

**Independent Auditor's Report on the Quarterly and Year to Date Standalone Financial Results of the Virescent Renewable Energy Trust pursuant to the Regulation 23 of the SEBI (Infrastructure Investment Trusts) Regulations, 2014, as amended**

To

**The Board of Directors of**

Virescent Infrastructure Investment Manager Private Limited

(acting as 'Investment Manager' to Virescent Renewable Energy Trust)

**Report on the Audit of Standalone Financial Results**

**Opinion**

We have audited the accompanying Statement of standalone financial results of Virescent Renewable Energy Trust (hereinafter referred to as 'the Trust') which comprise of Standalone Statement of Profit and Loss, explanatory notes thereto and the additional disclosures as required by paragraph 6 of Annexure A to SEBI Circular No. CIR/IMD/DF/127/2016 dated November 29, 2016 (the "SEBI Circular") as amended, for the quarter and year ended March 31, 2023 ('the Statement'), attached herewith, being submitted by the Investment Manager pursuant to the requirement of Regulation 23 of the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014 as amended, read with the SEBI Circular. ("InvIT Regulations").

- (i) In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Statement is presented in accordance with the requirements of Regulation 23 of the InvIT Regulations, as amended from time to time read with the SEBI Circular No. CIR/IMD/DF/127/2016 dated November 29, 2016 in this regard and
- (ii) gives a true and fair view in conformity with the recognition and measurement principles laid down in the applicable accounting standards prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, to the extent not inconsistent with the InvIT Regulations, of net profit and other comprehensive income and other financial information of the Trust for the quarter and year ended March 31, 2023.

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Standalone financial results section of our report. We are independent of the trust 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 standalone financial results 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 obtained by us is sufficient and appropriate to provide a basis for our opinion.



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## Responsibilities of Management for the Standalone Financial Results

The Statement has been prepared on the basis of the annual financial statements. Management of Investment Manager (“the Management”) is responsible for the preparation and presentation of the Statement that give a true and fair view of the net profit and other comprehensive income and other financial information of the Trust, in accordance with the InvIT Regulations, the Indian Accounting Standards as defined in Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015 (as amended) and other accounting principles generally accepted in India, to the extent not inconsistent with InvIT Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the trust 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 accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Statement, the Management is responsible for assessing the Trust’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 the Management either intends to liquidate the trust or to cease operations, or has no realistic alternative but to do so.

The Management is responsible for overseeing the financial reporting process of the Trust.

## Auditor’s Responsibilities for the Audit of the Standalone Financial Results

Our objectives are to obtain reasonable assurance about whether the Statement as a whole is 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 this Statement.

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 Statement, 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 but not for expressing our opinion on whether the Trust has internal financial controls, with reference to Statement, in place and the operating effectiveness of such controls.



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- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the Management 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 Trust 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 Statement 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 trust to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance of the Trust of which we are the independent auditors 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.

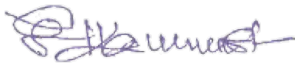
## Other Matters

The Statement include the standalone financial results for the quarter ended March 31, 2023 being the balancing figures between the audited figures in respect of the full financial year ended March 31, 2023 and the published unaudited year-to-date figures up to the December 31, 2022, being third quarter of the current financial year which were subject to limited review as per Regulation 23 of the InvIT Regulations and prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting". Our opinion is not modified in respect of this matter.

**For M S K A & Associates**

Chartered Accountants

ICAI Firm Registration No.105047W



Ananthkrishnan Govindan

Partner

Membership No. 205226

UDIN: 23205226BGWDVJ1932



Place: Hyderabad

Date: May 12, 2023