

KANCHANJUNGA

NOTICE

NOTICE is hereby given that the 31st Annual General Meeting of the Members of **Kanchanjunga Power Company Private Limited** will be held at a shorter notice on **Wednesday, September 28, 2022** at 4.00 p.m. at the Registered Office of the Company at A-26/5, 1st Floor, Street No.8 West Vinod Nagar, East Delhi -110092 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the year ended on March 31, 2022 together with the Auditors' and Directors' Report thereon.

By Order of the Board of Directors
For Kanchanjunga Power Company Private Limited



Jyoti

Jyoti Chawla
Company Secretary
ACS- 44668

Place : Noida
Date : September 23, 2022

Kanchanjunga Power Company Private Limited

CIN No.: U74899DL1991PTC046387 | GSTIN: 02AABCK9368H1ZG Email Id : phg.secretarial@polyplex.com
Corporate Office: B-37, 3rd Floor, Sector-1, Noida-201301, Gautam Budh Nagar, (U.P.), India, Board: +91-120 4621300 | Fax: +91-120 4621333
Registered Office: A-26/5, First Floor, Street No. 8, West Vinod Nagar, Delhi-110092
Site: KPCPL Power House, Patnikuhal Shila, Halan II Road, Tehsil Manali, District Kullu-175129, Himachal Pradesh
Website: <http://indiahydro.in/consortium-members/kanchanjunga-power-priv-ltd>

KANCHANJUNGA

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND ON A POLL, TO VOTE INSTEAD OF HIMSELF AND THAT THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. Proxies in order to be effective should be lodged with the Company at its Registered Office, at least 48 hours before the commencement of the meeting.
3. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified true copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
4. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 and the Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013 will be available for inspection by the members at the AGM.
5. Route/ Guidance to reach the venue of the Annual General Meeting as required under SS-2



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Website: <http://indiahydel.in/consortium-members/kanchanjunga-power-pvt-ltd>

Form No. MGT-11

Proxy form

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN: U74899DL1991PTC046387
Name of the company: **KANCHANJUNGA POWER COMPANY PRIVATE LIMITED**
Registered office: A-26/5, 1st Floor, Street No.8 West Vinod Nagar Delhi East
Delhi 110092

Name of the member (s): Registered address: E-mail Id: Folio No/ Client Id:DP ID

I/We, being the member (s) holding no. of shares of the above named company, hereby appoint:

1. Name: Address: E-mail Id: Signature....., or failing him	2. Name: Address: E-mail Id: Signature:
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as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 31st Annual General Meeting of the Company, to be held on the Wednesday, September 28, 2022 at 4.00 p.m. at Registered Office of the Company at A-26/5, 1st Floor, Street No.8, West Vinod Nagar, Delhi-110092 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.

1.....

Affix Revenue Stamp

Signature of shareholder

Signature of Proxy holder(s)

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

Attendance Slip

I hereby record my presence at the 31st Annual General Meeting of the Company being held on Wednesday, September 28, 2022 at 4.00 p.m. at A-26/5, 1st Floor, Street No.8, West Vinod Nagar, Delhi-110092.

Name of the Member/ Proxy _____

(in Block letters)

Reference Folio / Client Id:DP ID _____ No. of Shares held _____

Signature of the Member/Proxy

Note:

Please complete this attendance slip and hand it over at the entrance of the venue of the Meeting.

KANCHANJUNGA

DIRECTORS' REPORT

To
The Members
Kanchanjunga Power Company Private Limited

Your Directors have pleasure in submitting the 31st Annual Report and Audited Financial Statements for the year ended March 31, 2022.

1. FINANCIAL RESULTS

During the year under review, your company reported turnover of **Rs. 3543.71 Lacs** as against **Rs. 4107.71 Lacs** in corresponding previous year. Your Company earned a cash profit of **Rs. 650.83 Lacs** as against **Rs. 1043.81 Lacs** in previous year.

The financial results of the Company for the current year (2021-22) and the previous year (2020- 21) are summarized hereunder

(Rs. in Lacs)			
Sn	Particulars	01 Apr 2021 to 31 Mar-2022	01 Apr 2020 to 31 Mar 2021
(a)	Revenue	3543.71	4107.71
(b)	Less: Operating Expenditure	1856.83	1897.86
(c)	Operating Profit	1686.88	2209.85
(d)	Add: Other Income	78.29	107.94
(e)	Profit before Interest, Depreciation and Tax	1765.17	2317.79
(f)	Less: Finance Cost	1114.34	1273.98
(g)	Profit before Depreciation and Tax	650.83	1043.81
(h)	Less: Depreciation	1495.47	1854.77
(i)	Profit before Tax and Extraordinary Items	(844.64)	(810.96)
(j)	Extraordinary Items	-	125.08
(k)	Profit before Tax	(844.64)	(936.04)
(l)	Less: Provision for taxes	-	-
	Less : Deferred Tax	(207.60)	(654.06)
(m)	Net Profit/(Loss)after tax available for Appropriations	(637.04)	(281.98)
(n)	Appropriations	-	-
(o)	Leaving a balance to be carry forward	(637.04)	(281.98)

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2. BUSINESS OPERATIONS

The plant generated 96.22 Million Units (MUs) of power during the current financial year achieving 93% of the designed energy as against 101.22 MUs of power during the previous year achieving 98% of the designed energy.

3. SUBSIDIARY & HOLDING COMPANIES

The Company is a Subsidiary of Lingaraj Portfolios Private Limited, which holds 90.00% of the equity share capital of the Company.

Further, your Company does not have any Subsidiary Company, Associate Company or Joint Venture.

4. DIVIDEND AND TRANSFER TO RESERVES

In view of inadequacy of Profits, your Directors regret their inability to recommend any Dividend.

5. CHANGE IN THE NATURE OF BUSINESS, IF ANY

There is no change in the nature of business of your company during the year under review.

6. MATERIAL CHANGES AND COMMITMENTS

No material changes and commitments affecting the financial position of the Company have occurred between the end of the financial year of the company to which financial statements relate and on the date of this report.

7. ALTERATION IN ARTICLES OF ASSOCIATION OF THE COMPANY

The Company during the year under review, has altered its Articles of Association by passing special resolution at an Extra Ordinary General Meeting held on March 25, 2022, by replacing / substituting existing Article 25 with new Article 25, with respect to Power to appoint Nominee Director on the Board of the Company.

8. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

During the year under review, Company has provided loan covered under the provisions of Section 186 of the Companies Act, 2013 ('the Act').

9. ISSUE / REDEMPTION OF DEBENTURE

During the year the Company has issued 155 nos. 8.25% Secured, Rated, Unlisted, Redeemable, Non-convertible Debenture of Rs. 10,00,000/ amounting to Rs. 15.5 crore. The proceeds from this issuance was utilized for partly repayment / redemption of existing Non-Convertible Debentures (Series 1).

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Further, the Company has issued 995 nos. 8.25% Secured, Rated, Listed, Redeemable, Non-convertible Debenture (NCDs) of Rs. 10,00,000/- amounting to Rs. 99.50 Crs on June 2, 2022. The proceeds from this issuance was utilized for complete redemption of existing Non-Convertible Debentures (Series 1). The aforesaid NCDs are listed on National Stock Exchange on June 8, 2022.

10. DEPOSITS FROM PUBLIC

The Company has not accepted any deposit from public during the Financial Year 2021-22. There were no unclaimed deposits as at March 31, 2022.

11. RISK MANAGEMENT

The Company is not required to have any formal Risk Management Policy. However, various risks associated with the business of the Company are periodically reviewed by the Board.

12. INTERNAL FINANCIAL CONTROL

The Company has laid down well defined Internal Financial Controls. In the opinion of Board Internal Financial Controls affecting the financial statements are adequate and are operating effectively.

12. DIRECTORS' RESPONSIBILITY STATEMENT

As required under Section 134(3) of the Act, in relation to the Financial Statements for the Financial Year 2021-22, the Board of Directors state that: -

- i) In the preparation of the annual accounts, the applicable accounting standards have been followed and there are no material departures;
- ii) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on March 31, 2022 and Profit or Loss of the Company for the year ended on March 31, 2022;
- iii) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) Annual accounts have been prepared on a 'going concern' basis;
- v) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively; and
- vi) Adequate internal financial controls have been laid and effectively followed by the Company.

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13. DIRECTORS AND KEY MANAGERIAL PERSONNEL

During the Financial Year 2021-22, Mr. Rohit Saraf, Mr. Vibhav Saraf (Whole Time Director) and Mr. Pramod Kumar Arora (Whole Time Director), Mr. Shivam Rohitkumar Saraf and Mr. Anirudh Saraf served on the Board.

However, with effect from May 16, 2021 Mr. Kumar Uday Pratap Ajay was no longer on the Board of the Company due to his sudden demise by COVID pandemic.

Mr. Pramod Kumar Arora have been appointed as an Additional Director in the category of Executive Professional, Whole Time Director on the Board of Company w.e.f July 1, 2021.

Mrs. Jyoti Chawla, an Associate member of Institute of Company Secretaries of India (ICSI) is serving as a Company Secretary of the Company.

The Company has appointed Mr. Parvesh Sharma as CFO (Chief Financial Officer) on March 29, 2022.

The Company, being Private Limited, is not required to appoint Independent Directors as per the provisions of section 149(4) of the Companies Act, 2013. Further, outstanding value of listed non-convertible debentures of the Company is less than Rs. 500 Cr. Hence, Regulation 17 of SEBI (LODR) Regulation 2015, in respect to composition of Board is not applicable to the Company.

14. NUMBER OF MEETINGS OF THE BOARD

During the Financial Year 2021-22, ten meetings of the Board were held and the gap between two meetings was not more than 120 days.

The dates of meetings were: April 9, 2021; June 24, 2021; June 25, 2021; July 16, 2021; August 16, 2021; November 15, 2021; February 25, 2022; March 25, 2022; March 29, 2022 and March 31, 2022.

15. POLICY ON DIRECTORS APPOINTMENT AND REMUNERATION

The provisions of Section 178 of the Companies Act, 2013, relating to Nomination and Remuneration Committee are not applicable to the Company.

During the year, the Company has paid remuneration to Mr. Vibhav Saraf, Mr Pramod Kumar Arora, Whole Time Directors, Mr. Parvesh Sharma, CFO and Mrs. Jyoti Chawla, Company Secretary of the Company.

16. AUDIT COMMITTEE

The Company is not required to constitute Audit Committee under the provisions of Section 177 of the Companies Act, 2013 read with Rule 6 of the Companies (Meetings of the Board and its Powers) Rules, 2014. Further, Further, outstanding value of listed non-convertible debentures of the Company is less than Rs. 500 Cr. Hence, Regulation 18 of SEBI (LODR) Regulation 2015, in respect to Audit Committee is not applicable to the Company.

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17. CORPORATE SOCIAL RESPONSIBILITY (CSR) INITIATIVES

The provisions of Section 135 of the Companies Act, 2013 relating to constitution of CSR Committee and CSR Policy are not applicable to the Company.

18. VIGIL MECHANISM

The Company is not required to frame Vigil Mechanism / Whistle Blower Policy for Directors and employees pursuant to the provisions of Section 177 of the Companies Act, 2013 read with rule 7 of the Companies (Meetings of the Board and its Powers) Rules, 2014 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

19. AUDITORS

Internal Auditors:

M/s. Lodha & Co., Chartered Accountants (FRN: 301051E), existing Internal Auditors of the Company have been reappointed for the Financial Year 2022-23.

Statutory Auditors

M/s. Jain Pramod Jain & Co., Chartered Accountants (FRN: 016746N), Statutory Auditors of the Company were appointed as the Statutory Auditors of the Company in the Annual General Meeting held on September 26, 2019 for a period of 5 years to hold office from the conclusion of 28th Annual General Meeting (AGM) upto the conclusion of 32nd AGM of the Company to be held in 2023. In view of changes in the Companies Act, item relating to ratification of appointment of Auditors is not required to be placed before the Members.

The comments made on the financial statements referred to in the report of the Auditors are self-explanatory and do not need further explanations.

There are no adverse comments or qualifications in their Audit Report. Further there was no fraudulent activity reported by the Auditors of the Company for the financial Year 2021-22.

Secretarial Auditors

As per section 204 of the Companies Act, 2013 read with read with rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, every listed company and public company having paid up capital of Rs. 50 Cr or more; or turnover of Rs. 250 Cr or more; or every company having outstanding loans or borrowing from banks or public financial institutions of Rs. 100 Cr or more shall attach a secretarial audit report in the prescribed format.

The Company being a private Company and outstanding loan or borrowing does not fall under the categories as mentioned above. Further Company's Non-Convertible Debenture was listed on National Stock Exchange on June 08, 2022.

Kanchanjunga Power Company Private Limited

Hence, no Secretarial Audit was required for the financial year under review.

20. ANNUAL RETURN

Pursuant to the provisions of Section 134(3)(a) and Section 92(3) of the Companies Act, 2013, read with Rule 11 and 12 of the Companies (Management and Administration) Rules, 2014, Annual Return of the Company shall be uploaded on the website of the Company at <http://indiahydro.in/consortium-members/kppl-annual-return/>.

21. OTHER STATUTORY INFORMATION

Furnishing of information relating to conservation of energy, technology absorption, foreign exchange earnings and outgo prescribed under Section 134(3)(m) of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 is given in **Annexure-A**.

22. COST AUDIT

The provisions of Cost audit as per section 148 of the Companies Act, 2013 are not applicable to the Company.

23. CONSTITUTION OF COMMITTEE - SEXUAL HARASSMENT AT WORKPLACE

The Company has also laid down a Policy under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and constitute Internal Complaints Committee to redress the complaints. There were no complaints received during the year.

24. RELATED PARTY TRANSACTIONS

During the year, Company has entered into related party transaction in the ordinary course of business and on arms length basis, details of which are given in the Financial Statements.

Further, the Company has not entered into any material related party transaction requiring approval of shareholders.

As per Regulations 53 of SEBI (Listing Obligations and Disclosure Requirements) 2015, required disclosure pertaining to related party transaction in the prescribed format is attached (**Annexure-B**)

25. SIGNIFICANT AND MATERIAL ORDERS

There are no significant and material orders passed by the regulators or courts or tribunals during the year impacting the going concern status and Company's operations in future.

Kanchanjunga Power Company Private Limited

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26. COMPLIANCE WITH SECRETARIAL STANDARDS

The Company has complied with the provisions of Secretarial Standard-1 (Secretarial Standard on meetings of Board of Directors) and Secretarial Standard-2 (Secretarial Standard on General meetings).

27. ACKNOWLEDGEMENT

The Board of Directors wish to express their gratitude for the cooperation, guidance and support received from the Government of India, Government of Himachal Pradesh and the Lenders/Banks and stakeholders associated with the Company.


Your Directors wish to place on record their appreciation of the efforts and contribution of the employees which made it possible for your Company to achieve the performance in the current year and adherence to COVID- 19 protocols/guidelines.

Further, the Company as a responsible corporate citizen is taking necessary initiatives and steps to ensure cordial relationship with the local populace and preserving the environment.

On behalf of the Board of Directors of
Kanchanjunga Power Company Private Limited

Place: Noida
Date: Sept 23, 2022


Shivam Saraf
Director
DIN : 06687814


Pramod Kumar Arora
Whole Time Director
DIN : 01898896

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ANNEXURE A, TO THE DIRECTORS' REPORT

Information under Section 134(3)(m) of the Act read with the Companies (Accounts) Rules, 2014 and forming part of the Directors' Report.

(A) CONSERVATION OF ENERGY:

As an ongoing process, the Company has undertaken measures to conserve and reduce energy in all its activities including general lighting, use of computers, utilities in office premises as well as various construction activities it undertakes.

(B) TECHNOLOGY ABSORPTION :

The Company during the period under review is operating a hydro power project. The Company has an in-house engineering team which undertakes the engineering for these projects and also decides the technology which is required for the same. The Company also continually aims to improve efficiencies in its operating activities with the aim to reduce down time and costs by adopting such technologies which results in improvement of efficiencies.

(C) FOREIGN EXCHANGE EARNINGS AND OUTGO :

Foreign Exchange Earnings and Out Go during the Financial Year ended March 31, 2022 is as under:

Earning in Foreign Exchange:	Rs. Nil (Previous Year- Rs. Nil)
Expenditure in Foreign Exchange:	Rs. Nil (Previous Year- Rs. Nil)

Kanchanjunga Power Company Private Limited

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ANNEXURE B, TO THE DIRECTOR'S REPORT

In pursuant to Regulation 53(f) and Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015

Sr. No	In the accounts of	Disclosures of amounts at the year end and the maximum amount of loans / advances / investments outstanding during the year	Name and amount
1	Holding Company	Loans and advances in the nature of loans to subsidiaries by name and amount	Nil
		Loans and advances in the nature of loans to associates by name and amount	Nil
		Loans and advances in the nature of loans to firms / companies in which directors are interested by name and amount.	Nil
2.	Subsidiary	Loans and advances in the nature of loans to subsidiaries by name and amount	Nil
		Loans and advances in the nature of loans to associates by name and amount	Nil
		Loans and advances in the nature of loans to firms / companies in which directors are interested by name and amount.	Nil
3	Holding Company	Investments by the loanee in the shares of parent company and subsidiary company, when the company has made a loan or advance in the nature of loan.	Nil

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INDEPENDENT AUDITORS' REPORT

To the Members of Kanchanjunga Power Company Private Limited

Report on Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **Kanchanjunga Power Company Private Limited** ("the Company"), which comprise the Balance Sheet as at 31st March 2022, the Statement of Profit and Loss, the Statement of Cash Flows for the year then ended and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information (herein after 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 ("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 31st March, 2022, and its **Loss** and its cash flows for the year ended on that date.

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 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 financial statements under the provisions of the Act and the Rules there under, 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.

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 Annual report, but does not include the financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this Auditors' Report. 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 in the audit or otherwise appears to be materially misstated.

Responsibility of Management 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 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, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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 statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional 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 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 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.

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.

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



Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section 11 of section 143 of the Companies Act, 2013, we give in the **Annexure 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 Cash Flows 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 specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on 31st March, 2022 taken on record by the Board of Directors, none of the directors are disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) Our report on the internal financial control under clause i of sub section 3 of section 143 of the Act is enclosed as per **Annexure-B**.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, the company has paid/provided any remuneration to its directors in accordance with provisions of section 197 of the Act.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements.
 - 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. The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("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;
 - v. The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("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;



- vi. 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.
- vii. No dividend was declared or paid during the year by the Company.

For **JAIN PRAMOD JAIN & CO.**
Chartered Accountants
Firm's Registration No. 016746N


(P.K.Jain)

Partner

Membership No. 010479

UDIN: 22010479AOXCVR4508



Place: New Delhi

Date: 12.08.2022

Annexure A to Independent Auditors' Report of Kanchangunga Power Company Private Limited
(Referred to in Paragraph 1 under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date for the year ended 31.03.2022)

- i. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets;
- (b) Fixed assets have been physically verified by the management according to the regular programme of periodical verification in phased manner which in our opinion is reasonable having regard to the size of the company and the nature of its fixed assets. No material discrepancies were noticed on such verification;
- (c) The title deeds of immovable properties (other than properties where company is lessee and the lease agreement are duly extended in favour of the lessee) are held in the name of the company
- (d) Para 3(i) d to e not applicable to the company
- ii. (a) The inventories of the company at all its locations have been physically verified by the management at reasonable intervals and the discrepancies which were noticed on physical verification of inventory as compared to book records were not material.
(b) Our comments on para ii are not applicable since sanctioned working capital limited is less than 5 crore
- iii (a) During the year, the company has not made any investment in, provided any guarantee or security or granted any loans or advances in the nature of loans to any other parties hence our comments on para iii(b) to iii(f) is not applicable
- iv. The company has complied with provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees and securities.
- v. The Company has not accepted any deposit from public.
- vi. We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under Section 148(1) of the Companies Act, 2013 and are of the opinion that, prima-facie, prescribed accounts and records have been made and maintained. We have, however, not made a detailed examination of the said records with a view to determine whether they are accurate and complete;
- vii. (a) According to the information and explanations and records of the Company, the company is regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income tax, Sales tax, Service tax, Goods and Services Tax, Custom Duty, Excise Duty, Value Added Tax, Cess and other statutory dues with the appropriate authorities. There are no arrears of outstanding statutory dues for a period of more than six months from the date they became payable as on 31st March, 2022;
- (b) According to the records and information and explanations given to us, there are no dues in respect of custom duty, income tax or sales tax or service tax or excise duty or value added tax that have not been deposited on account of any dispute except as under :
- viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- ix. (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority or by other lender.
(c) The Company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year and hence, reporting under clause 3(ix) (c) of the Order is not applicable.
(d) Funds raised on short term basis have not been utilized for long term purposes.
(e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary associates or joint ventures
(f) The Company has not raised any loans during the year on the pledge of securities held in its subsidiary, joint ventures or associate companies and hence reporting on clause 3(ix) (f) of the Order is not applicable.
- x. a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x) (a) of the Order is not applicable.



- b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partially or optionally) and hence reporting under clause 3(x) (b) of the Order is not applicable.
- xi. (a) No fraud by the Company and no fraud on the Company has been noticed or reported during the year.
(b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
(c) The company has not received any whistle blower complaints hence reporting under clause 3(xi)(c) is not applicable.
- xii. Provision of Nidhi Company is not applicable to the Company.
- xiii. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- xiv. (a) The company has an internal audit system commensurate with the size and nature of its business.
(b) The reports of the Internal Auditor for period under audit were considered by us.
- xv. The company has not entered into any non-cash transaction with Directors or persons connected with him.
- xvi. (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi) (a), (b) and (c) of the Order is not applicable.
(b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi) (d) of the Order is not applicable.
- xvii. The Company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors of the Company during the year.
- xix. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. Clause 3(xx) (a) to (b) of the order is not applicable since CSR expenditure is not applicable to the company.

Place: New Delhi
Date: 12.08.2022



For Jain Pramod Jain & Co.
Chartered Accountants
(FRN: 016746N)
P. K. Jain
(P.K. Jain)
Partner
Membership No. 010479
UDIN: 22010479A0XCVR4508

Annexure B to the Independent Auditors' report of even date on the Standalone Financial Statement of **Kanchanjunga Power Company Private Limited**.

Report on the Internal Financial Controls under Clause (i) of sub –section 3 of section 143 of the Companies Act, 2013 for the year ended 31.03.2022.

We have audited the internal financial controls over financial reporting of **Kanchanjunga Power Company Private Limited** as at March 31, 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The company's Management is responsible for establishing and maintaining internal financial controls based on the Internal Control over financial reporting criteria established by the Company considering the essential components of Internal control stated in the "Guidance Note on Audit of the Internal Financial Controls Over Financial Reporting" issued by the institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate Internal Financial Controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with Guidance note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standard on Auditing, issued by ICAI prescribed under section 143 (10) of the Companies Act 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate Internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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



Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable details, accurately and fairly reflect the transactions and disposition of the assets of the company;(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statement in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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 over Financial Reporting

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

Opinion

In our opinion, the Company has in all material respects an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the "Guidance Note on Audit of Internal Financial Controls over Financial Reporting" issued by the Institute of Chartered Accountants of India.

For **JAIN PRAMOD JAIN & CO.**
Chartered Accountants
Firm's Registration No. 016746N


(P.K.Jain)
Partner
Membership No. 010479
UDIN: 22010479AOXCVR4508



Place: New Delhi

Date: 12.08.2022

BALANCE SHEET AS AT 31 MARCH 2022

	Particulars	Note No.	As at 31st March 2022 (Rs. In lacs)	As at 31st March 2021 (Rs. In lacs)
I.	EQUITY AND LIABILITIES			
	Shareholder's funds			
	Share capital	2	6,714.00	6,714.00
	Reserve and surplus	3	(7,255.04)	(6,618.00)
	Non current liabilities			
	Long-term borrowings	4	10,700.00	12,200.00
	Other long term liabilities	5	3,252.47	3,313.56
	Long-term provisions	6	753.31	713.60
	Current liabilities			
	Short term borrowings	7	800.00	100.00
	Trade payables	8		
	-Total outstanding dues of micro enterprises and small enterprises		0.45	2.43
	-Total outstanding dues of creditors other than micro enterprises and small enterprises.		272.36	293.01
	Other current liabilities	9	136.58	357.97
	Short term provisions	10	4.38	1.06
			15,378.51	17,077.63
II.	ASSETS			
	Non-current assets			
	Property plant & equipment and Intangible assets	11		
	(i) Property plant & equipment		8,862.17	10,388.62
	(ii) Intangible assets under development		13.07	0.00
	Deferred tax assets (net)	12	3,109.45	2,901.85
	Long-term loans and advances	13	1,827.18	1,797.82
	Other non-current assets	14	21.19	26.46
	Current assets			
	Current Investments	15	472.95	308.62
	Inventories	16	227.81	209.31
	Trade receivables	17	88.55	101.57
	Cash and bank balances	18	345.17	1,035.35
	Short term loans & Advances	19	410.55	307.53
	Other current assets	20	0.42	0.50
			15,378.51	17,077.63

Significant accounting policies

1

The accompanying notes 1 to 45 are integral part of the financial statements

As per our report of even date attached

For Jain Pramod Jain & Co.
Chartered Accountants
FRN: 016746N

P.K. Jain
(P.K. Jain)
PARTNER
Membership No. 010479
UDIN: 22010479A0XCVR4508



ON BEHALF OF THE BOARD OF DIRECTORS

Shivam Saraf
Shivam Saraf
Director
DIN: 06687814

Jyoti Chawla
Jyoti Chawla
Company Secretary

Pramod Kumar Arora

Pramod Kumar Arora
Whole time Director
DIN:01898896

Parvesh Sharma
PARVESH SHARMA
CFO

Place: New Delhi
Date: 12 Aug 2022

Place: New Delhi
Date: 12 Aug 2022

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2022

	Particulars	Note No.	Current Year 2021-22 (Rs. In lacs)	Previous Year 2020-21 (Rs. In lacs)
I	Revenue from operations	21	3543.71	4107.71
II	Other income	22	78.29	107.94
III	Total Income (I + II)		3622.00	4215.65
IV	Expenses:			
	Employee benefits expenses	23	487.44	408.14
	Depreciation and amortization expense	11	1495.47	1854.77
	Finance costs	24	1114.34	1273.98
	Other expenses	25	1369.39	1489.72
	Total expenses		4466.64	5026.61
V	Profit / (Loss) before extraordinary expenses (III-IV)		(844.64)	(810.96)
VI	Extraordinary expenses	26	-	125.08
VII	Profit / (Loss) before tax (V-VI)		(844.64)	(936.04)
	Tax expense:			
	Deferred tax		(207.60)	(654.06)
VIII	Profit/(Loss) after tax		(637.04)	(281.98)
IX	Earnings per equity share:	27		
	(1) Basic		(3.16)	(1.40)
	(2) Diluted		(3.16)	(1.40)
	Nominal value of equity shares		10	10

Significant accounting policies

1

The accompanying notes 1 to 45 are integral part of the financial statements

As per our report of even date attached

For Jain Pramod Jain & Co.
Chartered Accountants
FRN: 016746N

(P.K. Jain)
PARTNER
Membership No. 010479
UDIN: 22010479A0XCVR 4508



ON BEHALF OF THE BOARD OF DIRECTORS

Shivam Saraf
Director
DIN: 06687814

Jyoti
Jyoti Chawla
Company Secretary

Pramod Kumar Arora
Whole time Director
DIN:01898896

PARVEESH SHARMA
CFO

Place: New Delhi
Date: 12 Aug 2022

Place: New Delhi
Date: 12 Aug 2022

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2022

Sn	Particulars	Current Year 2021-2022 (Rs. In lacs)	Previous Year 2020-2021 (Rs. In lacs)
A	CASH FLOW FROM OPERATING ACTIVITIES		
	Net profit before tax	(844.64)	(810.96)
	Adjustments for:		
	Depreciation	1495.47	1854.77
	Interest and finance charges	1114.34	1273.98
	Interest income	(45.68)	(56.14)
	Net (gain) / loss on sale of fixed assets	(0.91)	0.00
	Net (gain) / loss on sale of investments	(31.09)	(51.77)
	Operating profit before working capital changes	1687.49	2209.88
	(Increase) / Decrease in trade receivables	13.02	2.42
	(Increase) / Decrease in other receivables	(123.26)	(72.44)
	(Increase) / Decrease in inventories	(18.50)	10.40
	Increase / (Decrease) in trade and other payables	(201.00)	33.52
	Cash generated from / (used in) operations	1357.75	2183.78
	Income taxes paid including TDS (net of refund)	(3.54)	(6.23)
	Cash flow before extraordinary item	1354.21	2177.55
	Restoration expenses post flood	-	(125.08)
	NET CASH FROM / (USED IN) OPERATING ACTIVITIES	(A) 1354.21	2052.47
B	CASH FLOW FROM INVESTING ACTIVITIES		
	Payment for purchase of property, plant and equipment's	(22.09)	(13.69)
	Realization from sale of purchase of property, plant and equipment's	40.92	-
	Sale of mutual funds	3946.43	5045.47
	Purchase of mutual funds	(4079.67)	(4767.93)
	Interest received	45.76	72.64
	Maturity of (Purchase) of term deposits	457.01	(242.09)
	NET CASH FROM / (USED IN) INVESTING ACTIVITIES	(B) 388.36	94.40
C	CASH FLOW FROM FINANCING ACTIVITIES		
	Redemption of debenture	(800.00)	(500.00)
	Repayment of project liabilities	-	(164.32)
	Enhancement in project liabilities	(61.09)	-
	Interest and finance charges	(1114.34)	(1273.98)
	NET CASH FROM / (USED IN) FINANCING ACTIVITIES	(C) (1975.43)	(1938.30)
	NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	(A + B + C) (232.86)	208.57
	Cash and cash equivalent at beginning of year	276.98	68.41
	Cash and cash equivalent at end of year	44.12	276.98
	NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	(232.86)	208.57
	Cash and cash equivalents comprise of :		
	-Cash on hand	1.22	5.67
	-Balance with scheduled banks in current accounts	42.90	271.31
		44.12	276.98

Significant accounting policies

1

The accompanying notes 1 to 45 are integral part of the financial statements

Notes:

- All figures in bracket are outflow.
- Cash and cash equivalents is as per balance sheet except for term deposits not considered as cash and cash equivalents if the maturity date is beyond three months.
- Above cash flow statement has been prepared under "Indirect Method" as set out in the Accounting Standard (AS)-3 on "Cash Flow Statements".

For Jain Pramod Jain & Co.
Chartered Accountants
FRN: 016746N

(P.K. Jain)
PARTNER
Membership No. 010479
UDIN : 22010479A0XCR 4508



ON BEHALF OF THE BOARD OF DIRECTORS

Shivam Saraf
Director
DIN: 06687814

Jyoti Chawla
Company Secretary

Pramod Kumar Arora
Whole time Director
DIN: 01898896

PARVESH SHARMA
CFO

Place: New Delhi
Date: 12 Aug 2022

Place: New Delhi
Date: 12 Aug 2022

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

1(A) Corporate Information

Kanchanjunga Power Company Private Limited ("the Company") is a private limited company incorporated in India. The registered office of the Company is located at E-333, 1st Floor New Ashok Nagar, Vasundhara Enclave New Delhi-110096. The Company is engaged in the activity of generation of electricity.

1(B) Significant accounting policies

(a) Basis of accounting:

The financial statements have been prepared in compliance with all material aspects of the Accounting Standards presented in the Companies (Accounting Standard) Rules, 2006 notified by the Central Government, to the extent applicable and in accordance with the relevant provisions of the Companies Act, 2013.

The financial statements are prepared on the basis of historical cost convention, in accordance with the applicable accounting standards and on the basis of a going concern.

The Company follows mercantile system of accounting and recognizes income and expenditure on accrual basis except those with significant uncertainties.

(b) Use of estimates:

The preparation of financial statements in conformity with generally accepted accounting principles (GAAP) requires management to make estimates and assumptions that affects the reported amounts of assets and liabilities and the disclosures of contingent liabilities on the date of financial statements and reported amounts of revenue and expenses for that year. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

(c) Revenue Recognition

- i) Revenue from Sale of Energy is accounted for on the basis of transfer of electric energy to customers.
- ii) Insurance / other claims are recognized only when it is reasonably certain that the ultimate collection will be made.
- iii) Sale of Certified Emission Reduction (CER) is recognized as income on the delivery of the CER to the customer's account as evidenced by the receipt of confirmation of execution of delivery instructions.
- iv) Sale of Renewal Energy Certificate (REC) is recognized as income on sale through recognized exchange.
- v) Free sale of power to Government of Himachal Pradesh as royalty is accounted for as per Implementation agreement with them.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

(d) Property, Plants and Equipment:

- i) Rights (Intangible Assets) are recognized if the future economic benefit attributable to the assets is expected to flow to the Company and the cost of the assets can be measured reliably.
- ii) Property, plants and equipment (tangible / intangible) are stated at cost less depreciation / amortisation. The cost of assets comprises of purchase price and any attributed cost of bringing the assets to present working condition for its intended use i.e. cost of acquisition of assets and incidental expenditure incurred up-to the date of installation / use.
- iii) Life of Property, Plant and Equipment's has been reviewed at year end which is in accordance of Schedule II of Companies Act, 2013.

(e) Depreciation / amortization:

- i) Depreciation is provided on the Written Down Value method by depreciating carrying amount of Property, plant and equipment over remaining useful life of the assets determined at year end which is same as per schedule II of the Companies Act 2013. The life of assets is restricted till project concession period.
- ii) Individual asset costing less than or equal to Rs. 5,000 are written off in the year of purchase.
- iii) Freehold land is stated at its book value.
- iv) Leasehold land is amortized over the period of lease with effect from the year of capitalization.

(f) Government Grants:

The Government Grants are considered for inclusion in accounts when there is reasonable assurance to comply with the conditions attached to them and it is reasonably certain that the ultimate collection will be made. Government Grants in the nature of Capital Contribution are treated as Capital Reserve which neither be distributed as dividend nor considered as deferred income.

(g) Pre-operative expenditure during construction period:

Expenditure incurred during construction period (other than capital work-in-progress) on Project is carried forward as Pre-operative expenditure during construction period (pending capitalization / allocation) net of income during construction period and has been allocated to fixed assets on the commencement of commercial production.

(h) Inventories:

Inventories of stores and spares are valued at lower of cost and net realizable value. Cost is ascertained on weighted average cost basis.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

(i) **Provision for taxation:**

The project of the Company is eligible undertakings for deduction under Section 80IA of the Income Tax Act, 1961. Tax expense comprises of current and deferred taxes. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with Income Tax Act 1961.

Deferred income taxes reflect the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax assets are recognized only to the extent that there is reasonable / virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. Based on Accounting Standard Interpretation 5 (AS) – 15 issued by ICAI, the deferred tax in respect of timing differences which originate during the tax holiday period, and reverse during the tax holiday period, should not be recognized to the extent the gross total income of the enterprise is subject to such deductions.

(j) **Retirement benefits:**

i) **Defined Contribution Plan**

Provident Fund, Superannuation Fund and National pension fund

Company's contributions for eligible employees towards employee's provident fund, superannuation fund and National pension fund are charged to revenue account.

ii) **Defined benefit plans**

Gratuity

The Company has a defined benefit plan namely Gratuity for all its employees. The liability for the defined benefit plan of Gratuity is determined on the basis of an actuarial valuation by an independent actuary at the year end, which is calculated using projected unit credit method.

Actuarial gains and losses are recognized immediately in the Expenditure during Construction Period Account. The fair value of the plan assets is reduced from the gross obligation under the defined plan, to recognize the obligation on net basis.

Compensated absences

The employees of the Company are entitled to leave as per the leave policy of the Company. The liability in respect of unutilized leave balances is provided based on an actuarial valuation carried out by an independent actuary as at the year-end which is calculated using projected unit credit method and charged to the Expenditure during Construction Period Account.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

(k) Foreign currency transaction:

Foreign currency transactions are recorded at the exchange rates prevailing on the date of such transactions. All monetary assets and monetary liabilities in foreign currencies are translated at the relevant rates of exchange prevailing at the year-end. Non-monetary foreign currency items are carried at cost.

(l) Miscellaneous expenditure:

Preliminary Expenses are written off in the year of expenditure or in the year of commencement of commercial production whichever is earlier.

(m) Provisions, contingent liabilities and contingent assets:

The Company creates a provision when there is a present obligation as result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, requires an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

(n) Borrowing cost:

Borrowing costs directly attributable to acquisition or construction of those fixed assets which necessarily take a substantial period of time to get ready for their intended use will be capitalized.

(o) Impairment of assets:

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the management estimates the recoverable amount of the asset. If any such indication exists, the management estimates the recoverable amount of the asset. If such recoverable amount of the asset is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the revenue account. If at the balance sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost.

(p) Earnings per share

The basic earnings per share ("EPS") is computed by dividing the net profit / (loss) after tax for the year available for the equity shareholders by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, net profit / (loss) after tax for the year available for equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

2 SHARE CAPITAL

Particulars	As at 31st March 2022 (Rs. In lacs)	As at 31st March 2021 (Rs. In lacs)
Authorized		
2,01,42,010 (previous year 2,01,42,010) equity shares of Rs.10 each	2,014.20	2,014.20
48,51,000 (previous year 48,51,000) preference shares of Rs.100 each	4,851.00	4,851.00
Total	6,865.20	6,865.20
Issued, subscribed and paid up shares		
2,01,42,010 (previous year 2,01,42,010) equity shares of Rs.10 each fully paid up	2,014.20	2,014.20
46,99,799 (previous year 46,99,799) 8% non-cumulative redeemable preference shares of Rs.100 each fully paid up	4,699.80	4,699.80
Total	6,714.00	6,714.00

(a) Reconciliation of the number of shares outstanding

i) Equity shares

Particulars	As at 31-Mar-22		As at 31-Mar-21	
	Number	Rs. In lacs	Number	Rs. In lacs
Shares outstanding as at the beginning of the year	20,142,010	2,014.20	20,142,010	2,014.20
Additions during the year	-	-	-	-
Deletion during the year	-	-	-	-
Shares outstanding as at the end of the year	20,142,010	2,014.20	20,142,010	2,014.20

ii) 8% Non cumulative redeemable preference shares

Particulars	As at 31-Mar-22		As at 31-Mar-21	
	Number	Rs. In lacs	Number	Rs. In lacs
Shares outstanding as at the beginning of the year	4,699,799	4,699.80	4,699,799	4,699.80
Additions during the year	-	-	-	-
Deletion during the year	-	-	-	-
Shares outstanding as at the end of the year	4,699,799	4,699.80	4,699,799	4,699.80

(b) Terms / rights attached to shares

i) Equity shares

The Company has only one class of equity shares having a par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share.

In the event of the liquidation of the Company, the holder of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

ii) 8% Non-cumulative redeemable preference shares

8% Non-cumulative redeemable preference shares of Rs 100/- each are redeemable in three annual instalments of Rs 33.33, Rs 33.33 and Rs 33.34 at the end of 15th, 16th and 17th year respectively from the date of allotment. The preference shares carries a call and a put option both at par at any time by giving two months notice. The details of allotment of shares are as under:

Date of Allotment	Number	Rs. In lacs
28-Mar-12	1,680,715	1,680.72
30-Oct-12	840,000	840.00
24-Mar-14	190,400	190.40
23-Mar-15	447,704	447.70
12-Jan-16	1,241,000	1,241.00
13-Mar-19	469,980	469.98
Total	4,869,799	4,869.80

Date of Redemption	Number	Rs. In lacs
19-Mar-19	170,000	170.00
Total	170,000	170.00

Net Balance	4,699,799	4,699.80
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(c) Details of shares held by holding company

Name of shareholders	As at 31st March 2022		As at 31st March 2021	
	No. of Shares	% of shares	No. of Shares	% of shares
M/s Lingaraj Portfolios Private Limited				
-Equity Shares	18,127,710	90.00%	18,127,710	90.00%
-8% Non-cumulative redeemable preference shares	4,229,819	90.00%	4,229,819	90.00%



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

(d) Details of shares in the Company held by each shareholder holding more than 5 percent shares:

i) Equity shares

Name of shareholders	As at 31st March 2022		As at 31st March 2021	
	No. of Shares	% of shares	No. of Shares	% of shares
M/s Lingaraj Portfolios Private Limited (Holding Company)	18,127,710	90.00%	18,127,710	90.00%
M/s Sai Urja Hydel Projects Private Limited	2,014,200	10.00%	2,014,200	10.00%

ii) Preference shares

Name of shareholders	As at 31st March 2022		As at 31st March 2021	
	No. of Shares	% of shares	No. of Shares	% of shares
M/s Lingaraj Portfolios Private Limited (Holding Company)	4,229,819	90.00%	4,229,819	90.00%
M/s Sai Urja Hydel Projects Private Limited	469,980	10.00%	469,980	10.00%

(e) Details of shares held by Promoters

As on March 31, 2022

Promoter Name	No. of shares as at 31st March 2022	% of Total Shares	% change during the year
Equity shares			
M/s Lingaraj Portfolios Private Limited (Holding Company)	18,127,710	90.00%	Nil
Mr. Rohit Saraf	100	0.0005%	Nil
	18,127,810		
Preference shares			
M/s Lingaraj Portfolios Private Limited (Holding Company)	4,229,819	90.00%	Nil
Total	4,229,819		-



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

3 RESERVES AND SURPLUS

Particulars	As at 31 March 2022 (Rs. In lacs)	As at 31 March 2021 (Rs. In lacs)
Capital Reserve		
Balance at the beginning of the year	890.00	890.00
Addition during the year	-	-
Balance at the end of the year	890.00	890.00
Surplus		
Balance at the beginning of the year	(7508.00)	(7226.02)
Addition during the year	(637.04)	(281.98)
Balance at the end of the year	(8145.04)	(7508.00)
Total	(7255.04)	(6618.00)

4 LONG TERM BORROWINGS

Particulars	As at 31st March 2022 (Rs. In lacs)	As at 31st March 2021 (Rs. In lacs)
Debentures		
1300 Series 1 Redeemable Non-Convertible Debentures		
Redeemable Non Convertible Debentures Series-1A*	5,000.00	5,800.00
Redeemable Non Convertible Debentures Series-1B	1,900.00	1,900.00
Redeemable Non Convertible Debentures Series-1C	1,800.00	1,800.00
Redeemable Non Convertible Debentures Series-1D**	1,250.00	2,800.00
Subtotal	9,950.00	12,300.00
155 Series 2 Redeemable Non-Convertible Debentures**		
Redeemable Non Convertible Debentures Series-2A	500.00	-
Redeemable Non Convertible Debentures Series-2B	800.00	-
Redeemable Non Convertible Debentures Series-2C	250.00	-
Sub Total	1,550.00	-
Total (a)	11,500.00	12,300.00
Less: current portion - amount disclosed under the head		
"Short Term Borrowing (refer note 7)"		
1300 Series 1 Redeemable Non-Convertible Debentures	-	100.00
Redeemable Non Convertible Debentures Series-1A	-	100.00
Sub Total	-	100.00
155 Series 2 Redeemable Non-Convertible Debentures	800.00	-
Redeemable Non Convertible Debentures Series-2B	800.00	-
Sub Total	800.00	-
Total (b)	800.00	100.00
Total (a-b)	10,700.00	12,200.00
*During the year, company has redeemed Rs. 800 lacs (PY: 500 lacs) from Redeemable Non Convertible Debentures Series-1A by exercising clause 2.2 of debenture trust deed dated 15 Feb 2018.		
** The company has issued 155 series 2 redeemable non convertible debentures and the proceeds from the issue has been utilized to partially redeem NCD series-1D.		

Debentures: Redeemable Non Convertible Debentures Series

Terms of Debentures

Particular	Nos.	Face value	Nos. of quarterly instalment	Redemption commencing date	Redemption terms
1300 Series 1 Redeemable Non-Convertible Debentures					
Redeemable Non Convertible Debentures Series-1A	650	10,00,000	24	31-May-21	At premium of 1%
Redeemable Non Convertible Debentures Series-1B	190	10,00,000	1	31-May-29	At premium of 1%
Redeemable Non Convertible Debentures Series-1C	180	10,00,000	2	31-May-29	At premium of 1%
Redeemable Non Convertible Debentures Series-1D	280	10,00,000	2	31-Jul-29	At premium of 1%
155 Series 2 Redeemable Non-Convertible Debentures					
Redeemable Non Convertible Debentures Series-2B	80	10,00,000	3	31-May-22	At premium of 1%
Redeemable Non Convertible Debentures Series-2A	50	10,00,000	3	31-May-23	At premium of 1%
Redeemable Non Convertible Debentures Series-2C	25	10,00,000	3	31-May-24	At premium of 1%

Series 1 redeemable non convertible debentures [carrying interest rate as on 31 March 2022 @ 8.25% p.a.(carrying interest rate as on 31 March 2021 @9.09% p.a.)) is secured by first pari-passu charge on Company's immovable and movable assets, intangible assets, cash flows, revenues and receivables both present and future, and a charge by way of an assignment of all the rights, titles & interest under all the project documents, government approvals, insurance policies & uncalled capital and pledge of part of equity holding in the company along with Non Disposal Undertaking.

Series 2 redeemable non convertible debentures [carrying interest rate as on 31 March 2022 @ 8.25% p.a.is secured by first pari-passu charge on Company's immovable and movable assets, intangible assets, cash flows, revenues and receivables both present and future, and a charge by way of an assignment of all the rights, titles & interest under all the project documents, government approvals, insurance policies & uncalled capital and pledge of part of equity holding in the company along with Non Disposal Undertaking from Lingaraj Portfolios Private Limited.

The aforesaid securities is also shared on a pari-passu basis for Non Fund Based Limit of Rs. 5.00 crores availed from Axis Bank Limited on sanctioned terms.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

5 OTHER LONG TERM LIABILITIES

Particulars	As at 31st March 2022 (Rs. In lacs)	As at 31st March 2021 (Rs. In lacs)
Long term project liabilities(including retention money)	3,252.47	3,313.56
Total	3,252.47	3,313.56

6 LONG TERM PROVISIONS

Particulars	As at 31st March 2022 (Rs. In lacs)	As at 31st March 2021 (Rs. In lacs)
Provision for premium on redemption	115.00	123.00
Provision for transmission charges*	607.69	568.97
Provision for employee benefits	17.79	8.94
Gratuity	0.00	(0.55)
Less: Current Portion - Amount disclosed under the head "Short term provisions" (Refer note 10)		
Compensated absences	17.21	13.75
Less: Current Portion - Amount disclosed under the head "Short term provisions" (Refer note 10)	(4.38)	(0.51)
Total	753.31	713.60

* The matter with respect to transmission charges is pending before Hon'ble CERC / APTEL.

7 SHORT TERM BORROWINGS

Particulars	As at 31st March 2022 (Rs. In lacs)	As at 31st March 2021 (Rs. In lacs)
Current maturity of Long term borrowings (Refer note no. 4)	800.00	100.00
Total	800.00	100.00

8 TRADE PAYABLES

Particulars	As at 31st March 2022 (Rs. In lacs)	As at 31st March 2021 (Rs. In lacs)
Total outstanding dues of micro enterprises and small enterprises	0.45	2.43
Total outstanding dues of creditors other than micro enterprises and small enterprises.	272.36	293.01
Total	272.81	295.44

The above information as required to be disclosed under Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors. Further no interest has been paid during the year and payable as on 31 March 2022 as well as on 31 March 2021 to such parties. This has been relied upon by the auditors.

Trade payables Ageing Schedule

As at 31 March 2022	Outstanding for following periods from due date of payment (Rs. In lacs)				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
MSME	0.45	-	-	-	0.45
Others	90.17	133.21	18.94	30.04	272.36
Disputed dues - MSME	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-
Total	90.62	133.21	18.94	30.04	272.81

As at 31 March 2021	Outstanding for following periods from due date of payment (Rs. In lacs)				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
MSME	2.43	-	-	-	2.43
Others	122.29	13.51	50.51	106.70	293.01
Disputed dues - MSME	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-
Total	124.72	13.51	50.51	106.70	295.44

9 OTHER CURRENT LIABILITIES

Particulars	As at 31st March 2022 (Rs. In lacs)	As at 31st March 2021 (Rs. In lacs)
Others:		
-Statutory dues(Including TDS and provident fund)	7.82	47.26
-Bonus payable	9.26	9.01
-Expenses payable	119.50	301.70
-Employee Group Gratuity Trust Fund	-	-
Total	136.58	357.97

10 SHORT TERM PROVISIONS

Particulars	As at 31st March 2022 (Rs. In lacs)	As at 31st March 2021 (Rs. In lacs)
Provision for employee benefits (refer note 6)	-	0.55
-Provision for gratuity	4.38	0.51
-Compensated absences	-	-
Total	4.38	1.06



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

11. PROPERTY PLANT & EQUIPMENT AND INTANGIBLE ASSETS

Particulars	Gross Block				Accumulated Depreciation				Net Block	
	As at 01-Apr-21 (Rs. In lacs)	Additions (Rs. In lacs)	Disposal (Rs. In lacs)	As at 31-Mar-22 (Rs. In lacs)	As at 01-Apr-21 (Rs. In lacs)	Depreciation charge for the (Rs. In lacs)	On disposals (Rs. In lacs)	As at 31-Mar-22 (Rs. In lacs)	As at 31-Mar-22 (Rs. In lacs)	As at 31-Mar-21 (Rs. In lacs)
Land										
Freehold	75.48	-	39.54	35.54	-	-	-	-	35.54	75.48
Leasehold	755.58	-	-	755.58	100.90	18.89	-	119.79	635.79	654.68
Plant and equipment										
Testing equipment	17.04	-	-	17.04	10.94	0.68	-	11.62	5.42	6.10
Furniture and fixtures	33.01	0.71	-	33.72	28.72	1.88	-	30.60	3.12	4.29
Office equipment	11.00	-	-	11.00	10.00	0.58	-	10.58	0.42	1.00
Others	18.61	6.58	-	25.19	13.55	6.49	-	20.04	5.15	5.06
Computer	22.58	1.73	-	24.31	16.64	3.31	-	19.95	4.36	5.94
Software (integrated with computer)	13.63	-	6.63	7.00	12.27	0.65	6.57	6.35	0.65	1.36
Vehicle	74.99	-	-	74.99	53.45	6.40	-	59.85	15.14	21.54
Communication network	709.95	-	-	709.95	340.29	54.70	-	394.99	314.96	369.66
Building - Hydro Electric Plant	7.931.48	-	-	7.931.48	5,853.59	595.89	-	6,449.48	1,482.00	2,077.89
Hydraulic work - Building	6,319.69	-	-	6,319.69	2,436.03	435.03	-	2,871.06	3,448.63	3,883.66
Hydraulic work - Hydro Mechanical	4,147.48	-	-	4,147.48	1,610.89	288.19	-	1,899.08	2,248.40	2,536.59
Plant & Machinery - Hydro Electric Plant	565.48	-	-	565.48	559.83	-	-	559.83	5.65	5.65
Roads	1,194.72	-	-	1,194.72	455.00	82.78	-	537.78	656.94	739.72
Transmission line	21,890.22	9.02	46.57	21,853.17	11,502.10	1,495.47	6.57	12,991.00	8,862.17	10,388.62
Total	21,877.09	13.69	-	21,890.72	9,647.52	1,854.77	-	11,502.09	10,388.63	12,229.71

B) INTANGIBLE ASSETS UNDER DEVELOPMENT

Particulars	As at 01-Apr-21 (Rs. In lacs)	Additions (Rs. In lacs)	Transfer to intangible asset (Rs. In lacs)	As at 31-Mar-22 (Rs. In lacs)
	Intangible Asset under Development	-	13.07	-
Total	-	13.07	-	13.07

i) Intangible Asset under development aging schedule

As at March 31, 2022	Amount in Intangible asset under development for a period of				Total (Rs. In lacs)
	Less than 1 year (Rs. In lacs)	1-2 years (Rs. In lacs)	2-3 years (Rs. In lacs)	More than 3 year (Rs. In lacs)	
Project in progress	-	-	-	-	-
Project temporarily suspended	13.07	-	-	-	13.07
Total	13.07	-	-	-	13.07

ii) For Intangible asset under development, whose completion is overdue aging schedule or has exceeds its cost to its original plan.

As at March 31, 2022	Amount in Intangible asset under development for a period of				Total (Rs. In lacs)
	Less than 1 year (Rs. In lacs)	1-2 years (Rs. In lacs)	2-3 years (Rs. In lacs)	More than 3 year (Rs. In lacs)	
	-	-	-	-	-
Total	-	-	-	-	-



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

12 DEFERRED TAX ASSETS

In accordance with the Accounting Standard (AS)-22 "Accounting for Taxes on Income", the deferred tax assets (net) pertaining to timing difference arising for the year ended 31st March 2022 - Rs. 3,109.45 lacs (31st March 2021 - Rs 2,901.85 lacs) have been determined. Major components of deferred tax assets and liabilities arising on account of timing differences as at year end are as under:

Particulars	As at 31st March 2022 (Rs. In lacs)	As at 31st March 2021 (Rs. In lacs)
Deferred tax assets on account of:		
-Business losses and unabsorbed depreciation	2,757.56	2,399.07
-Other disallowance under IT Act	350.25	583.30
-Depreciation	1.64	
Sub-total (a)	3,109.45	2,982.37
Deferred tax liability on account of:		
-Depreciation	-	80.52
Sub-total (b)	-	80.52
Total (a) - (b)	3,109.45	2,901.85

13 LONG TERM LOANS AND ADVANCES

Particulars	As at 31st March 2022 (Rs. In lacs)	As at 31st March 2021 (Rs. In lacs)
(Unsecured, considered good)		
Capital advances	1,797.82	1,797.82
Other loans and advances	29.36	-
Total	1,827.18	1,797.82

14 OTHER NON-CURRENT ASSETS

Particulars	As at 31st March 2022 (Rs. In lacs)	As at 31st March 2021 (Rs. In lacs)
Security deposits	8.74	14.32
Others (deposit with labour department)	10.00	10.00
Term deposit with maturity of more than twelve months (Term deposit of Rs. 2.45 lacs (previous year Rs. 2.14 lacs) lien marked in favour of forest department)	2.45	2.14
Total	21.19	26.46



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

15 CURRENT INVESTMENTS

Particulars	As at 31st March 2022 (Rs. In lacs)	As at 31st March 2021 (Rs. In lacs)
Investment in Mutual Funds*	472.95	308.62
Total	472.95	308.62

These represents investment of temporary surplus funds.

*Details of Market Value (NAV) of mutual funds as on 31st March 2022 are as under:

Fund Name	Cost	Market Value
IDFC Cash Fund Direct-Growth (Unit 11484.445)	280.15	295.26
Sundaram Liquid Fund Direct-G (Unit 10352.999)	192.80	194.54
Total	472.95	489.80

*Details of Market Value (NAV) of mutual funds as on 31st March 2021 are as under:

Fund Name	Cost	Market Value
HSBC Cash Fund Direct-Growth (Unit 1411.228)	28.47	28.91
IDFC Cash Fund Direct-Growth (Unit 11484.445)	280.15	285.50
Total	308.62	314.42

16 INVENTORIES

Particulars	As at 31st March 2022 (Rs. In lacs)	As at 31st March 2021 (Rs. In lacs)
Store and spares (as taken, valued and certified by the management)	227.81	209.31
Total	227.81	209.31

17 TRADE RECEIVABLES

Particulars	As at 31st March 2022 (Rs. In lacs)	As at 31st March 2021 (Rs. In lacs)
(Unsecured, considered good) Unsecured considered good	88.55	101.57
Total	88.55	101.57

TRADE RECEIVABLES AGEING SCHEDULE

As at 31 March 2022	Outstanding for following periods from due date of payment					(Rs. In lacs)
	Less than 6 Months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade Receivables - considered good	17.70	-	-	-	-	17.70
Undisputed Trade Receivables - considered doubtful	-	-	-	-	-	-
Disputed Trade receivables - considered good	-	-	-	-	70.85	70.85
Disputed Trade receivables - considered doubtful	-	-	-	-	-	-
	17.70	-	-	-	70.85	88.55

As at 31 March 2021	Outstanding for following periods from due date of payment					(Rs. In lacs)
	Less than 6 Months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade Receivables - considered good	30.72	-	-	-	-	30.72
Undisputed Trade Receivables - considered doubtful	-	-	-	-	-	-
Disputed Trade receivables - considered good	-	-	-	-	70.85	70.85
Disputed Trade receivables - considered doubtful	-	-	-	-	-	-
	30.72	-	-	-	70.85	101.57



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

18 CASH AND BANK BALANCES

Particulars	As at 31st March 2022 (Rs. In lacs)	As at 31st March 2021 (Rs. In lacs)
Cash and cash equivalent		
Cash on hand	1.22	5.67
Balance with schedule banks in current accounts	42.90	271.31
Other bank balances		
Fixed Deposit for a period of 12 months or less	301.05	758.37
a. Term deposits of Rs. 2,97,54,406 (previous year Rs. 7,21,48,607/-) lien marked in favour of Indusind Bank Limited for Bank Guarantee availed for DSRA.		
b. Term deposit of Rs. 3,50,391 (previous year Rs. 5,88,943/-) lien in favour of sale tax department.		
Total	345.17	1,035.35

19 SHORT TERM LOANS & ADVANCES

Particulars	As at 31st March 2022 (Rs. In lacs)	As at 31st March 2021 (Rs. In lacs)
(unsecured, considered good)		
Advances recoverable in cash and kind for value to be received	290.16	226.37
Prepaid expenses	105.17	69.48
Advance tax, TDS and self assessment tax	15.22	11.68
	410.55	307.53

20 OTHER CURRENT ASSETS

Particulars	As at 31st March 2022 (Rs. In lacs)	As at 31st March 2021 (Rs. In lacs)
(unsecured, considered good)		
Interest accrued but not due on term deposit	0.42	0.50
Total	0.42	0.50



Notes to the financial statement for the year ended 31 March 2022

21 REVENUE FROM OPERATIONS

Particulars	Current Year 2021-22 (Rs. In lacs)	Previous Year 2020-21 (Rs. In lacs)
Sale of energy	3,543.71	4,107.71
Total	3,543.71	4,107.71

22 OTHER INCOME

Particulars	Current Year 2021-22 (Rs. In lacs)	Previous Year 2020-21 (Rs. In lacs)
Profit on sale of current investments	31.09	51.78
Profit on sale of fixed assets	0.91	-
Interest income	45.68	56.14
Balance written back	0.33	-
Misc. income	0.28	0.02
Total	78.29	107.94

23 EMPLOYEE BENEFITS EXPENSE

Particulars	Current Year 2021-22 (Rs. In lacs)	Previous Year 2020-21 (Rs. In lacs)
Salaries, wages and allowances	260.01	369.92
Contribution to provident and other funds	22.49	26.88
Staff welfare expense	204.94	11.34
Total	487.44	408.14

24 FINANCE COST

Particulars	Current Year 2021-22 (Rs. In lacs)	Previous Year 2020-21 (Rs. In lacs)
Interest expenses	1,087.35	1,268.40
Other borrowing cost	26.99	5.58
Total	1,114.34	1,273.98



25 OTHER EXPENSES

Particulars	Current Year	Previous Year
	2021-22 (Rs. In lacs)	2020-21 (Rs. In lacs)
Expenses on sale of energy:		
- Open access charges	1.86	-
- Rebate on sales	66.77	80.58
- Trading margin	29.30	35.43
- Transmission charges	478.87	407.44
- Deviation settlement charges	268.48	225.92
- Other expenses	0.90	0.35
Expenses on sale of renewal energy certificate:		
- Fees and subscription	2.27	1.53
- Other expenses	-	0.18
Stores and spares consumed	66.37	70.67
Rent	10.12	9.28
Repair and maintenance:		
- Building	22.12	15.71
- Plant and machinery	39.01	137.60
- Others	28.31	21.51
Insurance	98.73	115.28
Rate, taxes and fees	0.39	2.97
Housekeeping expenses	16.52	16.75
Freight, transportation and loading charges	2.55	11.22
Legal and professional expenses	56.49	180.78
Payment to auditor as:		
- Audit fees	1.18	1.18
- Tax audit	0.12	0.12
Travelling and conveyance	7.93	3.93
Vehicle running and maintenance	20.27	14.12
Postage, telephone and internet charges	3.71	3.14
Balances written off	8.21	-
Welfare Expenses (Covid)	-	56.50
Prior period expenses	30.99	8.52
Miscellaneous expenses	107.92	69.01
Total	1,369.39	1,489.72

26 EXTRAORDINARY EXPENSES

Particulars	Current Year	Previous Year
	2021-22 (Rs. In lacs)	2020-21 (Rs. In lacs)
Restoration expenses post flood *	-	125.08
Total	-	125.08
* Restoration expenses of project on account of unprecedented flood in the State of Himachal Pradesh on 23 Sep 2018.		



27 EARNINGS PER SHARE

Particulars	Current Year 2021-22 (Rs. In lacs)	Previous Year 2020-21 (Rs. In lacs)
Net profit/(loss) as per statement of profit and loss	(637.04)	(281.98)
Less: Adjustment for dividend on 8% non cumulative preference shares	-	-
Profit attributable to equity share holders	(637.04)	(281.98)
Weighted average number of equity shares outstanding during the year (in Nos.)		
Equity shares (In Nos.)	20,142,000	20,142,000
Basic earnings per share (in Rs.)	(3.16)	(1.40)
Diluted earnings per share.(in Rs.)	(3.16)	(1.40)
Nominal value of share (in Rs.)	10.00	10.00



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

28 DISCLOSURE UNDER AS-15 (REVISED)

Retirement benefits in the form of provident fund, superannuation fund and national pension fund('NPS') are a defined contribution scheme and the contributions are charged to the Statement of Profit and Loss for the year when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the respective trusts.

Gratuity and compensated absences liability are defined benefit obligation and are provided for on the basis of an actuarial valuation made at the end of each financial year. The present value of the obligation under Gratuity and compensated absences is determined based on actuarial valuation using the Projected Unit Credit Method, which recognize each period of service as giving rise to additional unit of employees benefits entitlement and measures each unit separately to build up the final obligation.

The Company has classified the various benefits provided to employees as under:

(I) Defined Contribution Plan

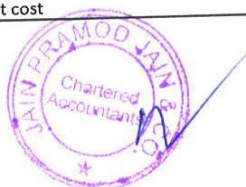
The following contribution made by the company towards a recognized and defined plan has been charged to the Statement of Profit and Loss for the year :-

Particulars	Current Year	Previous Year
	2021-22	2020-21
	Rs. In lacs	Rs. In lacs
Employers' contribution to provident fund	16.01	19.16
Employers' contribution to superannuation fund	1.23	2.45
Employers' contribution to NPS	-	5.28

(II) Defined Benefit Plan

The following table sets out the amounts recognized in the Company's financial statements-

Particulars	Current Year			Previous Year		
	Gratuity (funded)	Gratuity (unfunded)	Compensated absences (unfunded)	Gratuity (funded)	Gratuity (unfunded)	Compensated absences (unfunded)
	Rs. In lacs	Rs. In lacs	Rs. In lacs	Rs. In lacs	Rs. In lacs	Rs. In lacs
Change in present value of obligation						
Present value of obligation at the beginning of the year	28.51	1.81	13.75	21.17	1.07	9.44
Interest cost	1.98	0.13	0.95	1.44	0.07	0.64
Current Service cost	4.18	0.53	2.97	4.16	0.63	2.81
Past Service cost	-	-	-	-	-	-
Benefits paid	(12.53)	-	(1.30)	(0.79)	-	(2.32)
Actuarial (gain)/loss on obligation	11.73	(0.22)	0.83	2.53	0.03	3.17
Present value of obligation at end of the year	33.88	2.24	17.21	28.51	1.81	13.75
Change in fair value plan assets						
Fair value of plan assets at the beginning of the year	21.38	-	-	16.94	-	-
Expected return on plan assets	1.74	-	-	1.61	-	-
Contributions	8.93	-	-	3.85	-	-
Benefits paid	(12.53)	-	-	(0.79)	-	-
Actuarial gain/(loss) on plan assets	(1.22)	-	-	(0.23)	-	-
Fair value of plan assets at the end of the year	18.32	-	-	21.38	-	-
Amount recognized in the Balance Sheet						
Present value of obligation at the end of the year	33.88	2.24	17.21	28.51	1.81	13.75
Fair value of plan assets at the end of the year	18.32	-	-	21.38	-	-
Assets/(Liabilities) recognized in the Balance Sheet	(15.56)	(2.24)	(17.21)	(7.13)	(1.81)	(13.75)
Expenses recognized in Statement of profit and loss						
Current service cost	4.18	0.53	2.97	4.16	0.63	2.81
Interest cost	1.98	0.13	0.95	1.44	0.07	0.64
Expected return on plan assets	(1.74)	-	-	(1.61)	-	-
Net actuarial (gain)/loss to be recognized	12.95	(0.22)	0.83	2.75	0.03	3.17
Net cost	17.37	0.43	4.75	6.74	0.74	6.63



Particulars	Current Year			Previous Year		
	Gratuity (funded)	Gratuity (unfunded)	Compensated absences (unfunded)	Gratuity (funded)	Gratuity (unfunded)	Compensated absences (unfunded)
	Rs. in lacs	Rs. in lacs	Rs. in lacs	Rs. in lacs	Rs. in lacs	Rs. in lacs
Assumptions used in accounting						
Discount rate	7.18%	7.18%	7.18%	6.93%	6.93%	6.93%
Salary escalation rate	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%
Expected rate of return on plan assets	3.15%	-	-	8.16%	-	-
Demographic assumptions	100% IALM (2012-14)	100% IALM (2012-14)	100% IALM (2012-14)	100% IALM (2012-14)	100% IALM (2012-14)	100% IALM (2012-14)

(II) Amounts for the current and previous four years are as follows:

(Rs in lacs)

Gratuity (funded)	31-Mar-2018	31-Mar-2019	31-Mar-2020	31-Mar-2021	31-Mar-2022
As on	13.42	14.86	21.17	28.51	33.88
PBO (C)	13.06	14.05	16.94	21.38	18.32
Plan Assets	(0.36)	(0.81)	(4.24)	(7.13)	(15.56)
Net Assets /(Liability)	0.64	0.47	(0.13)	(3.01)	(12.40)
Experience adjustment on Plan PBO gain/ (loss)	(0.29)	0.14	(0.06)	(0.23)	(1.22)
Experience adjustment on Plan Assets gain/(loss)	-	-	-	-	-

Gratuity (unfunded)	31-Mar-2018	31-Mar-2019	31-Mar-2020	31-Mar-2021	31-Mar-2022
As on	-	0.56	1.07	1.81	0.00
PBO (C)	-	-	-	-	-
Plan Assets	-	(0.56)	(1.07)	(1.81)	(0.00)
Net Assets /(Liability)	-	-	0.06	(0.06)	0.15
Experience adjustment on Plan PBO gain/ (loss)	-	-	-	-	-
Experience adjustment on Plan Assets gain/(loss)	-	-	-	-	-

Compensated absences (unfunded)	31-Mar-2018	31-Mar-2019	31-Mar-2020	31-Mar-2021	31-Mar-2022
As on	6.04	6.56	9.44	13.75	17.21
PBO (C)	-	-	-	-	-
Plan Assets	(6.04)	(6.56)	(9.44)	(13.75)	(17.21)
Net Assets /(Liability)	0.43	(0.34)	0.26	(3.39)	(1.19)
Experience adjustment on Plan PBO gain/ (loss)	-	-	-	-	-
Experience adjustment on Plan Assets gain/(loss)	-	-	-	-	-

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

29 RELATED PARTY DISCLOSURES:

I Related party relationships:

a	Holding Company	M/s Lingaraj Portfolios Private Limited
b	Key managerial personnel	1. Mr. Vibhav Saraf - Whole Time Director 2. Mr. Kumar Uday Pratap Ajay - Whole Time Director (upto 16 May 2021) 3. Mr. Pramod Kumar Arora - Whole Time Director (w.e.f. 01 Jul 2021) 4. Ms. Jyoti Chawla - Company Secretary 5. Mr. Parvesh Sharma - Chief Finance Officer
c	Individual owning directly or indirectly an interest in the voting power	Mr. Rohit Saraf
d	Relative of person described in (b) and (c) above	1. Ms. Vandana Kumari 2. Ms. Renu Arora
e	Enterprises over which any person described in (b) & (c) is able to exercise significant influence	1. M/s Punjab Hydro Power Private Limited 2. M/s Polyplex Corporation Limited 3. M/s Bhilangana Hydro Power Limited

Notes:

- The related party relationships have been determined on the basis of the requirements of the Accounting Standard (AS) - 18 'Related Party Disclosures' and the same have been relied upon by the auditors.
- The relationships as mentioned above pertain to those related parties with whom transactions have taken place during the year, except where control exist, in which case the relationships have been mentioned irrespective of transactions with the related party.

II Details of related party transactions are as follows:

Particulars	Current Year 2021-2022 (Rs. In lacs)	Previous Year 2020-2021 (Rs. In lacs)
Transactions with related parties:		
Car lease paid		
Ms. Vandana Kumari	1.50	8.40
Ms. Renu Arora	7.04	-
Reimbursement of expenses paid to other enterprises		
M/s Polyplex Corporation Limited	10.69	11.47
M/s Bhilangana Hydro Power Limited	8.32	1.76
Reimbursement of expenses received from other enterprises		
M/s Punjab Hydro Power Private Limited	-	0.05
M/s Bhilangana Hydro Power Limited	8.32	1.76
Remuneration Paid to		
Mr. Vibhav Saraf	8.97	8.47
Mr. Kumar Uday Pratap Ajay*	130.41	84.51
Mr. Pramod Kumar Arora	13.44	-
Ms. Jyoti Chawla	7.95	5.62
Mr. Parvesh Sharma	0.63	-
Balance Outstanding at the end of the year:		
Rent Payable		
M/s Polyplex Corporation Limited	-	6.45

* Includes ex-gratia.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

30 RATIO ANALYSIS AND ITS ELEMENTS

Ratio	Numerator	Denominator	Unit	31-Mar-22	31-Mar-21	% change	Reason for variance
Current ratio	Current Assets	Current Liabilities	Times	1.27	2.60	-51%	change due to increase in short term borrowing
Debt- Equity Ratio	Total Debt	Shareholder's Equity	Times	-21.26	128.13	-117%	Change due to increase in accumulated loss
Debt Service Coverage ratio	Net profit after taxes + Non-cash operating expenses	Interest + Principal Repayments	Times	1.46	1.72	-15%	Not Required*
Net Capital Turnover Ratio	Net sales	Current assets – Current liabilities	Times	10.68	3.40	214%	change due to increase in short term borrowing
Trade Receivable Turnover Ratio	Gross credit sales - sales return	Average Trade Receivable	Times	37.28	39.97	-7%	Not Required*
Net Profit ratio	Net Profit	Net sales	Percentage	-17.98%	-6.86%	162%	Change is due to increase in net loss
Return on Capital Employed	Earnings before interest and taxes	Tangible Net Worth + Total Debt	Percentage	2.65%	2.75%	-3%	Not Required*
Return on Investment	Interest (Finance Income)	Investment	Percentage	2.68%	3.82%	-30%	Change is due to reduction in finance income
Inventory Turnover ratio	Stores & spares consumed	Average Inventory	Times	Not applicable**			
Trade Payable Turnover Ratio	Gross credit purchases - purchase return	Average Trade Payables	Times	Not applicable**			
Return on Equity ratio	Net Profits after taxes – Preference Dividend	Average Shareholder's Equity	Percentage	Not applicable***			

* As per the latest amendment in schedule III, commentary explaining for any change (whether positive or negative) in the ratio of less than 25% compared to the ratio of preceding year is not required.

** The company does not have direct purchases w.r.t. to its primary business function

*** The company has net loss and has negative shareholder equity



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

31 Details of contingent liabilities and commitments (to the extent not provided for) are following:

Particulars	As at 31st March 2022 (Rs. In lacs)	As at 31st March 2021 (Rs. In lacs)
Contingent liability Pending legal cases	136.00	136.00
Total	136.00	136.00
Estimate amount of contracts remaining to be executed on capital account and not provided for	12.18	-
Total	12.18	-

32 Details of Dues to Micro and Small Enterprises as per MSME Act, 2006 to the extent of information available with the Company:

Particulars	As at 31st March 2022 (Rs. In lacs)	As at 31st March 2021 (Rs. In lacs)
Principal amount remaining unpaid to any supplier as at the end of each accounting year.*	0.45	2.43
Interest due on above remaining unpaid to any supplier as at the end of each accounting year.	-	-
The amount of interest paid by the buyer in terms of section 16, of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro Small and Medium Enterprise Development Act, 2006.	-	-
Total	0.45	2.43

* Payment has been made within 45 days

33 Details of investment made and loan given covered made section 186(4) of Companies Act, 2013 are given under the respective heads. No guarantee has been given by the company.

34 Expenditure incurred Rs. Nil (P.Y. Rs 125.079 lacs) as mentioned in note no. 26 pertains to restoration expenses of plant damaged due to flood on 23-09-2018. The company has lodge claim with Insurance company with respect to damaged covered. The company will account for the same after assessment of damage and finalization of claim mutually with insurance company.

35 Balances of certain trade receivables, other payables and advances are subject to confirmation / reconciliation, if any. The management does not expect any material difference affecting the financial statements on such reconciliation /adjustments.

In the opinion of management, current assets, loans and advances have a value on realization in the ordinary course of business at least equal to the amount at which they are stated in the balance sheet. The provision for depreciation and all known liabilities is adequate and not in excess of the amount reasonably stated.

36 The Company has no transactions and outstanding balance with struck-off companies under section 248 of Companies Act, 2013.


37 There is no immovable property whose title deeds are not held in the name of the company.



- 38 Under the implementation agreement, the company is required to provide royalty in the form of free power to Government of Himachal Pradesh. During the year under consideration, the company towards fulfilment of its obligation has supplied excess royalty which shall be appropriated suitably against the obligation of succeeding years.
- 39 There is no impairment loss on fixed assets on the basis of review carried out by the management in accordance with Accounting Standard (AS) – 28 "Impairment of Assets".
- 40 The residual value of property, plant and equipment has been reassessed on the basis of local policies, assessment of project, management view and industrial practice and the same has been treated as change in accounting estimates.
- 41 The Company operates in a single primary business i.e. generation of hydro power and hence, there is no reportable segment as per Accounting Standard (AS)-17 "Segment Reporting". The Company does not have any reportable geographical segment.
- 42 The company has not created Debenture Redemption Reserve in the absence of profit pursuant to Section 71 of Companies Act, 2013
- 43 Additional regulatory information, pursuant to amendment in Schedule III dated 24 March 2021, has been given to the extent applicable to the company.
- 44 Figures have been shown as rounded off to lacs except share data and unless otherwise stated.
- 45 Previous year's figures have been re-grouped / re-classified, wherever necessary to conform to the current year's presentation.

As per our report of even date attached

For Jain Pramod Jain & Co.
Chartered Accountants
FRN: 016746N


(P.K. Jain)
PARTNER

Membership No. 010479

UDIN:

22010479A 0XEV R4508




Place: New Delhi
Dated: 12. Aug. 2022


ON BEHALF OF THE BOARD OF DIRECTORS


Shivam Saraf
Director
DIN: 06687814


Jyoti Chawla
Company Secretary

Place: New Delhi
Dated: 12. Aug. 2022


Pramod Kumar Arora
Whole time Director
DIN: 01898896


PARVESH SHARMA
CPD.