

# ANNUAL REPORT 2022-23



## **Kanchanjunga Power Company Private Limited**

CIN: U74899DL1991PTC046387

Registered Office: A-26/5, First Floor, Street No. 8, West Vinod Nagar, Delhi-110092

Corporate Office: B-37, Sector-1, Noida-201301, Gautam Budh Nagar (U.P.)

Site: KPCPL Power House, Patnikuhal Shila, Halan-II Road, Manali, Kullu-175129 Himachal Pradesh

GSTIN: 02AABCK9368H1ZG; Website: <https://indiahydro.in>;

E-mail: [phg.secretarial@polyplex.com](mailto:phg.secretarial@polyplex.com); Phone: +91- 120 4621300

## GENERAL CORPORATE INFORMATION

### **Board of Directors**

- Mr. Rohit Saraf, Director
- Mr. Shivam Saraf, Director
- Mr. Pramod Kumar Arora, Whole Time Director
- Mr. Anirudh Saraf, Director
- Mr. Vibhav Saraf, Director

### **Chief Financial Officer**

- Mr. Parvesh Sharma

### **Company Secretary and Compliance Officer**

- Mrs. Jyoti Chawla

### **Statutory Auditor**

- M/s Jain Pramod Jain & Co.,  
Chartered Accountants

### **Internal Auditor**

- M/s. Lodha & Co.,  
Chartered Accountants

### **Rating Agency**

- CARE Rating Limited  
Videocon Tower, E-1,  
Jhandewalan Extension,  
New Delhi-110055

### **Banker**

- IndusInd Bank Limited
- HDFC Bank Limited
- Axis Bank Limited

### **Debenture Trustee**

- Axis Trustee Services Limited  
2<sup>nd</sup> Floor, Plot No. 25  
Pusa Road, Karol Bagh  
New Delhi-110005

### **Registered Office**

- A-26/5, 1st Floor, Street No.8  
West Vinod Nagar, Delhi  
East Delhi-110092

### **Corporate Office**

- B-37, Sector-1, Noida  
Gautam Budh Nagar  
Uttar Pradesh-201301

### **Site**

- KPCPL Power House,  
Patnikuhal Shila, Halan-II Road,  
Tehsil: Manali, District: Kullu-175129  
Himachal Pradesh

# KANCHANJUNGA

## NOTICE

NOTICE is hereby given that the 32<sup>nd</sup> Annual General Meeting of the Members of **Kanchanjunga Power Company Private Limited** will be held on **Wednesday, September 20, 2023** 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. Adoption of Audited Financial Statements

To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended on March 31, 2023 together with the Auditors' and Directors' Report thereon.

#### 2. Appointment of Statutory Auditor

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 including any statutory modification(s) or re-enactment(s) thereof, for the time being in force, M/s Jain Pramod Jain & Co., Chartered Accountants (FRN: 016746N), be and are hereby re-appointed as the Statutory Auditor of the Company to hold office from the conclusion of 32<sup>nd</sup> Annual General Meeting till the conclusion of 37<sup>th</sup> Annual General Meeting to be held in the year 2028, to audit the financial statements of the Company at such remuneration as may be determined by the Board of Directors of the Company having regard to the quantum of work.

RESOLVED FURTHER THAT the Board of Directors of the Company, be and are hereby authorised to do all such acts, deeds, things and matters and to file necessary forms with jurisdictional Registrar of Companies, Ministry of Corporate Affairs as may be required to give effect to this resolution.”

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



Jyoti Chawla  
Company Secretary  
ACS- 44668



Place: Noida  
Date: August 24, 2023

## Kanchanjunga Power Company Private Limited

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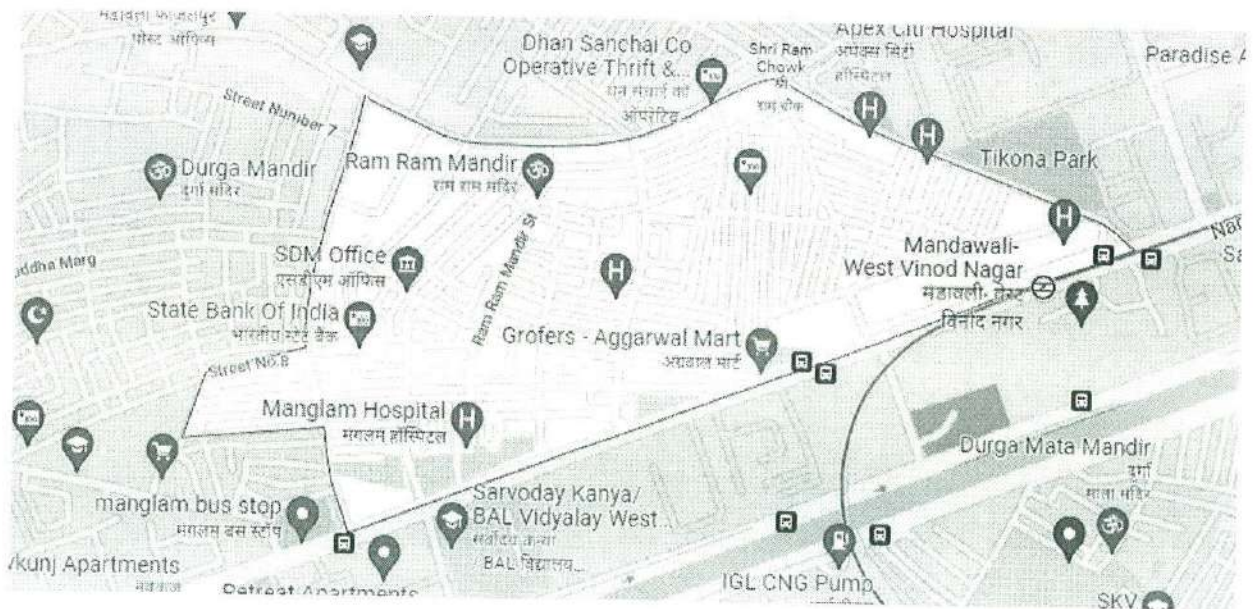
Website: [www.indiahydro.in](http://www.indiahydro.in)

Email Id: [ohg.secretarial@polyplex.com](mailto:ohg.secretarial@polyplex.com)

# 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 Annual General Meeting.
5. Route/ Guidance to reach the venue of the Annual General Meeting as required under SS-2



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# KANCHANJUNGA

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: .....	2. Name: .....
Address: .....	Address: .....
E-mail Id: .....	E-mail Id: .....
Signature....., or failing him	Signature: .....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 32<sup>nd</sup> Annual General Meeting of the Company, to be held on the **Wednesday, September 20, 2023** 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.....

2.....

Affix  
Revenue  
Stamp

Signed this \_\_\_\_\_ day of \_\_\_\_\_, 2023

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.**

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## Attendance Slip

I hereby record my presence at the 32<sup>nd</sup> Annual General Meeting of the Company being held on **Wednesday, September 20, 2023** 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.

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# KANCHANJUNGA

## BOARDS' REPORT

To  
The Members  
**Kanchanjunga Power Company Private Limited**

Your Directors have pleasure in submitting the 32<sup>nd</sup> Annual Report for the financial year ended March 31, 2023.

### 1. FINANCIAL RESULTS

During the year under review, your Company reported turnover of **Rs. 4,273.22 Lacs** as against **Rs. 3,543.71 Lacs** in corresponding previous year. Your Company earned a cash profit of **Rs. 1,702.94 Lacs** as against **Rs. 650.83 Lacs** in previous year.

The financial results of the Company for the current year (2022-23) and the previous year (2021-22) are summarized as under:

Sn	Particulars	Financial Year 2022-23	Financial Year 2021-22
a)	Revenue from sale of Power	4,273.22	3,543.71
b)	Less: Operating Expenditure	1,727.90	1,856.83
c)	<b>Operating Profit</b>	<b>2,545.31</b>	<b>1,686.88</b>
d)	Add: Other Income	153.27	78.29
e)	<b>Profit before Interest, Depreciation and Tax</b>	<b>2,698.58</b>	<b>1,765.17</b>
f)	Less: Finance Cost	995.64	1,114.34
g)	<b>Profit before Depreciation and Tax</b>	<b>1,702.94</b>	<b>650.83</b>
h)	Less: Depreciation	1,227.39	1,495.47
i)	<b>Profit before Tax and Extraordinary and Exceptional Items</b>	<b>475.55</b>	<b>(844.64)</b>
j)	Extraordinary Items	530.37	-
k)	<b>Profit before Tax</b>	<b>1,005.93</b>	<b>(844.64)</b>
l)	Less: Current Tax	175.00	-
m)	Less: Deferred Tax	(394.49)	(207.60)
n)	Less :MAT Credit	(136.00)	-
o)	<b>Net Profit/(Loss) after tax</b>	<b>1,361.42</b>	<b>(637.04)</b>

### 2. BUSINESS OPERATIONS

The plant generated 94.72 Million Units (MUs) of power during the current financial year achieving 91.77% of the designed energy as against 96.22 MUs of power during the previous year achieving 93.22% of the designed energy.

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Website: [www.indiahydro.in](http://www.indiahydro.in)

### 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.

Further, no amount has been transferred to General Reserve for the period under review.

### 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. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

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

### 8. ISSUE / REDEMPTION OF DEBENTURE

During the year, 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 NCDs so issued were listed on the Debt Segment of National Stock Exchange of India Limited and the Company is duly complying with the applicable provisions of SEBI (Listing Obligations and Disclosures Requirement) Regulations, 2015.

### 9. DEPOSITS FROM PUBLIC

The Company has not accepted any deposit from public during the Financial Year 2022-23. There were no unclaimed deposits as at March 31, 2023.

### 10. 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.

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## 11. 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 Companies Act, 2013 in relation to the Financial Statements for the Financial Year 2022-23, 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, 2023 and Profit or Loss of the Company for the year ended on March 31, 2023;
- 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

## 13. DETAILS REGARDING FRAUDS REPORTED BY AUDITOR UNDER SECTION 143(12) OF THE COMPANIES ACT, 2013

During the year under review, the statutory auditor has not reported any instance of fraud committed against the Company by its officers or employees under section 143(12) of the Companies Act, 2013.

## 14. DIRECTORS AND KEY MANAGERIAL PERSONNEL

During the Financial Year 2022-23, Mr. Rohit Saraf, Mr. Vibhav Saraf (Whole Time Director) and Mr. Pramod Kumar Arora (Whole Time Director), Mr. Shivam Saraf and Mr. Anirudh Saraf served on the Board.

Mr. Vibhav Saraf has resigned from the office of Whole Time Director with effect from April 21, 2023 while continues to serve as Non-Executive Director of the Company.

Mrs. Jyoti Chawla, an Associate member of Institute of Company Secretaries of India (ICSI) is serving as a Company Secretary of the Company and Mr. Parvesh Sharma, is serving as Chief Financial Officer (CFO) of the Company.

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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, Regulation 15(1A) of SEBI (LODR) Regulation, 2015 exempts the listed entity from applicability of Regulation 16 to Regulation 27 of Chapter 4 which has listed its non-convertible debt securities and has an outstanding value of listed non-convertible debt securities of 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.

## 15. NUMBER OF MEETINGS OF THE BOARD

During the Financial Year 2022-23, 7 (seven) meetings of the Board were held and the gap between two meetings was not more than 120 days.

The dates of meetings were: April 7, 2022; May 10, 2022; June 02, 2022; August 12, 2022; September 23, 2022; November 12, 2022; and February 10, 2023.

## 16. POLICY ON DIRECTORS APPOINTMENT AND REMUNERATION

The provisions of Section 178(1) of the Companies Act, 2013 read with Rule 6 of the Companies (Meetings of the Board and its Powers) Rules, 2014 relating to constitution of Nomination and Remuneration Committee are not applicable to the Company. Further, Regulation 15(1A) of SEBI (LODR) Regulation, 2015 exempts the Company from applicability of Regulation 19, relating to Nomination and Remuneration Committee.

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

## 17. 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, Regulation 15(1A) of SEBI (LODR) Regulation, 2015 exempts the Company from applicability of Regulation 18, relating to Audit Committee.

## 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. Further, Regulation 15(1A) of SEBI (LODR) Regulation, 2015 exempts the Company from applicability of Regulation 22, relating to vigil mechanism.

## 19. CORPORATE SOCIAL RESPONSIBILITY (CSR) INITIATIVES

During the year under review, the Company has earned profit before tax of Rs.1005.93 lacs. Therefore, provisions of CSR are applicable on the Company from financial year 2023-24.

As per sub-section 9 of Section 135 of the Companies Act, 2013, the Company is not required to constitute CSR Committee.

Further, the Board has formulated and approved a CSR Policy of the Company.

## 20. AUDITORS

### Internal Auditor:

M/s. Lodha & Co., Chartered Accountants (FRN: 301051E), existing Internal Auditors of the Company have been reappointed for the Financial Year 2023-24.

### Statutory Auditor:

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 28<sup>th</sup> Annual General Meeting (AGM) upto the conclusion of 32<sup>nd</sup> 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.

M/s. Jain Pramod Jain & Co., Chartered Accountants (FRN: 016746N), Statutory Auditors of the Company has consented for being re-appointed as Statutory Auditor. The Board of Directors of the Company approved their appointment as Statutory Auditor for another period of five years from the conclusion of 32<sup>th</sup> AGM till the conclusion of 37<sup>st</sup> AGM to be held in the year 2028, subject to approval by members at the ensuing AGM.

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

### Secretarial Auditor and Report

As per section 204 of the Companies Act, 2013, every listed company and public company having paid up capital of Rs. 50 crore or more; or turnover of Rs. 250 crores or more; or every company having outstanding loans or borrowing from banks or public financial institutions of Rs. 100 crores or more shall attach a secretarial audit report in the prescribed format.

During the financial year under review, the Company's outstanding loan or borrowing does not fall under the categories as mentioned above. Further Regulation 15(1A) of SEBI (LODR) Regulations, 2015 exempts the Company from applicability of regulation 24A, regarding Secretarial Audit Report and Secretarial Compliance Report.

Hence, no secretarial audit was required for the financial year under review.

## 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**.

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## 22. COST RECORD

The provisions of maintenance of cost record as per section 148 of the Companies Act, 2013 are applicable to the Company.

## 23. CONSTITUTION OF COMMITTEE - SEXUAL HARASSMENT AT WORKPLACE

The Company has 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 arm's 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 Regulation 53 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, required disclosure pertaining to related party transaction in the prescribed format is attached **Annexure-B**.

## 25. ANNUAL RETURN

As per 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/>.

## 26. 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.

## 27. DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 DURING THE YEAR ALONGWITH THEIR STATUS AS AT THE END OF THE FINANCIAL YEAR

During the year under review, no application has been made or proceedings pending by or against the Company under the Insolvency and Bankruptcy Code, 2016 ("IBC"). Hence provisions of IBC are not applicable to the Company.

## 28. DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF.

There are no such transactions during the year and hence said provisions are not applicable to the Company.

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# KANCHANJUNGA

## 29. COMPLIANCE WITH SECRETARIAL STANDARDS

The Company has complied with the applicable Secretarial Standard issued by Institute of Company Secretaries of India.

## 30. 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.

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  
Kanchanjunga Power Company Private Limited



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



**Shivam Saraf**  
Director  
DIN : 06687814

Place: Noida  
Date: May 29, 2023

**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 Id: phg.secretarial@polyplex.com](mailto:phg.secretarial@polyplex.com)

[Website: www.indiahydro.in](http://www.indiahydro.in)

## ANNEXURE A, TO THE BOARDS' REPORT

Information under Section 134(3)(m) of the Act read with the Companies (Accounts) Rules, 2014 and forming part of the Boards' 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, 2023 is as under:

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

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# KANCHANJUNGA

## ANNEXURE B, TO THE BOARD'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	Not Applicable
		Loans and advances in the nature of loans to associates by name and amount	
		Loans and advances in the nature of loans to firms / companies in which directors are interested by name and amount.	
2.	Subsidiary	Loans and advances in the nature of loans to subsidiaries by name and amount	
		Loans and advances in the nature of loans to associates by name and amount	
		Loans and advances in the nature of loans to firms / companies in which directors are interested by name and amount.	
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.	

### Kanchanjunga Power Company Private Limited

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Email Id: [phg.secretarial@dohvnlx.com](mailto:phg.secretarial@dohvnlx.com)

Website: [www.indiahydro.in](http://www.indiahydro.in)

**INDEPENDENT AUDITORS' REPORT**

**To the Members of Kanchanjunga Power Company Private Limited**

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

**Opinion**

We have audited the accompanying standalone financial statement of Kanchanjunga Power Company Private Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2023, 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, 2023, and its Profit 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.

**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.39)
2. Balance of certain trade receivables other payables and advances are subject to confirmation/reconciliation.(note no.33)
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. 37)



Our conclusion is not modified in respect of above matters.

### **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, 2020 ("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, 2023 taken on record by the Board of Directors, none of the directors are disqualified as on 31st March, 2023 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 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: **23010479BGZEOA6127**



Place: New Delhi  
Date: 29<sup>th</sup> May 2023

**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 31.03.2023)

- 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) In respect of working capital limit sanctioned to the company no quarterly returns or statements are required to be filed to the bank.
- iii. (a) During the year the company has provided unsecured loan of Rs. 23 crore to a company other than subsidiaries, joint ventures and associates which was recovered during the year and no amount is outstanding at year and unsecured loan of Rs. 200 lacs to an individual other than employee given in last year which was also outstanding at year end.
- (b) Terms and conditions of the grant of all loans and advances in the nature of loans are not prejudicial to the company's interest.
- (c) In respect of loans and advances in the nature of loans, the schedule of repayment of principal and payment of interest has been stipulated and the repayments or receipts are regular.
- (d) No amount of loans is overdue.
- (e) No loans which has fallen due during the year, has been renewed or extended.
- (f) No loans are repayable on demand or without specifying any terms or period of repayment.
- 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, 2023;
- (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.



- 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: 29<sup>th</sup> May 2023



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

*P. K. Jain*  
(P.K. Jain)

Partner

Membership No.010479  
UDIN: 23010479BGZEOA6127

**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 31.03.2023.

We have audited the internal financial controls over financial reporting of Kanchanjunga Power Company Private Limited as at March 31, 2023 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, 2023 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: 23010479BGZEOA6127



Place: New Delhi

Date: 29<sup>th</sup> May 2023

BALANCE SHEET AS AT 31 MARCH 2023

	Particulars	Note No.	As at	As at
			31st March 2023 (Rs. In lacs)	31st March 2022 (Rs. In lacs)
<b>I.</b>	<b>EQUITY AND LIABILITIES</b>			
	<b>Shareholder's funds</b>			
	Share capital	2	6,714.00	6,714.00
	Reserve and surplus	3	(5,893.62)	(7,255.04)
	<b>Non current liabilities</b>			
	Long-term borrowings	4	10,200.00	10,700.00
	Other long term liabilities	5	3,256.07	3,252.47
	Long-term provisions	6	1,077.38	753.31
	<b>Current liabilities</b>			
	Short term borrowings	7	500.00	800.00
	Trade payables	8		
	-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	9	98.50	136.58
	Short term provisions	10	9.03	4.38
			<b>16,196.08</b>	<b>15,378.51</b>
<b>II.</b>	<b>ASSETS</b>			
	<b>Non-current assets</b>			
	Property plant & equipment and Intangible assets	11		
	(i) Property plant & equipment		7,659.41	8,862.17
	(ii) Intangible assets under development		17.86	13.07
	Deferred tax assets (net)	12	3,503.93	3,109.45
	Long-term loans and advances	13	1,827.18	1,827.18
	Other non-current assets	14	157.89	21.19
	<b>Current assets</b>			
	Current Investments	15	812.63	472.95
	Inventories	16	141.77	227.81
	Trade receivables	17	217.24	88.55
	Cash and bank balances	18	1,036.04	345.17
	Short term loans & Advances	19	821.74	410.55
	Other current assets	20	0.39	0.42
			<b>16,196.08</b>	<b>15,378.51</b>

Significant accounting policies

1

The accompanying notes 1 to 46 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



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

Parvesh Sharma  
CFO

Place: New Delhi  
Date: 29 MAY 2023

Place: NOIDA  
Date: 29 May 2023

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2023

Particulars		Note No.	Current Year 2022-23 (Rs. In lacs)	Previous Year 2021-22 (Rs. In lacs)
I	Revenue from operations	21	4,273.22	3,543.71
II	Other income	22	153.27	78.29
III	<b>Total Income (I + II)</b>		<b>4,426.49</b>	<b>3,622.00</b>
IV	<b>Expenses:</b>			
	Employee benefits expenses	23	337.27	487.44
	Depreciation and amortization expense	11	1,227.39	1,495.47
	Finance costs	24	995.64	1,114.34
	Other expenses	25	1,390.63	1,369.39
	<b>Total expenses</b>		<b>3,950.93</b>	<b>4,466.64</b>
V	<b>Profit / (Loss) before exceptional and extraordinary expenses (III-IV)</b>		<b>475.56</b>	<b>(844.64)</b>
VI	Exceptional Item (Income / (Expense))		(34.82)	-
VII	<b>Profit / (Loss) before extraordinary expenses (V+VI)</b>		<b>440.74</b>	<b>(844.64)</b>
VIII	Extraordinary Item (Income / (Expense))	26	565.19	-
IX	<b>Profit / (Loss) before tax (VII+VIII)</b>		<b>1,005.93</b>	<b>(844.64)</b>
X	<b>Tax expense:</b>			
	Current tax		175.00	-
	Deferred tax		(394.49)	(207.60)
	Tax paid/(adjusted) for earlier years		-	-
	Mat Credit		(136.00)	-
XI	<b>Profit/(Loss) after tax</b>		<b>1,361.42</b>	<b>(637.04)</b>
XII	Earnings per equity share:	27		
	(1) Basic		6.76	(3.16)
	(2) Diluted		6.76	(3.16)
	Nominal value of equity shares		10.00	10.00

Significant accounting policies

1

The accompanying notes 1 to 46 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



ON BEHALF OF THE BOARD OF DIRECTORS

*Shivam Saraf*  
Shivam Saraf  
Director  
DIN: 06687814

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

*Jyoti*  
Jyoti Chawla  
Company Secretary

*Parvesh Sharma*  
Parvesh Sharma  
CFO

Place: *New Delhi*  
Date: *29 MAY 2023*

Place: *NOIDA*  
Date: *29 MAY 2023*

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2023

Sn	Particulars	Notes	Current Year 2022-23 (Rs. in lacs)	Previous Year 2021-22 (Rs. in lacs)
<b>A</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
	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)
	<b>Operating profit before working capital changes</b>		<b>3,082.34</b>	<b>1,687.49</b>
	(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)
	<b>Cash generated from / (used in) operations</b>		<b>2,900.38</b>	<b>1,357.75</b>
	Income taxes paid including TDS (net of refund)		(194.97)	(3.54)
	<b>NET CASH FROM / (USED IN) OPERATING ACTIVITIES</b>	<b>(A)</b>	<b>2,705.41</b>	<b>1,354.21</b>
<b>B</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
	Payment for purchase of property, plant and equipment's		(118.59)	(22.09)
	Realization from sale of purchase of property, plant and equipment's		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
	<b>NET CASH FROM / (USED IN) INVESTING ACTIVITIES</b>	<b>(B)</b>	<b>(233.05)</b>	<b>388.36</b>
<b>C</b>	<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
	Redemption of debenture		(10,750.00)	(800.00)
	Proceeds from NCD's and other loans		9,950.00	-
	Enhancement in project liabilities		-	(61.09)
	Interest and finance charges		(995.64)	(1,114.34)
	<b>NET CASH FROM / (USED IN) FINANCING ACTIVITIES</b>	<b>(C)</b>	<b>(1,795.64)</b>	<b>(1,975.43)</b>
	<b>NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>(A + B + C)</b>	<b>676.72</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		720.84	44.12
	<b>NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS</b>		<b>676.72</b>	<b>(232.86)</b>
	<b>Cash and cash equivalents comprise of :</b>			
	-Cash on hand		4.65	1.22
	-Balance with scheduled banks in current accounts		719.79	42.90
			<b>724.44</b>	<b>44.12</b>

Significant accounting policies

1

The accompanying notes 1 to 46 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



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

Parvesh Sharma  
CFO

Place:  
Date:

Noida  
24 MAY 2023

Place:  
Date:

Noida  
29 MAY 2023

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

**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 A-26/5, First Floor, Street No.8, West Vinod Nagar, Delhi - 110092. The Company is engaged in the activity of generation of electricity. The company's non-convertible debentures were listed with stock exchange on 08 June 2022.

**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.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

**(d) Property, Plant 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 has been reviewed at year end which is in accordance of Schedule II of Companies Act, 2013.

**(e) Depreciation / amortization:**

- i) Depreciation on fixed assets is provided on Written Down Value Method (WDV) basis using the rates arrived based on the useful lives reviewed at the year-end which is as under:

Assets	Period of Depreciation / Amortization*
Roads – (Carpeted Road-other than RCC)	5 years
Furniture & Fixtures	10 years
Intangible assets	40 years
Leasehold Land	40 years
Construction Equipments	9 years
Data Processing Equipment	3 years
Office Equipment	5 years
Testing Equipments	10 years
Building-Hydroelectric Generating Plant	30 years
Building-Residential	30 years
Hydraulic works-Building	15 years
Plant & Machinery	40 years

\* The aforesaid period is restricted till project concession period.

**(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.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

**(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.

**(i) Investments**

Current Investments are carried in the financial statements at lower of cost and quoted/fair value determined on individual investment basis. Non-Current Investments are stated/carried at cost. However, provision for diminution in the value of Non-Current Investment is made only if such decline is other than temporary.

**(j) 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 reflects 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.

**(k) 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**



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

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.

**(l) 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.

**(m) Provisions, contingent liabilities and contingent assets:**

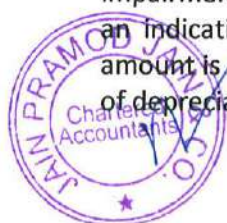
The Company creates a provision when there is a present obligation as result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present 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.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

(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 2023

2 SHARE CAPITAL

Particulars	As at 31st March 2023 (Rs. In lacs)	As at 31st March 2022 (Rs. In lacs)
<b>Authorized</b>		
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
<b>Total</b>	<b>6,865.20</b>	<b>6,865.20</b>
<b>Issued, subscribed and paid up shares</b>		
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
<b>Total</b>	<b>6,714.00</b>	<b>6,714.00</b>

(a) Reconciliation of the number of shares outstanding

i) Equity shares

Particulars	As at 31-Mar-23		As at 31-Mar-22	
	Number	Rs. In lacs	Number	Rs. In lacs
Shares outstanding as at the beginning of the year	2,01,42,010	2,014.20	2,01,42,010	2,014.20
Additions during the year	-	-	-	-
Deletion during the year	-	-	-	-
<b>Shares outstanding as at the end of the year</b>	<b>2,01,42,010</b>	<b>2,014.20</b>	<b>2,01,42,010</b>	<b>2,014.20</b>

ii) 8% Non cumulative redeemable preference shares

Particulars	As at 31-Mar-23		As at 31-Mar-22	
	Number	Rs. In lacs	Number	Rs. In lacs
Shares outstanding as at the beginning of the year	46,99,799	4,699.80	46,99,799	4,699.80
Additions during the year	-	-	-	-
Deletion during the year	-	-	-	-
<b>Shares outstanding as at the end of the year</b>	<b>46,99,799</b>	<b>4,699.80</b>	<b>46,99,799</b>	<b>4,699.80</b>

(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	16,80,715	1,680.72
30-Oct-12	8,40,000	840.00
24-Mar-14	1,90,400	190.40
23-Mar-15	4,47,704	447.70
12-Jan-16	12,41,000	1,241.00
13-Mar-19	4,69,980	469.98
<b>Total</b>	<b>48,69,799</b>	<b>4,869.80</b>

Date of Redemption	Number	Rs. In lacs
19-Mar-19	1,70,000	170.00
<b>Total</b>	<b>1,70,000</b>	<b>170.00</b>

<b>Net Balance</b>	<b>46,99,799</b>	<b>4,699.80</b>
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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

3 RESERVES AND SURPLUS

Particulars	As at 31 March 2023 (Rs. In lacs)	As at 31 March 2022 (Rs. In lacs)
<b>Capital Reserve</b>		
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
<b>Surplus</b>		
Balance at the beginning of the year	(8,145.04)	(7,508.00)
Addition during the year	1,361.42	(637.04)
Balance at the end of the year	(6,783.62)	(8,145.04)
<b>Total</b>	<b>(5,893.62)</b>	<b>(7,255.04)</b>

4 LONG TERM BORROWINGS

Particulars	As at 31st March 2023 (Rs. In lacs)	As at 31st March 2022 (Rs. In lacs)
<b>Debentures</b>		
<b>1300 Series 1 Redeemable Non-Convertible Debentures - Unlisted*</b>		
Redeemable Non Convertible Debentures Series-1A	-	5,000.00
Redeemable Non Convertible Debentures Series-1B	-	1,900.00
Redeemable Non Convertible Debentures Series-1C	-	1,800.00
Redeemable Non Convertible Debentures Series-1D	-	1,250.00
<b>Subtotal</b>	<b>-</b>	<b>9,950.00</b>
<b>155 Series 2 Redeemable Non-Convertible Debentures - Unlisted</b>		
Redeemable Non Convertible Debentures Series-2A	500.00	500.00
Redeemable Non Convertible Debentures Series-2B	-	800.00
Redeemable Non Convertible Debentures Series-2C	250.00	250.00
<b>Sub Total</b>	<b>750.00</b>	<b>1,550.00</b>
<b>995 Series 3 Redeemable Non Convertible Debentures - Listed*</b>		
Redeemable Non Convertible Debentures Series-3A	3,600.00	-
Redeemable Non Convertible Debentures Series-3B	6,100.00	-
Redeemable Non Convertible Debentures Series-3C	250.00	-
<b>Sub Total</b>	<b>9,950.00</b>	<b>-</b>
<b>Total (a)</b>	<b>10,700.00</b>	<b>11,500.00</b>
<b>Less: current portion - amount disclosed under the head</b>		
<b>"Short Term Borrowing (refer note 7)"</b>		
<b>155 Series 2 Redeemable Non-Convertible Debentures - Unlisted</b>		
Redeemable Non Convertible Debentures Series-2B	-	800.00
Redeemable Non Convertible Debentures Series-2A	500.00	-
<b>Total (b)</b>	<b>500.00</b>	<b>800.00</b>
<b>Total (a-b)</b>	<b>10,200.00</b>	<b>10,700.00</b>

\* The company has issued 995 Series 3 redeemable non convertible debentures and the proceeds from the issue has been utilised to fully redeem NCD series 1.

Debentures: Redeemable Non Convertible Debentures Series

Terms of Debentures

Particular	Nos.	Face value	Nos. of quarterly instalment	Redemption commencing date	Redemption terms
<b>155 Series 2 Redeemable Non-Convertible Debentures - Unlisted</b>					
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%
<b>995 Series 3 Redeemable Non-Convertible Debentures - Listed</b>					
Redeemable Non Convertible Debentures Series-3A	360	10,00,000	15	31-May-25	At premium of 1%
Redeemable Non Convertible Debentures Series-3B	610	10,00,000	12	31-May-30	At premium of 1%
Redeemable Non Convertible Debentures Series-3C	25	10,00,000	3	31-May-24	At premium of 1%

Series 2 redeemable non convertible debentures [carrying interest rate as on 31 March 2023 @ 8.99% p.a. (P.Y. 8.25%)] 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 3 redeemable non convertible debentures [carrying interest rate as on 31 March 2023 @ 8.99% p.a. (P.Y. 8.25%)] 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.

The above 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 2023

5 OTHER LONG TERM LIABILITIES

Particulars	As at 31st March 2023 (Rs. In lacs)	As at 31st March 2022 (Rs. In lacs)
Long term project liabilities(including retention money)	3,256.07	3,252.47
<b>Total</b>	<b>3,256.07</b>	<b>3,252.47</b>

6 LONG TERM PROVISIONS

Particulars	As at 31st March 2023 (Rs. In lacs)	As at 31st March 2022 (Rs. In lacs)
Provision for premium on redemption	102.00	115.00
Provision for transmission charges*	784.82	607.69
Provision for Forest lease rent**	150.39	-
<b>Provision for employee benefits</b>		
Gratuity	25.14	17.79
Less: Current Portion - Amount disclosed under the head "Short term provisions" (Refer note 10)	(0.06)	0.00
Compensated absences	19.06	17.21
Less: Current Portion - Amount disclosed under the head "Short term provisions" (Refer note 10)	(3.97)	(4.38)
<b>Total</b>	<b>1,077.38</b>	<b>753.31</b>

\* The transmission charges are subject matter of appeal before the Hon'ble APTEL. The company's appeal has been allowed by the Hon'ble APTEL and necessary consequential orders from the Central Commission are awaited. Further, the cross appeal of the counter party is under consideration of the Hon'ble APTEL.

\*\* The company has received a demand towards Forest lease rent and the same has been contested before the appropriate authority.

7 SHORT TERM BORROWINGS

Particulars	As at 31st March 2023 (Rs. In lacs)	As at 31st March 2022 (Rs. In lacs)
Current maturity of Long term borrowings (Refer note no. 4)	500.00	800.00
<b>Total</b>	<b>500.00</b>	<b>800.00</b>

8 TRADE PAYABLES

Particulars	As at 31st March 2023 (Rs. In lacs)	As at 31st March 2022 (Rs. In lacs)
Total outstanding dues of micro enterprises and small	0.05	0.45
Total outstanding dues of creditors other than micro	234.67	272.36
<b>Total</b>	<b>234.72</b>	<b>272.81</b>

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 2023 as well as on 31 March 2022 to such parties. This has been relied upon by the auditors.

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 2023 (Rs. In lacs)	As at 31st March 2022 (Rs. In lacs)
Principal amount remaining unpaid to any supplier as at the end of each accounting year.*	0.05	0.45
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.	-	-
<b>Total</b>	<b>0.05</b>	<b>0.45</b>

\* Payment has been made within 45 days



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

Trade payables Ageing Schedule

As at 31 March 2023	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	0.05	-	-	-	0.05	
Others	10.96	41.57	133.21	48.93	234.67	
Disputed dues - MSME	-	-	-	-	-	
Disputed dues - Others	-	-	-	-	-	
<b>Total</b>	<b>11.01</b>	<b>41.57</b>	<b>133.21</b>	<b>48.93</b>	<b>234.72</b>	

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	-	-	-	-	-	
<b>Total</b>	<b>90.62</b>	<b>133.21</b>	<b>18.94</b>	<b>30.04</b>	<b>272.81</b>	

9 OTHER CURRENT LIABILITIES

Particulars	As at	As at
	31st March 2023 (Rs. In lacs)	31st March 2022 (Rs. In lacs)
Others:		
-Statutory dues(Including TDS and provident fund)	34.00	7.82
-Bonus payable	9.45	9.26
-Expenses payable	55.05	119.50
<b>Total</b>	<b>98.50</b>	<b>136.58</b>

10 SHORT TERM PROVISIONS

Particulars	As at	As at
	31st March 2023 (Rs. In lacs)	31st March 2022 (Rs. In lacs)
Provision for employee benefits (refer note 6)		
-Provision for gratuity	0.06	-
-Compensated absences	3.97	4.38
-Provision for premium on redemption	5.00	-
<b>Total</b>	<b>9.03</b>	<b>4.38</b>



11 PROPERTY PLANT & EQUIPMENT AND INTANGIBLE ASSETS

A) TANGIBLE ASSETS & INTANGIBLE ASSETS

Particulars	Gross Block			Accumulated Depreciation				Net Block	
	As at 01-Apr-22 (Rs. in lacs)	Additions (Rs. in lacs)	Disposal (Rs. in lacs)	As at 31-Mar-23 (Rs. in lacs)	As at 01-Apr-22 (Rs. in lacs)	Depreciation charge for the year (Rs. in lacs)	As at 31-Mar-23 (Rs. in lacs)	As at 31-Mar-23 (Rs. in lacs)	As at 31-Mar-22 (Rs. in lacs)
Land	35.53	-	-	35.53	-	-	-	35.53	35.53
Leasehold	755.58	-	-	755.58	-	18.89	138.68	616.90	635.79
Plant and equipment	17.04	-	-	17.04	11.62	0.61	12.23	4.81	5.42
Testing equipment	-	-	-	-	30.60	1.24	31.84	1.88	3.12
Furniture and fixtures	33.72	-	-	33.72	10.58	0.20	10.78	0.22	0.42
Office equipment	11.00	-	-	11.00	-	-	-	-	-
Others	-	-	-	-	-	-	-	-	-
Computer	25.19	3.01	0.47	27.73	20.04	4.44	24.01	3.72	5.15
Software (integrated with computer)	24.30	-	-	24.30	19.95	2.27	22.22	2.08	4.35
Vehicle	6.99	-	-	6.99	6.35	0.29	6.65	0.34	0.65
Communication network	74.99	-	-	74.99	59.85	4.85	64.70	10.29	15.14
Building - Hydro Electric Plant	709.95	-	-	709.95	394.98	46.60	441.58	268.37	314.97
Hydraulic work - Building	7,931.48	-	-	7,931.48	6,449.47	425.00	6,874.47	1,057.01	1,482.01
Hydraulic work - Hydro Mechanical	6,319.69	110.79	-	6,430.48	2,871.06	395.87	3,266.93	3,163.55	3,448.65
Plant & Machinery - Hydro Electric Plant	4,147.48	-	-	4,147.48	1,899.08	255.91	2,154.99	1,992.49	2,248.40
Roads	565.48	-	-	565.48	559.83	-	559.83	5.65	5.65
Transmission line	1,194.72	-	183.06	1,011.66	537.78	71.22	515.09	496.57	656.94
<b>Total</b>	<b>21,853.14</b>	<b>113.80</b>	<b>183.53</b>	<b>21,783.41</b>	<b>12,990.99</b>	<b>1,227.39</b>	<b>14,124.00</b>	<b>7,659.41</b>	<b>8,862.17</b>
Previous Year	21,890.72	9.02	46.57	21,953.14	11,502.09	1,495.47	12,991.00	8,862.17	10,368.62

B) INTANGIBLE ASSETS UNDER DEVELOPMENT

Particulars	As at 01-Apr-22 (Rs. in lacs)	Additions (Rs. in lacs)	Transfer to intangible asset (Rs. in lacs)	As at 31-Mar-23 (Rs. in lacs)
	Intangible Asset under Development	13.07	4.79	-
<b>Total</b>	<b>13.07</b>	<b>4.79</b>	<b>-</b>	<b>17.86</b>

i) Intangible Asset under development aging schedule

As at March 31, 2023	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)	More than 3 year (Rs. in lacs)	
Project in progress	4.79	13.07	-	17.86
Project temporarily suspended	4.79	13.07	-	17.86

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)	More than 3 year (Rs. in lacs)	
	13.07	13.07	-	13.07
<b>Total</b>	<b>13.07</b>	<b>13.07</b>	<b>-</b>	<b>13.07</b>



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

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 2023 - Rs. 3,503.93 lacs (31st March 2022 - Rs 3,109.45 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 2023 (Rs. In lacs)	As at 31st March 2022 (Rs. In lacs)
<b>Deferred tax assets on account of:</b>		
-Business losses and unabsorbed depreciation	3,090.10	2,757.56
-Other disallowance under IT Act	393.70	350.25
-Depreciation	20.13	1.64
	-	-
<b>Sub-total (a)</b>	<b>3,503.93</b>	<b>3,109.45</b>
<b>Deferred tax liability on account of:</b>		
-Depreciation	-	-
<b>Sub-total (b)</b>	<b>-</b>	<b>-</b>
<b>Total (a) - (b)</b>	<b>3,503.93</b>	<b>3,109.45</b>

13 LONG TERM LOANS AND ADVANCES

Particulars	As at 31st March 2023 (Rs. In lacs)	As at 31st March 2022 (Rs. In lacs)
<b>(Unsecured, considered good)</b>		
Capital advances	1,797.82	1,797.82
Other loans and advances	29.36	29.36
<b>Total</b>	<b>1,827.18</b>	<b>1,827.18</b>

14 OTHER NON-CURRENT ASSETS

Particulars	As at 31st March 2023 (Rs. In lacs)	As at 31st March 2022 (Rs. In lacs)
MAT Credit Entitlement	136.00	-
Security deposits	9.44	8.74
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. 2.45 lacs) lien)	2.45	2.45
<b>Total</b>	<b>157.89</b>	<b>21.19</b>

15 CURRENT INVESTMENTS

Particulars	As at 31st March 2023 (Rs. In lacs)	As at 31st March 2022 (Rs. In lacs)
Investment in Mutual Funds*	812.63	472.95
<b>Total</b>	<b>812.63</b>	<b>472.95</b>

These represents investment of temporary surplus funds.

\*Details of Market Value (NAV) of mutual funds as on 31st March 2023 are as under:

Fund Name	Cost	Market Value
Sundaram Liquid Fund Direct-G (Unit 10183.891 )	201.05	202.44
Mirae Asset Fixed Maturity Plan Series V ( Unit 1510869.21)	151.09	152.50
PGIM India Liquid Fund Direct-G (Unit 157951.988)	460.49	463.39
<b>Total</b>	<b>812.63</b>	<b>818.34</b>

\*Details of Market Value (NAV) of mutual funds as on 31st

Fund Name	Cost	Market Value
HSBC Cash Fund Direct-Growth (Unit 1411.228)	280.15	295.26
IDFC Cash Fund Direct-Growth (Unit 11484.445)	192.80	194.54
<b>Total</b>	<b>472.95</b>	<b>489.80</b>

16 INVENTORIES

Particulars	As at 31st March 2023 (Rs. In lacs)	As at 31st March 2022 (Rs. In lacs)
Store and spares (as taken, valued and certified by the management)	141.77	227.81
<b>Total</b>	<b>141.77</b>	<b>227.81</b>



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

17 TRADE RECEIVABLES

Particulars	As at 31st March 2023 (Rs. In lacs)	As at 31st March 2022 (Rs. In lacs)
(Unsecured, considered good) Unsecured considered good	217.24	88.55
<b>Total</b>	<b>217.24</b>	<b>88.55</b>

TRADE RECEIVABLES AGEING SCHEDULE

As at 31 March 2023	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	146.40	-	-	-	70.85	217.24
Undisputed Trade Receivables - considered doubtful	-	-	-	-	-	-
Disputed Trade receivables - considered good	-	-	-	-	-	-
Disputed Trade receivables - considered doubtful	-	-	-	-	-	-
<b>Total</b>	<b>146.40</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>70.85</b>	<b>217.24</b>

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	-	-	-	-	-	-
<b>Total</b>	<b>17.70</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>70.85</b>	<b>88.55</b>

18 CASH AND BANK BALANCES

Particulars	As at 31st March 2023 (Rs. In lacs)	As at 31st March 2022 (Rs. In lacs)
<b>Cash and cash equivalent</b>		
Cash on hand	4.65	1.22
Balance with schedule banks in current accounts	719.79	42.90
<b>Other bank balances</b>		
Fixed Deposit for a period of 12 months or less	311.60	301.05
a. Term deposits of Rs. 2,89,76,169 (previous year Rs. 2,97,54,406/-) lien marked in favour of Indusind Bank Limited for Bank Guarantee availed for DSRA.		
b. Term deposit of Rs. 3,70,032 (previous year Rs. 3,50,391/-) lien in favour of sale tax department.		
<b>Total</b>	<b>1,036.04</b>	<b>345.17</b>

19 SHORT TERM LOANS & ADVANCES

Particulars	As at 31st March 2023 (Rs. In lacs)	As at 31st March 2022 (Rs. In lacs)
(unsecured, considered good)		
Advances recoverable in cash and kind for value to be	700.75	290.16
Prepaid expenses	85.80	105.17
Advance tax, TDS and self assessment tax (net of prepaid)	35.19	15.22
<b>Total</b>	<b>821.74</b>	<b>410.55</b>

20 OTHER CURRENT ASSETS

Particulars	As at 31st March 2023 (Rs. In lacs)	As at 31st March 2022 (Rs. In lacs)
(unsecured, considered good)		
Interest accrued but not due on term deposit	0.39	0.42
<b>Total</b>	<b>0.39</b>	<b>0.42</b>



Notes to the financial statement for the year ended 31 March 2023

21 REVENUE FROM OPERATIONS

Particulars	Current Year 2022-23 (Rs. In lacs)	Previous Year 2021-22 (Rs. In lacs)
Sale of energy	3,771.65	3,543.71
Insurance claim receipt (Loss of generation)	501.57	-
<b>Total</b>	<b>4,273.22</b>	<b>3,543.71</b>

22 OTHER INCOME

Particulars	Current Year 2022-23 (Rs. In lacs)	Previous Year 2021-22 (Rs. In lacs)
Profit on sale of current investments	117.54	31.09
Profit on sale of fixed assets	-	0.91
Interest income	33.12	45.68
Balance written back	2.18	0.33
Misc. income	0.43	0.28
<b>Total</b>	<b>153.27</b>	<b>78.29</b>

23 EMPLOYEE BENEFITS EXPENSE

Particulars	Current Year 2022-23 (Rs. In lacs)	Previous Year 2021-22 (Rs. In lacs)
Salaries, wages and allowances	286.10	260.01
Contribution to provident and other funds	20.22	22.49
Staff welfare expense	30.95	204.94
<b>Total</b>	<b>337.27</b>	<b>487.44</b>

24 FINANCE COST

Particulars	Current Year 2022-23 (Rs. In lacs)	Previous Year 2021-22 (Rs. In lacs)
Interest expenses	969.93	1,087.35
Other borrowing cost	25.71	26.99
<b>Total</b>	<b>995.64</b>	<b>1,114.34</b>



**25 OTHER EXPENSES**

Particulars	Current Year	Previous Year
	2022-23 (Rs. In lacs)	2021-22 (Rs. In lacs)
Expenses on sale of energy:		
- Open access charges	-	1.86
- Rebate on sales	61.18	66.77
- Trading margin	0.90	29.30
- Transmission charges	488.82	478.87
- Deviation settlement charges	114.25	268.48
- Other expenses	1.08	0.90
Expenses on sale of renewable energy certificate:		
- Fees and subscription	3.49	2.27
Stores and spares consumed	42.27	66.37
Rent	161.96	10.12
Repair and maintenance:		
- Building	68.10	22.12
- Plant and machinery	63.13	39.01
- Others	30.93	28.31
Insurance	80.04	98.73
Rate, taxes and fees	2.19	0.39
Housekeeping expenses	20.89	16.52
Loss on sale of fixed assets	4.04	-
Freight, transportation and loading charges	4.88	2.55
Legal and professional expenses	81.32	56.49
Payment to auditor as:		
- Audit fees	1.18	1.18
- Tax audit	0.12	0.12
- Certification and other	1.87	-
Travelling and conveyance	11.75	7.93
Vehicle running and maintenance	19.84	20.26
Postage, telephone and internet charges	5.37	3.71
Guest house expenses	51.61	38.82
Balances written off	-	8.21
Donation	5.00	-
Prior period expenses	1.58	30.99
Miscellaneous expenses	62.84	69.11
<b>Total</b>	<b>1,390.63</b>	<b>1,369.39</b>

**26 EXTRAORDINARY ITEMS**

Particulars	Current Year	Previous Year
	2022-23	2021-22
	(Rs. In lacs)	(Rs. In lacs)
Proceeds from Insurance Claim*	686.93	-
Store written off**	(121.74)	-
<b>Total</b>	<b>565.19</b>	<b>-</b>

\*Represents insurance received towards material damage claim pursuant to flash flood in Sep 2018. The restoration expenses has been shown as extraordinary expenses in earlier years.

\*\*The Store and consumables have been written off pursuant to physical verification carried out by the Company.



**27 EARNINGS PER SHARE**

Particulars	Current Year 2022-23 (Rs. In lacs)	Previous Year 2021-22 (Rs. In lacs)
Net profit/(loss) as per statement of profit and loss	1361.42	(637.04)
Less: Adjustment for dividend on 8% non cumulative preference shares	-	-
Profit attributable to equity share holders	1361.42	(637.04)
Weighted average number of equity shares outstanding during the year (Nos. in lacs)		
Equity shares (Nos. in lacs)	201.42	201.42
Basic earnings per share (in Rs.)	6.76	-3.16
Diluted earnings per share (in Rs.)	6.76	-3.16
Nominal value of share (in Rs.)	10.00	10.00



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

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
	2022-23	2021-22
	Rs. In lacs	Rs. In lacs
Employers' contribution to provident fund	14.25	16.01
Employers' contribution to superannuation fund	-	1.23
Employers' contribution to NPS	5.97	5.25

(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
<b>Change in present value of obligation</b>						
Present value of obligation at the beginning of the year	33.88	2.24	17.21	28.51	1.81	13.75
Interest cost	2.43	0.16	1.24	1.98	0.13	0.95
Current Service cost	4.71	0.73	3.10	4.18	0.53	2.97
Past Service cost	-	-	-	-	-	-
Benefits paid	(1.31)	-	(2.29)	(12.53)	-	(1.30)
Actuarial (gain)/loss on obligation	(0.03)	(0.21)	-0.19	11.73	(0.22)	0.83
Present value of obligation at end of the year	39.68	2.92	19.06	33.88	2.24	17.21
<b>Change in fair value plan assets</b>						
Fair value of plan assets at the beginning of the year	18.32	-	-	21.38	-	-
Actual return on plan assets	0.45	-	-	0.52	-	-
Contributions	-	-	-	8.93	-	-
Benefits paid	(1.31)	-	-	(12.53)	-	-
Actuarial gain/(loss) on plan assets	(0.12)	-	-	(1.22)	-	-
Fair value of plan assets at the end of the year	17.46	-	-	18.32	-	-
<b>Amount recognized in the Balance Sheet</b>						
Present value of obligation at the end of the year	39.68	2.92	19.06	33.88	2.24	17.21
Fair value of plan assets at the end of the year	17.46	-	-	18.32	-	-
Assets/(Liabilities) recognized in the Balance Sheet	(22.22)	(2.92)	(19.06)	(15.56)	(2.24)	(17.21)
<b>Expenses recognized in Statement of profit and loss</b>						
Current service cost	4.71	0.73	3.10	4.18	0.53	2.97
Interest cost	2.43	0.16	1.24	1.98	0.13	0.95
Expected return on plan assets	(0.58)	-	-	(1.74)	-	-
Net actuarial (gain)/loss to be recognized	0.09	(0.21)	(0.19)	12.95	(0.22)	0.83
Net cost	6.66	0.69	4.14	17.37	0.43	4.75



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
<b>Assumptions used in accounting</b>						
Discount rate	7.36%	7.36%	7.36%	7.18%	7.18%	7.18%
Salary escalation rate	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%
Expected rate of return on plan assets	3.10%	-	-	3.15%	-	-
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)**

As on	31-Mar-2019	31-Mar-2020	31-Mar-2021	31-Mar-2022	31-Mar-2023
PBO (C)	14.86	21.17	28.51	33.88	39.68
Plan Assets	14.05	16.94	21.38	18.32	17.46
Net Assets /Liability)	(0.81)	(4.24)	(7.13)	(15.56)	(22.22)
Experience adjustment on Plan PBO gain/ (loss)	0.47	(0.13)	(3.01)	(12.40)	(0.52)
Experience adjustment on Plan Assets gain/(loss)	0.14	0.67	(0.23)	(1.22)	(0.12)

**Gratuity (unfunded)**

As on	31-Mar-2019	31-Mar-2020	31-Mar-2021	31-Mar-2022	31-Mar-2023
PBO (C)	0.56	1.07	1.81	2.24	2.92
Plan Assets	0.00	0.00	0.00	0.00	0.00
Net Assets /Liability)	(0.56)	(1.07)	(1.81)	(2.24)	(2.92)
Experience adjustment on Plan PBO gain/ (loss)	0.00	0.06	-0.06	0.15	0.15
Experience adjustment on Plan Assets gain/(loss)	0.00	0.00	0.00	0.00	0.00

**Compensated absences (unfunded)**

As on	31-Mar-2019	31-Mar-2020	31-Mar-2021	31-Mar-2022	31-Mar-2023
PBO (C)	6.56	9.44	13.75	17.21	19.06
Plan Assets	0.00	0.00	0.00	0.00	0.00
Net Assets /Liability)	(6.56)	(9.44)	(13.75)	(17.21)	(19.06)
Experience adjustment on Plan PBO gain/ (loss)	(0.34)	0.26	(3.39)	(1.19)	(0.08)
Experience adjustment on Plan Assets gain/(loss)	0.00	0.00	0.00	0.00	0.00

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 2023

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. Pramod Kumar Arora - Whole Time Director  3. Mr. Kumar Uday Pratap Ajay - Whole Time Director (upto 16 May 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. Renu Arora 2. Ms Vandana Kumari
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 4. M/s Utkarsh Trading and Holdings Limited
*Mr. Vibhav Saraf, ceased to exist as Whole time Director of the Company w.e.f. April 21, 2023, However, continue to serve as non executive director of the Company		

**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 2022-23 (Rs. In lacs)	Previous Year 2021-22 (Rs. In lacs)
<b>Transactions with related parties:</b>		
<b>Unsecured Loan Taken</b>		
M/s Bhilangana Hydro Power Limited	400.00	-
<b>Repayment of unsecured Loan</b>		
M/s Bhilangana Hydro Power Limited	400.00	-
<b>Interest paid on unsecured loan</b>		
M/s Bhilangana Hydro Power Limited	12.45	-
<b>Unsecured Loan Given</b>		
M/s Utkarsh Trading and Holdings Limited	2,300.00	-
<b>Unsecured Loan taken back</b>		
M/s Utkarsh Trading and Holdings Limited	2,300.00	-
<b>Interest received on unsecured loan</b>		
M/s Utkarsh Trading and Holdings Limited	0.57	-
<b>Car lease paid</b>		
Ms. Vandana Kumari	-	1.50
Ms. Renu Arora	10.56	7.04
<b>Reimbursement of expenses paid to other enterprises</b>		
M/s Punjab Hydro Power Private Limited	0.02	-
M/s Polyplex Corporation Limited	15.46	10.69
M/s Bhilangana Hydro Power Limited	0.39	8.32
<b>Reimbursement of expenses received from other enterprises</b>		
M/s Bhilangana Hydro Power Limited	1.80	8.32
<b>Remuneration Paid to</b>		
Mr. Vibhav Saraf	4.94	8.97
Mr. Kumar Uday Pratap Ajay*	-	130.41
Mr. Pramod Kumar Arora	16.06	13.44
Ms. Jyoti Chawla	8.72	7.95
Mr. Parvesh Sharma	8.75	0.63
*Includes ex-gratia		



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

30 RATIO ANALYSIS AND ITS ELEMENTS

Ratio	Numerator	Denominator	Unit	31-Mar-23	31-Mar-22	% change	Reason for variance
Current ratio	Current Assets	Current Liabilities	Times	3.60	1.27	183%	change due to increase in current asset
Debt- Equity Ratio	Total Debt	Shareholder's Equity	Times	-2.76	-2.19	26%	Change due to profit in current year
Debt Service Coverage ratio	Net profit after taxes + Non-cash operating expenses	Interest + Principal Repayments	Times	1.70	1.62	5%	Not Required*
Net Capital Turnover Ratio	Net sales	Average Working Capital	Times	3.39	4.60	-26%	change due to increase in average working capital
Trade Receivable Turnover Ratio	Gross credit sales - sales return	Average Trade Receivable	Times	27.95	37.28	-25%	change due to increase in average trade receivable
Net Profit ratio	Net Profit	Net sales	Percentage	31.86%	-17.98%	277%	Change is due to increase in net Profit
Return on Capital Employed	Earnings before interest and taxes	Tangible Net Worth + Total Debt	Percentage	17.37%	2.46%	606%	Change is due to increase in net Profit
Return on Investment	Interest (Finance Income)	Investment	Percentage	7.52%	2.68%	180%	Change is due to increase in investment
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 negative shareholder equity

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

Particulars	As at 31st March 2023 (Rs. in lacs)	As at 31st March 2022 (Rs. in lacs)
Contingent liability		
Pending legal cases	140.00	136.00
Water Cess*	13.22	-
<b>Total</b>	<b>153.22</b>	<b>136.00</b>
Estimate amount of contracts remaining to be executed on capital account and not provided for	7.39	12.18
<b>Total</b>	<b>7.39</b>	<b>12.18</b>

\* The company has challenged the vires of the levy of water cess by the Govt of Himachal Pradesh.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

32 Details of Investment made, Loan and Guarantee given covered under section 186(4) of Companies Act, 2013.

Particulars	2022-23 (Rs. in lacs)	2021-22 (Rs. in lacs)	Purpose
M/s Utkarsh Trading and Holdings Limited	2,300.00	-	Unsecured Loan given for financial assistance
<b>Total</b>	<b>2,300.00</b>	<b>-</b>	
The aforesaid unsecured loan has been squared off during FY 2022-23.			
No guarantee has been given by the Company.			

33 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.

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

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

36 The company has been sanctioned Fund / Non Fund based facility of Rs. 1010 lacs and 1170 lacs by Axis Bank and Indusind Bank. All the requisited documents have been submitted with the Bank.

37 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.

38 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.

39 The company's non convertible debentures were listed with stock exchange on 08 September 2022. As legally advised the Companies ("Ind AS ") Rule 2015 is not applicable on the Company and the annual results has been prepared as per the Financial Reporting Framework based on Companies (Accounting Standards) Rules, 2006.

40 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".

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 There is no hedged or unhedged foreign currency exposure as at the balance sheet date.

43 The company has not created Debenture Redemption Reserve in the absence of profit pursuant to Section 71 of Companies Act, 2013

44 Additional regulatory information, pursuant to amendment in Schedule III dated 24 March 2022, has been given to the extent applicable to the company.

45 Figures have been shown as rounded off to lacs except share data and unless otherwise stated.

46 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



ON BEHALF OF THE BOARD OF DIRECTORS

  
Shivam Faraf  
Director  
DIN: 06687814

  
Jyoti Chawla  
Company Secretary



Pramod Kumar Arora  
Whole time Director  
DIN: 01898896

  
Paryash Sharma  
CFO

Place:   
Date: 29 MAY 2023

Place:   
Date: 29 MAY 2023