on account of this incident.
46. The Company has defined process to take daily back -up of books of account maintained electronically and maintain the logs of the back-up of such books of account for cyclic period of 90 days only. Hence, this is not been considered as non-compliance with a provision of The Companies (Accounts) Rules, 2014 (as amended), since, at any point of time, logs are available for a period up to 90 days. However, management is taking steps to configure systems to ensure that logs of daily backup for books of account is maintained on a daily basis so long as they are required to be maintained under applicable statute.
47. Previous year figures have been regrouped/ reclassified wherever necessary, to conform with current year presentation.
- 48. Approval of Financial Statements**
The financial statements were approved for issue by the Board of Directors on 17th April 2023.

As per our report of even date.

For and on behalf of the Board of Directors,

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration No: 324982E/E300003



per Suresh Yadav
Partner
Membership No. 119878



Place : Mumbai
Date : 17th April 2023



Danish Afroz
Director
DIN 0946118



Prashant Joshi
Director
DIN 09548231



Ashwinikumar Patil
Chief Executive Officer



Behram Mehta
Chief Financial Officer



Monisha Meghna
Company Secretary

Place : Mumbai
Date : 17th April 2023

