

Reliance Electrolyser Manufacturing Limited

Financial Statements

For the period from 22nd August, 2023 to 31st March, 2024

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF RELIANCE ELECTROLYSER MANUFACTURING LIMITED **Report on Audit of Financial Statements**

Opinion

We have audited the accompanying Financial Statements of Reliance Electrolyser Manufacturing Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss including the statement of Other Comprehensive Income and the Cash Flow Statement and the Statement of changes in equity for the period from 22nd August, 2023 to 31st March, 2024, and notes to the Financial Statements, including a summary of the material accounting policies and other explanatory information (hereinafter referred to as "Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Financial Statements give the information required by the Companies Act, 2013, as amended ('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 March 31, 2024, its loss including other comprehensive income, its Cash Flows and the Statement of Changes in Equity for the period ended on that date.

Basis for Opinion

We conducted our audit of the Financial Statements in accordance with the Standards on Auditing (SAs) specified under section 143 (10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the Financial Statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 Board 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 on the other information that we obtained prior to the date of this auditor's report, 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.

Management Responsibilities 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 of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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, the Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of Financial Statements

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

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

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

than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to Financial Statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Standalone Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Standalone Financial Statements may be influenced.

We 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 Companies (Auditor's Report) Order, 2020, issued by the Central Government in terms of sub-section (11) of Section 143 of the Act (hereinafter referred to as "the Order"), we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid Financial Statements comply with the Accounting Standards prescribed under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.
- e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 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 with reference to the Financial Statements of the Company and the operating effectiveness of such controls, refer our separate Report in “Annexure B” of this report.
- g) According to the information and explanations provided to us, the Company has not paid any managerial remuneration during the period.
- 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 and as represented by the management:
 - i. The Company has no pending litigations which will have an impact on 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 to us that, to the best of its knowledge and belief, and as disclosed in Note No. 24 (ii) of the Notes to account, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or

on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- b. The management has represented to us that, to the best of its knowledge and belief, and as disclosed in Note No. 24 (iii) of the Notes to account, no funds 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 our audit procedure conducted that are considered reasonable and appropriate in the circumstances, nothing has come to our attention that cause us to believe that the representation given by the management under paragraph (2) (h) (iv) (a) & (b) contain any material misstatement.
- v. The Company has not declared or paid any dividend during the period.
- vi. Based on our examination which included test checks, the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the period for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.
- vii. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from 1st April, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended 31st March, 2024.

For Chaturvedi & Shah LLP

Chartered Accountants

Firm Registration No. 101720W/W100355

Parag D. Mehta

Partner

Membership No.: 113904

UDIN:24113904BKFNSY4548

Place: Mumbai

Date: 17th April, 2024

ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT ON THE FINANCIAL STATEMENTS OF RELIANCE ELECTROLYSER MANUFACTURING LIMITED

(Referred to in paragraph 1, under ‘Report on Other Legal and Regulatory Requirements’ section of our Report of even date to the Members of the Company)

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

- i.
 - a) The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment on the basis of available information.
 - b) Property, Plant and Equipment have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.
 - c) According to the information and explanations given to us and the records examined by us, the Company does not have any immovable property disclosed as Property, Plant and Equipment (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) in the current period.
 - d) According to information and explanations given to us and books of accounts and records examined by us, Company has not revalued its Property, Plant and Equipment during the period.
 - e) As represented by management there are no proceedings initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- ii.
 - a) As explained to us and on the basis of the records examined by us, in our opinion, physical verification of the inventories have been conducted at reasonable intervals by the management and having regard to the size and nature of business of the Company and nature of its inventory, the coverage and procedures of such verification by the management is appropriate.
 - b) The Company has not been sanctioned any working capital facility from banks or financial institutions and hence reporting under clause (ii)(b) of the Order is not applicable.
- iii. The Company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties. Therefore, Clause (iii) (a), (b), (c), (d), (e), (f) of paragraph 3 of the order is not applicable to the Company.

- iv. The Company has not granted any loans, made any investments and provided any guarantees and securities to the parties covered under Section 185 and 186 of the Act. Therefore, the provisions of the Clause (iv) of the paragraph 3 of the Order is not applicable to the Company.
- v. The Company has not accepted any deposits or amounts which are deemed to be deposits within the meaning of provisions of sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Therefore, the clause (v) of paragraph 3 of the Order is not applicable to the Company.
- vi. The Central Government has not prescribed the maintenance of cost records under sub section (1) of Section 148 of the Act in respect of the activities undertaken by the Company. Hence the reporting requirement under Clause (vi) of the Order is not applicable.
- vii. In respect of statutory dues:
 - a) According to the records of the Company examined by us, undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees' State Insurance, Income Tax, sales tax, service tax, Customs Duty, Excise Duty, value added tax, Cess and other statutory dues, whichever is applicable have been generally regularly deposited with the appropriate authorities. No undisputed amounts payable in respect of the aforesaid dues were outstanding as at March 31, 2024 for a period of more than six months from the date of becoming payable.
 - b) There are no statutory dues referred to in sub-clause (a) which have not been deposited as on March 31, 2024 on account of disputes.
- viii. As disclose in Note no. 24 (iv), the Company has not surrendered or disclosed any transactions which are not recorded in the books of account in the tax assessments under the Income Tax Act, 1961 as income during the period.
- ix.
 - a) The Company does not have any loans or borrowed funds. Therefore, clause (a) of Paragraph 3 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 government authority.
 - c) The Company has not raised any term loans, therefore the provisions of Clause (ix)(c) of Paragraph 3 of the Order are not applicable to the Company.
 - d) On an overall examination of the Financial Statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

- e) The Company does not have any subsidiaries, associates or joint ventures. Therefore, provisions under sub-clause (e) of Clause (ix) of paragraph 3 of the Order are not applicable to the Company.
 - f) The Company does not have any subsidiaries, associates or joint ventures. Therefore, provisions under sub-clause (f) of Clause (ix) of paragraph 3 of the Order are not applicable to the Company.
- x.
- a) The Company has not raised money by way of initial public offer or further public offer (including debt instruments) during the period and hence clause (x)(a) of paragraph 3 of the Order is not applicable to the Company.
 - b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the period under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.
- xi.
- a) Based on the audit procedures performed for the purpose of reporting the true and fair view of the Financial Statements and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the period.
 - b) No report under sub-section 12 of section 143 of the Act has been filed by us or by any other auditor in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
 - c) The Company is not required to have Whistle Blower mechanism under applicable rules and regulations. Further, as represented to us by the management, there are no Whistle blower complaints received by the Company during the period.
- xii. The Company is not a Nidhi Company and hence reporting under clause (xii) (a), (b), (c) of Paragraph 3 of the Order is not applicable.
- xiii. The Company is in compliance with Section 188 of the Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the Financial Statements as required by the applicable accounting standards. The provisions of section 177 of the Act are not applicable to the Company and accordingly reporting under clause 3(xiii) insofar as it relates to section 177 of the Companies Act, 2013 is not applicable to the Company and hence not commented upon.
- xiv. As per section 138 of the Company Act 2013, the company does not have to appoint an internal auditor therefore the provisions of clause 3 (xiv) of the order are not applicable to the Company.

- xv. The Company has not entered into any non-cash transactions with its directors or directors of its Holding Company or persons connected with them and hence provisions of section 192 of the Act are not applicable to the Company.
- xvi.
- a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.
 - b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without obtaining a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
 - c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the requirement to report on clause 3 (xvi) (c) of the order is not applicable to the company.
 - d) As represented by the management, the Group does not have any Core Investment Company (CIC) 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 incurred cash losses of Rs.2,036 Thousands in the current financial period.
- xviii. There has been no resignation of the statutory auditors during the period. Therefore, the provisions of clause (xviii) of Paragraph 3 of the Order are not applicable to the Company.
- xix. On the basis of the financial ratios disclosed in Note 18.1 to the Financial Statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the Financial Statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- xx. As disclosed in Note No. 15.2 to Financial Statements, The Corporate Social Responsibility (CSR) contribution under section 135 of the Act is not applicable to the Company. Therefore, the provisions of clause (xx) (a) & (b) of paragraph 3 of the Order are not applicable to the Company.

For Chaturvedi & Shah LLP

Chartered Accountants

Firm Registration No. 101720W/W100355

Parag D. Mehta

Partner

Membership No.: 113904

UDIN: 24113904BKFNSY4548

Place: Mumbai

Date: 17th April, 2024

ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT ON THE FINANCIAL STATEMENTS OF RELIANCE ELECTROLYSER MANUFACTURING LIMITED

(Referred to in paragraph 2(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”)

We have audited the internal financial controls with reference to Financial statement of Reliance Electrolyser Manufacturing Limited, (“the Company”) as of March 31, 2024 in conjunction with our audit of the Financial Statements of the Company for the period 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 (the “Guidance Note”) issued by the Institute of Chartered Accountants of India (“ICAI”). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor’s Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls with reference to these Financial Statement based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI 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 with reference to the Financial Statements was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls with reference to the Financial Statements

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

Inherent Limitations of Internal Financial Controls with reference to the Financial Statements

Because of the inherent limitations of internal financial controls with reference to the Financial Statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to the Financial Statements to future periods are subject to the risk that the internal financial control with reference to the Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion the Company has, in all material respects, an adequate internal financial control with reference to the Financial Statements and such internal financial controls with reference to the Financial Statements were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI.

For Chaturvedi & Shah LLP

Chartered Accountants
Firm Registration No. 101720W/W100355

Parag D. Mehta

Partner
Membership No.: 113904
UDIN: 24113904BKFNSY4548
Place: Mumbai
Date: 17th April, 2024

Reliance Electrolyser Manufacturing Limited
Balance Sheet as at 31st March, 2024

	Notes	(₹ in thousands) As at 31st March, 2024
ASSETS		
Non-Current Assets		
(a) Property, Plant and Equipment	1	14,351
(b) Capital Work-in-Progress	2	16,010
(c) Financial Assets		
(i) Other Financial Assets	3	10
Total Non-Current Assets		30,371
Current Assets		
(a) Inventories	4	43
(b) Financial Assets		
(i) Cash and Cash Equivalents	5	16,722
(c) Other Current Assets	6	2,739
Total Current Assets		19,504
Total Assets		49,875
EQUITY AND LIABILITIES		
EQUITY		
(a) Equity Share Capital	7	36,100
(b) Other Equity	8	(2,063)
Total Equity		34,037
LIABILITIES		
Current Liabilities		
(a) Financial Liabilities		
(i) Trade Payables due to Micro and Small Enterprises	9	43
Other than Micro and Small Enterprises		165
(ii) Other Financial Liabilities	10	15,232
(b) Other Current Liabilities	11	399
Total Current Liabilities		15,839
Total Equity and Liabilities		49,875
Material Accounting Policies	A-C	
See accompanying Notes to the Financial Statements	1 - 26	

Reliance Electrolyser Manufacturing Limited
Balance Sheet as at 31st March, 2024

As per our Report of even date

For Chaturvedi & Shah LLP

Chartered Accountants

(Firm Registration No. 101720W/W100355)

Parag D. Mehta

Partner

Membership No. 113904

Place: Mumbai

Date: April 17, 2024

For and on behalf of the Board

Sanjay Mashruwala

Director

DIN: 01259774

Harindrakumar Tripathi

Director

DIN: 10070116

Karan Suri

Director

DIN: 08785731

Anurag Vedprakash Pandey

Director

DIN: 10289335

Reliance Electrolyser Manufacturing Limited

Statement of Profit and Loss for the period From 22nd August, 2023 to 31st March, 2024

		(₹ in thousands)
	Notes	From 22nd August, 2023 to 31st March, 2024
INCOME		
Revenue from Operations	12	134
Total Income		134
EXPENSES		
Cost of Material Consumed		64
Changes in inventories of Finished Goods , Work-in-Process and Stock-in-Trade	13	(1)
Depreciation & Amortisation expenses	1	27
Other Expenses	14	2,107
Total Expenses		2,197
Profit / (Loss) Before Tax		(2,063)
Tax Expenses	15	-
Profit / (Loss) for the period		(2,063)
Other Comprehensive Income (OCI)		-
Total Comprehensive Income for the period		(2,063)
Earnings per Equity share of face value of ₹ 10 each		
Basic (in ₹)	16	(3.53)
Diluted (in ₹)	16	(3.53)
Material Accounting Policies	A-C	
See accompanying Notes to the Financial Statements	1 - 26	

Reliance Electrolyser Manufacturing Limited

Statement of Profit and Loss for the period From 22nd August, 2023 to 31st March, 2024

As per our Report of even date

For Chaturvedi & Shah LLP

Chartered Accountants

(Firm Registration No. 101720W/W100355)

Parag D. Mehta

Partner

Membership No. 113904

Place: Mumbai

Date: April 17, 2024

For and on behalf of the Board

Sanjay Mashruwala

Director

DIN: 01259774

Harindrakumar Tripathi

Director

DIN: 10070116

Karan Suri

Director

DIN: 08785731

Anurag Vedprakash Pandey

Director

DIN: 10289335

Statement of Changes in Equity For the period from 22nd August, 2023 to 31st March, 2024

A. EQUITY SHARE CAPITAL

(₹ in thousands)

Balance as at 22nd August, 2023	Changes during the period	Balance as at 31st March, 2024
-	36,100	36,100

B OTHER EQUITY

(₹ in thousands)

Particulars	Balance as at 22nd August, 2023	Total Comprehensive Income for the period	Balance as at 31st March, 2024
Reserves and Surplus			
Retained Earnings	-	(2,063)	(2,063)
Other Comprehensive Income	-	-	-
Total	-	(2,063)	(2,063)

Statement of Changes in Equity For the period from 22nd August, 2023 to 31st March, 2024

As per our Report of even date

For Chaturvedi & Shah LLP

Chartered Accountants

(Firm Registration No. 101720W/W100355)

Parag D. Mehta

Partner

Membership No. 113904

Place: Mumbai

Date: April 17, 2024

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Director

DIN: 08785731

Anurag Vedprakash Pandey

Director

DIN: 10289335

Reliance Electrolyser Manufacturing Limited**Statement of Cash Flows For the period from 22nd August, 2023 to 31st March, 2024**

	(₹ in thousands)
	For the period 22nd August, 2023 to 31st March, 2024
A. Cash Flow from Operating Activities	
Profit / (Loss) before tax as per Statement of Profit and Loss	(2,063)
Adjusted for:	
Depreciation & Amortisation expenses	27
Operating Profit before Working Capital Changes	(2,036)
Adjusted for:	
Trade and Other Receivables	(2,749)
Inventories	(43)
Trade and Other Payables	607
Cash (Used in) Operating Activities	(4,221)
Income Taxes Paid (Net)	-
Net Cash Flow (Used in) Operating Activities	(4,221)
B. Cash Flow from Investing Activities	
Expenditure on Property Plant and Equipment - Project Development	(15,157)
Net Cash Flow (Used in) Investing Activities	(15,157)
C. Cash Flow from Financing Activities	
Proceeds from Issue of Equity Share Capital	36,100
Net Cash Flow Generated from Financing Activities	36,100
Net Increase in Cash and Cash Equivalents	16,722
Cash and Cash Equivalents at the beginning of the period	-
Cash and Cash Equivalents at the end of the period (Refer Note 5)	16,722

Reliance Electrolyser Manufacturing Limited

Statement of Cash Flows For the period from 22nd August, 2023 to 31st March, 2024

As per our Report of even date

For Chaturvedi & Shah LLP

Chartered Accountants

(Firm Registration No. 101720W/W100355)

For and on behalf of the Board

Parag D. Mehta

Partner

Membership No. 113904

Place: Mumbai

Date: April 17, 2024

Sanjay Mashruwala

Director

DIN: 01259774

Harindrakumar Tripathi

Director

DIN: 10070116

Karan Suri

Director

DIN: 08785731

Anurag Vedprakash Pandey

Director

DIN: 10289335

Reliance Electrolyser Manufacturing Limited
Notes to the Financial Statements For the period from 22nd August, 2023 to 31st March, 2024

A. CORPORATE INFORMATION

Reliance Electrolyser Manufacturing Limited ['the Company'] is an unlisted entity incorporated in India. The registered office of the Company is located at 9th Floor, Maker Chambers IV, 222, Nariman Point, Mumbai – 400021, India.

The Company is in the business of research, development, manufacture, deal in, assemble and improve all types of electrolyser, electrolyser system building blocks, chemicals, materials, electrolyser balance of stack, balance of plant and all matters incidental thereto. Further, Company is engaged in development and improvement of bio-energy technology and engage in the business of designing and developing bio-energy manufacturing facilities for all types of bio-energy products.

B. MATERIAL ACCOUNTING POLICIES:

B.1 BASIS OF PREPARATION AND PRESENTATION

The Company has been incorporated on 22nd August 2023, hence these financial statements are for the period 22nd August 2023 to 31st March 2024 and comparative figures for the prior periods are not available.

The Financial Statements have been prepared on the historical cost basis except for certain financial assets and liabilities which have been measured at fair value amount.

The Financial Statements of the Company have been prepared to comply with the Indian Accounting standards ('Ind AS'), including the rules notified under the relevant provisions of the Companies Act, 2013, (as amended from time to time) and presentation and disclosure requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS Compliant Schedule III) as amended from time to time. The Company follows indirect method prescribed in Ind AS 7 – Statement of Cash Flows for presentation of its cash flows.

The Company's Financial Statements are presented in Indian Rupees (₹), which is also its functional currency and all values are rounded to the nearest thousand (₹'000), except when otherwise indicated.

B.2 SUMMARY OF MATERIAL ACCOUNTING POLICIES

(a) Current and Non-Current Classification

The company presents assets and liabilities in the Balance Sheet based on Current/ Non-Current classification considering an operating cycle of 12 months being the time elapsed between deployment of resources and the realisation in cash and cash equivalents there-against.

(b) Property, Plant and Equipment

Property, Plant and Equipment are stated at cost, net of recoverable taxes, trade discount and rebates less accumulated depreciation and impairment losses, if any. Such cost

Reliance Electrolyser Manufacturing Limited**Notes to the Financial Statements For the period from 22nd August, 2023 to 31st March, 2024**

includes purchase price, borrowing cost and any cost directly attributable to bringing the assets to its working condition for its intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the assets.

Other Indirect Expenses incurred relating to project, net of income earned during the project development stage prior to its intended use, are considered as pre-operative expenses and disclosed under Capital Work-in-Progress.

Depreciation on Property, Plant and Equipment is provided using straight line method on depreciable amount. Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.

The residual values, useful lives and methods of depreciation of Property, Plant and Equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

(c) Inventories

Items of inventories are measured at lower of cost and net realisable value except in case of by-products which are valued at net realisable value.

Cost of finished goods, work-in-progress, raw materials and stores and spares are determined on weighted average basis.

(d) Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

(e) Contingent Liabilities

Disclosure of contingent liability is made when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources embodying economic benefits will be required to settle or a reliable estimate of amount cannot be made.

(f) Current Tax and Deferred Tax

The tax expenses for the period comprises of current tax and deferred tax. The Company exercises judgment in computation of current tax considering the relevant rulings and reassesses the carrying amount of deferred tax assets at the end of each reporting period.

Reliance Electrolyser Manufacturing Limited**Notes to the Financial Statements For the period from 22nd August, 2023 to 31st March, 2024**

(g) Revenue Recognition

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration entitled in exchange for those goods or services. The Company is generally the principal as it typically controls the goods or services before transferring them to the customer.

Recognition of revenue from sale of goods concurs with transfer of control to the customer upon shipment of goods to the customer or when the goods are made available to the customer, provided transfer of title to the customer occurs and the Company has not retained any significant risks of ownership or future obligations with respect to the goods shipped.

Revenue is measured at the amount of consideration which the Company expects to be entitled to in exchange for transferring distinct goods or services to a customer as specified in the contract, excluding amounts collected on behalf of third parties (for example taxes and duties collected on behalf of the government). Consideration is generally due upon satisfaction of performance obligations and a receivable is recognised when it becomes unconditional.

Generally, the credit period varies between 0-60 days from the shipment or delivery of goods or completion of services as the case may be.

(h) Financial Instruments**i. Financial Assets**

Purchase and sale of Financial Assets are recognised using trade date accounting. Trade receivables that do not contain a significant financing component are measured at transaction price.

The Company uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of Financial Assets other than those measured at Fair Value Through Profit and Loss (FVTPL).

Expected Credit Losses are measured through a loss allowance at an amount equal to:

- The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

For Trade Receivables the Company applies 'simplified approach' which requires expected lifetime losses to be recognised from initial recognition of the receivables.

Reliance Electrolyser Manufacturing Limited**Notes to the Financial Statements For the period from 22nd August, 2023 to 31st March, 2024**

The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward-looking estimates are analysed.

For other assets, the Company uses 12 month ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used.

ii. Financial Liabilities

For trade and other payables maturing within one year from the balance sheet date, the carrying amounts are determined to approximate fair value due to the short maturity of these instruments.

iii. Offsetting

Financial Assets and Financial Liabilities are offset and the net amount is presented in the balance sheet when, and only when, the Company has a legally enforceable right to set off the amount and it intends, either to settle them on a net basis or to realise the asset and settle the liability simultaneously

C. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The preparation of the Company's Financial Statements requires management to make judgement, estimates and assumptions that affect the reported amount of revenue, expenses, assets and liabilities and the accompanying disclosures. 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 next financial years.

a) Property Plant and Equipment

Estimates are involved in determining the cost attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the manner intended by the management.

Property, Plant and Equipment are depreciated over their estimated useful life, after considering estimated residual value. Management reviews the estimated useful life and residual values of the assets annually in order to determine the amount of depreciation to be recorded during any reporting period. The depreciation method is selected so as to reflect the pattern in which future economic benefits of different assets are expected to be consumed by the Company.

The depreciation for future periods is revised if there are significant changes from previous estimates.

Reliance Electrolyser Manufacturing Limited**Notes to the Financial Statements For the period from 22nd August, 2023 to 31st March, 2024**

b) Provisions

The timing of recognition and quantification of the liability (including litigations) requires the application of judgement to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

c) Impairment of Financial and Non-Financial Assets

The impairment provisions for Financial Assets are based on assumptions about risk of default and expected cash loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward-looking estimates at the end of each reporting period.

In case of non-financial assets, assessment of impairment indicators involves consideration of future risks. Further, the company estimates asset's recoverable amount, which is higher of an asset's or Cash Generating Units (CGU's) fair value less costs of disposal and its value in use.

In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if no such transactions can be identified, an appropriate valuation model is used.

d) Fair Value Measurement

For estimates relating to fair value of financial instruments refer note 22 of financial statements.

Reliance Electrolyser Manufacturing Limited

Notes to the Financial Statements For the period from 22nd August, 2023 to 31st March, 2024

1 Property, Plant & Equipment and Capital Work-in-Progress

(₹ in thousands)

Description	Gross block				Depreciation				Net block	
	As at 01-04-2023	Additions / Adjustments	Deductions/ Adjustments	As at 31-03-2024	As at 01-04-2023	For the period	Deductions/ Adjustments	As at 31-03-2024	As at 31-03-2024	As at 31-03-2023
Property, Plant & Equipment										
Own Assets										
Buildings		9,659		9,659		25		25	9,634	-
Plant & Machinery		4,719		4,719		2		2	4,717	-
Sub-Total	-	14,378	-	14,378	-	27	-	27	14,351	-
Right-of-Use Assets										
Land				-				-	-	-
Sub-Total	-		-	-	-	-	-	-	-	-
Total	-	14,378	-	14,378	-	27	-	27	14,351	-
Previous Year Figures	-	-	-	-	-	-	-	-	-	-
Capital Work-in-Progress									16,010	-

Reliance Electrolyser Manufacturing Limited**Notes to the Financial Statements For the period from 22nd August, 2023 to 31st March, 2024***(Amounts in ₹ thousands)*

2 CAPITAL WORK-IN-PROGRESS	As at 31st March, 2024
Capital Work-in-Progress	16,010
Total	16,010

2.1 Capital Work-in-Progress comprises of indirect expenses on account of Project Development Expenditure.

2.2 Ageing of Capital Work-In-Progress

Particulars	As at 31st March, 2024				
	<1 Year	1-2 Years	2-3 Years	>3 Years	Total
Capital Work-in-Progress	16,010	-	-	-	16,010
Total	16,010	-	-	-	16,010

3 OTHER FINANCIAL ASSETS- NON CURRENT	As at 31st March, 2024
Security Deposit	10
Total	10

4 INVENTORIES	As at 31st March, 2024
Raw materials	42
Finished Goods	1
Total	43

5 CASH AND CASH EQUIVALENTS	As at 31st March, 2024
Balances with Bank:	
In Current Account	16,722
Cash and cash equivalents as per Balance sheet	16,722
Cash and cash equivalents as per Cash Flow Statement	16,722

6 OTHER CURRENT ASSETS (Unsecured and Considered Good)	As at 31st March, 2024
Balance with Customs, Central Excise, GST and State Authorities	2,698
Other Current Assets*	41
Total	2,739

*Other current assets include advance to vendor.

7 EQUITY SHARE CAPITAL	As at 31st March, 2024
Authorised Share Capital	
2,00,00,000 Equity Shares of ₹10/- each *	2,00,000
Total	2,00,000
Issued, Subscribed and Paid up Capital	
36,10,000 Equity Shares of ₹ 10/- each fully paid up *	36,100
Total	36,100

* Held by Reliance New Energy Limited (RNEL) along with 6 shareholders holding shares jointly with RNEL

Reliance Electrolyser Manufacturing Limited

Notes to the Financial Statements For the period from 22nd August, 2023 to 31st March, 2024

(Amounts in ₹ thousands)

7.1 Details of Shareholders holding more than 5% shares:

Name of the Shareholder	As at 31st March, 2024	
	No. of Shares	% held
Reliance New Energy Limited (along with 6 shareholders holding shares jointly with RNEL)	36,10,000	100%
	36,10,000	100%

7.2 Shareholding of Promoters

Promoter's Name	No. of Shares at the beginning of the period	Changes during the period	No. of Shares at the end of the period	% of total shares	% change during the period
Reliance New Energy Limited (along with 6 shareholders holding shares jointly with RNEL)	-	36,10,000	36,10,000	100%	100%

7.3 Reconciliation of Number of Equity Shares Outstanding:

Particulars	As at 31st March, 2024
No. of Equity Shares at the beginning of the period	-
Add: No. of Equity Shares Issued during the period	36,10,000
No. of Equity Shares at the end of the period	36,10,000

7.4 Rights, Preferences and Restrictions attached to Equity Shares

The Equity Shareholder is eligible for one vote per share held. The dividend proposed, if any, by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amount, in proportion to the number of equity shares held.

8 OTHER EQUITY

As at 31st March, 2024

Other Equity

Retained Earnings:

As per last Balance Sheet

-

Profit / (Loss) for the period

(2,063)

(2,063)

Other Comprehensive Income:

Opening Balance

-

Movement in OCI during the period

-

-

Total

(2,063)

9 TRADE PAYABLES DUE TO

As at
31st March, 2024

Micro and Small Enterprise

43

Other than Micro and Small Enterprise

165

Total

208

Reliance Electrolyser Manufacturing Limited
Notes to the Financial Statements For the period from 22nd August, 2023 to 31st March, 2024
(Amounts in ₹ thousands)

9.1 Trade Payables Ageing Schedule

Particulars	As at 31st March, 2024						Total
	Outstanding for following periods from due date of payment						
	Unbilled	Not Due	< 1 year	1-2 years	2-3 years	> 3 years	
(i) MSME	43	-	-	-	-	-	43
(ii) Others	165	-	-	-	-	-	165
(iii) Disputed Dues - MSME	-	-	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-	-	-
Total	208	-	-	-	-	-	208

There are no overdues to Micro, Small and Medium Enterprises as at March 31, 2024 for which disclosure requirements under Micro, Small and Medium Enterprises Development Act, 2006 are applicable.

	As at
	31st March, 2024
10 OTHER FINANCIAL LIABILITIES- CURRENT	
Creditors for Capital Expenditure	15,232
Total	15,232
	As at
	31st March, 2024
11 OTHER CURRENT LIABILITIES	
Advance from customers	278
Other Payables*	121
Total	399

*Includes Statutory Dues

Reliance Electrolyser Manufacturing Limited**Notes to the Financial Statements For the period from 22nd August, 2023 to 31st March, 2024***(Amounts in ₹ thousands)***12 REVENUE FROM OPERATIONS****From 22nd August, 2023
to 31st March, 2024**

Sale of Products	141
Less: GST Recovered	(7)
Value of sales	134

13 Changes in Inventories of Finished Goods, Work-In-Progress and Stock-in-Trade**A) Inventories (At Close)**

Finished Goods/Stock in Trade	1
	1

B) Inventories (At Commencement)

Finished Goods/Stock in Trade	-
	-

C) Capitalised during the period

	2
	2
TOTAL (B-A-C)	(1)

14 OTHER EXPENSES**From 22nd August, 2023
to 31st March, 2024****Manufacturing Expenses**

Labour, Processing and Machinery Hire Charges	41
---	----

Establishment Expenses

General expenses	2
Registration and Stamp Duty	2,006
Rates & taxes	3
Payment to auditors	55

Total	2,107
--------------	--------------

14.1 Payment to Auditor as:

(a) Fees as auditors	50
(b) Fees for other services*	5

Total	55
--------------	-----------

* Fees for other services includes certification fees paid to auditors.

14.2 CORPORATE SOCIAL RESPONSIBILITY (CSR)

As per Section 135 of The Companies Act, 2013, the CSR requirements are not applicable to the Company.

Reliance Electrolyser Manufacturing Limited**Notes to the Financial Statements For the period from 22nd August, 2023 to 31st March, 2024***(Amounts in ₹ thousands)***15 TAXES****15.1 Current Tax****From 22nd August, 2023
to 31st March, 2024**

Income Tax recognised in Statement of Profit and Loss

Current Tax

Deferred Tax

Total Income Tax expenses

-

-

-

The income Tax expenses for the period can be reconciled to the accounting profit as follows:

Profit/ (Loss) Before Tax

Applicable Tax Rate

Computed Tax Expense

(2,063)

17.16%

(354)

Tax effect of :

Expenses not Allowed (Expenses Disallowed)

Additional Allowances

Deferred Tax Asset on carried forward losses not recognised

341

(139)

152

Current Tax Provision (A)

-

**From 22nd August, 2023
to 31st March, 2024**

Incremental Deferred Tax Asset/(Liability) on account of Tangible and Intangible Assets

Incremental Deferred Tax Asset/(Liability) on account of Financial Assets and Other Items

Deferred Tax Asset (B)

-

-

-

Tax Income recognised in Statement of Profit and Loss (A+B)**0**

Effective Tax Rate

0%

15.2 Deferred tax assets as at Balance Sheet date consists of the following items.

Deferred tax assets and liabilities as at Balance Sheet date consists of the following items. As a matter of prudence, the Company has not recognised deferred tax assets in the books of account.

Deferred Tax Asset on

Deferred tax liability on account of Property, Plant and Equipment

Deferred tax asset on account of Carry forward business losses

(139)

152

13

Reliance Electrolyser Manufacturing Limited**Notes to the Financial Statements For the period from 22nd August, 2023 to 31st March, 2024***(Amounts in ₹ thousands)***16 EARNING PER SHARE (EPS)**

**From 22nd August, 2023
to 31st March, 2024**

Face Value per Equity Share (₹)	10
Basic Earnings Per Equity Share (₹)	(3.53)
Net Profit / (Loss) after tax as per statement of Profit and Loss (In ₹ Thousands)	(2,063)
Weighted Average Number of Equity Shares used as denominator for calculating basic EPS	5,85,000
Diluted earnings Per Equity Share (₹)	(3.53)
Net Profit / (Loss) after tax as per statement of Profit and Loss (In ₹ Thousands)	(2,063)
Weighted Average Number of Equity Shares used as denominator for calculating diluted EPS	5,85,000

Reliance Electrolyser Manufacturing Limited**Notes to the Financial Statements For the period from 22nd August, 2023 to 31st March, 2024***(Amounts in ₹ thousands)***17 RELATED PARTY DISCLOSURES**

As per Ind AS 24, List of Related Parties where Control Exists & with whom Transactions have taken place and Relationships are given below:

Name of the Related Party	Relationship
Reliance Industries Limited	Ultimate Holding Company
Reliance New Energy Limited	Holding Company

17.1 Transactions during the period 22nd August,2023 to 31st March, 2024 with Related Parties:

Nature of Transactions (Excluding Reimbursements)	Ultimate Holding Company	Holding Company	Total
Rent Expense	39	-	39
Business Support service	84	-	84
Infrastructure facilities charges	15	-	15
Issue of Equity Shares	-	36,100	36,100

17.2 Disclosure in Respect of all Related Party Transactions during the period:

Particulars	Relationship	For the period 22nd August, 2023 to 31st March, 2024
1. Rent Expense Reliance Industries Limited	Ultimate Holding Company	39
2. Business Support service Reliance Industries Limited	Ultimate Holding Company	84
3. Infrastructure facilities charges Reliance Industries Limited	Ultimate Holding Company	15
4. Issue of Equity Shares Reliance New Energy Limited	Holding Company	36,100

17.3 Balance as at end of period:

Particulars	Relationship	As at 31st March, 2024
Creditor for Capital Expenditures Reliance Industries Limited	Ultimate Holding Company	107
Equity Share Capital Reliance New Energy Limited	Holding Company	36,100

18 RATIO ANALYSIS

18.1 Particulars	For the period 22nd August, 2023 to 31st March, 2024
Current Ratio	1.23
Debt-Equity Ratio#	NOT APPLICABLE
Debt Service Coverage Ratio#	NOT APPLICABLE
Return on Equity Ratio	-12.12%
Inventory Turnover Ratio	4.81
Trade Receivables Turnover Ratio*	NOT APPLICABLE
Trade Payables Turnover Ratio	20.90
Net Capital Turnover Ratio	0.04
Net Profit Ratio	-1540%
Return on Capital Employed	-24.96%
Return On Investment**	NOT APPLICABLE

Not applicable to the Company as the Company has not taken any debt during the period.

* Not applicable to the Company as there were no trade receivables during the period.

**Not application as the company does not have any other income during the period.

Reliance Electrolyser Manufacturing Limited**Notes to the Financial Statements For the period from 22nd August, 2023 to 31st March, 2024***(Amounts in ₹ thousands)*

Formulae for Computation of Ratios are as follows:

Particulars	Formulae
1. Current Ratio	$\frac{\text{Current Assets}}{\text{Current Liabilities}}$
2. Debt - Equity Ratio	$\frac{\text{Total Debt}}{\text{Equity}}$
3. Debt Service Coverage Ratio	$\frac{\text{Earnings before Interest, Tax and Exceptional Items}}{\text{Interest Expense + Principal Repayments made during the period for long term loans}}$
4. Return on Equity Ratio	$\frac{\text{Profit After Tax (Attributable to Owners)}}{\text{Average Net Worth}}$
5. Inventory Turnover Ratio	$\frac{\text{Cost of Goods Sold (Cost of Material Consumed + Purchases + Changes in Inventory + Manufacturing Expenses)}}{\text{Average Inventories of Finished Goods, Stock-in-Process and Stock-in-Trade}}$
6. Trade Receivables Turnover Ratio	$\frac{\text{Value of Sales \& Services}}{\text{Average Trade Receivables}}$
7. Trade Payables Turnover Ratio	$\frac{\text{Cost of Materials Consumed (after adjustment of RM Inventory) + Purchases of Stock-in-Trade + Other Expenses}}{\text{Average Trade Payables}}$
8. Net Capital Turnover Ratio	$\frac{\text{Value of Sales \& Services}}{\text{Working Capital (Current Assets - Current Liabilities)}}$
9. Net Profit Ratio %	$\frac{\text{Profit After Tax}}{\text{Value of Sales \& Services}}$
10. Return on Capital Employed (Excluding Working Capital financing)**	$\frac{\text{Net Profit After Tax + Deferred Tax Expense/(Income) + Finance Cost (-) Other Income}}{\text{Average Capital Employed}}$
11. Return on Investment	$\frac{\text{Other Income (Excluding Dividend)}}{\text{Average Cash, Cash Equivalents \& Other Marketable Securities}}$

**Capital employed includes Equity, Borrowings, Deferred Tax Liabilities, Creditor for Capital Expenditure and reduced by Investments, Cash and Cash Equivalents, Capital Work-in-Progress and Intangible Assets under Development.

19 Details of loans given, investments made and guarantees given and securities provided covered u/s 186 (4) of the Companies Act, 2013.

No Loans or Guarantees or securities are given by the Company during the financial year ended 31st March, 2024.

No Investments are made by the Company during the financial year ended 31st March, 2024.

Reliance Electrolyser Manufacturing Limited

Notes to the Financial Statements For the period from 22nd August, 2023 to 31st March, 2024

(Amounts in ₹ thousands)

20 OPERATING SEGMENT

The Company is in the business of research, development, manufacture, deal in, assemble and improve all types of electrolysers, electrolyser system building blocks, chemicals ,materials, electrolyser balance of stack, balance of plant and all matters incidental thereto. Further the company is engaged in business of development and improvement of bio-energy technology and designing and developing bio-energy manufacturing facilities for all types of bio-energy products.

There are no separate business/ Geographical Segments as per Ind AS -108 on "Operating Segment". The Board (the 'Chief Operating Decision Maker' as defined in Ind AS 108 'Operating Segments'), who is responsible for allocating resources and assessing performance obtains financial information.

21 CAPITAL MANAGEMENT

The Company manages its capital to ensure that it will continue as going concern while maximizing the return to stakeholders. The Company manages its capital structure and makes adjustment in light of changes in business condition.

22 CATEGORYWISE CLASSIFICATION OF FINANCIAL INSTRUMENTS

Particulars	Carrying amount as at 31st March, 2024	As at 31st March, 2024		
		Level of Input used in		
		Level 1	Level 2	Level 3
Financial Assets				
Measured at Amortised Cost (AC)				
(i) Security deposit	10	-	-	-
(ii) Cash and Cash Equivalents	16,722	-	-	-
Financial Liabilities				
Measured at Amortised Cost (AC)				
(i) Trade Payables	165	-	-	-
(ii) Other Financial Liabilities	15,232	-	-	-

The financial instruments are categorised into three levels based on the inputs used to arrive at fair value measurements as described below:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than the quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Inputs based on unobservable market data.

Valuation Methodology:

All financial instruments are measured at amortised cost

FINANCIAL RISK MANAGEMENT

1. Credit Risk

Credit risk is the risk that a customer or counterparty to a financial instrument will fail to perform or pay amounts due causing financial loss to the company. It arises from its investment activities, derivative instruments and other financial assets.

2. Liquidity Risk

Liquidity risk arises from the Company's inability to meet its cash flow commitments on the due date. The company maintains sufficient stock of cash, marketable securities and committed credit facilities. It uses a range of products and a mix of currencies to ensure efficient funding from across well-diversified markets and investor pools. Treasury monitors rolling forecasts of the company's cash flow position and ensures that the company is able to meet its financial obligation at all times including contingencies.

Reliance Electrolyser Manufacturing Limited**Notes to the Financial Statements For the period from 22nd August, 2023 to 31st March, 2024***(Amounts in ₹ thousands)***23 CONTINGENT LIABILITIES AND COMMITMENTS**

Carrying amount as at 31st March, 2024

(A) COMMITMENT

Estimated amount of contracts remaining to be executed on Capital Account and not provided for
(Net of Advances)

- In respect of Others 27,309

24 OTHER STATUTORY INFORMATION

- (i) As per section 248 of the Companies Act, 2013, there are no balances outstanding with struck off companies.
- (ii) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
- (a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
- (b) Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (iii) The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
- (a) 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
- (b) Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (iv) The Company does not have any such transaction which is not recorded in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- (v) The Company do not have any Capital-work-in progress or intangible assets under development, whose completion is overdue or has exceeded its cost compared to its original plan

The Company was incorporated on 22nd August, 2023. The Statement of Profit and Loss accordingly covers the period from 22nd August, 2023 to 31st March, 2023. This being the first accounting period of the company, figures of the previous year end are not applicable

26 The Financial Statements are approved for issue by the Board of Directors on 17th April, 2024.

Reliance Electrolyser Manufacturing Limited

Notes to the Financial Statements For the period from 22nd August, 2023 to 31st March, 2024

(Amounts in ₹ thousands)

As per our Report of even date

For Chaturvedi & Shah LLP

Chartered Accountants

(Firm Registration No. 101720W/W100355)

For and on behalf of the Board

Sanjay Mashruwala

Director

DIN: 01259774

Harindrakumar Tripathi

Director

DIN: 10070116

Parag D. Mehta

Partner

Membership No. 113904

Place: Mumbai

Date: April 17, 2024

Karan Suri

Director

DIN: 08785731

Anurag Vedprakash Pandey

Director

DIN: 10289335