



INDEPENDENT AUDITOR'S REPORT

To
The Partners of
ARALAALU SOLAR POWER PROJECT LLP

Report on the Audit of the Financial Statements

Opinion

I have audited the Financial Statements of **ARALAALU SOLAR POWER PROJECT LLP**, which comprise the balance sheet as at March 31, 2024, and the statement of Profit and Loss, and statement of cash flows for the year then ended, and notes to the Financial Statements, including a summary of significant accounting policies and other explanatory information.

In my opinion and to the best of my information and according to the explanations given to me, the aforesaid Financial Statements give a true and fair view of the financial position of the entity as at March 31, 2024, and of its financial performance (and its cash flows) for the year then ended in accordance with the Accounting Standards issued by the Institute of Chartered Accountants of India.

Basis for Opinion

I conducted my audit in accordance with the Standards on Auditing (SAs) issued by Institute of Chartered Accountants of India. My responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the entity in accordance with the Ethical Requirements that are relevant to my audit of the Financial Statements, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Management's Responsibility for the Financial Statements and Those Charged with the Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the Financial Statements in accordance with the aforesaid Accounting Standards, and for such internal controls as management determines is necessary to enable to preparation of the Financial Statements that are free from material misstatement, whether due to fraud and error.

In preparing the Financial Statements, management is responsible for assessing the entity'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 entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the entity's financial reporting process.



Auditor's Responsibilities for the Audit of the Financial Statements

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

of the auditor's responsibilities for the audit of the financial statements is included in **Annexure A**. This description forms part of my auditor's report.

Report on Other Requirements

I further report that:

- a) I have obtained all the information and explanations which to the best of my knowledge and belief were necessary for the purpose of my audit;
- b) In my opinion proper books of account as required by law have been kept by the LLP, so far as appears from my examination of those books;
- c) The Balance Sheet dealt with by this Report is in agreement with the books of account;
- d) In my opinion, the Balance Sheet dealt with by this report comply with the accounting standards to the extent applicable;
- e) In my opinion and to the best of my information and according to the explanations given to me, the said accounts read together with the Significant Accounting Policies and notes thereon give the information required by the Limited Liability Partnership Act, 2008 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

For Sanal Shah & Co

Chartered Accountant

Firm Registration No: 027738S


CA Sanal Shah

Proprietor

Membership No. 237315

Place: Belagavi

Date: 29/04/2024

UDIN: 24237315BKEKGU6225



Annexure A: Responsibilities for Audit of Financial Statements

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

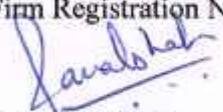
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting 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, but not for the purpose of expressing an opinion on the effectiveness of the LLP's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by designated partners.
- Conclude on the appropriateness of designated partners 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 LLP's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the LLP to cease to continue as a going concern.

I 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 I identify during my audit.

For Sanal Shah & Co

Chartered Accountant

Firm Registration No: 027738S


CA Sanal Shah

Proprietor

Membership No. 237315

Place: Belagavi

Date: 29/04/2024

UDIN: 24237315BKEKGU6225



ARALAALU SOLAR POWER PROJECT LLP
Balance Sheet as at 31st March 2024

<u>ASSETS</u>	Notes	31-Mar-2024	Amounts in INR 31-Mar-2023
(1) Non-Current Assets			
(a) Property Plant & Equipment		-	-
(b) Capital Work-in-Progress		-	-
<u>(c) Financial Assets</u>		8,77,647	-
(i) Investments		-	-
(d) Other Non-Current Assets		-	-
(2) Current assets			
(a) Inventories		-	-
<u>(b) Financials Assets</u>		-	-
(i) Investments		-	-
(ii) Trade Receivables		-	-
(iii) Cash and Cash Equivalents		-	-
(iv) Bank Balances other than (iii) above	2	44,127	9,568
(c) Other Current Assets		21,46,704	-
TOTAL ASSETS		<u><u>30,68,478</u></u>	<u><u>9,568</u></u>
<u>CONTRIBUTION & LIABILITIES</u>			
Partner's Fund			
<u>(a) Partners Contribution</u>			
(i) Fixed	3	2,00,000	2,00,000
(ii) Current	3	28,83,000	-
Reserves and Surplus	4	(1,11,922)	(24,35,732)
Liabilities			
(1) Non-current Liabilities			
<u>(a) Financial Liabilities</u>			
(i) Borrowings		-	-
(b) Provisions		-	-
(c) Deferred Tax Liabilities (Net)		-	-
(d) Other non-current liabilities		-	-
(2) Current Liabilities			
<u>(a) Financial Liabilities</u>			
(i) Borrowings		-	-
(ii) Trade Payables		23,600	-
(b) Provisions		-	-
(c) Current Tax Liabilities		-	-
(d) Other Current Liabilities	5	73,800	22,45,300
TOTAL LIABILITIES		<u><u>30,68,478</u></u>	<u><u>9,568</u></u>

Accompanying Notes 1 to 9 form an integral part of this financial statements

As per our report of even date
For Sanal Shah & Co
Chartered Accountants
Firm Registration No. : 0027738S

CA Sanal Shah
Membership No. : 237315
UDIN: 24237315BKEKGT7268
Place: Belagavi
Date : 29.04.2024



For and on behalf of the LLP

Shantanu Lath
Designated Partner

Nishwanath Mathur
Designated Partner

ARALAALU SOLAR POWER PROJECT LLP
Statement of Profit & Loss Account for the period 01/04/2023 to 31/03/2024

Particulars	Notes	31-Mar-2024	Amounts in INR 31-Mar-2023
Revenue from Operations		-	-
Other Income		-	-
Total Revenue		<u>-</u>	<u>-</u>
Expenditure			
Cost of Materials Consumed			
Purchases of Stock-in-Trade			-
Changes in Inventories of Stock-In-Trade		-	-
Employee Benefit Expenses		-	-
Financial Costs		-	-
Depreciation and Amortization Expense		1,829	-
Other Expenses		-	-
Total Expenses	6	<u>1,16,515</u>	<u>32,304</u>
Profit/(Loss) before exceptional items and tax		<u>1,18,344</u>	<u>32,304</u>
Exceptional Items		(1,18,344)	(32,304)
Profit/(Loss) Before Tax		-	-
(a) Current Tax		(1,18,344)	(32,304)
(b) Deferred Tax		-	-
Profit/(Loss) for the year		<u>(1,18,344)</u>	<u>(32,304)</u>

Accompanying Notes 1 to 9 form an integral part of this financial statements

As per our report of even date

For Sanal Shah & Co

Chartered Accountants

Firm Registration No. : 0027738S



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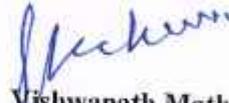


For and on behalf of the LLP



Shantanu Lath

Designated Partner



Vishwanath Mathur

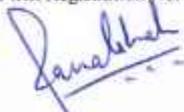
Designated Partner

ARALAALU SOLAR POWER PROJECT LLP
Cash Flow statement for the period ended 31st March 2024

Particulars	31-Mar-2024	Amounts in INR 31-Mar-2023
<u>CASH FLOW FROM OPERATING ACTIVITIES:</u>		
Profit Before Taxation	(1,18,344)	(32,304)
Adjustments To Reconcile Profit Before Tax To Net Cash Provided By Operating Activities:		
Depreciation	-	-
Interest Income	-	-
Financial Expenses	1,829	-
Purchase Tax Deferment	-	-
Loss/(Profit) On Sale Of Fixed Assets	-	-
Income From Investments	-	-
CWIP written off after cancellation of Project	-	-
Operating Profit Before Working Capital Changes	(1,16,515)	(32,304)
Changes In Operating Assets And Liabilities:		
Trade Receivables	-	-
Other Receivables	-	-
Other Current Assets	(21,46,704)	-
Inventories	-	-
Trade And Other Payables	(21,47,900)	(3,800)
Cash Generated From Operations	(42,94,604)	(3,800)
Income-Tax Paid	-	-
Net Cash Flow From Operating Activities	(44,11,119)	(36,104)
<u>CASH FLOW FROM INVESTING ACTIVITIES:</u>		
Purchase Of Fixed Assets	(8,77,647)	-
Proceeds From Sale Of Fixed Assets	-	-
Purchase Of Investments	-	-
Interest Received	-	-
Adjustment in Value of Investment	-	-
Preliminary / Pre-Operative Expenses	-	-
Net Cash Flow From Investing Activities	(8,77,647)	-
<u>CASH FLOW FROM FINANCING ACTIVITIES:</u>		
Increase In Capital	28,83,000	-
Share Capital	-	-
Dividend Paid	24,42,153.75	-
Proceeds From Long-Term Borrowings (Net)	-	-
Proceeds From Short-Term Borrowings (Net)	-	-
Repayment Of Short-Term Borrowings (Net)	-	-
Interest Paid	-	-
Finance cost paid	(1,829)	-
Net Cash Flow From Financing Activities	53,23,325	-
Net Increase In Cash And Cash Equivalents	34,559	(36,104)
Opening Cash And Cash Equivalents	9,568	45,672
Closing Cash And Cash Equivalents	44,127	9,568

Accompanying Notes 1 to 9 form an integral part of this financial statements.

As per our report of even date
For Sanal Shah & Co
Chartered Accountants
Firm Registration No. : 0027738S

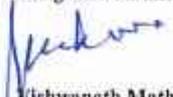


CA Sanal Shah
Membership No. : 237315
UDIN: 24237315BKEKGT7268
Place: Belagavi
Date : 29.04.2024



For and on behalf of the LLP


Shantanu Lath
Designated Partner


Vishwanath Mathur
Designated Partner

ARALAALU SOLAR POWER PROJECT LLP
Notes to Accounts forming part of the Financial Statements
for the period 01/04/2023 to 31/03/2024

	31-Mar-2024	31-Mar-2023
<u>Note 6 : Finance Cost</u>		
Bank Charges	1,829	
	1,829	-
<u>Note 7 : Other Expenses</u>		
<u>Indirect</u>		
Audit Fees	10,000	11,800.00
Advertisement expenses	8,400	
Printing and Stationery	2,265	649.00
Postage and Courier	42	-
Professional Fees A/c	16,600	5,900.00
Profession Tax	7,500	5,000.00
ROC Filing Fees	7,108	7,405
Rates, Fees & Taxes	2,800	1,050
Leasing of Premises	61,800	
	1,16,515	32,304
<u>Note 9 : Current Tax</u>		
Short / Excess Provison of Income Tax	-	-
	-	-



ARALAALU SOLAR POWER PROJECT LLP
FY 2023-24

Note 1

SIGNIFICANT ACCOUNTING POLICIES AND OTHER NOTES

A Corporate Information

Aralaalu Solar Power Project LLP is a Limited Liability Partnership, registered under the Limited Liability Partnership Act, 2008. The LLP is incorporated on 4th February, 2016 and is engaged in the business of generation of power through renewable sources.

B SIGNIFICANT ACCOUNTING POLICIES

1 Basis of preparation of financial statements

The accompanying Financial Statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015. For all periods up to and including the year ended 31st March 2024, the financial statements are prepared in accordance with the Accounting Standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP).

2 Use of estimates

The preparation of financial statements, in conformity with the generally accepted accounting principles, requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities on the date of financial statements. Estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates is recognised in the year in which the estimates are revised and in any future year affected.

3 Fixed Assets

"Fixed assets are stated at cost, less accumulated depreciation and impairment losses if any. Cost comprises the purchase price and any cost attributable of bringing the asset to its working condition for its intended use. Borrowing costs relating to acquisition of fixed assets which takes substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use. In determining the amount of borrowing costs eligible for capitalization, any income earned on the temporary investment of those borrowings is deducted from the borrowing costs incurred.

Subsequent expenditures related to an item of tangible asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

4 Depreciation

Depreciation shall be provided using Straight Line Method as per the useful life of the asset determined in accordance with KERC Guidelines. Machinery spares which can be used only in connection with an item of plant and machinery and their use is expected to be irregular, are capitalised and fully depreciated over the residual useful life of the related plant and machinery.



5 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur. Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

6 Cash & cash equivalents

Cash and cash equivalents for the cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

7 Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the LLP and the revenue can be reliably measured. Revenue from sale of power is recognised based on the commercial terms prescribed under the respective power generation agreement and as modified by the orders of Appellate Tribunal for Electricity.

The surcharge on late payment / refund and interest on Liquidated Damages, Delay Damages, wherever applicable, has been recognised in this financial year since there is no significant uncertainty as to its measurability or its collectability and the corresponding invoices generated.

Interest is recognized on a time proportion basis considering the amount outstanding and the applicable interest rate.

8 Foreign Currency Translation

"Initial Recognition of Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Conversion

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

Exchange differences

Exchange differences arising on the settlement of monetary items not covered above, or on reporting such monetary items of LLP at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise.



9 Provisions & contingent liabilities

A provision is recognized when an enterprise has a present obligation as a result of past event; it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, in respect of which a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to its present value and are determined based on current best estimate and reviewed at each reporting date.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the LLP or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. The LLP does not recognize a contingent liability but discloses its existence in the financial statements.

10 Taxes on Income

Tax expense comprises current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961 enacted in India. The tax rates and tax Laws used to compute the amounts are those that are enacted, at the reporting date.

Deferred Taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted at the reporting date.

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets including the unrecognized deferred tax assets, if any, at each reporting date, are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which deferred tax assets can be realized.

The carrying amount of deferred tax assets are reviewed at each reporting date and are adjusted for its appropriateness.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and deferred tax assets and deferred taxes relate to the same taxable entity and the same taxation authority. "

11 Remuneration, Interest and Distribution of profits/losses.

During the current financial year, the partners have decided not to provide for interest and remuneration in the manner required in the LLP agreement.

Profit earned by the LLP during the current financial year and previous year has been distributed same in the manner required in the LLP agreement.



12 **Related party disclosures:**

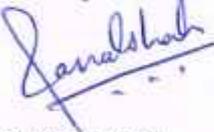
Names of related parties and related party relationship

Key Management Personnel:

1. Ravindra Energy Limited
2. Rhibhu Rooftop Solar Solution Limited

	<i>Amount in INR</i>	<i>Amount in INR</i>
	2023-24	2022-23
Hukkeri Solar Power Project LLP		
Volume of transactions during the year	22,33,500	
Outstanding as at the end of the year	-	(22,33,500)

As per our report of even date
For **Sanal Shah & Co**
Chartered Accountants
Firm Registration No. : 0027738S



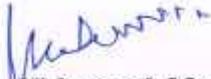
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For and on behalf of the LLP



Shantanu Lath
Designated Partner



Vishwanath Mathur
Designated Partner

Place: Belgaum
Dated:29-04-2024

ARALAALU SOLAR POWER PROJECT LLP
Notes to Accounts forming part of the Financial Statements
for the period 01/04/2023 to 31/03/2024

	<i>Amounts in INR</i>	<i>Amounts in INR</i>
	31-Mar-2024	31-Mar-2023
Note 2 - Capital Work in Progress		
Capital Work-In-Progress	8,77,647	-
	8,77,647	-
Note 3: Cash And Cash Equivalents		
Cash in hand	1,050	1,165
Balances With Scheduled Banks		
In Current Accounts		
State Bank of India-36225254251	43,077	8,403
	44,127	9,568
Note 4: Other Current Assets		
Advances to suppliers	20,00,000	-
Other receivable	48,154	-
	20,48,154	-
Note 5: Partners Contribution		
Fixed		
Dilip Deshpande	-	2,000
Inika Murkumbi	-	1,44,000
Kartik Sean Deshpande	-	2,000
Sampath Gayathri	-	52,000
Ravindra Energy Limited	1,98,000	-
Rhibhu Rooftop Solar Solutions	2,000	-
	2,00,000	2,00,000
Current		
Dilip Deshpande	-	-
Inika Murkumbi	-	-
Kartik Sean Deshpande	-	-
Ravindra Energy Limited	28,83,000	-
	28,83,000	-
Note 6: Reserves And Surplus		
Surplus/(Deficit) In The Statement Of Profit & Loss		
Balance As Per Last Financial Statement	(24,35,732)	(24,03,428)
Profit For The Period	(1,18,344)	(32,304)
Closing Balance	(25,54,076)	(24,35,732)
Transferred	(24,42,154)	-
	(1,11,922)	(24,35,732)
Note 7: Other Current Liabilities		
Audit Fees Payable	-	11,800
Outstanding Expenses	-	-
Other Payable	73,800	22,33,500
Duties and Taxes	-	-
	73,800	22,45,300
Note 8: Other Current Asset		
Advance to the supplies	20,00,000	-
Duties and Taxes	98,550	-
Other Receivable	48,154	-
	21,46,704	-

