

**Limited Review Report on Quarterly Unaudited Standalone Financial Results of Kanchanjunga Power Company Private Limited for the quarter and six month ended 30<sup>th</sup> September 2022 pursuant to the Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

To  
Board of Directors of  
Kanchanjunga Power Company Private Limited

We have reviewed the accompanying statement of unaudited financial results of **Kanchanjunga Power Company Private Limited** (the company) for the Quarter and six month ended 30<sup>th</sup> September 2022. This statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on these financial statements based on our review.

We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 - "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable accounting standards and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

**Emphasis on Matter Paragraph**

We draw your kind attention with respect to the following matters:

1. In terms of the implementation agreement, the company is required to provide royalty @ 15% of the total annual deliverable energy as royalty in the form of free power to Government of Himachal Pradesh. Pursuant to such agreement free supply of power will be made between November 2022 to March 2023. Hence, shortage in supply can only be determined as on 31st March 2023. (Note No I)
2. The company, backed by legal opinion, has not adopted Indian Accounting standards (Ind As) for the preparation of quarterly results. (Note no 3)

Our conclusion is not modified in respect of above matters.

Place: New Delhi  
Date: 12.11.2022



For **Jain Pramod Jain & Co.**  
Chartered Accountants  
(Firm Registration No.  
016746N)  
*P. K. Jain*  
(P K Jain)  
**Partner**  
Membership No. 010479  
UDIN: 22010479BCYKWU4680

STATEMENT OF UNAUDITED FINANCIAL RESULT FOR THE QUARTER AND HALF YEAR ENDED 30 SEPTEMBER 2022

Particulars	(Rs In Lacs)			
	Half Year Ended	Quarter Ended		Year Ended
	30th September 2022 (Unaudited)	30th September 2022 (Unaudited)	30th June 2022 (Unaudited)	31st Mar 2022 (Audited)
I Revenue from operations	3,839.06	2,494.54	1,344.52	3,543.71
II Other income	27.39	12.81	14.58	78.29
III Total Income (I + II)	3,866.45	2,507.35	1,359.10	3,622.00
IV Expenses:				
Employee benefits expense	178.73	97.94	80.79	487.44
Depreciation and amortization expense	513.95	309.83	304.12	1,495.47
Finance costs	488.57	243.40	245.17	1,114.35
Expenses on sale of energy	411.82	206.62	205.20	846.16
Other expenses	280.14	113.89	166.25	523.22
Total expenses	1,973.21	971.68	1,001.53	4,466.64
V Profit / (Loss) before exceptional and extraordinary expenses (III-IV)	1,893.24	1,535.67	357.57	(844.64)
VI Exceptional Item	(34.82)	-	(34.82)	-
VII Profit / (Loss) before extraordinary expenses (V-VI)	1,858.42	1,535.67	322.75	(844.64)
VIII Extraordinary Items (refer note 6)	565.19	686.93	(121.74)	-
VII Profit / (Loss) before tax (VII-VIII)	2,423.61	2,222.60	201.01	(844.64)
Tax expense	423.38	388.31	35.12	-
Mat Credit Entitlement	(416.92)	(384.98)	(35.12)	-
Deferred tax	48.33	20.78	27.55	(207.60)
Tax paid/(adjusted) for earlier years	-	-	-	-
VIII Profit/(Loss) after tax	2,368.82	2,198.48	173.46	(637.04)
IX Earnings per equity share:				
(1) Basic	9.13	7.50	1.64	(3.16)
(2) Diluted	9.13	7.50	1.64	(3.16)
Nominal value of equity shares	10	10	10	10

Place: NOIDA  
Date: 12 NOVEMBER 2022

ON BEHALF OF THE BOARD OF DIRECTORS

*Pramod Kumar Arora*  
Pramod Kumar Arora  
Whole Time Director  
DIN: 01898896



BALANCE SHEET AS AT 30 SEPTEMBER 2022

(Rs In Lacs)

Particulars		For the Half year ended 30 September 2022	As at 31st March'2022
<b>I.</b>	<b>EQUITY AND LIABILITIES</b>		
	<b>Shareholder's funds</b>		
	Share capital	6,714.00	6,714.00
	Reserve and surplus	(4,886.24)	(7,255.04)
	<b>Non current liabilities</b>		
	Long-term borrowings	10,200.00	10,700.00
	Other long term liabilities	3,256.07	3,252.48
	Long-term provisions	759.98	753.31
	<b>Current liabilities</b>		
	Short term borrowings	766.72	800.00
	Trade payables		
	-Total outstanding dues of micro enterprises and small enterprises	1.59	0.45
	-Total outstanding dues of creditors other than micro enterprises and small enterprises.	234.69	272.36
	Other current liabilities	142.62	136.57
	Short term provisions	387.98	4.38
		<b>17,577.41</b>	<b>15,378.51</b>
<b>II.</b>	<b>ASSETS</b>		
	<b>Non-current assets</b>		
	Property plant & equipment and Intangible assets	8,248.21	8,862.17
	(i) Tangible assets	15.41	13.07
	(ii) Intangible assets under development	3,061.11	3,109.45
	Deferred tax assets (net)	2,244.10	1,827.18
	Long-term loans and advances	19.48	21.19
	Other non-current assets		
	<b>Current assets</b>		
	Current Investments	2,120.40	472.95
	Inventories	140.08	227.81
	Trade receivables	232.16	88.55
	Cash and bank balances	1,148.86	345.17
	Short term loans & Advances	342.22	410.55
	Other current assets	5.38	0.42
		<b>17,577.41</b>	<b>15,378.51</b>

Place: NOIDA  
Date: 12 NOVEMBER 2022



ON BEHALF OF THE BOARD OF DIRECTORS

*Pramod Kumar Arora*

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Whole time Director  
DIN:01898896



CASH FLOW STATEMENT FOR THE HALF YEAR ENDED 30 SEPTEMBER 2022

(Rs In Lacs)

Sn	Particulars	For the Half year ended 30 September 2022	Previous Year 2021-2022
<b>A</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
	Net profit before taxation, extraordinary & exceptional items	1,893.23	(844.64)
	Adjustments for:		
	Depreciation	613.95	1,495.47
	Interest and finance charges	488.57	1,114.35
	Interest income	(14.21)	(45.68)
	Net (gain) / loss on sale of fixed assets	-	(0.91)
	Net (gain) / loss on sale of investments	(10.65)	(31.09)
	<b>Operating profit before working capital changes</b>	<b>2,970.89</b>	<b>1,687.50</b>
	(Increase) / Decrease in trade receivables	(143.61)	13.02
	(Increase) / Decrease in other receivables	52.37	(123.27)
	(Increase) / Decrease in inventories	87.73	(18.50)
	Increase / (Decrease) in trade and other payables	(26.00)	(200.99)
	<b>Cash generated from / (used in) operations</b>	<b>2,941.38</b>	<b>1,357.76</b>
	Income taxes paid including TDS (net of refund)	(22.37)	(3.54)
	<b>Cash flow before extraordinary &amp; exception item</b>	<b>2,919.01</b>	<b>1,354.22</b>
	Extraordinary & Exception items	530.37	-
	<b>NET CASH FROM / (USED IN) OPERATING ACTIVITIES</b>	<b>3,449.38</b>	<b>1,354.22</b>
<b>B</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
	Payment for purchase of property, plant and equipment's	(2.34)	(22.09)
	Realisation from sale of purchase of property, plant and equipment's	-	40.91
	Sale of mutual funds	2,030.01	3,946.44
	Purchase of mutual funds	(3,666.81)	(4,079.67)
	Interest received	9.26	45.75
	Maturity of (Purchase) of term deposits	(5.15)	457.01
	<b>NET CASH FROM / (USED IN) INVESTING ACTIVITIES</b>	<b>(1,635.03)</b>	<b>388.35</b>
<b>C</b>	<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
	Redemption of debenture	(10,483.28)	(800.00)
	Debentures Issued	9,950.00	-
	Repayment of project liabilities	-	-
	Enhancement in project liabilities	3.59	(61.08)
	Interest and finance charges	(488.57)	(1,114.35)
	<b>NET CASH FROM / (USED IN) FINANCING ACTIVITIES</b>	<b>(1,018.26)</b>	<b>(1,975.43)</b>
	<b>NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>796.09</b>	<b>(232.86)</b>
	Cash and cash equivalent at beginning of year	44.12	276.98
	Cash and cash equivalent at end of year	840.21	44.12
	<b>NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>796.09</b>	<b>(232.86)</b>
	Cash and cash equivalents comprise of :		
	-Cash on hand	1.37	1.22
	-Balance with scheduled banks in current accounts	838.84	42.90
		<b>840.21</b>	<b>44.12</b>

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".

Place: NOIDA

Date: 12 NOVEMBER 2022



ON BEHALF OF THE BOARD OF DIRECTORS

*Pramod Kumar Arora*

Pramod Kumar Arora  
Whole time Director  
DIN:01898896



Notes:

- 1 Under the Implementation Agreement, the company is required to provide royalty at 15% of the total annual deliverable energy in the form of free power to Government of Himachal Pradesh. Pursuant to such agreement this free supply of power will be made between November 2022 to March 2023. Hence, shortage in supply can only be determined as on 31 March 2023.
- 2 The Company is engaged into the generation of power which is dependent on water availability which varies from month to month evidencing seasonal nature of business.
- 3 As legally advised the Companies ("Ind AS ") Rule 2015 is not applicable on the Company and the disclosure of quarterly results has been prepared as per the Financial Reporting Framework based on Companies (Accounting Standards) Rules, 2006 and including items mentioned in Statement of Profit and Loss Account (excluding notes and detailed sub-classification).
- 4 This is Company's second unaudited financial result post listing of its Non Convertible Debentures on 8 June 2022 pursuant to Regulation 52 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. Therefore, comparative figures for the quarter ended 30 September 2021 and six month ended 30 September 2021 are not applicable.
- 5 Revenue from operation includes other operating income of Rs. 501.57 Lacs received from Insurance towards loss of profit on account of business interruption between 23 Sep 2018 to 30 Jun 2019
- 6 Extraordinary item includes income of Rs. 686.93 Lacs received from Insurance towards material damage due to flash floods on 23 Sep 2018.
- 7 The company is eligible for tax benefit under section 80 - IA of Income Tax Act for ten consecutive assessment years out of fifteen year beginning from the year in which the company generated power or commences transmission or distribution of power i.e. AY 2016-17. Accordingly the company has decided to claim section 80-IA benefit from current year.
- 8 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.
- 9 The Limited Review of unaudited quarterly financial result has been carried out by the statutory Auditor which has been approved by the Board of Directors in their meeting held on 12 Aug, 2022.
- 10 The figures for the previous period has been regrouped wherever necessary.

Place: NOIDA  
Date: 12 NOVEMBER 2022



ON BEHALF OF THE BOARD OF DIRECTORS

*Pramod Kumar Arora*  
Pramod Kumar Arora  
Whole time Director  
DIN:01898896



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Additional disclosures as per Clause 52 (4) and 54 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015:

	Particulars	Half Year Ended	Quarter Ended		Year Ended
		30th Sep 2022	30th Sep 2022	30th June 2022	31st Mar 2022
1	Outstanding Redeemable non Convertible Debentures (in lacs)	10,966.72	10,966.72	11,233.36	11,500.00
2	Security Premium	-	-	-	-
3	Net Worth (in lacs)	1,827.76	1,827.76	(367.59)	(541.04)
4	Net Profit after Tax (in lacs)	2,368.81	2,198.49	173.46	(637.04)
5	Basic / Diluted earning per share	9.13	7.50	1.64	(3.16)
6	Debt Equity Ratio (in times)	6.00	6.00	(30.56)	(21.26)
7	Debt Service Coverage Ratio (in times)	4.01	6.06	1.40	1.28
8	Interest Service Coverage Ratio (in times)	8.39	14.30	2.53	1.40
9	8% non-cumulative redeemable preference shares of Rs.100 each fully paid up				
	-Numbers	46,99,799	46,99,799	46,99,799	46,99,799
	-Value (in lacs)	4,699.80	4,699.80	4,699.80	4,699.80
10	Capital Redemption Reserve / Debenture Redemption Reserve	-	-	-	-
11	Current Ratio (in times)	2.60	2.60	1.88	1.27
12	Long Term Debt to Working Capital (in times)	3.40	3.40	8.15	10.16
13	Bad Debt to Accounts Receivable Ratio	NA	NA	NA	NA
14	Current Liability Ratio (in times)	0.10	0.10	0.06	0.08
15	Total debt to total asset (in times)	0.62	0.62	0.73	0.75
16	Debtor turnover ratio (in times)	24	12	6	37
17	Inventory turnover ratio	NA	NA	NA	NA
18	Operating Margin (in percentage)	78%	84%	67%	50%
19	Net Profit Margin (in percentage)	61%	88%	13%	-18%
20	Asset Coverage Ratio (in times)	1.53	1.53	1.32	1.30

Place: NOIDA  
Date: 12 NOVEMBER 2022

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