

KANCHANJUNGA

May 29, 2023

To
Listing Department
National Stock Exchange of India Limited
Exchange Plaza, 5th Floor
Plot No. C/1, G –Block
Bandra-Kurla Complex, Bandra (East)
Mumbai-400051

Subject: Outcome of Board Meeting dated May 29, 2023

Dear Sir / Madam,

As per stipulation of Regulation 52 of SEBI (LODR) Regulations, 2015, we would like to inform you that the Board of Directors of the Company at its meeting held on May 29, 2023 have approved the Audited Standalone Financial Results for the quarter and financial year ended on March 31, 2023.

The meeting commenced at 4.00 p.m. and concluded at 7.00 p.m.

Kindly take this on record.

Thanking You,
Yours sincerely

For Kanchanjunga Power Company Private Limited

Jyoti Chawla
Company Secretary
M. No.-A 44668



Encl.: As above

Kanchanjunga Power Company Private Limited

CIN No.: U74899DL1991PTC046387 | GSTIN: 02AABCK9368H1ZG

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

Email: phg.secretarial@polyplex.com

Website: <https://indihydro.in/consortium-members/kanchanjunga-power-pvt-ltd/>

INDEPENDENT STANDALONE AUDITOR'S REPORT ON THE AUDITED FINANCIAL RESULTS OF KANCHANJUNGA POWER COMPANY PRIVATE LIMITED FOR THE QUARTER AND YEAR ENDED 31st MARCH, 2023

To the Board of Directors of **KANCHANJUNGA POWER COMPANY PRIVATE LIMITED**

Opinion

We have audited the accompanying statement of Standalone Audited Financial Results of **KANCHANJUNGA POWER COMPANY PRIVATE LIMITED** ("the Company"), for the quarter and year ended 31st March, 2023 ("the Statement"), attached herewith, being submitted by the Company pursuant to requirement of Regulation 33 and Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended ("the Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, the Statement:

- i) is presented in accordance with the requirement of Regulation 33 of the Listing Regulations; and
- ii) gives a true and fair view in conformity with the applicable Indian Accounting Standards and other accounting principles generally accepted in India of the net profit and other financial information of the Company for the quarter and year ended 31st March, 2023.

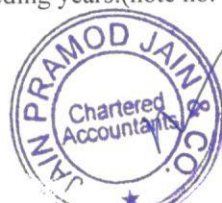
Basis for Opinion

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

Emphasis of matter

We draw your kind attention to the following matter:

1. The company backed by legal opinion, has not adopted Indian Accounting standard (IND AS) for the preparation of quarterly and yearly results (note no.2)
2. Balance of certain trade receivables other payables and advances are subject to confirmation/reconciliation.(note no.11)
3. 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.(note no. 12)



Our conclusion is not modified in respect of above matters.

Management's Responsibility for the Annual Financial Results

This statement has been prepared on the basis of the Annual AS financial statements. The Company's Board of Directors are responsible for the preparation and presentation of the Statement that gives a true and fair view of the net profit and other financial information in accordance with the applicable Accounting The Companies Accounting Standards, read with relevant Rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and 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 Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Statement, the Board of Directors 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Annual Financial Results

Our objectives are to obtain reasonable assurance about whether the Statement 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 the Statement.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing our opinion on effectiveness of the Company's internal control. 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 with reference to financial statements 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 the Company's Board of Directors.



- Conclude on the appropriateness of the Board of Directors' 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 Company's ability to continue as a going concern. If

we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represents 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.

Other Matters

The Statement includes the results for the Quarter ended 31st March, 2023 being the balancing figure between audited figures in respect of the full financial year and the published year to date figures up to third quarter of the current financial year which were subject to limited review by us under SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015



For **Jain Pramod Jain & Co.**
Chartered Accountants
Firm's Registration No. 016746 N

P.K.Jain

(P.K.Jain)

Partner

Membership No. 010479

UDIN: 23010479BGZENY5939

Place: New Delhi
Date: 29.05.2023

(A) STATEMENT OF PROFIT AND LOSS FOR THE QUARTER AND YEAR ENDED 31 MARCH 2023

(Rs In Lacs)

	Particulars	Quarter Ended		Year Ended	
		31st Mar 2023	31st Dec 2022	31st Mar 2023	31st Mar 2022
		(Audited)	(Unaudited)	(Audited)	(Audited)
I	Revenue from operations	114.74	319.43	4,273.22	3,543.71
II	Other income	95.29	30.58	153.27	78.29
III	Total Income (I + II)	210.03	350.01	4,426.49	3,622.00
IV	Expenses:				
	Employee benefits expenses	75.27	83.27	337.27	487.44
	Depreciation and amortization expense	301.62	311.81	1,227.39	1,495.47
	Finance costs	253.22	253.85	995.64	1,114.34
	Expenses on sale of energy	213.70	40.71	666.23	846.16
	Other expenses	283.14	161.12	724.40	523.23
	Total expenses	1,126.95	850.76	3,950.93	4,466.64
V	Profit / (Loss) before exceptional and extraordinary expenses (III-IV)	(916.92)	(500.75)	475.56	(844.64)
VI	Exceptional Item (Income / (Expense))	-	-	(34.82)	-
VII	Profit / (Loss) before extraordinary expenses (V+VI)	(916.92)	(500.75)	440.74	(844.64)
VIII	Extraordinary Item (Income / (Expense))	-	-	565.19	-
IX	Profit / (Loss) before tax (VII+VIII)	(916.92)	(500.75)	1,005.93	(844.64)
X	Tax expense:				
	Current tax	(160.88)	(87.50)	175.00	-
	Deferred tax	(353.81)	(89.01)	(394.49)	(207.60)
	Mat Credit	186.70	94.22	(136.00)	-
XI	Profit/(Loss) after tax	(588.93)	(418.46)	1,361.42	(637.04)
XII	Earnings per equity share:				
	(1) Basic	(2.92)	(2.08)	6.76	(3.16)
	(2) Diluted	(2.92)	(2.08)	6.76	(3.16)
	Nominal value of equity shares	10.00	10.00	10.00	10.00

On behalf of the Board of Directors

Pramod Kumar Arora

Pramod Kumar Arora
Whole time Director
DIN:01898896

Place: Noida
Date: May 29, 2023



(B) STATEMENT OF ASSET AND LIABILITIES

		(Rs. In lacs)	
	Particulars	As at 31st March 2023 (Audited)	As at 31st March 2022 (Audited)
I.	EQUITY AND LIABILITIES		
	Shareholder's funds		
	Share capital	6,714.00	6,714.00
	Reserve and surplus	(5,893.62)	(7,255.04)
	Non current liabilities		
	Long-term borrowings	10,200.00	10,700.00
	Other long term liabilities	3,256.07	3,252.47
	Long-term provisions	1,077.38	753.31
	Current liabilities		
	Short term borrowings	500.00	800.00
	Trade payables		
	-Total outstanding dues of micro enterprises and small enterprises	0.05	0.45
	-Total outstanding dues of creditors other than micro enterprises and small enterprises.	234.67	272.36
	Other current liabilities	98.50	136.58
	Short term provisions	9.03	4.38
		16,196.08	15,378.51
II.	ASSETS		
	Non-current assets		
	Property plant & equipment and Intangible assets		
	(i) Property plant & equipment	7,659.41	8,862.17
	(ii) Intangible assets under development	17.86	13.07
	Deferred tax assets (net)	3,503.93	3,109.45
	Long-term loans and advances	1,827.18	1,827.18
	Other non-current assets	157.89	21.19
	Current assets		
	Current Investments	812.63	472.95
	Inventories	141.77	227.81
	Trade receivables	217.24	88.55
	Cash and bank balances	1,036.04	345.17
	Short term loans & Advances	821.74	410.55
	Other current assets	0.39	0.42
		16,196.08	15,378.51

On behalf of the Board of Directors



Pramod Kumar

Pramod Kumar Arora
Whole time Director
DIN:01898896

(C) CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2023

		(Rs. In lacs)	
Sn	Particulars	Current Year 2022-23 (Audited)	Previous Year 2021-2022 (Audited)
A	CASH FLOW FROM OPERATING ACTIVITIES		
	Net profit before tax	1,005.93	(844.64)
	Adjustments for:		
	Depreciation	1,227.39	1,495.47
	Interest and finance charges	995.64	1,114.34
	Interest income	(33.12)	(45.68)
	Net (gain) / loss on sale of fixed assets	4.04	(0.91)
	Net (gain) / loss on sale of investments	(117.54)	(31.09)
	Operating profit before working capital changes	3,082.34	1,687.49
	(Increase) / Decrease in trade receivables	(128.69)	13.02
	(Increase) / Decrease in other receivables	(391.92)	(123.26)
	(Increase) / Decrease in inventories	86.04	(18.50)
	Increase / (Decrease) in trade and other payables	252.61	(201.00)
	Cash generated from / (used in) operations	2,900.38	1,357.75
	Income taxes paid including TDS (net of refund)	(194.97)	(3.54)
	NET CASH FROM / (USED IN) OPERATING ACTIVITIES	2,705.41	1,354.21
		(A)	
B	CASH FLOW FROM INVESTING ACTIVITIES		
	Payment for purchase of property, plant and equipment's	(118.59)	(22.09)
	Realization from sale / adjustment of Fixed Assets	89.15	40.92
	Loss on sale of fixed assets	(4.04)	-
	Sale of mutual funds	8,448.43	3,946.43
	Purchase of mutual funds	(8,670.54)	(4,079.67)
	Interest received	33.09	45.76
	Maturity of (Purchase) of term deposits	(10.55)	457.01
	NET CASH FROM / (USED IN) INVESTING ACTIVITIES	(233.05)	388.36
		(B)	
C	CASH FLOW FROM FINANCING ACTIVITIES		
	Redemption of debenture	(10,750.00)	(800.00)
	Proceeds from NCD's and other loans	9,950.00	-
	Enhancement in project liabilities	3.60	(61.09)
	Interest and finance charges	(995.64)	(1,114.34)
	NET CASH FROM / (USED IN) FINANCING ACTIVITIES	(1,792.04)	(1,975.43)
		(C)	
	NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	680.32	(232.86)
		(A + B + C)	
	Cash and cash equivalent at beginning of year	44.12	276.98
	Cash and cash equivalent at end of year	724.44	44.12
	NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	680.32	(232.86)
	Cash and cash equivalents comprise of :		
	-Cash on hand	4.65	1.22
	-Balance with scheduled banks in current accounts	719.79	42.90
		724.44	44.12

On behalf of the Board of Directors

Pramod Kumar

Pramod Kumar Arora
Whole time Director
DIN:01898896



Place: Noida
Date: May 29, 2023

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

	Particulars	Quarter Ended		Year Ended	
		31st Mar 2023	31st Dec 2022	31st Mar 2023	31st Mar 2022
1	Outstanding Redeemable non Convertible Debentures	10,700.00	10,700.00	10,700.00	11,500.00
2	Security Premium	-	-	-	-
3	Net Worth	820.38	1,409.31	820.38	(541.04)
4	Net Profit after Tax	(588.93)	(418.46)	1,361.42	(637.04)
5	Basic / Diluted earning per share	(2.92)	(2.08)	6.76	(3.16)
6	Debt Equity Ratio	(2.76)	(3.37)	(2.76)	(2.19)
7	Debt Service Coverage Ratio	(0.13)	0.28	1.70	1.62
8	Interest Service Coverage Ratio	(1.43)	0.26	3.78	1.58
9	8% non-cumulative redeemable preference shares of Rs.100 each fully				
	-Numbers	46,99,799.00	46,99,799.00	46,99,799.00	46,99,799.00
	-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 (times)	3.60	2.59	3.60	1.27
12	Long Term Debt to Working Capital (times)	3.98	3.87	3.98	10.16
13	Bad Debt to Accounts Receivable Ratio	NA	NA	NA	NA
14	Current Liability Ratio (times)	0.05	0.09	0.05	0.08
15	Total debt to total asset (times)	0.66	0.65	0.66	0.75
16	Debtor turnover ratio (times)	0.78	2.08	27.95	37.28
17	Inventory turnover ratio	NA	NA	NA	NA
18	Operating Margin (percentage)	-398.61%	10.74%	59.56%	47.60%
19	Net Profit Margin (percentage)	-513.27%	-131.00%	31.86%	-17.98%
20	Asset Coverage Ratio (times)	1.15	1.20	1.15	1.03

On behalf of the Board of Directors



Pramod Kumar Arora

Pramod Kumar Arora
Whole time Director
DIN:01898896

Place: Noida
Date: May 29, 2023

(E) Notes:

- 1 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.
- 2 As legally advised the Companies ("Ind AS ") Rule 2015 is not applicable on the Company and the disclosure of quarterly annual results have been prepared as per the Financial Reporting Framework based on Companies (Accounting Standards) Rules, 2021 and including items mentioned in Statement of Profit and Loss Account (excluding notes and detailed sub-classification).
- 3 This is Company's first year of audited 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 March 2022 is not applicable.
- 4 Revenue from operation includes 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.
- 5 Debenture Redemption Reserve has not been created in the absence of distributable profit.
- 6 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.
- 7 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.
- 8 The figure for the quarter ended 31 March 2023 are the balancing figure between audited figure in respect of full financial and the published unaudited year to date figures upto the third quarter of the respective financial year which were subject to limited review.
- 9 The exceptional items includes additional demand towards deviation settlement charges for earlier years raised by Government of Himachal Pradesh pursuant to change in Deviation Settlement Mechanism Regulation, 2018.
- 10 The extraordinary items includes proceeds of insurance claim amounting to Rs. 686.93 lacs towards material damage due to flash flood on 23 Sep 2018 and written off of Store and Consumables amounting to Rs. 121.74 lacs pursuant to physical verification.
- 11 Balances of certain trade receivables, other payables and advances are subject to confirmation, if any. The management does not expect any material difference affecting the financial statements on such reconciliation /adjustments.
- 12 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.
- 13 The audited quarterly and annual result has been approved by the Board of Directors in their meeting held on 29 May 2023.
- 14 The figures for the previous period has been regrouped wherever necessary.

Place: Noida
Date: May 29, 2023



On behalf of the Board of Directors

Pramod Kumar
Pramod Kumar Arora
Whole time Director
DIN:01898896