

**INDEPENDENT AUDITOR'S REPORT**

**To The Members of Adani Renewable Energy Forty Two Limited**

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

**Opinion**

We have audited the accompanying financial statements of Adani Renewable Energy Forty Two Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2024, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and 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 financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2024, its profit and total 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 financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (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 made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the 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 Directors report but does not include the financial statements and our auditor's report thereon.
- Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained during the course of our 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.

## **SUDARSHAN & RANGANATHAN**

### **Chartered Accountants**

#### **Management's Responsibility for the 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 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 Ind AS and other accounting principles generally accepted in India. 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 and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management 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 Responsibility for the Audit of the Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial 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 system 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 the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

**SUDARSHAN & RANGANATHAN**  
**Chartered Accountants**

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

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

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

**Report on Other Legal and Regulatory Requirements**

1. As required by Section 143(3) of the Act, based on our audit, we report that:

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows 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 financial statements comply with the Ind AS specified under Section 133 of the Act.
- e. On the basis of the written representations received from the directors as on 31 March 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2024 from being appointed as a director in terms of Section 164(2) of the Act.
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, no remuneration is paid / payable by the Company to its directors during the year in accordance with the provisions of section 197 of the Act.
- h. 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 does not have any pending litigations which would impact its financial position.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - iv. (a) The Management has represented that, to the best of its knowledge and belief, as disclosed in the notes to accounts, no funds (which are material either individually or in the aggregate) 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(s) or entity(ies), including foreign entities, with the understanding, whether recorded in writing

**SUDARSHAN & RANGANATHAN**  
**Chartered Accountants**

or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in a 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, as disclosed in the notes to accounts, no funds (which are material either individually or in the aggregate) have been received by the Company from any person(s) or entity(ies), 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;

(c) Based on the audit procedures 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 (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

- v. The company has not declared or paid any dividend during the year and has not proposed a final dividend for the year.
- vi. Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account for the financial year ended March 31, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with.

As Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 on the preservation of audit trail as per statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

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

**For SUDARSHAN & RANGANATHAN**

Chartered Accountants

(Firm's Registration No. 004156S)

Subrahman  
iya Sivam R

Digitally signed by  
Subrahmaniya Sivam R  
Date: 2024.04.24  
23:22:45 +05'30'

**Subrahmaniya Sivam R**

Partner

Membership No. 025991

UDIN: 24025991BKEHEX2886

Place: Chennai

Date: 24 April 2024

**SUDARSHAN & RANGANATHAN**  
**Chartered Accountants**

**ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT**

**(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)**

**Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act") to the members of Adani Renewable Energy Forty Two Limited on the financial statements of the Company for the year ended 31 March 2024**

We have audited the internal financial controls over financial reporting of Adani Renewable Energy Forty Two Limited ("the Company") as of 31 March 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The Company's 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. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 over financial reporting 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 system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 system over financial reporting.

**Meaning of Internal Financial Controls Over Financial Reporting**

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

**SUDARSHAN & RANGANATHAN**  
**Chartered Accountants**

**Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting 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, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2024, based on the criteria for internal financial control over financial reporting established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For SUDARSHAN & RANGANATHAN**

Chartered Accountants

(Firm's Registration No. 004156S)

Subrahman  
iya Sivam R

Digitally signed by  
Subrahmaniya Sivam R  
Date: 2024.04.24  
23:23:21 +05'30'

**Subrahmaniya Sivam R**

Partner

Membership No. 025991

UDIN: 24025991BKEHEX2886

Place: Chennai

Date: 24 April 2024

**SUDARSHAN & RANGANATHAN**  
**Chartered Accountants**

**ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT**

**(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date of Adani Renewable Energy Forty Two Limited on the financial statements of the Company for the year ended 31 March 2024)**

To the best of our information and according to the 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, we state that

- (i) In respect of the Company's property, plant and equipment, right-of-use assets and intangible assets:
  - (a) A. The Company does not have any Property, Plant and Equipment and hence the reporting under clause 3 (i)(a)(A) of the Order is not applicable.  
B. The Company does not have any intangible assets and hence the reporting under clause 3 (i)(a)(B) of the Order is not applicable.
  - (b) The Company does not have any Property, Plant and Equipment and hence the reporting under clause 3(i)(b) of the Order is not applicable.
  - (c) The Company does not have any immovable properties and hence reporting under clause 3(i)(c) of the Order is not applicable.
  - (d) The Company has not revalued any of its property, plant and equipment and intangible assets during the year and hence reporting under clause 3(i)(d) of the Order is not applicable.
  - (e) No proceedings have been initiated during the year or are pending against the Company as at 31 March 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder and hence reporting under clause 3(i)(e) of the Order is not applicable.
- (ii) (a) The Company does not have any inventory and hence reporting under clause 3(ii)(a) of the Order is not applicable.  
(b) According to the information and explanations given to us, at any point of time of the year, the Company has not been sanctioned any working capital facility from banks or financial institutions and hence reporting under clause 3(ii)(b) of the Order is not applicable.
- (iii) (a) The Company has not made investments, provided any loans or advances in the nature of loans or stood guarantee, or provided security to any other entity during the year, and hence reporting under clause 3(iii)(a) of the Order is not applicable.  
(b) The Company has not made investments, provided any loans or advances in the nature of loans or stood guarantee, or provided security to any other entity during the year, and hence reporting under clause 3(iii)(b) of the Order is not applicable.  
(c) The Company has not granted any loans or advances in the nature of loans and hence reporting under clause 3(iii)(c) of the Order is not applicable.  
(d) The company has not granted any loans or advances in the nature of loans and hence reporting under clause 3(iii)(d) of the Order is not applicable.  
(e) The company has not granted any loans or advances in the nature of loans and hence reporting under clause 3(iii)(e) of the Order is not applicable.  
(f) The Company has not granted any loans or advances in the nature of loans and hence reporting under clause 3(iii)(f) of the Order is not applicable.
- (iv) The Company has not entered into any transaction covered under Sections 185 and 186 of the Companies Act, 2013 hence reporting under clause 3(iv) of the Order is not applicable.
- (v) The Company has not accepted any deposit or amount which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.
- (vi) The maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 for the business activities carried out by the Company. Hence, reporting under clause 3(vi) of Order is not applicable to the Company.



**SUDARSHAN & RANGANATHAN**  
**Chartered Accountants**

(vii) In respect of statutory dues:

(a) Undisputed statutory dues, including Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, cess and other material statutory dues applicable to the Company have been regularly deposited by it with the appropriate authorities.

We have been informed that the provisions of the Sales tax, Value Added Tax, duty of Customs, duty of Excise, are not applicable to the Company.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, cess and other material statutory dues in arrears as at 31 March, 2024 for a period of more than six months from the date they became payable.

(b) There are no statutory dues referred in sub-clause (a) above which have not been deposited on account of disputes as on 31 March 2024.

(viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.

(ix) (a) The Company has not taken any loans or other borrowings from any lender. Hence reporting under clause 3(ix)(a) of the Order is not applicable to the Company.

(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any authority.

(c) The Company has not taken any term loan during the year and there are no unutilized term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.

(d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.

(e) The Company has not made any investment in or given any new loan or advances to any of its associates during the year and hence, reporting under clause 3(ix)(e) of the Order is not applicable. The Company does not have any subsidiaries or joint ventures.

(f) The Company has not raised any loans during the year and hence reporting on clause 3(ix)(f) of the Order is not applicable.

(x) (a) The Company has not issued any of its securities (including debt instruments) during the year and hence reporting under clause 3(x) (a) of the Order is not applicable.

(b) During the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) and hence reporting under clause 3(x)(b) of the Order is not applicable to the Company.

(xi) (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.

(c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year.

(xii) The Company is not a Nidhi Company and hence reporting under clause 3(xii) of the Order is not applicable.

(xiii) In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related



**SUDARSHAN & RANGANATHAN**  
**Chartered Accountants**

party transactions have been disclosed in the financial statements as required by the applicable accounting standards.

- (xiv) In our opinion and according to the information and explanations given to us, the Company does not have an internal audit system as it is not required to have an internal audit as per Section 138 of the Companies Act and hence reporting under clause 3(xiv) (a) & clause 3 (xiv) (b) is not applicable.
- (xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or directors of its holding company, associate company or persons connected with such directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence reporting under clause (xvi)(a), (b), (c) of the Order is not applicable.
- The Group does not have any Core Investment Company (CIC) as part of the Group as per the definition of Group contained in the Core Investment Companies (Reserve Bank) Directions, 2016 and hence the reporting under clause (xvi)(d) of the Order is not applicable.
- (xvii) The Company has not incurred any cash losses in the financial year and has not incurred any cash losses during the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors of the Company during the year.
- (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans 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 indicating 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) According to the information and explanations given to us and on the basis of the examination of the records of the Company, the Company does not satisfy the criteria for the application of Section 135 of the Act. Accordingly, clause 3(xx) of the Order is not applicable.
- (xxi) Reporting under clause (xxi) of the Order is not applicable as the same is required to be reported only in case of consolidated financial statements.

**For SUDARSHAN & RANGANATHAN**

Chartered Accountants

(Firm's Registration No. 004156S)

Subrahman  
iya Sivam R

Digitally signed by  
Subrahmaniya Sivam R  
Date: 2024.04.24  
23:23:47 +05'30'

**Subrahmaniya Sivam R**

Partner

Membership No. 025991

UDIN: 24025991BKEHEX2886

Place: Chennai

Date: 24 April 2024

Particulars	Notes	As at 31st March, 2024 (₹ in Lakhs)	As at 31st March, 2023 (₹ in Lakhs)
<b>ASSETS</b>			
<b>Non - Current Assets</b>			
(a) Capital Work-In-Progress	4	9,831	-
(b) Financial Assets			
(i) Other Financial Assets	5	24	-
(c) Income Tax Assets (net)		0	
(d) Deferred Tax Assets (Net)	6	28	-
(e) Other Non - Current Assets	7	5,527	-
<b>Total Non - Current Assets</b>		<b>15,410</b>	<b>-</b>
<b>Current Assets</b>			
(a) Financial Assets			
(i) Cash and Cash Equivalents	8	5	1
(b) Other Current asset	9	608	-
<b>Total Current Assets</b>		<b>613</b>	<b>1</b>
<b>Total Assets</b>		<b>16,023</b>	<b>1</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
(a) Equity Share Capital	10	1	1
(b) Instruments entirely equity in nature	11	10,105	-
(c) Other Equity	12	16	(0)
<b>Total Equity</b>		<b>10,122</b>	<b>1</b>
<b>LIABILITIES</b>			
<b>Non - Current Liabilities</b>			
(a) Provisions	13	152	-
<b>Total Non - Current Liabilities</b>		<b>152</b>	<b>-</b>
<b>Current Liabilities</b>			
(a) Financial Liabilities			
(i) Trade Payables	14		
- Total outstanding dues of micro enterprises and small enterprises		-	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises		245	0
(ii) Other Financial Liabilities	15	5,373	-
(b) Provisions	16	14	-
(c) Other Current Liabilities	17	117	0
<b>Total Current Liabilities</b>		<b>5,749</b>	<b>0</b>
<b>Total Liabilities</b>		<b>5,901</b>	<b>0</b>
<b>Total Equity and Liabilities</b>		<b>16,023</b>	<b>1</b>

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

In terms of our report attached

Sudarshan & Ranganathan

Chartered Accountants

Firm Registration Number : 004156S

Subrahman  
iya Sivam R

Digitally signed by  
Subrahmaniya Sivam R  
Date: 2024.04.24  
21:40:05 +05'30'

Subrahmaniya Sivam R

Partner

Membership No. 025991

Place : Chennai

Date : 24th April, 2024

For and on behalf of board of directors

Adani Renewable Energy Forty Two Limited

JEEWAN  
CHANDR  
A BHATT

Digitally signed  
by JEEWAN  
CHANDRA BHATT  
Date: 2024.04.24  
21:09:30 +05'30'

Jeewan Chandra Bhatt

Director

DIN:- 09739194

Place : Ahmedabad

Date : 24th April, 2024

ABHISHEK  
BHARATKU  
MAR SHAH

Digitally signed by  
ABHISHEK  
BHARATKUMAR  
SHAH  
Date: 2024.04.24  
21:10:11 +05'30'

Abhishek Shah

Director

DIN:- 09736773

Particulars	Notes	For the year ended 31st March, 2024 (₹ in Lakhs)	For the period ended 29th September 2022 to 31st March, 2023 (₹ in Lakhs)
<b>Income</b>			
Other Income		-	-
<b>Total Income</b>		-	-
<b>Expenses</b>			
Other Expenses	18	4	0
<b>Total Expenses</b>		<b>4</b>	<b>0</b>
<b>(Loss) before tax</b>		<b>(4)</b>	<b>(0)</b>
<b>Tax Charge:</b>	19		
Current Tax Charge		-	-
Deferred Tax Charge		(27)	-
<b>Total Tax Charge</b>		<b>(27)</b>	-
<b>Profit / (Loss) for the year / period</b>	<b>Total A</b>	<b>23</b>	<b>(0)</b>
<b>Other Comprehensive Income</b>			
<b>Items that will not be reclassified to profit or loss in subsequent period</b>			
Remeasurement of defined benefit plans		(8)	-
Add / Less: Income Tax related to above		1	-
<b>Items that will be reclassified to profit or loss in subsequent period</b>		-	-
<b>Total Other Comprehensive Income (Net of Tax)</b>	<b>Total B</b>	<b>(7)</b>	-
<b>Total Comprehensive Income / (Loss) for the year / period (Net of Tax)</b>	<b>Total (A+B)</b>	<b>16</b>	<b>(0)</b>
<b>Earnings Per Equity Share (EPS)</b> <b>(Face Value ₹ 10 Per Share)</b>			
<b>Basic and Diluted EPS (₹)</b>	23	<b>(1,463.45)</b>	<b>(1.30)</b>

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

In terms of our report attached

**Sudarshan & Ranganathan**

Chartered Accountants

Firm Registration Number : 004156S

**Subrahmanya Sivam R**  
Digitally signed by Subrahmanya Sivam R  
Date: 2024.04.24 21:40:41 +05'30'

**Subrahmaniya Sivam R**

Partner

Membership No. 025991

**Place : Chennai**

**Date : 24th April, 2024**

**For and on behalf of board of directors**

**Adani Renewable Energy Forty Two Limited**

**JEEWAN CHANDRA BHATT**  
Digitally signed by JEEWAN CHANDRA BHATT  
Date: 2024.04.24 21:10:49 +05'30'

**Jeewan Chandra Bhatt**

Director

DIN:- 09739194

**ABHISHEK BHARATKUMAR SHAH**  
Digitally signed by ABHISHEK BHARATKUMAR SHAH  
Date: 2024.04.24 21:11:24 +05'30'

**Abhishek Shah**

Director

DIN:- 09736773

**Place : Ahmedabad**

**Date : 24th April, 2024**

(₹ in Lakhs)

Particulars	Equity Share Capital		Unsecured Perpetual Securities	Other Equity	Total
	No. of Shares	Amount		Retained Earning	
<b>Balance as at 29th September, 2022</b>	-	-	-	-	-
Shares issued during the period	10,000	1	-	-	1
(Loss) for the Period	-	-	-	(0)	(0)
Other Comprehensive Income (net of tax)	-	-	-	-	-
<b>Total Comprehensive (Loss) for the period</b>	-	-	-	(0)	(0)
<b>Balance as at 31st March, 2023</b>	<b>10,000</b>	<b>1</b>	<b>-</b>	<b>(0)</b>	<b>1</b>
Issued during the year (refer note 11)	-	-	17,564	-	17,564
Redeemed during the year (refer note 11)	-	-	(7,459)	-	(7,459)
(Loss) for the Period	-	-	-	23	23
Other Comprehensive Loss (net of tax)	-	-	-	(7)	(7)
<b>Total Comprehensive Income for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>17</b>	<b>(7)</b>
<b>Balance as at 31st March, 2024</b>	<b>10,000</b>	<b>1</b>	<b>10,105</b>	<b>16</b>	<b>10,122</b>

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

In terms of our report attached

**Sudarshan & Ranganathan**

Chartered Accountants

Firm Registration Number : 004156S

**Subrahmaniya Sivam R**  
Digitally signed by  
Subrahmaniya Sivam R  
Date: 2024.04.24  
21:41:14 +05'30'

**Subrahmaniya Sivam R**

Partner

Membership No. 025991

**Place : Chennai**

**Date : 24th April, 2024**

For and on behalf of board of directors

**Adani Renewable Energy Forty Two Limited**

**JEEWAN CHANDRA BHATT**  
Digitally signed by  
JEEWAN CHANDRA BHATT  
Date: 2024.04.24  
21:11:48 +05'30'

**Jeewan Chandra Bhatt**

Director

DIN:- 09739194

**Place : Ahmedabad**

**Date : 24th April, 2024**

**ABHISHEK BHARATKUMAR SHAH**  
Digitally signed  
by ABHISHEK  
BHARATKUMAR  
SHAH  
Date: 2024.04.24  
21:12:10 +05'30'

**Abhishek Shah**

Director

DIN:- 09736773

Particulars	For the year ended 31st March, 2024	For the period from 29th September, 2022 to 31st March, 2023
	(₹ in Lakhs)	(₹ in Lakhs)
<b>(A) Cash flow from operating activities</b>		
(Loss) before tax	(4)	(0)
Adjustment to reconcile the Loss before tax to net cash flows:		
Operating Loss before working capital changes	(4)	(0)
Working Capital Changes:		
(Increase) / Decrease in Operating Assets		
Other Current Assets	(608)	-
Other Financial Assets	(24)	-
Increase / (Decrease) in Operating Liabilities		
Non - Current Provisions	152	-
Trade Payables	244	0
Other Current Liabilities	117	0
Current Provisions	6	-
<b>Net Working Capital Changes</b>	<b>(113)</b>	<b>0</b>
<b>Cash (used in) operations</b>	<b>(117)</b>	<b>-</b>
Less : Income Tax	-	-
<b>Net cash (used in) operating activities (A)</b>	<b>(117)</b>	<b>-</b>
<b>(B) Cash flow from investing activities</b>		
Capital Expenditure on acquisition of Property, Plant and Equipment (including capital advances and capital work-in-progress)	(8,838)	-
<b>Net cash (used in) investing activities (B)</b>	<b>(8,838)</b>	<b>-</b>
<b>(C) Cash flow from financing activities</b>		
Proceeds from Issue of Unsecured Perpetual Securities	17,564	1
Repayment of Unsecured Perpetual Securities	(7,459)	-
Finance Cost Paid	(1,145)	-
<b>Net cash generated from financing activities (C)</b>	<b>8,960</b>	<b>1</b>
<b>Net increase in cash and cash equivalents (A)+(B)+(C)</b>	<b>5</b>	<b>1</b>
<b>Cash and cash equivalents at the beginning of the year/ period</b>	<b>1</b>	<b>0</b>
<b>Cash and cash equivalents at the end of the year/ period</b>	<b>6</b>	<b>1</b>
Reconciliation of Cash and cash equivalents with the Balance Sheet:		
Cash and cash equivalents (refer note 6)	5	1
	<b>5</b>	<b>1</b>

**Note:**

- Since the Company does not have any financial liabilities as at 31st March, 2024, disclosure of changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes under Para 44A as set out in Ind AS 7 "Statement of Cash flows" under Companies (Indian Accounting Standards) Rules, 2017 (as amended) is not applicable.
- The statement of cash flow has been prepared under the 'Indirect Method' set out in Ind AS 7 'Statement of Cash Flows'.

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

In terms of our report attached

**SUDARSHAN & RANGANATHAN**

Chartered Accountants

Firm Registration Number : 004156S

Subrahman  
iya Sivam R

Digitally signed by  
Subrahmaniya Sivam R  
Date: 2024.04.24  
21:41:51 +05'30'

**Subrahmaniya Sivam R**

Partner

Membership No. 025991

Place : Chennai

Date : 24th April, 2024

For and on behalf of board of directors

**Adani Renewable Energy Forty Two Limited**

JEEWAN  
CHANDR  
A BHATT

Digitally signed  
by JEEWAN  
CHANDRA BHATT  
Date: 2024.04.24  
21:12:43 +05'30'

**Jeewan Chandra Bhatt**

Director

DIN:- 09739194

Place : Ahmedabad

Date : 24th April, 2024

ABHISHEK  
BHARATK  
UMAR  
SHAH

Digitally signed  
by ABHISHEK  
BHARATKUMAR  
SHAH  
Date: 2024.04.24  
21:13:06 +05'30'

**Abhishek Shah**

Director

DIN:- 09736773

**Adani Renewable Energy Forty Two Limited**  
**Notes to financial statements as at and for the year ended 31st March 2024**

**1. Corporate Information**

Adani Renewable Energy Forty Two Limited (the Company) is a public company domiciled in India and is incorporated under the provisions of the Companies Act, 2013 having its registered office at "Adani Corporate House", Shantigram, Near Vaishno Devi Circle, S. G. Highway, Khodiyar, Ahmedabad-382421, Gujarat.

**2. Basis of Preparation and presentation**

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) read with section 133 of Companies Act, 2013 and presentation requirements of Division II of schedule III to the Companies Act, 2013 (as amended). The Financial Statements have been prepared on the historical cost basis except for the following assets and liabilities which have been measured at fair value (as explained in the accounting policies below):

- i. Derivative Financial Instruments
- ii. Certain financial assets and liabilities
- iii. Defined Benefit Plan's – Plan Assets

The Company's financial statements are presented in INR (₹) (Indian Rupees), and all values are rounded to the nearest lakhs, except when otherwise indicated. Amounts less than ₹ 50,000 have been presented as "0".

**3. Material accounting policies**

**a. 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.

A financial asset (except for trade receivable) and financial liability is initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit and loss) 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 and loss are recognised immediately in the Statement of Profit and Loss.

**Offsetting**

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a legally enforceable right (not contingent on future events) to off-set the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

**b. Financial assets**

**Initial recognition and measurement**

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis i.e. the date that the Company commits to

## **Adani Renewable Energy Forty Two Limited**

### **Notes to financial statements as at and for the year ended 31st March 2024**

purchase or sell the assets. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades).

#### **Subsequent measurement**

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

#### **Classification of Financial Assets:**

##### **Financial assets measured at amortised cost**

Financial assets that meet the criteria for subsequent measured at amortised cost using effective interest rate (EIR) method (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

Amortised 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.

##### **Financial Assets at Fair Value through Other Comprehensive Income (FVTOCI)**

Financial assets that meet the criteria for initial recognition at FVTOCI are remeasured at fair value at the end of each reporting date through other comprehensive income (OCI).

##### **Financial Assets at Fair Value through Profit or Loss (FVTPL)**

Financial assets that do not meet the amortised cost criteria or FVTOCI criteria are remeasured at fair value at the end of each reporting date through profit and loss.

#### **Derecognition of financial assets**

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in the Statement of Profit and Loss if such gain or loss would have otherwise been recognised in the Statement of Profit and Loss on disposal of that financial asset.

#### **Impairment of Financial assets**

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, trade receivables and other contractual rights to receive cash or other financial asset.

The Company measures the loss allowance for a trade receivable and contract assets by following 'simplified approach' at an amount equal to the lifetime expected credit losses. In the case of other financial assets, 12-month ECL is used to provide for impairment loss and where credit risk has increased, significantly, lifetime ECL is used.

## **c. Financial liabilities and equity instruments**

### **Classification as debt or equity**



## **Adani Renewable Energy Forty Two Limited**

### **Notes to financial statements as at and for the year ended 31st March 2024**

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

#### **Financial liabilities**

##### **Initial recognition and measurement**

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

##### **Subsequent measurement**

For the purposes of subsequent measurement, financial liabilities are classified under two categories:

- Financial liabilities at amortised cost
- Financial liabilities at fair value through profit or loss

#### **Classification of Financial liabilities:**

##### **Financial liabilities at amortised cost**

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item in the Statement of Profit and Loss.

##### **Financial liabilities at fair value through profit or loss (FVTPL)**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as FVTPL. Financial liabilities are classified as held for trading if these are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company those are not designated as hedging instruments in hedge relationships as defined by Ind AS 109.

Gains or losses on liabilities held for trading are recognised in the statement of profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. Subsequent changes in fair value of liabilities are recognised in the statement of profit and loss.

#### **Derecognition of financial liabilities**

On derecognition, the difference between the carrying amount of the financial liabilities derecognized and the consideration paid / payable is recognised in the statement of profit and loss. In case of derecognition of financial liabilities relating to promoters contribution, the difference between the carrying amount of the financial liability derecognised and the consideration paid / payable is recognised in other equity.

#### **Offsetting Financial Instruments**

## Adani Renewable Energy Forty Two Limited

### Notes to financial statements as at and for the year ended 31st March 2024

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a legally enforceable right (not contingent on future events) to off-set the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

#### d. Current and non-current classification

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle for determining current and non-current classification of assets and liabilities in the Balance sheet other than deferred tax assets and liabilities which are classified as non-current assets and liabilities respectively.

#### e. Employee benefits

##### Defined benefit plans:

The Group operates a defined benefit gratuity plan in India, which requires contributions to be made to a separately administered fund. The cost of providing benefits under the defined benefit plan is based on an independent actuarial valuation carried out using the projected unit credit method.

Defined benefit costs in the nature of current and past service cost and net interest expense or income are recognized in the Consolidated Statement of Profit and Loss in the period in which they occur.

Re-measurements, 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 recognised immediately in the Consolidated Balance Sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occurs. Re-measurements are not reclassified to Consolidated Statement of Profit and Loss in subsequent periods.

##### Defined contribution plan:

Retirement benefit in the form of Provident Fund and National Pension Scheme is a defined contribution scheme. The Group has no obligation, other than the contribution payable to the Provident Fund and National Pension Scheme. The Group recognizes contribution payable to the Provident Fund and National Pension Scheme which is charged to the Statement of Profit and Loss for the period in which the contributions to the respective funds accrue as per relevant statutes.

##### Compensated Absences:

Provision for Compensated Absences and its classifications between current and non-current liabilities are based on independent actuarial valuation. The actuarial valuation is done as per the projected unit credit method.

##### Short term employee benefits:

Short-term employee benefit obligations are recognised at an undiscounted amount and the same is charged to the Consolidated Statement of Profit and Loss for the period which the related services are received.

**f. Taxation**

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Current income tax relating to items recognised outside the Statement of Profit or Loss is recognised outside the Statement of Profit or Loss (either in other comprehensive income or in equity). Current tax items are recognised 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.

**Deferred tax**

Deferred tax is recognized for the future tax consequences of deductible temporary differences between the carrying values of assets and liabilities and their respective tax bases at the reporting date. Deferred tax liabilities are generally recognised for all taxable temporary differences except when the deferred tax liability arises at the time of transaction that affects neither the accounting profit or loss nor taxable profit or loss.

Deferred tax assets are generally recognized for all deductible temporary differences, carry forward of unused tax credits and any unused tax losses, to the extent that it is probable that future taxable income will be available against which the deductible temporary differences and carry forward of unused tax credit and unused tax losses can be utilised, except when;

- (a) The deferred tax asset relating to temporary differences arising at the time of transaction that affects neither the accounting profit or loss nor the taxable profit or loss.
- (b) In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint venture entities, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future and, When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination.

**g. Earnings per share**

Basic earnings per share is computed by dividing the profit / (loss) (net off distribution on Unsecured Perpetual Securities whether declared or not) after tax by the weighted average number of equity shares outstanding during the year.

**h. Provisions, Contingent Liabilities and Contingent Assets**

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 Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of amount cannot be made.

## Adani Renewable Energy Forty Two Limited

### Notes to financial statements as at and for the year ended 31st March 2024

Contingent liabilities may arise from litigation, taxation and other claims against the Company. The contingent liabilities are disclosed where it is management's assessment that the outcome of any litigation and other claims against the Company is uncertain or cannot be reliably quantified, unless the likelihood of an adverse outcome is remote.

#### i. Investments in Subsidiaries and Joint Ventures

Investments in Subsidiaries and joint ventures are initially accounted for at cost of acquisition less impairment, if any.

#### j. Impairment of non-financial assets

At the end of each reporting period, the Company reviews the carrying amounts of non-financial assets, assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

The Company bases its impairment calculation on detailed budget and forecast calculations, which are prepared separately for each of the Company's cash-generating unit to which the individual assets are allocated. For longer periods, a long term growth rate is calculated and applied to project future cash flows. To estimate cash flow projections beyond periods covered by the most recent budget / forecasts, the Company estimates cash flow projections based on estimated growth rate.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised immediately in the Statement of Profit and Loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the Statement of Profit or Loss.

Assets for which impairment loss has been recognised in prior periods, the Company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, so that the increased carrying amount does not

## Adani Renewable Energy Forty Two Limited

### Notes to financial statements as at and for the year ended 31st March 2024

exceed the carrying amount that would have been determined had no impairment loss been recognised. A reversal of an impairment loss is recognised immediately in the Statement of Profit and Loss.

Assets (other than goodwill) for which impairment loss has been recognised in prior periods, the Company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised. A reversal of an impairment loss is recognised immediately in the Statement of Profit and Loss.

#### **k. Borrowing costs**

Borrowing costs are interest and other costs incurred in connection with the borrowing of funds. 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, based on borrowings incurred specifically for financing the asset or the weighted average rate of all other borrowings, if no specific borrowings have been incurred for the asset. 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.

Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing cost.

#### **l. Cash and Cash Equivalents**

Cash and cash equivalents 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 for the purpose of Statement of Cash Flow comprise cash and cheques in hand, bank balances, demand deposits with banks where the original maturity is three months or less.

#### **m. Fair Value Measurement**

The Company measures financial instruments, such as, derivatives and mutual funds at fair value at each balance sheet date.

The Company's management determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

## **Adani Renewable Energy Forty Two Limited**

### **Notes to financial statements as at and for the year ended 31st March 2024**

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

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

External valuers are involved for valuation of significant assets, such as unquoted financial assets and financial liabilities and derivatives.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

#### **3.1 Use of estimates and judgements**

The preparation of the Company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures including contingent liabilities. The estimates and associated assumptions are based on experience and other factors that management considers to be relevant. Actual results may significantly differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis by the management of the Company. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

#### **Key Sources of Estimation uncertainty:**

The key assumptions concerning the future and other key sources of estimation uncertainty and judgements at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. Existing circumstances and assumptions about future developments may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

##### **i. Fair value measurement of financial instruments**

In estimating the fair value of financial assets and financial liabilities, the Company uses market observable data to the extent available. Where such Level 1 inputs are not available, the Company establishes appropriate valuation techniques and inputs to the model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

## Adani Renewable Energy Forty Two Limited

### Notes to financial statements as at and for the year ended 31st March 2024

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

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

#### ii. Taxes

Significant management judgment 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 and future recoverability of deferred tax assets. The amount of the deferred income tax assets considered realisable could reduce if the estimates of the future taxable income are reduced. In assessing the recoverability of deferred tax assets, the Company relies on the same forecast assumptions used elsewhere in the financial statements.

#### iii. Impairment of Non-Financial Assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a discounted future cash flows model. The recoverable amount is sensitive to the discount rate used for the discounted future cash flows model as well as the expected future cash-inflows.

#### iv. Impairment of Financial Assets

The impairment provisions for trade receivables are made considering simplified approach based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation based on the Company's past history and other factors at the end of each reporting period. In case of other financial assets, the Company applies general approach for recognition of impairment losses wherein the Company uses judgement in considering the probability of default upon initial recognition and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period.



4 Capital Work-In-Progress

Particulars	As at 31st March, 2024	As at 31st March, 2023
	(₹ in Lakhs)	(₹ in Lakhs)
Opening Balance	-	-
Additions during the year	9,831	-
Capitalised during the year	-	-
Transferred to Inventories	-	-
<b>Total</b>	<b>9,831</b>	<b>-</b>

**Notes:**

(i) CWIP Ageing Schedule:

**a. Balance as at 31st March 2024**

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	
Capital Work-In-Progress	9,831	-	-	-	<b>9,831</b>
<b>Total</b>	<b>9,831</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>9,831</b>

**b. Balance 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	
Capital Work-In-Progress	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

(ii) The Company does not have any project temporarily suspended or any CWIP which is overdue or has exceeded its cost compared to its original plan.

5 Other Non Current Financial Assets		As at 31st March, 2024 (₹ in Lakhs)	As at 31st March, 2023 (₹ in Lakhs)
Security Deposit		24	-
<b>Total</b>		<b>24</b>	<b>-</b>
6 Deferred Tax Assets / (Liabilities) (net)		As at 31st March, 2024 (₹ in Lakhs)	As at 31st March, 2023 (₹ in Lakhs)
<b>Deferred Tax Liabilities</b>			
Gross Deferred Tax Liabilities	(a)	-	-
<b>Deferred Tax Assets</b>			
Provision for Leave Encashment		15	-
Provision for Gratuity		13	-
<b>Gross Deferred Tax Assets</b>	(b)	<b>28</b>	<b>-</b>
<b>Net Deferred Tax Asset / (Liabilities)</b>	<b>Total (b-a)</b>	<b>28</b>	<b>-</b>

**(a) Movement in Deferred Tax Assets / (Liabilities) for the Financial Year 2023-24**

Particulars	As at 1st April, 2023	Recognised in profit and Loss	Recognised in OCI	As at 31st March, 2024
Tax effect of items constituting deferred tax				
Gross Deferred Tax Liabilities	-	-	-	-
Tax effect of items constituting deferred tax assets :				
Provision for Leave Encashment	-	15	-	15
Provision for Gratuity	-	13	-	13
<b>Gross Deferred Tax Assets</b>	<b>-</b>	<b>28</b>	<b>-</b>	<b>28</b>
<b>Net Deferred Tax Asset / (Liabilities)</b>	<b>-</b>	<b>28</b>	<b>-</b>	<b>28</b>

**(b) Movement in Deferred Tax Assets / (Liabilities) for the Financial Year 2022-23**

Particulars	As at 1st April, 2022	Recognised in profit and Loss	Recognised in OCI	As at 31st March, 2023
Tax effect of items constituting deferred tax				
Gross Deferred Tax Liabilities	-	-	-	-
Tax effect of items constituting deferred tax				
Provision for Gratuity	-	-	-	-
<b>Gross Deferred Tax Assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Deferred Tax Asset</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

7 Other Non - Current Assets		As at 31st March, 2024 (₹ in Lakhs)	As at 31st March, 2023 (₹ in Lakhs)
Prepaid Expenses		1,145	-
Capital Advances		4,382	-
<b>Total</b>		<b>5,527</b>	<b>-</b>
8 Cash and Cash equivalents		As at 31st March, 2024 (₹ in Lakhs)	As at 31st March, 2023 (₹ in Lakhs)
Balances with banks		5	1
In current accounts			
<b>Total</b>		<b>5</b>	<b>1</b>
9 Other Current asset		As at 31st March, 2024 (₹ in Lakhs)	As at 31st March, 2023 (₹ in Lakhs)
Advance for Supply of Goods or Services		17	-
Advance to Employee		4	-
Balances with Government Authorities		587	-
<b>Total</b>		<b>608</b>	<b>-</b>
10 Equity Share Capital		As at 31st March, 2024 (₹ in Lakhs)	As at 31st March, 2023 (₹ in Lakhs)
Authorised Share Capital			
10,000 equity shares (Previous year 10,000 equity shares) of ₹ 10/- each		1	1
<b>Total</b>		<b>1</b>	<b>1</b>
Issued, Subscribed and fully paid-up Equity Shares			
10,000 equity shares (Previous year 10,000 equity shares) of ₹ 10/- each		1	1
<b>Total</b>		<b>1</b>	<b>1</b>

**a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period**

Equity Shares	As at 31st March, 2023			
	No. of Shares	(₹ in Lakhs)	No. of Shares	(₹ in Lakhs)
At the beginning of the year	10,000	1	-	-
Issued during the year	-	-	10,000	1
Outstanding at the end of the year	<b>10,000</b>	<b>1</b>	<b>10,000</b>	<b>1</b>

**b. Terms/rights attached to Equity Shares**

The Company has only one class of equity shares having 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 the 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. The dividend proposed by the Board of Directors if any, is subject to the approval of shareholders in the ensuing Annual General Meeting, except in case of interim dividend.

**c. Shares held by Holding Company**

Out of equity shares issued by the Company, shares held by its Holding Company is as under:

	As at 31st March, 2024 (₹ in Lakhs)	As at 31st March, 2023 (₹ in Lakhs)
Adani Renewable Energy Holding Four Limited (Formerly known as Adani Green Energy Four Limited)	-	1
10,000 Fully paid up Equity shares of ₹ 10/- each (along with its nominees)		
Adani Saur Urja (KA) Limited	1	-
10,000 Fully paid up Equity shares of ₹ 10/- each (along with its nominees)		

**d. Details of shareholders holding more than 5% shares in the Company**

	No. of Shares	% holding in the class	No. of Shares	% holding in the class
<b>Equity shares of ₹ 10 each fully paid</b>				
Adani Renewable Energy Holding Four Limited (Formerly known as Adani Green Energy Four Limited) (along with its nominees)	-	-	10,000	100%
Adani Saur Urja (KA) Limited (Formerly known as Adani Green Energy Four Limited) (along with its nominees)	10,000	100%	-	-
	<b>10,000</b>	<b>100%</b>	<b>10,000</b>	<b>100%</b>

**e. Details of shares held by promoters**

Particulars	As at 31st March, 2024			As at 31st March, 2023		
	No. of Shares	% holding in the class	% Change	No. of Shares	% holding in the class	% Change
Adani Renewable Energy Holding Four Limited (Formerly known as Adani Green Energy Four Limited) (along with its nominees)	-	-	(100%)	10,000	100%	100%
Adani Saur Urja (KA) Limited (Formerly known as Adani Green Energy Four Limited) (along with its nominees)	10,000	100%	100%	-	-	-

**11 Instruments entirely in Equity nature**

	As at 31st March, 2024 (₹ in Lakhs)	As at 31st March, 2023 (₹ in Lakhs)
<b>Unsecured Perpetual Security (refer below note)</b>		
At the beginning of the year	-	-
Add: Issued during the year	17,564	-
Less: Redeemed during the year	(7,459)	-
Outstanding at the end of the year	<b>10,105</b>	<b>-</b>

**Note:**

The Company has issued Unsecured Perpetual Security to Adani Saur Urja (KA) Limited. This Security is perpetual in nature with no maturity or redemption and is repayable only at the option of the borrower. The distribution on this security is cumulative and at the discretion of the borrower at the rate from 10.60% p.a. where the borrower has an unconditional right to defer the same. As this security is perpetual in nature and ranked senior only to the Share Capital of the borrower and the borrower does not have any redemption obligation, this is considered to be in the nature of equity instruments. This Unsecured Perpetual Security have been presented as Instruments entirely equity in nature.

**12 Other Equity**

	As at 31st March, 2024 (₹ in Lakhs)	As at 31st March, 2023 (₹ in Lakhs)
<b>Retained earnings</b>		
Opening Balance	(0)	-
Add: Profit / (Loss) for the year	16	(0)
Closing Balance	<b>16</b>	<b>(0)</b>

**Note:**

Retained earnings represents the amount that can be distributed by the Company as dividends considering the requirements of the Companies' Act, 2013.

**13 Non Current Provisions**

	As at 31st March, 2024 (₹ in Lakhs)	As at 31st March, 2023 (₹ in Lakhs)
<b>Provision for Employee Benefits</b>		
Gratuity (refer note 24)	74	-
Provision for Leave Encashment	78	-
<b>Total</b>	<b>152</b>	<b>-</b>

**14 Trade Payables**

	As at 31st March, 2024 (₹ in Lakhs)	As at 31st March, 2023 (₹ in Lakhs)
<b>Trade Payables</b>		
-Total outstanding dues of micro enterprises and small enterprises (refer note 27)	-	-
-Total outstanding dues of creditors other than micro enterprises and small enterprises	245	0
<b>Total</b>	<b>245</b>	<b>0</b>

**Note:**

Ageing schedule:

Balance As at 31st March, 2024

Sr No	Particulars	Not Due	Outstanding for following periods from due date of Payment				Total
			Less than 1 year	1-2 years	2-3 Years	More than 3 years	
1	MSME	-	-	-	-	-	-
2	Others	0	245	-	-	-	245
3	Disputed dues - MSME	-	-	-	-	-	-
4	Disputed dues - Others	-	-	-	-	-	-
	<b>Total</b>	<b>0</b>	<b>245</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>245</b>

Balance As at 31st March, 2023

Sr No	Particulars	Not Due	Outstanding for following periods from due date of Payment				Total
			Less than 1 year	1-2 years	2-3 Years	More than 3 years	
1	MSME	-	-	-	-	-	-
2	Others	0	-	-	-	-	0
3	Disputed dues - MSME	-	-	-	-	-	-
4	Disputed dues - Others	-	-	-	-	-	-
	<b>Total</b>	<b>0</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0</b>

**15 Other Financial Liabilities**

	As at 31st March, 2024 (₹ in Lakhs)	As at 31st March, 2023 (₹ in Lakhs)
<b>Retention Money</b>	8	0
<b>Capital Creditors</b>	5,365	-
<b>Total</b>	<b>5,373</b>	<b>0</b>

16	Current Provision	As at	As at
		31st March, 2024 (₹ in Lakhs)	31st March, 2023 (₹ in Lakhs)
	Provision for Employee Benefits		
	Compensated Absences	13	-
	Gratuity (refer note 24)	1	-
	<b>Total</b>	<b>14</b>	<b>-</b>
17	Other Current Liabilities	As at	As at
		31st March, 2024 (₹ in Lakhs)	31st March, 2023 (₹ in Lakhs)
	Statutory liabilities	117	0
	Other Current Liabilities and Other Payables	-	0
	<b>Total</b>	<b>117</b>	<b>0</b>
18	Other Expenses	For the year ended	For the period from
		31st March, 2024 (₹ in Lakhs)	29th September, 2022 to 31st March, 2023 (₹ in Lakhs)
	Legal & Professional Expenses	0	-
	Statutory Audit Fees	0	0
	Travelling & Conveyance Expenses	4	-
	<b>Total</b>	<b>4</b>	<b>0</b>
19	Income Tax	For the year ended	For the period from
		31st March, 2024 (₹ in Lakhs)	29th September, 2022 to 31st March, 2023 (₹ in Lakhs)
	The major components of income tax expense for the year ended 31st March, 2024 & 31st March, 2023 are:		
	Income Tax Expense :		
	Current Tax:		
	Current Tax Charge	-	-
	(a)	-	-
	Deferred Tax		
	In respect of current year origination and reversal of temporary differences	-27	-
	(b)	-27	-
	<b>Total (a+b)</b>	<b>-27</b>	<b>-</b>
	The income tax expense for the year can be reconciled to the accounting profit as follows:		
		For the year ended	For the period from
		31st March, 2024 (₹ in Lakhs)	29th September, 2022 to 31st March, 2023 (₹ in Lakhs)
	(Loss) before tax as per Statement of Profit and Loss	(4)	(0)
	Income tax using the Company's domestic tax rate @ 17.16%	(1)	(0)
	Tax Effect of :		
	Income and Expenses not allowed under Income Tax	1	0
	Income tax recognised in statement of profit and loss at effective rate	-	-
	Total Tax Expense for the year	-	-
	Net (DTL) / DTA recognised during the year	-	-

**20 Contingent Liabilities and Commitments (to the extent not provided for) :**

**(i) Contingent Liabilities :**

Based on the information available with the Company, there is no contingent liability as at the year ended 31st March, 2024 & 31st March, 2023.

	As at 31st March, 2024 (₹ in Lakhs)	As at 31st March, 2023 (₹ in Lakhs)
<b>(ii) Commitments :</b>		
Capital Commitment (estimated amount of contracts remaining to be executed on capital account and not provided for)	173,674	-

**21 Financial Instruments and Financial Risk Review**

The Company's risk management activities are subject to the management direction and control under the framework of Risk Management Policy as approved by the Board of the Company. The Management ensures appropriate risk governance framework for the Company through appropriate policies and procedures and these risks are identified and measured properly.

The Company's financial liabilities comprise mainly of trade and other payables. The Company's financial assets comprise mainly of cash and cash equivalents.

The Company has exposure to the following risks arising from financial instruments:

- Market Risk; and
- Liquidity Risk

**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 following types of risk: interest rate risk, currency risk and price risk.

**i) Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.

The Company has no variable rate borrowing outstanding as at 31st March, 2023 and hence, there is no impact on the Company's (Loss) for the year.

**ii) Foreign Currency risk**

Foreign Currency risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. There is no foreign currency exposure as at the year ending 31st March, 2024. Hence, the Company's (Loss) for the period would have no impact.

**iii) Price risk**

The Company do not have any Price Risk.

**Liquidity risk**

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company monitors its risk of shortage of funds using cash flow forecasting models. These models consider the maturity of its financial investments, committed funding and projected cash flows from operations. The Company's objective is to provide financial resources to meet its business objectives in a timely, cost effective and reliable manner and to manage its capital structure. A balance between continuity of funding and flexibility is maintained through continued support from lenders, trade creditors as well as through issue of equity shares.

**Maturity profile of financial liabilities :**

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments.

(₹ in Lakhs)					
As at 31st March, 2024	Notes	Less than 1 year	1 to 5 year	More than 5 Years	Total
Trade Payables	14	245	-	-	245
Other Financial Liabilities	15	5,373	-	-	5,373

  

(₹ in Lakhs)					
As at 31st March, 2023	Notes	Less than 1 year	1 to 5 year	More than 5 Years	Total
Trade Payables	14	0	-	-	0

**Capital Management**

The Company's objectives when managing capital is to safeguard continuity and healthy capital ratios in order to support its business and provide adequate return to shareholders through continuing growth.

The Company sets the amount of capital required on the basis of annual business and long-term operating plans which include capital and other strategic investments.

The funding requirements are met through a mixture of equity, internal fund generation, and other non-current borrowings. The Company monitors capital on the basis of the net debt to equity ratio (capital gearing ratio).

The Company believes that it will able to meet all its current liabilities and interest obligation on timely manner.

Since the Company is yet to initiate any project and no external borrowings have been obtained, Capital gearing ratio is not presented for the year ended 31st March, 2024 & 31st March, 2023.

**22 Fair Value Measurement :**

**a) The carrying value of financial instruments by categories as of 31st March, 2024 is as follows:**

(₹ in Lakhs)			
Particulars	Fair Value through profit or loss	Amortised cost	Total
<b>Financial Assets</b>			
Cash and Cash Equivalents	-	5	5
Other Financial Assets	-	24	24
<b>Total</b>	<b>-</b>	<b>29</b>	<b>29</b>
<b>Financial Liabilities</b>			
Trade Payables	-	245	245
Other Financial Liabilities	-	5,373	5,373
<b>Total</b>	<b>-</b>	<b>5,618</b>	<b>5,618</b>

**b) The carrying value of financial instruments by categories as of 31st March, 2023 is as follows:**

(₹ in Lakhs)			
Particulars	Fair Value through profit or loss	Amortised cost	Total
<b>Financial Assets</b>			
Cash and Cash Equivalents	-	1	1
<b>Total</b>	<b>-</b>	<b>1</b>	<b>1</b>
<b>Financial Liabilities</b>			
Trade Payables	-	0	0
<b>Total</b>	<b>-</b>	<b>0</b>	<b>0</b>

**Notes:**

(i) Fair value of financial assets and liabilities measured at amortised cost is not materially different from its carrying value. Further, impact of time value of money is not significant for the financial instruments classified as current. Accordingly, the fair value hierarchy has not been disclosed separately

(ii) Since the Company does not have any financial asset or liability measured at carrying value, disclosure of fair value hierarchy and disclosure of category-wise assets and liabilities is not relevant. All financial assets and liabilities of the Company have been valued at amortised cost and their values are not expected to be different than those presented in financial statements.

(iii) Cash and cash equivalents and trade payables: Fair values approximate their carrying amounts largely due to short-term maturities of these instruments.

**23 Pursuant to the Indian Accounting Standard 33 – Earning per Share, the disclosure is as under:**

	UOM	For the year ended 31st March, 2024	For the period from 29th September, 2022 to 31st March, 2023
<b>Basic and Diluted EPS</b>			
Profit / (Loss) after tax as per Statement of Profit and Loss	(₹ in Lakhs)	16	(0)
(Less) : Distribution on Unsecured Perpetual Securities in abeyance	(₹ in Lakhs)	(163)	-
(Loss) attributable to equity shareholders	(₹ in Lakhs)	(146)	(0)
Weighted average number of equity shares outstanding during the year	No	10,000	10,000
Nominal Value of equity share	₹	10	10
Basic and Diluted EPS	₹	(1,463.45)	(1.30)

**24 As per Indian Accounting standard 19 "Employee Benefits", the disclosure as defined in the accounting standard are given below.**

**The status of gratuity plan as required under Ind AS-19 :**

The Company operates a defined benefit plan (the Gratuity plan) covering eligible employees, which provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment.

The Company has a defined benefit gratuity plan (unfunded) and is governed by the Payment of Gratuity Act, 1972. Under the Act, every employee who has completed at least five year of service is entitled to gratuity benefits on departure at 15 days salary (last drawn salary) for each completed year of service.

Particulars	As at 31st March, 2024	As at 31st March, 2023
<b>i. Reconciliation of Opening and Closing Balances of Defined Benefit Obligation</b>		
<b>Present Value of Defined Benefit Obligations at the</b>		
Current Service Cost	44	-
Interest Cost	2	-
Employee Transfer in / transfer out (net)	21	-
Benefit paid	-	-
Re-measurement (or Actuarial) (gain) / loss arising from:		
change in demographic assumptions	-	-
change in financial assumptions	-	-
experience variance (i.e. Actual experiences assumptions)	8	-
<b>Present Value of Defined Benefits Obligation at the end of the Year</b>	<b>74</b>	<b>-</b>
<b>ii. Reconciliation of Opening and Closing Balances of the Fair value of Plan Assets</b>		
<b>Fair Value of Plan assets at the beginning of the Year</b>	<b>-</b>	<b>-</b>
Investment Income	-	-
Return on plan asset excluding amount recognised in net interest expenses	-	-
Contributions	-	-
<b>Fair Value of Plan assets at the end of the Year</b>	<b>-</b>	<b>-</b>
<b>iii. Reconciliation of the Present value of defined benefit obligation and Fair value of plan assets</b>		
Present Value of Defined Benefit Obligations at the end of the Year	74	-
Fair Value of Plan assets at the end of the Year	-	-
<b>Net (Liability) recognized in balance sheet as at the end of the year</b>	<b>(74)</b>	<b>-</b>
<b>iv. Composition of Plan Assets</b>		
100% of Plan Assets are administered by Life Insurance Corporation of India.		
<b>v. Gratuity Cost for the Year</b>		
Current service cost	44	-
Interest cost	2	-
<b>vi. Other Comprehensive income</b>		
<b>Actuarial Loss</b>		
Change in demographic assumptions	-	-
Change in financial assumptions	-	-
Experience variance (i.e. Actual experiences assumptions)	8	-
Return on plan assets, excluding amount recognised in net interest expense	-	-
<b>Components of defined benefit costs recognised in other comprehensive income</b>	<b>8</b>	<b>-</b>
<b>vii. Actuarial Assumptions</b>		
Discount Rate (per annum)	7.20%	
Annual Increase in Salary Cost	9.75%	
Mortality Rate During employment	Indian Assured Lives Mortality (2012-14)	
Attrition Rate	2.23%	

**viii. Sensitivity Analysis**

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and mortality. The sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The results of sensitivity analysis is given below:

Particulars	As at 31st March, 2024	As at 31st March, 2023
Defined Benefit Obligation (Base)	74	-

Particulars	Sensitivity Level	Increase / Decrease in defined benefit obligation	
		As at 31st March, 2024	As at 31st March, 2023
Discount Rate	1% Increase	(65)	-
	1% Decrease	85	-
Salary Growth Rate	1% Increase	84	-
	1% Decrease	(66)	-
Attrition Rate	50% Increase	(71)	-
	50% Decrease	78	-
Mortality Rate	10% Increase	74	-
	10% Decrease	(74)	-

**ix. Asset Liability Matching Strategies**

The Company has insurance policy, which is basically a year-on-year cash accumulation plan in which the interest rate is declared on yearly basis and is guaranteed for a period of one year. The insurance Company as part of the policy rules, makes payment of all gratuity outgoes happening during the year (subject to sufficiency of funds under the policy). However, given that limited funds in cash accumulation plan, the significant portion of liability is unfunded. Thus, the Company is exposed to movement in interest rate (in particular, the significant fall in interest rates, which should result in an increase in liability without corresponding increase in the asset).

**ix. Effect of Plan on Entity's Future Cash Flows**

**a) Funding arrangements and Funding Policy**

The Company has an insurance policy with limited funds to provide for payment of gratuity to the employees. As per requirement, every year, the insurance company carries out a funding valuation based on the latest employee data provided by the Company. Any deficit in the assets arising as a result of such valuation is required to be funded by the Company.

**b) Expected Contribution during the next annual reporting period**

The Company's best estimate of Contribution during the next year based on the shortfall in the fund is ₹ Nil (as at 31st March, 2023 ₹ Nil).

**c) Maturity Profile of Defined Benefit Obligation**

Weighted average duration (based on discounted cashflows) - 13 years.

Expected cash flows over the next (valued on undiscounted basis):	Amount
1 year	1
2 to 5 years	8
6 to 10 years	52
More than 10 years	167

x. During the previous year, the Company has defined benefit plans for Gratuity to eligible employees, the limited contributions for which are made to Life Insurance Corporation of India who invests the funds as per Insurance Regulatory Development Authority guidelines.

The discount rate is based on the prevailing market yields of Government of India's securities as at the balance sheet date for the estimated term of the obligations.

The expected contributions for Defined Benefit Plan for the next financial year will be in line with Financial Year 2023-24.

**Defined Contribution Plan**

Contribution to Defined Contribution Plans for the year is as under :

Particulars	For the year ended 31st March, 2024	For the period from 29th September, 2022 to 31st March, 2023
Employer's Contribution to Provident Fund	1	-
Employer's Contribution to Superannuation Fund	0	-

**25 Related party transactions**

**a. List of related parties and relationship**

The Management has identified the following entities and individuals as related parties of the Company for the year ended 31st March, 2024 for the purpose of reporting as per Ind AS 24 Related Party Disclosure which are as under:-

Entities with joint control of, or significant influence over, the Parent ;	:	S. B. Adani Family Trust (SBAFT) Adani Trading Services LLP Adani Properties Private Limited Adani Green Energy Limited
Holding Company	:	Adani Renewable Energy Holding Four Limited (Formerly known as Adani Green Energy Four Limited) (upto 17th January 2024) Adani Saur Urja (KA) Limited (w.e.f 17th January 2024)
Fellow Subsidiary	:	Adani Infra (India) Limited Adani Renewable Energy Holding Four Limited (Formerly known as Adani Green Energy Four Limited)
Key Management Personnel	:	Vishal Kabra, Director (upto 24th June, 2023) Jeewan Chandra Bhatt, Director Abhishek Shah, Director Durgesh Kumar Gupta, Director (w.e.f 1st March, 2024)

**Terms and conditions of transactions with related parties**

Outstanding balances of related parties at the year-end are unsecured. There have been no guarantees received for any related party receivables or payables. Transaction entered into with related party are made on terms equivalent to those that prevail in arm's length transactions.

**Notes:**

The names of the related parties and nature of the relationships where control exists are disclosed irrespective of whether or not there have been transactions between the related parties. For others, the names and the nature of relationships is disclosed only when the transactions are entered into by the Company with the related parties during the existence of the related party relationship.



25 b. Transactions with Related Parties

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2024				For the year ended 31st March, 2023			
	Entities with joint control of, or significant influence over, the Holding Company	Ultimate Holding Company (including Immediate Holding)	Subsidiary Companies (Including Fellow)	Entities under common control	Entities with joint control of, or significant influence over, the Holding Company	Ultimate Holding Company (including Immediate Holding)	Subsidiary Companies (Including Fellow)	Entities under common control
<b>Equity Share Capital Transfer From</b>	-	1	-	-	-	1	-	-
Adani Renewable Energy Holding Four Limited (Formerly known as Adani Green Energy Four Limited)	-	1	-	-	-	1	-	-
<b>Equity Share Capital Transfer To</b>	-	1	-	-	-	-	-	-
Adani Saur Urja (KA) Limited	-	1	-	-	-	-	-	-
<b>Borrowings (Perpetual Debt)</b>	-	17,564	-	-	-	-	-	-
Adani Saur Urja (KA) Limited	-	12,345	-	-	-	-	-	-
Adani Renewable Energy Holding Four Limited (Formerly known as Adani Green Energy Four Limited)	-	5,219	-	-	-	-	-	-
<b>Borrowings Repaid (Perpetual Debt)</b>	-	7,459	-	-	-	-	-	-
Adani Saur Urja (KA) Limited	-	2,240	-	-	-	-	-	-
Adani Renewable Energy Holding Four Limited (Formerly known as Adani Green Energy Four Limited)	-	5,219	-	-	-	-	-	-
<b>Other Balance Transfer from</b>	-	26	-	-	-	-	-	-
Adani Green Energy Limited	-	26	-	-	-	-	-	-
<b>Other Balance Transfer to</b>	-	0	-	-	-	-	-	-
Adani Green Energy Limited	-	0	-	-	-	-	-	-
<b>Reimbursement of Cost</b>	-	3,192	-	-	-	-	-	-
Adani Green Energy Limited	-	3,192	-	-	-	-	-	-

c. Balances With Related Parties

(₹ in Lakhs)

Particulars	As at 31st March, 2024				As at 31st March, 2023			
	Entities with joint control of, or significant influence over, the Holding Company	Ultimate Holding Company (including Immediate Holding)	Subsidiary Companies (Including Fellow)	Entities under common control	Entities with joint control of, or significant influence over, the Holding Company	Ultimate Holding Company (including Immediate Holding)	Subsidiary Companies (Including Fellow)	Entities under common control
<b>Accounts Payable</b>	-	2,818	0	2	-	-	-	-
Adani Green Energy Limited	-	2,818	-	-	-	-	-	-
<b>Accounts Receivable</b>	-	-	-	23	-	-	-	-
Adani Infra (India) Limited	-	-	-	23	-	-	-	-
<b>Borrowings (Perpetual Debt)</b>	-	10,105	-	-	-	-	-	-
Adani Saur Urja (KA) Limited	-	10,105	-	-	-	-	-	-

		For the year ended 31st March, 2024	For the period from 3rd October, 2022 to 31st March, 2023	% Variance	
26 Ratio Analysis :	UoM				Reason for Variance
i) Current Ratio :					
Current Assets (a)	(₹ in Lakhs)	613	1		
Current Liabilities (b)	(₹ in Lakhs)	5,749	0		
<b>Current Ratio (a/b)</b>	<b>Times</b>	<b>10.66%</b>	<b>769.23%</b>	<b>(98.61)%</b>	Due to increase in Current Assets and Current Liabilities
a. (i) Items included in Numerator for computing the above ratios: All types of finance and non finance current assets					
a. (ii) Items included in Denominator for computing the above ratios: All types of finance and non finance current liabilities					
b. Reason for Changes more than 25% :					
ii) Debt-Equity Ratio:					
Total Debts (a)	(₹ in Lakhs)	Not Applicable	Not Applicable		
Shareholder's Equity (b)	(₹ in Lakhs)				
<b>Debt - Equity Ratio (a/b)</b>	<b>Times</b>				
a. (i) Items included in Numerator for computing the above ratios: Current and Non current borrowings					
a. (ii) Items included in Denominator for computing the above ratios: Total Equity					
b. Reason for Changes more than 25%					
iii) Debt Service coverage Ratio :	Not Applicable				
iv) Return on Equity Ratio :					Due to Increase in Net Profit after Tax and Equity Shareholder's Fund.
iv) Net Profit after Taxes (a)	(₹ in Lakhs)	23	-0		
Equity Shareholder's Fund (b)	(₹ in Lakhs)	10,122	1		
<b>Return on Equity Ratio (a/b)</b>	<b>%</b>	<b>0%</b>	<b>(14.94)%</b>	<b>(10153.54)%</b>	
a. (i) Items included in Numerator for computing the above ratios: Profit after tax					
a. (ii) Items included in Denominator for computing the above ratios: Total Equity					
v) Inventory Turnover Ratio :	Not Applicable				
vi) Trade Receivables turnover Ratio :	Not Applicable				
vii) Trade Payables turnover Ratio :					
Annual Cost of Goods sold & Other expense	(₹ in Lakhs)	4	0		Due to Increase in Accounts Payable and Cost of Goods sold & Other expenses
Average Accounts Payable (b)	(₹ in Lakhs)	122	0		
<b>Trade Payables turnover Ratio</b>	<b>Times</b>	<b>0.03</b>	<b>1.08</b>	<b>(97.06)%</b>	
a. (i) Items included in Numerator for computing the above ratios: Total Costs of Goods sold + Other expense					
a. (ii) Items included in Denominator for computing the above ratios: Average Trade payables					
viii) Net Capital turnover Ratio :	Not Applicable				
ix) Net Profit Ratio : Applicable					
x) Return on Capital Employed : Not Applicable					
xi) Return on Investment : Not Applicable					

## 27 Due to micro, small and medium enterprises

On the basis of the information and records available with management, outstanding dues to the Micro and Small enterprise as defined in the MSMED Act, 2006 are disclosed as below.

Particulars	As at 31st March, 2024 (₹ in Lakhs)	As at 31st March, 2023 (₹ in Lakhs)
Principal amount remaining unpaid to any supplier as at the year end		
Interest due thereon	-	-
Amount of interest paid by the company in terms of section 16 of the MSMED, along with the amount of the payment made to the supplier beyond the appointed day during the accounting year.	-	-
Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding the interest specified under the MSMED.	-	-
Amount of interest accrued and remaining unpaid at the end of the accounting year.	-	-
Amount of further interest remaining due and payable even in succeeding years.	-	-
The disclosure in respect of the amount payable to enterprises which have provided goods and services to the company and which qualify under the definition of micro and small enterprises, as defined under Micro, Small and Medium Enterprises Development Act, 2006 has been made in the Financial statement as at 31st March, 2024 & 31st March, 2023 based on the information received and available with the entities of company. On the basis of such information, no interest is payable to any micro, small and medium enterprises.		

## 28 Recent Pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. During the year ended 31st March, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

## 29 Personnel Cost

The Company does not have any employee. The operational management and administrative functions of the Company are being managed by Ultimate Holding Company.

## 30 The Company do not have any transaction to report against the following disclosure requirements as notified by MCA pursuant to amendment to Schedule III:

1. Title deeds of immovable property not in the name of the Company
2. Crypto Currency or Virtual Currency
3. Benami Property held under Benami Transactions (Prohibition) Act, 1988 (45 of 1988)
4. Registration of charges or satisfaction with Registrar of Companies
5. Transaction with Struck off Companies
6. Undisclosed Income.
7. Related to Borrowing of
  - i. Borrowing obtained on the basis of Security of Current Assets
  - ii. Willful defaulter
  - iii. Utilization of borrowed fund and share premium
  - iv. Discrepancy in utilization of borrowings

## 31 Events occurring after the Balance sheet Date

The Company evaluates events and transactions that occur subsequent to the balance sheet date but prior to approval of the financial statements to determine the necessity for recognition and/or reporting of any of these events and transactions in the financial statements. As of 24th April, 2024 there are no subsequent events to be recognized or reported that are not already disclosed.

## 32 Approval of financial statements

The financial statements were approved for issue by the board of directors on 24th April, 2024.

### In terms of our report attached

**Sudarshan & Ranganathan**

Chartered Accountants

Firm Registration Number : 004156S

Subrahmaniya  
Sivam R

Digitally signed by  
Subrahmaniya Sivam R  
Date: 2024.04.24 21:42:35  
+05'30'

**Subrahmaniya Sivam R**

Partner

Membership No. 025991

Place : Chennai

Date : 24th April, 2024

### For and on behalf of board of directors

**Adani Renewable Energy Forty Two Limited**

JEEWAN  
CHANDRA  
BHATT

Digitally signed  
by JEEWAN  
CHANDRA BHATT  
Date: 2024.04.24  
21:14:32 +05'30'

**Jeewan Chandra Bhatt**

Director

DIN:- 09739194

ABHISHEK  
BHARATKU  
MAR SHAH

Digitally signed by  
ABHISHEK  
BHARATKUMAR  
SHAH  
Date: 2024.04.24  
21:14:55 +05'30'

**Abhishek Shah**

Director

DIN:- 09736773

Place : Ahmedabad

Date : 24th April, 2024