

TD POWER SYSTEMS USA INC
BALANCE SHEET

Particulars	Note No	Amount in Lakhs			
		As at 31.03.2023		As at 31.03.2022	
		₹	₹	₹	₹
I. ASSETS					
Non - current assets					
Property, plant and equipment	2		-		-
Current Assets					
Financial assets:					
Trade receivables	3	722.76		1,005.07	
Cash and cash equivalent	4	101.96		98.25	
Other financial assets	5	0.41		0.38	
Other current assets	6	253.06	1,078.19	1,117.78	2,221.48
			<u>1,078.19</u>		<u>2,221.48</u>
I. EQUITY AND LIABILITIES					
Equity:					
Share Capital	7	481.78		481.78	
Other equity	8	(1,019.14)	(537.36)	(1,364.62)	(882.84)
Non - current liabilities					
Financial liabilities:					
Loans and advances from Holding Company	9		776.25		942.00
Current Liabilities					
Financial liabilities:					
Trade payables					
- total outstanding dues of micro enterprises and Small enterprises	10		-		-
- total outstanding dues of creditors other than micro enterprises and Small enterprises		578.58		857.39	
Other current financial liabilities	11	206.30		170.40	
Other current liabilities	12	54.42	839.30	1,134.53	2,162.32
			<u>1,078.19</u>		<u>2,221.48</u>

The accompanying notes form an integral part of the financial statements
In Accordance with our Report attached

For B K Ramadhyani & Co. LLP

Chartered Accountants

Firm Registration No. 002878S/S200021

SATYANARAYAN
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RAMACHANDRA
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R Satyanarayana Murthi

Partner

Membership No.024248

Place : Bangalore

Date : 4th May 2023

For and on behalf of Board of Directors

MOHIB
NOMANBHAI
KHERICHA

Mohib N Khericha

Director

Place : Ahmedabad

Date : 4th May 2023

Nikhil Kumar

Director

Place : Bangalore

Date : 4th May 2023

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KUMAR

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TD POWER SYSTEMS USA INC
STATEMENT OF PROFIT AND LOSS FOR THE

Particulars	Note No	Amount in Lakhs	
		Year ended 31.03.2023	Year ended 31.03.2022
I. Revenue from Operations			
II. Other Income	13	4,780.89	3,095.07
III Total revenue (I + II)	14	53.74	-
IV Expenses		4,834.63	3,095.07
Purchases			
Employee benefits expense	15	4,112.09	2,643.25
Finance costs	16	224.06	185.13
Other expenses	17	40.48	32.14
Total Expenses	18	69.92	52.64
V Profit before tax (III-IV)		4,446.55	2,913.16
VI Tax expense:		388.08	181.91
- Current tax			
VII Profit/(loss) for the period (V-VI)		-	-
VIII Other comprehensive income		388.08	181.91
<u>Items that will be reclassified to profit or loss</u>			
Exchange difference on translation of foreign operations			
Total	19	(42.60)	(46.69)
IX Total comprehensive income for the period (VII+VIII)		(42.60)	(46.69)
Earnings per share		345.48	135.22
Basic and Diluted (Rs.)		484.49	227.10

The accompanying notes form an integral part of the financial statements

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For B K Ramadhyani & Co. LLP

Chartered Accountants

Firm Registration No. 002878S/S200021

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A MURTHI SATYANARAYANA
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Date: 2023.05.04
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R Satyanarayana Murthi

Partner

Membership No.024248

Place : Bangalore

Date : 4th May 2023



For and on behalf of Board of Director

MOHIB
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Mohib N Khericha

Director

Place : Ahmedabad

Date : 4th May 2023

Nikhil Kumar

Director

Place : Frankfurt

Date : 4th May 2023

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TD POWER SYSTEMS USA INC
STATEMENT OF CHANGES IN EQUITY AS AT 31ST MARCH 2023

Particulars	Amount in Lakhs
A. Equity Share Capital:	₹
Equity shares of USD 10 each issued, subscribed and fully paid	
As at 1st April 2021	
Issue of share capital	481.78
At 31st March 2022	-
As at 1st April 2022	481.78
Issue of share capital	
As at 31st March 2023	481.78

Particulars	Amount in Lakhs		
	Retained earnings	Exchange difference on translation of foreign operations	Total other equity
	₹	₹	₹
As at 1st April 2021			
Profit for the year 1st April 2021 to 31st March 2022	(1,422.32)	(77.52)	(1,499.84)
Exchange difference on translation of foreign operations	181.91	-	181.91
As at 31st March 2022	-	(46.69)	(46.69)
As at 1st April 2022	(1,240.41)	(124.21)	(1,364.62)
Profit for the year 1st April 2022 to 31st March 2023	(1,240.41)	(124.21)	(1,364.62)
Exchange difference on translation of foreign operations	388.08	-	388.08
As at 31st March 2023	-	(42.60)	(42.60)
	(852.33)	(166.81)	(1,019.14)

The accompanying notes form an integral part of the financial statements

In Accordance with our Report attached
 For **B K Ramadhyani & Co. LLP**
 Chartered Accountants
 Firm Registration No. 002878S/S200021

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R Satyanarayana Murthi
 Partner
 Membership No.024248

Place : Bangalore
 Date : 4th May 2023



For and on behalf of Board of Directors

MOHIB NOMANBHAI KHERICHA
 Mohib N Khericha
 Director
 Place : Ahmedabad
 Date : 4th May 2023

Nikhil Kumar
 Director
 Place : Frankfurt
 Date : 4th May 2023
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TD POWER SYSTEMS USA INC
CASH FLOW STATEMENT FOR THE

Particulars	Amount in Lakhs	
	Year ended 31.03.2023	Year ended 31.03.2022
A Cash flow from operating activities		
Net Profit before tax		
Adjustments for	388.08	181.91
Interest Payments		
Operating profit before Working Capital Changes	40.48	32.14
Adjustments for	428.56	214.05
Decrease/(Increase) in trade receivables		
Decrease/(Increase) Other Receivables	282.31	(955.28)
(Decrease)/Increase in Trade Payables	864.72	(465.67)
(Decrease)/Increase in Other Payable	(278.81)	816.90
Net Cash Flow from Operating Activities	(972.20)	(73.77)
	324.58	140.28
B Cash flow from financing activities		
Loan repaid to holding company		
Interest paid	(237.79)	(30.16)
Net Cash flow from financing activities	(40.48)	(62.30)
Net increase/decrease in cash and cash equivalents	(278.27)	(62.30)
Net Foreign exchange difference on translation	46.31	77.98
Cash and cash equivalents at the beginning of the year	(42.60)	(46.69)
Cash and cash equivalents at the end of the year	98.25	66.96
	101.96	98.25
Cash and cash equivalents at the end of the year- Constitute		
- Balances with banks		
In current accounts	101.96	98.25

NOTES : Cashflows are reported using the indirect method. Cash and cash equivalents is after adjusting translation gain/loss.

In Accordance with our Report attached

For B K Ramadhyani & Co. LLP

Chartered Accountants

Firm Registration No. 002878S/S200021

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Place : Bangalore

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TD POWER SYSTEMS USA INC.,
SUMMARY OF ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31ST
MARCH 2023

1 Significant Accounting Policies

1 Basis of preparation of financial statements:

The financial statements have been prepared on going concern basis and on accrual method of accounting. Historical cost convention is adopted while preparing financial statements. The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosures of contingent liabilities as at the date of the financial statements, and the reported amounts of revenue and expenses during the reported year.

1.2 Revenue Recognition:

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are inclusive of excise duty and net of returns, trade allowances, rebates, and value added tax/GST. The Company recognizes revenue from sale of goods when the following criteria have been satisfied:

- (a) the entity has transferred to the buyer the significant risks and rewards of ownership of the goods;
- (b) the entity retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- (c) the amount of revenue can be measured reliably;
- (d) it is probable that the economic benefits associated with the transaction will flow to the entity; and
- (e) the costs incurred or to be incurred in respect of the transaction can be measured reliably

Timing of recognition:

Revenue from Sale of Manufactured goods and in case of project business is recognized on shipment to customers or acceptance by the customers. On Service contracts, revenue is recognised based on the estimates made on completion as at the end of the reporting period.

Measurement of revenue:

Estimates of revenues, costs or extent of progress toward completion are revised if circumstances change. Any resulting increases or decreases in estimated revenues or costs are reflected in profit or loss in the period in which the circumstances that give rise to the revision become known by management.

1.3 Foreign currency transactions:

- a) Foreign currency transactions are translated into Indian rupees at the exchange rate prevailing on the date of the transaction.
- b) Monetary foreign currency assets and liabilities outstanding at the end of the year are restated at the exchange rates prevailing on the reporting date. In terms of IND AS 21, the exchange gains/losses are charged to other comprehensive income..
- c) Non monetary items denominated in foreign currency, are valued at the exchange rate prevailing on the date of transaction.
- d) In respect of overseas branches, financial statements are translated as if the transactions are those of the Company itself.

1.4 A. Property, plant and equipments:

All items of Property, Plant and Equipment's are carried at cost less accumulated depreciation / amortization and impairment losses, if any. The cost of Property, Plant and Equipment's are stated at cost of acquisition excluding vatable duties, inclusive of freight, taxes and incidental expenses relating to the acquisition and finance cost on borrowings utilized for acquisition of qualifying Property, Plant and Equipment's. Property, Plant and Equipment's manufactured internally are capitalized at Factory Cost.

B. Depreciation:

Depreciation on tangible assets is provided using straight line method (SLM) with reference to the estimated useful life of the Property, Plant and Equipment's less its residual value as prescribed under Schedule II of The Companies Act 2013, or actual useful life of the asset, whichever is lower. Property, plant and equipment's costing below ₹. 5,000/- are depreciated fully. Depreciation is charged for complete quarter on addition / deletion.

1.5 Inventories:

Inventories are valued at cost or net realizable value, whichever is lower. Raw materials and bought out items are valued on first in first out basis and includes material cost, carriage inward, insurance and purchase related expenses. Cost in respect of work in progress and finished goods include appropriate portion of overhead. Net realization value represents the selling price for inventory less all estimated cost of completion and cost necessary to make the sale.



**TD POWER SYSTEMS USA INC.,
SUMMARY OF ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31ST MARCH
2023**

1.6 Impairment of assets:

At each balance sheet date, the management reviews the carrying amount of its asset to determine whether there is any indication that those assets are impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment loss. Reversal of impairment loss, if any, is recognised immediately in the statement of profit and loss.

1.7 Leases:

Company as a Lessee:

Contracts with third party, which give the company the right of use in respect of an Asset, are accounted in line with the provisions of Ind AS 116 – Leases, if the recognition criteria as specified in the Accounting standard are met.

Lease payments associated with Short terms leases and Leases in respect of Low value assets are charged off as expenses on straight line basis over lease term or other systematic basis, as applicable.

At commencement date, the value of "right of use" is capitalised at the present value of outstanding lease payments plus any initial direct cost and estimated cost, if any, of dismantling and removing the underlying asset and presented as part of Plant, property and equipment.

Liability for lease is created for an amount equivalent to the present value of outstanding lease payments and presented as Borrowing. Subsequent measurement, if any, is made using Cost model.

Each lease payment is allocated between the liability created and finance cost. The finance cost is charged to the Statement of Profit and loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

The lease payments are discounted using the interest rate implicit in the lease, if that rate can be determined, or the company's incremental borrowing rate.

Lease modifications, if any are accounted as a separate lease if the recognition criteria specified in the standard are met.

Company as a lessor:

Leases are classified as operating lease or a finance lease based on the recognition criteria specified in Ind AS 116 – Leases

Finance Lease:

At commencement date, amount equivalent to the "net investment in the lease" is presented as a Receivable. The implicit interest rate is used to measure the value of the "net investment in Lease".

Each lease payment is allocated between the Receivable created and finance income. The finance income is recognised in the Statement of Profit and loss over the lease period so as to reflect a constant periodic rate of return on the net investment in Lease.

The asset is tested for de-recognition and impairment requirements as per Ind AS 109 – Financial Instruments.

Lease modifications, if any are accounted as a separate lease if the recognition criteria specified in the standard are met.

Operating Lease:

The company recognises lease payments from operating leases as income on either a straight-line basis or another systematic basis, if required.

Lease modifications, if any are accounted as a separate lease if the recognition criteria specified in the standard are met.

1.8 Borrowing Cost:

Interest and other borrowing cost on borrowings relating to qualifying assets are capitalized up to the date such assets are ready for use. Other interest and borrowing cost are charged to Profit & Loss Account.

1.9 Provision and contingencies

A Provision is recognized when an enterprise has a present (legal or constructive) obligation as a result of past event; and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made.

These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the notes.

1.10 Contingent Liabilities:

Financial effects of contingent liabilities are disclosed based on information available up to the date on which financial statements are approved. However, where a reasonable estimate of financial effect cannot be made, suitable disclosures are made with regard to this fact and the existence and nature of the contingent liability.



TD POWER SYSTEMS USA INC.,
NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023

2 PROPERTY, PLANT AND EQUIPMENTS

Particulars	GROSS BLOCK (AT COST)			DEPRECIATION			Amount in Lakhs	
	As at 01.04.2022	Additions	Disposals	As at 01.04.2022	For the year	As at 31.03.2023	As at 31.03.2023	As at 31.03.2022
Computers	1.04	-	-	1.04	-	1.04	-	-
TOTAL	1.04	-	-	1.04	-	1.04	-	-
<i>Previous Year</i>	<i>1.04</i>	<i>-</i>	<i>-</i>	<i>1.04</i>	<i>-</i>	<i>1.04</i>	<i>-</i>	<i>-</i>

Note:

Depreciation is calculated on the basis of the estimated useful life of the asset as prescribed in Schedule II or actual useful life of the asset whichever is lower. The Life of assets followed by company is as follows:

Asset	Useful life (in Years)
Computers	3



TD POWER SYSTEMS USA INC.,
NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023

Particulars	Amount in Lakhs	
	As at	As at
	31.03.2023	31.03.2022
	₹	₹
3 TRADE RECEIVABLES:		
Trade receivables	722.76	1,005.07
Additional information:	722.76	1,005.07
Breakup of above:		
Unsecured, considered good	722.76	1,005.07
Total	722.76	1,005.07
Trade Receivables ageing schedule		
Undisputed Trade receivables - considered good		
Not Due	597.80	645.04
Less than 6 months	124.96	360.03
	722.76	1,005.07
4 CASH AND CASH EQUIVALENT		
Balances with banks		
- on current accounts	101.96	98.25
	101.96	98.25
5 OTHER FINANCIAL ASSETS:		
(Unsecured , Considered good)		
Security deposit	0.41	0.38
	0.41	0.38
6 OTHER CURRENT ASSETS		
Trade advance	253.06	1,117.78
Additional information:	253.06	1,117.78
Trade advance to holding company	213.71	1,117.78
	213.71	1,117.78



TD POWER SYSTEMS USA INC.,
NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023

7 SHARE CAPITAL

Particulars	Amount in Lakhs	
	As at 31.03.2023	As at 31.03.2022
Authorized:		
Equity shares of USD. 10/- each:		
Number of Equity Shares	10,00,000	10,00,000
Amount of Equity Share Capital (in USD)	100.00	100.00
Issued, subscribed and fully paid up:		
Equity shares of USD 10/- each		
Number of Equity Shares		
At the beginning of the year	80,100	80,100
Issued during the year	-	-
At the close of the year	80,100	80,100
Amount of Equity Share Capital (in Rs)		
At the beginning of the year	481.78	481.78
Issued during the year	-	-
At the close of the year	481.78	481.78
Particulars of equity share holders holding more than 5% of the total paid up equity share capital:	As at 31.03.2023	As at 31.03.2022
TD Power Systems Limited (Holding Company)		
- Number of Shares held	80,100	80,100
- Percentage of Share Capital	100.00%	100.00%



TD POWER SYSTEMS USA INC.,
NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023

Particulars	As at 31.03.2023	As at 31.03.2022
	₹	₹
8 OTHER EQUITY		
<u>Surplus i.e. balance in Statement of Profit & Loss</u>		
As at the beginning of the year	(1,240.41)	(1,422.32)
Add: Transferred from Statement of Profit and Loss	388.08	181.91
As at the end of the year - A	(852.33)	(1,240.41)
Other Comprehensive Income		
<u>Exchange difference on translation of foreign operations</u>		
As at the beginning of the year	(124.21)	(77.52)
Add: Transferred from Statement of Profit and Loss	(42.60)	(46.69)
As at the end of the year - B	(166.81)	(124.21)
Total Other Equity (A+B)	(1,019.14)	(1,364.62)
9 OTHER NON CURRENT FINANCIAL LIABILITIES		
Loans and advances from Holding Company *	776.25	942.00
	776.25	942.00
* Terms of Unsecured loan from Holding Company:		
The company has borrowed unsecured loan from its holding company for a period of 24 months or such other period as mutually agreed upon.		
Interest at SOFR + 3% is charged on outstanding amount annually		
10 TRADE PAYABLES		
total outstanding dues of micro enterprises and Small enterprises	-	-
total outstanding dues of creditors other than micro enterprises and Small enterprises	578.58	857.39
	578.58	857.39
Additional disclosure:		
Due to Holding Company	578.58	852.49
Outstanding dues to Others - Less than 1 year	578.58	857.39
11 OTHER CURRENT FINANCIAL LIABILITIES:		
Outstanding Liabilities	206.30	170.40
	206.30	170.40
12 OTHER CURRENT LIABILITIES:		
Trade advance received from customers	54.42	1,134.53
	54.42	1,134.53



TD POWER SYSTEMS USA INC.,
NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023

Particulars	Amount in Lakhs	
	Year ended 31.03.2023	Year ended 31.03.2022
	₹	₹
13 REVENUE FROM OPERATIONS:		
Sale of Goods		
- Power Business	4,780.89	3,095.07
	4,780.89	3,095.07
14 OTHER INCOME:		
Other non operating income	53.74	-
	53.74	-
15 Purchases for Project Business:		
Purchases for Projects Business	4,112.09	2,643.25
	4,112.09	2,643.25
16 EMPLOYEE BENEFIT EXPENSES:		
Salaries and wages	224.06	184.79
Staff welfare expenses	-	0.34
	224.06	185.13
17 FINANCE COSTS:		
Interest expense	40.48	32.14
	40.48	32.14



TD POWER SYSTEMS USA INC.,
NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023

Particulars	Amount in Lakhs	
	Year ended 31.03.2023	Year ended 31.03.2022
	₹	₹
18 OTHER EXPENSES:		
Rent		
Repairs and maintenance	4.76	4.49
- Others		
Insurance	-	0.26
Rates and taxes	20.01	22.22
Selling expenses	0.76	1.14
Legal and professional charges	-	0.45
Travelling and Conveyance	36.68	19.20
Bank charges	3.89	1.15
Postage, Telegrams and Telephones	0.21	0.51
Printing & Stationary	3.06	2.61
Subscription to Technical Associations, Journals & Magazines	0.18	0.09
	0.37	0.52
	69.92	52.64
19 OTHER COMPREHENSIVE INCOME/(LOSS):		
Exchange difference on translation of foreign operations	(42.60)	(46.69)
	(42.60)	(46.69)



TD POWER SYSTEMS USA INC.,
NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023

20 RELATED PARTIES DISCLOSURE:

Sl. No.	Name of the related party	Relationship
1	T D Power Systems Ltd.,	Holding Company
2(a)	DF Power Systems Pvt Ltd.,	
2(b)	TD Power Systems Japan Ltd.,	Fellow Subsidiary
2(c)	TD Power Systems Europe GmbH	
2(d)	TD Power Systems Jenerator Sanayi Anonim Sirketi	

DETAILS OF RELATED PARTY TRANSACTIONS:

Sl. No.	Nature of transactions	Holding Company (In Lakhs)
1	Purchase of Generators and services -For the year ended 31st March 2023 -For the year ended 31st March 2022	4,027.54 2,601.13
2	Inter Corporate Loan repaid to Holding Company during the year: -For the year ended 31st March 2023 -For the year ending 31st March 2022	237.79 30.16
3	Interest on Inter-Corporate Loan -For the year ended 31st March 2023 -For the year ended 31st March 2022	40.48 32.14
4	Reimbursement of bank guarantee charges to holding company -For the year ended 31st March 2023 -For the year ended 31st March 2022	0.08 0.03
5	Amount payable to Holding Company -As at 31st March 2023 -As at 31st March 2022	578.58 852.49
6	Trade advance paid to Holding Company -As at 31st March 2023 -As at 31st March 2022	213.71 1,117.78
7	Inter-Corporate Loan -As at 31st March 2023 -As at 31st March 2022	776.25 942.00

- 21 The Company has shown significant improvement in revenue and profits over the last 2 years. Though, the accumulated losses exceed its share capital as at the end of the reporting period, the improved operating performance is enabling the reduction of the accumulated losses and the company is heading towards a positive net worth. Though the Company's liabilities exceed its total assets by ₹ 537.36 lakhs (As at 31st March 2022: ₹ 882.84 lakhs), a substantial portion of the liabilities is loan from the Parent company against which repayments to the tune of ₹ 237.79 lacs (PY: ₹ 30.16 lacs) have been made which reflects improvement of its cash flows. Thus, the Company is able to sustain its operating requirements as well as partially repay the parent company loans. The parent company is however renewing the loans on timely basis reflecting its resolve to support the Company and grow the market. Further, the parent company is authorised by its Board to infuse further funds as and when required. Considering the above factors, the management is of the opinion that the going concern assumption in preparation of the financial statements is appropriate.
- 22 The company does not have any pending litigations which would impact its financial position as on the reporting date.
- 23 The company does not have any long term contracts including derivative contracts for which there were any material foreseeable losses.



24 Details of Key Ratios: - (All amounts in Indian Rupees Lakhs, except as otherwise stated)

Sl No	Ratios	March 31, 2023			March 31, 2022			% Variance	Reason for Variance
		Numerator	Denominator	Value	Numerator	Denominator	Value		
1	Current Ratio	1,078.19	839.30	1.28	2,221.48	2,162.32	1.03	-25.04%	Due to reduction in advance paid to suppliers
2	Debt-equity Ratio	776.25	-537.36	-1.44	942.00	-882.84	-1.07	-35.38%	Due to repayment of loan & improved net worth
3	Debt service coverage ratio	428.56	776.25	0.55	214.05	942.00	0.23	-142.97%	Due to higher profits during current year
4	Return on equity ratio	388.08	-710.10	-0.55	181.91	-930.37	-0.20	-179.51%	Due to higher profits during current year
5	Inventory turnover ratio				Not Applicable				There are no inventory as at the end of the year
6	Trade receivables turnover ratio	4,780.89	863.92	5.53	3,095.07	733.80	4.22	31.20%	Due to higher turnover during current year
7	Trade payables turnover ratio	4,112.09	717.99	5.73	2,643.25	700.55	3.77	51.79%	Due to higher purchases/consumption during current year
8	Net capital turnover ratio	4,780.89	238.89	20.01	3,095.07	59.16	52.32	61.75%	Due to higher turnover and current ratio in current year
9	Net profit ratio	388.08	4,780.89	0.08	181.91	3,095.07	0.06	-38.11%	Due to higher profits during current year
10	Return on capital employed	428.56	238.89	1.79	214.05	59.16	3.62	-50.42%	Due to higher profits during current year
11	Return on investment				Not Applicable				

Note on Ratios:

- 1 Current ratio = Current assets / Current liabilities
- 2 Debt-equity Ratio = Total Debt / Total equity
- 3 Total Debt = Borrowings (current and non-current) and lease liabilities (current and non-current)
- 4 Debt service coverage ratio = Earnings available for debt service/ Debt Service.
- 5 Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of Fixed assets etc.
- 6 Debt service = Interest & Lease Payments + Principal Repayments
- 7 "Net Profit after tax" means reported amount of "Profit / (loss) for the period" and it does not include items of other comprehensive income
- 8 Return on equity ratio = Net Profits after taxes - Preference Dividend / Average Shareholder's Equity
- 9 Inventory turnover ratio = Sales / Average Inventory
- 10 Trade receivables turnover ratio = Net Credit Sales / Average Accounts Receivable
- 11 Trade payables turnover ratio = Net Credit Purchases / Average Trade Payables
- 12 Net capital turnover ratio = Net Sales / Working Capital.
- 13 Working Capital = Current Assets - Current liabilities
- 14 Net profit ratio = Net Profit after taxes / Net Sales
- 15 Return on capital employed = Earning before interest and taxes / Capital Employed - Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability.
- 16 Return on investment - ROI = (Current Value of Investment - Cost of investment) / Cost of investment

25 No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

26 Recent amendments to Standards:

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. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, as below:

Ind AS 1 - Presentation of financial Statements:

This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies.

Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors:

This amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates.

27 Additional disclosures:

- i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- ii) The Company does not have any charges/satisfaction which is yet to be registered with ROC beyond the statutory period.
- iii) The Company has not traded or invested in Crypto currency or Virtual Currency during the year.
- iv) The Company has not been declared as wilful defaulter by any bank or financial institution or government or any government authority.
- v) 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 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- vi) The Company does not have transactions or balances with struck off companies.

28 The Code on Social Security 2020 ("the Code") relating employee benefits, during the employment and post employment, has received presidential assent on September 28, 2020. The Code has been published in the Gazette of India. Further, the Ministry of Labour and Employment has released draft rules for the Code on November 13, 2020. However, the effective date from which the changes are applicable is yet to be notified and rules for quantifying the financial impact are yet to be issued. The Company will assess the impact of the Code and will give appropriate impact in the financial statements in the period in which the Code becomes effective and the related rules to determine the financial impact are published.



INDEPENDENT AUDITOR'S REPORT

To the Members of TD POWER SYSTEMS USA INC

Report on the Financial Statements:

Opinion:

We have audited the standalone Ind AS financial statements of TD Power Systems USA Inc ("the Company") which comprise of balance sheet as at March 31, 2023, the statement of profit & loss, statement of changes in equity and the cash flow statement for the year then ended, notes to Ind AS financial statements including a summary of significant accounting policies and other explanatory information.

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

Basis of Opinion:

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those Standards are further described in the Auditor's Responsibilities 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 together with the ethical requirements that are relevant to our audit of the Ind AS financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern:

We draw attention to the following matter in the notes to financial statements:

Note 21 to the Significant accounting policies and other explanatory information which indicates that the company has accumulated losses and its net worth has been fully eroded. However, during the year the Company has total comprehensive income of Rs.345.48 lakhs as compared to total comprehensive loss of Rs.135.22 lakhs during previous year. These conditions, along with other matters set forth in the said note, does not indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

Key Audit Matters:

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Ind AS financial statements for the financial year ended March 31, 2023. These matters were addressed in the context of our audit of the Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

There were no key audit matters that need to be reported.

Management's Responsibility for Ind AS Financial Statements:

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act, with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting standards specified under section 133 of the Act. 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 implementation and maintenance of 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 statement 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.

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

Auditor's Responsibilities for the Audit of the Ind AS Financial Statements:

Our objectives are to obtain reasonable assurance about whether the Ind AS financial statements 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 judgement and maintain professional scepticism through 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 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 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 ability of the Company 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 standalone 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 consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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. The Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, is not applicable.
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, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, it is not applicable to a foreign company.
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with requirement of Section 197 (16) of the Act, as amended:

In our opinion and according to the information and explanation given to us, the Company has not paid any remuneration to its directors.
 - 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, in our opinion and to the best of our information and according to the explanations given to us:
 - i) The Company has disclosed its pending litigations which would impact its financial position in note 28(b) of the Ind AS financial statements.
 - ii) The Company did not have any long-term contracts as required under the applicable law or accounting standards, and also not entered into any derivative contracts, accordingly no provision is required to be made in respect of 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) Based on the information and explanation provided and as represented to us by the management to the best of it's knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), 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) Based on the information and explanation provided and as represented to us by the management to the best of it's knowledge and belief, other than as disclosed in the notes to the accounts, 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; and
- 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) There was no dividend declared or paid during the year by the company accordingly, section 123 of the Companies Act 2013 is not applicable.
- vi) As per proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

Date: May 04, 2023
Place: Bangalore

For B.K.RAMADHYANI & CO LLP
Chartered Accountants
Firm Registration No. 002878S/S200021

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RAMACHANDRAN

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SATYANARAYANA MURTHI
RAMACHANDRAN
Date: 2023.05.04 18:26:19
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CA R SATYANARAYANA MURTHI
Partner
Membership No. 024248
UDIN:23024248BGYGUG7754

