

JAIN PRAMOD JAIN & CO.
CHARTERED ACCOUNTANTS

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Limited Review Report on Quarterly Unaudited Standalone Financial Results of Kanchanjunga Power Company Private Limited for the quarter and nine month ended 31th December 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 nine month ended 31th December 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: 10.02.2023



For **Jain Pramod Jain & Co.**
Chartered Accountants
(Firm Registration No.
016746N)

P. K. Jain
(P K Jain)

Partner

Membership No. 010479
UDIN: 23010479BGZEMS5927

STATEMENT OF UNAUDITED FINANCIAL RESULT FOR QUARTER ENDED AND NINE MONTHS ENDED 31 DECEMBER 2022

(Rs in Lacs)

	Particulars	Nine months ending	Quarter Ended		Year Ended
		31st December 2022 (Unaudited)	31st December 2022 (Unaudited)	30th September 2022 (Unaudited)	31st Mar 2022 (Audited)
I	Revenue from operation:	4,158.48	319.43	2,494.54	3,543.71
II	Other income	57.98	30.58	12.81	78.29
III	Total income (I + II)	4,216.46	350.01	2,507.35	3,622.00
IV	Expenses:				
	Employee benefits expense	262.00	83.27	97.94	487.44
	Depreciation and amortization expense	925.77	311.81	309.83	1,495.47
	Finance costs	742.42	253.85	243.40	1,114.35
	Expenses on sale of energy	452.53	40.71	206.62	846.16
	Other expenses	441.26	161.12	113.89	523.22
	Total expenses	2,823.98	850.76	971.68	4,466.64
V	Profit / (Loss) before exceptional and extraordinary expenses (III-IV)	1,392.48	(500.75)	1,535.67	(844.64)
VI	Exceptional Item	(34.82)	-	-	-
VII	Profit / (Loss) before extraordinary expenses (V-VI)	1,357.66	(500.75)	1,535.67	(844.64)
VIII	Extraordinary Item (refer note 6)	565.19	-	686.93	-
VII	Profit / (Loss) before tax (VII-VIII)	1,922.85	(500.75)	2,222.60	(844.64)
	Tax expense	335.88	(87.50)	388.31	-
	Mat Credit Entitlement	(322.70)	94.22	(384.98)	-
	Deferred tax	(40.68)	(89.01)	20.78	(207.60)
VIII	Profit/(Loss) after tax	1,950.35	(418.46)	2,198.49	(637.04)
IX	Earnings per equity share:				
	(1) Basic	7.05	(2.08)	7.50	(3.16)
	(2) Diluted	7.05	(2.08)	7.50	(3.16)
	Nominal value of equity shares	10.00	10.00	10.00	10.00



ON BEHALF OF THE BOARD OF DIRECTORS

Pramod Kumar

Pramod Kumar Arora
Whole Time Director
DIN: 01898896

Place: *Meerut*
Date:

10 FEB 2023

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 third 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 31 December 2021, 30 September 2021 and nine month ended 31 December 2021 are not required.
- 5 Revenue from operation includes income of Rs. 501.57 received from Insurance towards loss of profit on account of business interruption between 23 Sep 2018 to 30 Jun 2019
- 6 Debenture Redemption Reserve has not been created in the absence of free reserves
- 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 10 Feb, 2023.
- 10 The figures for the previous period has been regrouped wherever necessary.

Pramod Kumar



	Particulars	Nine Months Ended	Quarter Ended		Year Ended	
		31st Dec 2022	31-Dec-22	30th Sep 2022	30th June 2022	31st Mar 2022
1	Outstanding Redeemable non Convertible Debentures (in lacs)	10,700.00	10,700.00	10,966.72	11,233.36	11,500.00
2	Security Premium (in lacs)	-	-	-	-	-
3	Net Worth (in lacs)	1,409.31	1,409.31	1,827.76	(367.59)	(541.04)
4	Net Profit after Tax (in lacs)	1,950.35	(418.46)	2,198.49	173.46	(637.04)
5	Basic / Diluted earning per share	7.05	(2.08)	7.50	1.64	(3.16)
6	Debt Equity Ratio	7.88	7.88	6.00	(30.56)	(21.26)
7	Debt Service Coverage Ratio	1.98	0.11	3.63	2.04	1.45
8	Interest Service Coverage Ratio	4.10	0.23	8.57	3.70	1.58
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	46,99,799
	-Value (In lacs)	4,699.80	4,699.80	4,699.80	4,699.80	4,699.80
10	Capital Redemption Reserve / Debenture Redemption Reserve	-	-	-	-	-
11	Current Ratio (times)	2.59	2.59	2.60	1.88	1.27
12	Long Term Debt to Working Capital (times)	3.87	3.87	3.40	8.15	10.16
13	Bad Debt to Accounts Receivable Ratio	NA	NA	NA	NA	NA
14	Current Liability Ratio (times)	0.09	0.09	0.10	0.06	0.08
15	Total debt to total asset (times)	0.65	0.65	0.62	0.73	0.75
16	Debtor turnover ratio (times)	50.73	2.08	12.15	5.96	36.81
17	Inventory turnover ratio	NA	NA	NA	NA	NA
18	Operating Margin (percentage)	72.21%	10.74%	83.23%	66.36%	47.60%
19	Net Profit Margin (percentage)	46.26%	-119.56%	87.68%	12.76%	-17.59%
20	Asset Coverage Ratio (times)	1.49	1.49	1.53	1.32	1.30

Place: *Wardha*
Date:

10 FEB 2023



ON BEHALF OF THE BOARD OF DIRECTORS
Pramod Kumar Arora
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Whole Time Director
DIN: 01898896