

**DEOGHAR MEGA POWER LIMITED**  
(A wholly owned subsidiary of Power Finance Corporation Limited)

**11<sup>TH</sup> ANNUAL REPORT**  
**(2022-23)**

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## Corporate Information

<b>CIN</b>	<b>U40300DL2012GOI234839</b>
<b>Date of Incorporation</b>	<b>26<sup>th</sup> April, 2012</b>
<b>Share Capital</b>	<b>Authorized capital - INR 5,00,000 Paid Up Capital - INR 5,00,000</b>
<b>Registered Office</b>	<b>First Floor, Urjanidhi, 1- Barakhamba Lane, Connaught Place, New Delhi - 110001</b>
<b>Board of Directors</b>	<b>1. Shri Manoj Sharma : Chairman 2. Shri Rajesh Kumar Agarwal : Director 3. Shri P. C. Hembram : Director 4. Shri Kamlesh Kumar Jangid : Nominee Director</b>
<b>Statutory Auditor</b>	<b>M/s S. Bajaj &amp; Associates, Chartered Accountants</b>
<b>Banker's Name</b>	<b>RBL Bank</b>

# DEOGHAR MEGA POWER LIMITED

(A wholly owned subsidiary of Power Finance Corporation Limited)

Regd. Office: First Floor, Urjanidhi, 1-Barakhamba lane, Connaught Place, New Delhi -110001

## NOTICE

Notice is hereby given that the 11<sup>th</sup> Annual General Meeting of Deoghar Mega Power Limited will be held on **Tuesday, the 26<sup>th</sup> Day of September, 2023 at 12:20 p.m.** at Urjanidhi, 1 Barakhamba Lane, Connaught Place, New Delhi-110001, at a shorter notice to transact the following business(s):-

### ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31<sup>st</sup> March, 2023, along with the Auditor's Report and Directors' Report thereon.
2. To appoint a Director in place of Sh. P. C. Hembram (DIN 02750881) who retires by rotation and being eligible, offers himself for re-appointment.
3. To authorize Board of Directors of the Company to fix remuneration of the Statutory Auditor(s) of the Company in terms of the provisions of section 142(1) of the Companies Act, 2013 and in this regard to consider and, if thought fit, to pass with or without modification(s) the following resolution as an **Ordinary Resolution**:-

"RESOLVED THAT the Board of Directors of the Company be and is hereby authorized to decide and fix the remuneration of the Statutory Auditor(s) of the Company appointed/to be appointed by Comptroller and Auditor General of India for the Financial Year 2023-24, as may be deemed fit by the Board."

### SPECIAL BUSINESS

4. **Appointment of Shri Manoj Sharma as Director of the Company**

To consider, and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT in accordance with the provisions of section 161(1) and other applicable provisions, if any, of the Companies Act, 2013, Shri Manoj Sharma (DIN 06822395), who was appointed as an Additional Director w.e.f. 28<sup>th</sup> June, 2023 and who hold office upto the date of ensuing Annual General Meeting, be and is hereby appointed as a Director to be designated as Chairman of the Company."

By order of the Board of Directors  
For Deoghar Mega Power Limited

Sd/-  
(P. C. Hembram)

Director

DIN: 02750881

Date: 26-09-2023

Place: New Delhi

**Notes:**

1. The relevant details as required under Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, of the person seeking appointment/re-appointment as Director under item No. 2 & 4 of the Notice are also annexed.
2. **A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend the meeting and vote instead of him/her and such proxy need not be a member of the Company.** Pursuant to the provisions of the Companies Act, 2013, a person can act as a proxy on behalf of not more than fifty members and holding in aggregate not more than ten percent of the total share capital of the Company. Further, a Member holding more than ten percent of the total share capital carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or Member. Proxy form duly completed must be deposited at the registered office of the Company, not less than forty eight hours before the commencement of the Annual General Meeting. Proxy so appointed shall not have any right to speak at the meeting.
3. The Statutory Registers and other records under the Companies Act, 2013 and rules made thereunder, will be available for inspection by Members at the venue of AGM.
4. Pursuant to Section 139(5) of Companies Act, 2013 the Auditors of a Government Company are to be appointed or re-appointed by the Comptroller and Auditor General of India (C&AG) within a period of 180 days from the commencement of the financial year and in terms of section 142(1) of the Companies Act, 2013, their remuneration has to be fixed by the Company in Annual General Meeting. The members may authorize the Board of Directors of the Company to fix an appropriate remuneration of auditors appointed by the Comptroller and Auditor General of India for the financial year 2023-24.
5. In accordance with the provisions of Companies Act, 2013 and SS-2- Secretarial Standard on General Meetings, the request for consenting to shorter notice of the members for calling the Annual General Meeting is enclosed with the Notice. Further, the Annual General Meeting of the company shall be held, if the consent is received from not less than ninety five percent of the Members entitled to vote thereat.

Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013

Item No. 4

Power Finance Corporation Limited (PFC) vide its office order no. 103/2023 dated 26.06.2023 nominated Sh. Manoj Sharma, Director (Commercial), PFC in place of Smt. Parminder Chopra, Director (Finance), PFC as Chairman on the Board of the Company.

Pursuant to the provisions of Section 161(1) of the Companies Act, 2013, Sh. Manoj Sharma has been appointed as Additional Director of the Company w.e.f. 28.06.2023 and will hold office upto the date of ensuing Annual General Meeting. The Compliance with respect to the provisions of Section 160 of the Companies Act, 2013 has been made for the appointment of Sh. Manoj Sharma as a Director of the company.

Your Directors recommend the resolution as contained in Item No. 4 of the Notice for approval of the members.

Sh. Manoj Sharma is interested in this resolution to the extent of his appointment as a Director of the Company.

No other Director of the Company is in anyway concerned/ interested in the proposed resolution.

**DETAILS OF DIRECTOR(S) SEEKING APPOINTMENT/ RE- APPOINTMENT AT THE FORTHCOMING ANNUAL GENERAL MEETING OF BIHAR MEGA POWER LIMITED**

<b>Name of Director</b>	<b>Shri Manoj Sharma</b>	<b>Shri Purna Chandra Hembram</b>
<b>Date of Birth</b>	10-03-1966	05.08.1964
<b>Date of Appointment</b>	28-06-2023	16.10.2017
<b>Relationship with Directors</b>	NIL	NIL
<b>Qualification</b>	<ul style="list-style-type: none"> <li>• Chartered Accountant</li> <li>• LLB</li> </ul>	<ul style="list-style-type: none"> <li>• B. Sc (Mechanical Engineering)</li> <li>• M. Tech (Industrial Engineering)</li> </ul>
<b>Experience</b>	<p>Shri Manoj Sharma has a vast experience of more than 31 years of working in power sector.</p> <p>Presently, he is holding the position of Director (Commercial), Power Finance Corporation Limited.</p>	<p>Shri P. C. Hembram has a vast experience of more than 32 years of working in power sector.</p> <p>Presently, Shri P. C. Hembram is holding the position of Chief General Manager, Power Finance Corporation Limited.</p>
<b>Directorships in other companies</b>	<ul style="list-style-type: none"> <li>• Power Finance Corporation Limited</li> <li>• Jharkhand Infrapower Limited</li> <li>• REC Limited</li> <li>• PFC Projects Limited</li> <li>• Bihar Mega Power Limited</li> <li>• PFC Consulting Limited</li> </ul>	<ul style="list-style-type: none"> <li>• Cheyyur Infra Limited</li> <li>• Sakhigopal Integrated Power Company Limited</li> <li>• Ghogarpalli Integrated Power Company Limited</li> <li>• Bihar Mega Power Limited</li> <li>• Deoghar Infra Limited</li> <li>• Bihar Infrapower Limited</li> <li>• Coastal Tamil Nadu Power Limited</li> </ul>
<b>Chairman/Membership of Committees across all public companies</b>	4	NIL
<b>Number of Shares held in the company as on 31<sup>st</sup> March 2023</b>	NIL	NIL

For details regarding number of meetings of the Board attended during the year in respect of above mentioned Directors, please refer to the Board's Report.

**CONSENT OF SHAREHOLDERS FOR SHORTER NOTICE**  
**[Pursuant to Section 101(1) of Companies Act 2013]**

To  
The Board of Directors  
Deoghar Mega Power Limited  
First Floor, Urjanidhi  
1, Barakhamba Lane, Connaught Place,  
New Delhi – 11001,

I, ....., S/o ..... R/o ..... holding ..... Equity Shares of Rs. 10/- each in the company, do hereby give consent for calling the 11<sup>th</sup> Annual General Meeting on \_\_\_\_\_ the \_\_\_ day of \_\_\_\_\_, 2023 at \_\_\_\_\_ at a shorter notice, pursuant to the proviso of Section 101 of the Companies Act, 2013.

Signature \_\_\_\_\_

Name: .....

Date:



**DEOGHAR MEGA POWER LIMITED**

**CIN U40300DL2012GOI234839**

**Regd. Office : First Floor, "Urjanidhi", 1, Barakhamba Lane, Connaught Place, New Delhi -110001**

**ATTENDANCE SLIP**

Members or their proxies are requested to present this form for admission, duly signed in accordance with their specimen signatures registered with the company.

NAME OF ATTENDING PERSON  
(IN BLOCK LETTERS)

Regd. Folio No.

No. of shares held

I, HEREBY RECORD MY PRESENCE AT THE 11<sup>TH</sup> ANNUAL GENERAL MEETING OF THE COMPANY BEING HELD ON TUESDAY, THE 26<sup>TH</sup> DAY OF SEPTEMBER, 2023 AT 12:20 P.M. AT "URJANIDHI", 1-BARAKHAMBHA LANE, CONNAUGHT PLACE, NEW DELHI - 110001.

Please ✓ in the box

MEMBER

PROXY

\_\_\_\_\_  
Member's / Proxy's Signature

**DEOGHAR MEGA POWER LIMITED**

**CIN U40300DL2012GOI234839**

**Regd. Office : First Floor, 'Urjanidhi', 1, Barakhamba Lane, Connaught Place, New Delhi -110001**

**Proxy form**

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

NAME OF THE MEMBER (S) :  
REGISTERED ADDRESS :  
E-MAIL ID:  
FOLIO NO/ CLIENT ID :  
DP ID :

I/We, being the member (s) of ..... shares of the above named company, hereby appoint

1. Name : .....E-Mail ID.....

Address .....

Signature :.....

or failing him

1. Name : .....E-Mail ID.....  
Address .....  
Signature : .....  
or failing him

1. Name : .....E-Mail ID.....  
Address .....  
Signature : .....  
or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 11<sup>th</sup> Annual General Meeting of the company, to be held on Tuesday, the 26<sup>th</sup> day of September, 2023 at 12:20 P.M. at Urjanidhi, 1 Barakhamba Lane, Connaught Place, New Delhi 110001 and at any adjournment thereof in respect of such resolutions as are indicated below :

Resolution No.

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31<sup>st</sup> March, 2023, along with the Auditor's Report and Directors' Report thereon.
2. To appoint a Director in place of Shri Purna Chandra Hembram (DIN 02750881), who retires by rotation and being eligible, offers himself for re-appointment.
3. To authorize Board of Directors of the Company to fix remuneration of the Statutory Auditor(s) of the Company in terms of the provisions of section 142(1) of the Companies Act, 2013.
4. Appointment of Shri Manoj Sharma as Director of the Company.

Signed this..... day of..... 2023

Signature of shareholder

Affix Revenue Stamp
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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.**

# **DEOGHAR MEGA POWER LIMITED**

**(A wholly owned subsidiary of Power Finance Corporation Limited)**

**Regd. Office: First Floor, Urjanidhi, 1-Barakhamba lane, Connaught Place, New Delhi –110001**

## **NOTICE**

Notice is hereby given that the adjourned 11<sup>th</sup> Annual General Meeting of Deoghar Mega Power Limited will be held on **Thursday, the 07<sup>th</sup> day of December, 2023 at 12:00 P.M.** at Urjanidhi, 1 Barakhamba Lane, Connaught Place, New Delhi-110001, to transact the following business(s):-

### **ORDINARY BUSINESS**

1. To receive, consider and adopt the Board's Report for the financial year 2022-23 incorporating the Comments of Comptroller & Auditor General of India.

**By order of the Board of Directors  
For Deoghar Mega Power Limited**

**Sd/-**

**(P. C. Hembram)**

**Director**

**DIN: 02750881**

**Date: 03.11.2023**

**Place: New Delhi**

Notes:

1. A copy of Financial Statements for the year ended 31<sup>st</sup> March, 2023 alongwith Reports of Directors and Auditors thereon as already sent to you vide AGM Notice dated 25.09.2023 may kindly be brought by you at the adjourned 11<sup>th</sup> AGM scheduled for 07.12.2023.
2. The Financial Statements for the year 2022-23 have been forwarded to the Comptroller and Auditor General of India (CAG) u/s 143(a) of the Companies Act, 2013. The comments of the CAG which could not be released earlier and therefore, it were not placed before the AGM scheduled for 25.09.2023, have now been received and forming part of this Notice.
3. **A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend the meeting and vote instead of him/her and such proxy need not be a member of the Company.** Pursuant to the provisions of the Companies Act, 2013, a person can act as a proxy on behalf of not more than fifty members and holding in aggregate not more than ten percent of the total share capital of the Company. Further, a Member holding more than ten percent of the total share capital carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or Member. Proxy form duly completed must be deposited at the registered office of the Company, not less than forty eight hours before the commencement of the Annual General Meeting. Proxy so appointed shall not have any right to speak at the meeting.
4. The Statutory Registers and other records under the Companies Act, 2013 and rules made thereunder, will be available for inspection by Members at the venue of AGM.
5. In accordance with the provisions of Companies Act, 2013 and SS-2- Secretarial Standard on General Meetings, the request for consenting to shorter notice of the members for calling the Annual General Meeting is enclosed with the Notice. Further, the Annual General Meeting of the company shall be held, if the consent is received from not less than ninety five percent of the Members entitled to vote thereat.

**DEOGHAR MEGA POWER LIMITED**

**CIN U40300DL2012GOI234839**

**Regd. Office : First Floor, "Urjanidhi", 1, Barakhamba Lane, Connaught Place, New Delhi -110001**

**ATTENDANCE SLIP**

Members or their proxies are requested to present this form for admission, duly signed in accordance with their specimen signatures registered with the company.

NAME OF ATTENDING PERSON  
(IN BLOCK LETTERS)

Regd. Folio No.

No. of shares held

I, HEREBY RECORD MY PRESENCE AT THE ADJOURNED 11<sup>TH</sup> ANNUAL GENERAL MEETING OF THE COMPANY BEING HELD ON THURSDAY, THE 07<sup>TH</sup> DAY OF DECEMBER, 2023 AT 12:00 P.M. AT "URJANIDHI", 1- BARAKHAMBHA LANE, CONNAUGHT PLACE, NEW DELHI - 110001.

Please ✓ in the box

MEMBER

PROXY

\_\_\_\_\_  
Member's / Proxy's Signature

**DEOGHAR MEGA POWER LIMITED**

**CIN U40300DL2012GOI234839**

**Regd. Office : First Floor, 'Urjanidhi', 1, Barakhamba Lane, Connaught Place, New Delhi -110001**

**Proxy form**

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

NAME OF THE MEMBER (S) :  
REGISTERED ADDRESS :  
E-MAIL ID:  
FOLIO NO/ CLIENT ID :  
DP ID :

I/We, being the member (s) of ..... shares of the above named company, hereby appoint

1. Name : ..... E-Mail ID.....  
Address .....

Signature : .....  
or failing him

1. Name : ..... E-Mail ID.....  
Address .....

Signature : .....  
or failing him

1. Name : ..... E-Mail ID.....  
Address .....

Signature : .....

or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the adjourned 11<sup>th</sup> Annual General Meeting of the company, to be held on Thursday, the 07<sup>th</sup> day of December, 2023 at 12:00 p.m. at Urjanidhi, 1 Barakhamba Lane, Connaught Place, New Delhi 110001 and at any adjournment thereof in respect of such resolutions as are indicated below :

Resolution No.

1. To receive, consider and adopt the Board's Report for the financial year 2022-23 incorporating the Comments of Comptroller & Auditor General of India.

Signed this..... day of..... 2023

Signature of shareholder

Signature of Proxy holder(s)

Affix Revenue Stamp
---------------------------

**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.**

## DEOGHAR MEGA POWER LIMITED

(A wholly owned subsidiary of Power Finance Corporation Limited)

### BOARD'S REPORT 2022-23

To  
The Members,

Your Directors have pleasure in presenting the 11<sup>th</sup> Annual Report on the working of the Company for the financial year ended on 31<sup>st</sup> March, 2023 along with Audited Financial Statements and Auditor's Report thereon.

#### OPERATIONAL ACTIVITIES

Your Company was incorporated on 26<sup>th</sup> April, 2012 as a wholly owned subsidiary of Power Finance Corporation Limited (PFC) for development of second Ultra Mega Power Project (UMPP) in the State of Jharkhand.

The Power from Deoghar UMPP has been allocated to seven States namely Jharkhand (1500 MW), Gujarat (1000 MW), Tamil Nadu (600 MW), Haryana (200 MW), Kerala (200 MW), Goa (200 MW), Karnataka (300 MW). Govt. of Tamil Nadu (600MW) and Karnataka (300 MW) opted out from the project.

Due to strong resistance from the affected families of earlier identified site at Hussainabad, District Deoghar, Jharkhand, Govt. of Jharkhand has suggested an alternate site at Mohanpur, Deoghar District, Jharkhand. CEA has suggested that the Site-specific studies and development activities may be initiated for the project. The Site specific studies and development activities will be initiated after the receipt of approval for Site from Govt. of Jharkhand.

"In-principle" approval of 106 MCM water from Ajay River accorded by WRD, Govt. of Jharkhand. However, it was found that it would not be feasible to obtain water from Ajay River for the project. Hence, it was decided that GoJ approach CWC on the availability of water from River Ganga for the project. IIT Roorkee has been appointed to undertake techno economic feasibility study related to availability and infrastructure development for drawl of 106MCM water from river Ganga. Officials of IIT Roorkee visited the alternate project site at Mohanpur and Sahibganj and proposed that water may be allocated from Ganga River and Intake point can be at Sahibganj, Jharkhand ~125 Km.

Ministry of Power (MoP) vide letter dated 12.11.2021 conveyed its decision to defer any action on formulation of UMPPs Bidding framework as of now as the country is making energy transition from fossil fuel to non-fossil fuel.

Further, MoP vide OM dated 02.06.2023 has conveyed its decision for closure of UMPP.

### **FINANCIAL REVIEW**

During the year under review (FY2022-23) the Company has spent an amount of ₹ 85,67,779/- towards interest expenses, professional, legal & consultancy charges, audit fees etc. The total expenditure including cost of land (if any) incurred by the Company till 31<sup>st</sup> March, 2023 is ₹21.46 Crore.

### **DIVIDEND**

As the Company has not started its commercial activities, the company has decided not to recommend any dividend for the financial year 2022-23.

### **SHARE CAPITAL**

The paid-up share capital of the company is ₹5,00,000/- (50,000 equity shares of ₹10/- each) as on 31<sup>st</sup> March, 2023. During the year, the entire share capital of the Company is held by Power Finance Corporation Limited and its nominees.

### **COMMITMENT ADVANCE**

Your company has received the commitment advance of ₹ 15,15,67,513/- from the procurers.

### **DETAILS OF SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES**

There are no Subsidiary/ Joint Venture/Associate Companies within the meaning of Section 2(87) and Section 2(6) of the Companies Act, 2013.

### **DIRECTORS**

Since the date of last Directors' Report, following changes were made in the constitution of the Board of the Company:

- PFC vide its office order dated 26.06.2023 nominated Shri Manoj Sharma, Director (Commercials), PFC as the Chairman on the Board of the Company in place of Smt. Parminder Chopra, CMD, PFC who ceased to be Director and Chairperson of the Company w.e.f 28<sup>th</sup> June, 2023.
- Pursuant to the provisions of Section 161(1) of the Companies Act, 2013, Shri Manoj Sharma, Director (Commercial), PFC has been appointed as Additional Director of the Company and will hold office upto the date of ensuing Annual General Meeting. The



Board recommends that Shri Manoj Sharma be appointed as Director, liable to retire by rotation.

- In accordance with the provisions of Section 152(6) of the Companies Act 2013, Shri P. C. Hembram, Director shall retire by rotation at the ensuing Annual General Meeting of the Company and being eligible has offered himself for re-appointment.

The Board places on record its appreciation for the valuable contribution made by Smt. Parminder Chopra during her tenure as Chairperson of the Company.

The present Board structure of the Company comprises of the following:

1. Shri Manoj Sharma : Chairman
2. Shri Rajesh Kumar Agrawal : Director
3. Shri P.C. Hembram : Director
4. Shri Kamlesh Kr. Jangid : Director (Representing the State of Gujarat)

#### **MEETINGS OF BOARD OF DIRECTORS**

During the financial year ended 31<sup>st</sup> March, 2023, five (5) Board meetings were held. The details of Board meetings are given below:

S. No.	Date of Board Meeting	Board Strength	No. of Directors Present
1	19 <sup>th</sup> July, 2022	4	4
2	01 <sup>st</sup> September, 2022	4	4
3	22 <sup>nd</sup> September, 2022	4	3
4	26 <sup>th</sup> December, 2022	4	4
5	27 <sup>th</sup> March, 2023	4	3

#### **AUDITOR'S REPORT**

M/s. S. Bajaj & Associates, Chartered Accountants, were appointed as the Statutory Auditors of the Company for the financial year 2022-23 by the Comptroller & Auditor General of India. There are no adverse comments, observation or qualification in the Auditor's Report on the accounts of the Company.

#### **COMMENTS OF COMPTROLLER AND AUDITOR GENERAL (C&AG) OF INDIA**

C&AG vide their letter dated 12<sup>th</sup> October, 2023 have decided not to conduct the supplementary audit of the financial statements of Deoghar Mega Power Limited (DMPL) for the year ended 31<sup>st</sup> March 2023 under Section 143(6)(a) of the Companies Act, 2013. A copy of the letter issued by C&AG in this regard is placed at **Annexure-I**.

## DIRECTORS' RESPONSIBILITY STATEMENT

As required under Section 134(5) of the Companies Act, 2013, it is confirmed that:

- In the preparation of Annual Accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- Such accounting policies have been selected, applied consistently and judgments & estimates made are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
- Proper and sufficient care for the maintenance of adequate accounting records in accordance with the provision of Companies Act 2013 and for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- The annual accounts are not prepared on going concern basis;
- The company has devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## STATEMENT ON COMPLIANCE OF APPLICABLE SECRETARIAL STANDARDS

During the year, Company has complied with all the applicable provisions of the Secretarial Standards.

## PUBLIC DEPOSITS

The Company has not accepted any public deposit during the year ended 31<sup>st</sup> March, 2023 as covered under the provisions of Section 76 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014.

## MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION BETWEEN THE END OF THE FINANCIAL YEAR AND DATE OF REPORT

After the end of financial year 2022-23, Ministry of Power vide OM No. 12/15/2016-UMPP [Comp. No. 231241] dated 02.06.2023 conveyed its consent for the closure of Deoghar UMPP as per the Standard Operating Procedure for closure of UMPPs issued by MoP.

In view of the above, preparation of financial statements on going concern basis is no longer valid. Accordingly, assets and liabilities are recorded on the basis that the entity will be able to realise its assets and discharge its liabilities in the normal course of business and all such assets and liabilities are considered as current.

## PARTICULARS OF EMPLOYEES

The Company has no employees on its roll. Hence, the particulars of employees as prescribed under Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are not applicable.

## CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

All contracts/arrangements/transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on arm's length basis. Information on transactions with related parties pursuant to Section 134(3)(h) of the Act read with rule 8(2) of the Companies (Accounts) Rules, 2014 are given in **Annexure-II** in Form AOC-2 and the same forms part of this report.

## PARTICULARS OF LOANS, INVESTMENT AND GUARANTEE

Particulars of loans, guarantees and investment have been disclosed in the financial statement.

## EXTRACT OF THE ANNUAL RETURN

Pursuant to the provisions of section 92(3) of Companies Act 2013, extract of Annual Return is given in **Annexure – III** in the prescribed Form MGT-9, which forms part of this report.

## DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Policy of the Holding Company i.e. Power Finance Corporation Limited applies to the company.

## RISK MANAGEMENT

During the QPRM held on 23<sup>rd</sup> September, 2022 under the Chairmanship of Secretary (Power), it was deliberated that the UMPPs may be closed in view of the country making the energy transition. Further, it was decided that all the expenditure incurred on the UMPP(s) should be recovered from the procurers and amount recoverable from a procurer may be adjusted from surplus in any other UMPP(s).

In the background and considering the recent developments, all the expenditure incurred on the UMPP(s) shall be recovered from the procurers.

## CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

As the Company has not started any commercial activities and not earned any profit during the financial year under review, the provisions of Section 135 of Corporate Social Responsibility under Companies Act, 2013 are not applicable on the Company.

## CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING & OUTGO

As the Company's operations do not involve any manufacturing or processing activities, the particulars as per the provisions of Sec. 134 (3) (m) read with Companies (Accounts) Rules, 2014, regarding conservation of energy and technology absorption, are not applicable. During the year under review, there is no foreign exchange earning and outgo.

## ACKNOWLEDGEMENT

The Directors place on record their gratitude to the Central and State Governments and various Government agencies for the assistance, co-operation and encouragement they extended to the company. The Company, in particular, is thankful to the Comptroller & Auditor General of India, The Ministry of Power, Government of Jharkhand, the Statutory Auditors and Power Finance Corporation Limited for their suggestions and unstinted co-operation and guidance.

**For and on behalf of the Board of Directors**

**Sd/-**  
**(Rajesh Kumar Agarwal)**  
**Director**  
**DIN: 09699001**

**Sd/-**  
**(P C Hembram)**  
**Director**  
**DIN: 02750881**

**Place: New Delhi**

**Date : 03.11.2023**

No. DGA(E)/R/EP/01-183/A10/2023-24/1193802



भारतीय लेखापरीक्षा और लेखा विभाग  
कार्यालय महा निदेशक लेखापरीक्षा (ऊर्जा)  
नई दिल्ली



INDIAN AUDIT & ACCOUNTS DEPARTMENT  
Office of the Director General of Audit (Energy)  
New Delhi

Dated: 12/10/23.

सेवा में

अध्यक्ष,  
देवघर मेगा पावर लिमिटेड,  
नई दिल्ली।

विषय: 31 मार्च 2023 को समाप्त वर्ष के लिए देवघर मेगा पावर लिमिटेड, नई दिल्ली के 2022-23 के वार्षिक लेखाओं पर कम्पनी अधिनियम, 2013 की धारा 143(6)(b) के अन्तर्गत भारत के नियंत्रक-महालेखापरीक्षक की टिप्पणियाँ।

महोदय,

मैं, देवघर मेगा पावर लिमिटेड, नई दिल्ली के 31 मार्च 2023 को समाप्त वर्ष के लेखाओं पर कम्पनी अधिनियम, 2013 की धारा 143(6)(b) के अन्तर्गत भारत के नियंत्रक-महालेखापरीक्षक की टिप्पणियाँ अग्रेषित कर रहा हूँ।

कृपया इस पत्र की संलग्नकों सहित प्राप्ति की पावती भेजी जाए।

भवदीय,

संलग्नक:- यथोपरि।

संजय कुमार

(संजय कु. झा)  
महानिदेशक

**COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(B) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF DEOGHAR MEGA POWER LIMITED FOR THE YEAR ENDED 31 MARCH 2023**

The preparation of financial statements of Deoghar Mega Power Limited for the year ended 31 March 2023 in accordance with the financial reporting framework prescribed under the Companies Act, 2013(Act) is the responsibility of the management of the company. The statutory auditor appointed by the Comptroller and Auditor General of India under section 139(5) of the Act is responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 25 September 2023.

I, on behalf of the Comptroller and Auditor General of India, have decided not to conduct the supplementary audit of the financial statements of Deoghar Mega Power Limited for the year ended 31 March 2023 under Section 143(6)(a) of the Act.

For and on behalf of the  
Comptroller & Auditor General of India



(Sanjay K. Jha)  
Director General of Audit (Energy)

Place: New Delhi

Dated: 12/10/23

## Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

1. **Details of contracts or arrangements or transactions not at arm's length basis:** Deoghar Mega Power Limited (DMPL) has not entered into any contract or arrangement or transaction with its related parties which is not at arm's length during financial year 2022-23.

2. **Details of material contracts or arrangement or transactions at arm's length basis:**

(a) Name(s) of the related party and nature of relationship:

Power Finance Corporation Limited : Holding Company  
PFC Consulting Limited : Subsidiary of the Holding company

(b) Nature of contracts/arrangements/transactions: Consultancy services & Fund arrangement

(c) Duration of the contracts / arrangements/transactions: Ongoing

(d) Salient terms of the contracts or arrangements or transactions including the value, if any:

The terms of the contracts or arrangements or transactions are as per the Financing Agreement signed between PFC and the Company.

(e) Date(s) of approval by the Board, if any: -

(f) Amount paid as advances, if any: NIL

For and on behalf of the Board of Directors

Sd/-

(Rajesh Kumar Agarwal)

Director

DIN: 09699001

Sd/-

(P C Hembram)

Director

DIN: 02750881

**Form No. MGT-9**  
**EXTRACT OF ANNUAL RETURN**  
**as on the financial year ended on 31<sup>st</sup> March 2023**

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

i)	CIN:	U40300DL2012GOI234839																					
ii)	Registration Date [DDMMYY]	26.04.2012																					
iii)	Name of the Company	Deoghar Mega Power Limited																					
iv)	<b>Category of the Company</b> [Pl. tick]	1. Public Company <input checked="" type="checkbox"/> 2. Private Company																					
	<b>Sub Category of the Company</b> [ Please tick whichever are applicable]	<table border="1"> <tr><td>1. Government Company</td><td><input checked="" type="checkbox"/></td></tr> <tr><td>2. Small Company</td><td><input type="checkbox"/></td></tr> <tr><td>3. One Person Company</td><td><input type="checkbox"/></td></tr> <tr><td>4. Subsidiary of Foreign Company</td><td><input type="checkbox"/></td></tr> <tr><td>5. NBFC</td><td><input type="checkbox"/></td></tr> <tr><td>6. Guarantee Company</td><td><input type="checkbox"/></td></tr> <tr><td>7. Limited by shares</td><td><input checked="" type="checkbox"/></td></tr> <tr><td>8. Unlimited Company</td><td><input type="checkbox"/></td></tr> <tr><td>9. Company having share capital</td><td><input checked="" type="checkbox"/></td></tr> <tr><td>10. Company not having share capital</td><td><input type="checkbox"/></td></tr> <tr><td>11. Company Registered under Section 8</td><td><input type="checkbox"/></td></tr> </table>	1. Government Company	<input checked="" type="checkbox"/>	2. Small Company	<input type="checkbox"/>	3. One Person Company	<input type="checkbox"/>	4. Subsidiary of Foreign Company	<input type="checkbox"/>	5. NBFC	<input type="checkbox"/>	6. Guarantee Company	<input type="checkbox"/>	7. Limited by shares	<input checked="" type="checkbox"/>	8. Unlimited Company	<input type="checkbox"/>	9. Company having share capital	<input checked="" type="checkbox"/>	10. Company not having share capital	<input type="checkbox"/>	11. Company Registered under Section 8
1. Government Company	<input checked="" type="checkbox"/>																						
2. Small Company	<input type="checkbox"/>																						
3. One Person Company	<input type="checkbox"/>																						
4. Subsidiary of Foreign Company	<input type="checkbox"/>																						
5. NBFC	<input type="checkbox"/>																						
6. Guarantee Company	<input type="checkbox"/>																						
7. Limited by shares	<input checked="" type="checkbox"/>																						
8. Unlimited Company	<input type="checkbox"/>																						
9. Company having share capital	<input checked="" type="checkbox"/>																						
10. Company not having share capital	<input type="checkbox"/>																						
11. Company Registered under Section 8	<input type="checkbox"/>																						
v)	Address of the Registered office and contract details	First Floor 'Urjanidhi' 1 Barakhamba Lane, Connaught Place New Delhi-110001, Ph-01123443900.																					
vi)	Whether shares listed on recognized Stock Exchange(s)	No																					
vii)	Name, Address and contact details of Registrar & Transfer Agents (RTA ) if any :- N.A.																						

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY** (All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

Sl.No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
NIL			

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES** [No. of Companies for which information is being filled]

Sl. No.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY / ASSOCIATE	% of shares held	Applicable Section
1	Power Finance Corporation Limited 'Urjanidhi' 1, Barakhamba Lane, Connaught Place, New Delhi -110001	L65910DL1986GOI024862	Holding Company	100	2(46)



IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year[As on 01-April-2022]				No. of Shares held at the end of the year[As on 31-March-2023]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
(1) Indian									
a) Individual*	0	600	600	1.2	0	600	600	1.2	NIL
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	0	49400	49400	98.8	0	49400	49400	98.8	NIL
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any other	0	0	0	0	0	0	0	0	0
<b>Sub Total (A) (1)</b>	<b>0</b>	<b>50000</b>	<b>50000</b>	<b>100</b>	<b>0</b>	<b>50000</b>	<b>50000</b>	<b>100</b>	<b>0.00</b>
(2) Foreign									
a)NRIs- Individuals	0	0	0	0	0	0	0	0	0
b)Other-Individuals	0	0	0	0	0	0	0	0	0
c)Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Banks/FI	0	0	0	0	0	0	0	0	0
E) Any other	0	0	0	0	0	0	0	0	0
<b>Sub-Total (A) (2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>
<b>Total shareholding of Promoter (A)= (A)(1) + (A)(2)</b>	<b>0</b>	<b>50000</b>	<b>50000</b>	<b>100</b>	<b>0</b>	<b>50000</b>	<b>50000</b>	<b>100</b>	<b>0.00</b>
<b>B. Public Shareholding</b>									
1. Institutions	0	0	0	0	0	0	0	0	0
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks / FI	0	0	0	0	0	0	0	0	0
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
<b>Sub-total (B)(1):-</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	0	0	0	0	0	0	0	0	0
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals									

i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	0	0	0	0	0	0	0	0	0
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	0	0	0	0	0	0	0	0	0
c) Others (specify)	0	0	0	0	0	0	0	0	0
<b>Sub-total (B)(2):-</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
<b>Total Public Shareholding (B)=(B)(1)+ (B)(2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
<b>Grand Total (A+B+C)</b>	<b>NIL</b>	<b>50000</b>	<b>50000</b>	<b>100</b>	<b>NIL</b>	<b>50000</b>	<b>50000</b>	<b>100</b>	<b>0.00</b>

\* Nominee of Power Finance Corporation Limited

(ii) Shareholding of Promoter-

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Power Finance Corporation Limited	49400	98.8	NIL	49400	98.8	NIL	NIL
2	Shri Manoj Kr. Rana*	100	0.2	NIL	100	0.2	NIL	NIL
3	Shri V. Packirisamy*	100	0.2	NIL	100	0.2	NIL	NIL
4	Shri Subir Saha*	100	0.2	NIL	NIL	NIL	NIL	(0.2)
5	Shri B.S. Arunachalam*	100	0.2	NIL	100	0.2	NIL	0.2
6	Shri Pawan Malik*	100	0.2	NIL	NIL	NIL	NIL	(0.2)
7	Shri P. K. Sinha*	100	0.2	NIL	100	0.2	NIL	0.2
8	Shri R. K. Chaturvedi*	NIL	NIL	NIL	100	0.2	NIL	0.2
9	Shri Rajesh Kr. Shahi	NIL	NIL	NIL	100	0.2	NIL	0.2

\* NOMINEE OF POWER FINANCE CORPORATION LIMITED

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	NO CHANGE IN THE PROMOTERS' SHAREHOLDING			
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):				
	At the end of the year				

(iv) Shareholding Pattern of top ten Shareholders:  
(other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of	% of total shares	No. of shares	% of total shares

	shares	of the company	of the company
At the beginning of the year			
Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL		
At the end of the year			

**(v) Shareholding of Directors and Key Managerial Personnel:**

SI. No.	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year				
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL			
	At the end of the year				

**V. INDEBTEDNESS** -Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans (Rs.)	Deposits	Total Indebtedness (Rs.)
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	-	15,15,67,513	-	15,15,67,513
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	8,64,83,185	-	8,64,83,185
<b>Total (i+ii+iii)</b>	-	<b>23,80,50,698</b>	-	<b>23,80,50,698</b>
<b>Change in Indebtedness during the financial year</b>				
* Addition	-	79,08,321	-	79,08,321
* Reduction	-	-	-	-
<b>Net Change</b>	-	<b>79,08,321</b>	-	<b>79,08,321</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	-	15,15,67,513	-	15,15,67,513
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	9,43,91,506	-	9,43,91,506
<b>Total (i+ii+iii)</b>	-	<b>24,59,59,019</b>	-	<b>24,59,59,019</b>

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-**

**A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

SI.No.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
1	Gross salary	<b>NOT APPLICABLE AS COMPANY DOES NOT HAVE ANY MD/WTD/MANAGER</b>	
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961		
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961		
2	Stock Option		
3	Sweat Equity		

4	Commission - as % of profit - others, specify...
5	Others, please specify
	Total (A)
	Ceiling as per the Act

#### B. Remuneration to other directors

SI. No.	Particulars of Remuneration	Name of Directors						Total Amount	
		--	-	----	---				
1	Independent Directors	NOT APPLICABLE AS COMPANY DOES NOT HAVE ANY INDEPENDENT DIRECTOR							
	Fee for attending board committee meetings								
	Commission								
	Others, please specify								
	Total (1)								
2	Other Non-Executive Directors								
	Fee for attending board committee meetings	NIL							
	Commission								
	Others, please specify								
	Total (2)								
Total (B)=(1+2)									
	Total Managerial Remuneration								
	Overall Ceiling as per the Act								

#### C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

SI. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS	CFO	Total
1	Gross salary	NOT APPLICABLE AS THE COMPANY DOES NOT HAVE ANY CEO/CS/CFO			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961				
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961				
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961				
2	Stock Option				
3	Sweat Equity				
4	Commission				
	- as % of profit				
	others, specify...				
5	Others, please specify				
	Total				

#### VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

There were no penalties, punishment or compounding of offences during the year ended March 31, 2023.

For and on behalf of the Board of Directors

Sd/-  
(Rajesh Kumar Agarwal)  
Director  
DIN: 09699001

Sd/-  
(P C Hembram)  
Director  
DIN: 02750881

INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF DEOGHAR MEGA POWER LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone Ind AS financial statements of **M/s. Deoghar Mega Power Limited**, ("the company"), which comprises of the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss (including other comprehensive income), and the Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Financial Statements give the information required by the Companies Act, 2013 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 or loss, changes in equity 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 Companies Act, 2013. Our responsibilities under those standards are further described in the *Auditors 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 Companies Act, 2013 and the Rules thereunder, 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.

Material Uncertainty Related to Going Concern

We draw attention to Note No. 1 and 24 of the accompanying standalone financial statements with regard to management's intention to close the Company as the desired activities for which the Company (SPV) was formed are not progressing since its inception. Ministry of Power (MoP) vide letter dated 12.11.2021 has conveyed its decision to defer any action on the formulation of UMPPs bidding framework as of now, as the country is making energy transition from fossil fuel to non-fossil fuel. Further the MoP advised to review status of all the UMPPs and take necessary action for closure etc. in consultation with stakeholders. Various communications has been made with stakeholders in this regard since the project is already delayed. Subsequently, MoP vide OM dated 02.06.2023 has given its consent for



closure of UMPP and has directed PFCCL to initiate further necessary action as per Standard Operating Procedure (SOP) formulated by MoP for closure of UMPP. Further MoP in its quarterly performance review meeting (QPRM) dated 23.09.2022 (para 10) has decided that all the expenditure incurred on UMPP(s) is to be recovered from the procurers and amount recoverable from a procurer may be adjusted from surplus in any other UMPP(s). Therefore the financial statements have not been prepared on going concern basis. The company will be closed/striking off as per provisions of section 248-252 of the Companies Act, 2013 and relevant rules after obtaining necessary approvals from PFC and MoP, Govt.

### **Responsibilities of Management and Those Charged with Governance for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Financial Statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), changes in equity and cash flows of the company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified in the Companies (Indian Accounting Standards) Rule 2015 under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing as applicable, matters relating to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

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

### **Auditor's Responsibility 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 misstatements, 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 judgement and maintain professional scepticism throughout the audit. We also:



1. 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 omission, misrepresentation, or the override of internal control.
2. 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 Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial control system in place and the operating effectiveness of such control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. 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 company's ability to continue as going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our's auditor 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.
5. 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.



## Reports 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 (1) of section 143 of the Companies Act, 2013 we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. We are enclosing our report in terms of section 143(5) of the Act, on the basis of such checks of the books and records of the company as we considered appropriate and according to the information and explanations given to us, in the "Annexure B" on the directions and sub-directions issued by Comptroller and Auditor General of India.
3. 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 appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss, the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account.
  - d) In our opinion and to the best of our information and explanation given to us, the Indian AS Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act read with relevant rule, as amended.
  - e) Being a Government Company, Pursuant to Notification no. G.S.R. 463(E) dated 05.06.2015 issued by the Government of India, provision of Section 164(2) of the Act, regarding disqualification of director is not applicable to the company.
  - f) With respect to the adequacy of the internal financial control over financial reporting with reference to financial statements of the company and the operating effectiveness of such controls, refer to our separate Report in "Annexure C", and
  - g) Being a Government Company, Pursuant to notification no. G.S.R. 463(E) dated 05.06.2015 issued by the Government of India, provision of Section 197(16) of the Act, regarding managerial remuneration is not applicable to the company.
  - 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 has made provisions, as required under the applicable law and Indian accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative Contracts.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- iv. a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds 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(s) or entity(ies), including foreign entities ("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.
- b) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any other person(s) or entity(ies), including foreign entities (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; and
- c) Based on such audit procedures that were considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that representations under clause (a) and (b) contain any material misstatement.
- v. The Company has neither declared nor paid any dividend during the year.

Place of Signature: New Delhi  
Date: 25-09-2023



For **S. BAJAJ & ASSOCIATES,**  
Chartered Accountants  
FRN-004649N

  
(**SANJEEV BAJAJ**)  
Partner  
M. No. 083848

UDIN: 23083848 BG2P2B 4554

SANJEEV BAJAJ  
M.No.:083848  
FRN:04649N

**ANNEXURE "A" TO THE INDEPENDENT AUDITORS' REPORT OF DEOGHAR MEGA POWER LTD.**

(Referred to paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date on the accounts of Deoghar Mega Power Limited ("the Company") for the year ended March 31, 2023)

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

- (i) (a) (A) The company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (B) As explained to us, the company does not own any intangible assets.
- (b) As explained to us, no Property, Plant and Equipment is held by the Company and has been fully impaired during the year as the same did not hold any realisable value and offered no future economic benefits to the Company.
- (c) As explained to us, the company does not own any immovable property.
- (d) All the Property, Plant and Equipment of the Company held by it have been already impaired and hence no revaluation made during the year.
- (e) No proceedings are initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and the rules made thereunder.
- (ii) (a) The Company does not hold any inventory: hence clause (ii)(a) of paragraph 3 of the Order is not applicable.
- (b) As explained to us, the company has not been sanctioned, at any point of time of the year, working capital limits in excess of five crore rupees, in aggregate, from any banks or financial institutions on the basis of security of current assets.
- (iii) (a) The Company has not granted any secured or unsecured loans during the year and as per its agreement with its holding company wherein it parked the unutilized Commitment Advance along with interest accrued on this Advance with the Holding company is to be refunded as per the MoP direction dt. 23-09-2022. The same is now treated as 'Other current financial assets' and will be utilised to adjust/recover/pay all such current receivables and liabilities of the Company as per MoP directions.
- (b) In consideration of the Loan agreement and the financing policies of the company along with the representations and disclosures made by the company, none of the terms



and conditions of the grant of the Loans and Advances are prejudicial to the company's interest.

- (c) As per the information and explanation provided to us, all liabilities have been realised as current financial liabilities as there is no going concern. Hence, no schedule for repayment of principal and payment of interest has been stipulated.
- (d) No comment, as specified in sub-clause (c) above as there is no schedule of repayment of principal and payment of interest.
- (e) As explained to us, no loan or advance in the nature of loan granted which has fallen due during the year has been renewed or extended and no fresh loan granted to settle the over dues of existing loan.
- (f) All the loans and advances granted by the Company, as now realised as Current financial receivables due to the absence of Going concern, are to be simply adjusted as per the directions of MoP dated 23-09-2022.
- (iv) In our opinion and according to the information and explanations given to us, the Company has not given any loan, guarantee or security to and on behalf of any of its Directors as stipulated under section 185 of the Act and the Company has complied with the provisions of section 186 of the Act, with respect to the loan made.
- (v) According to the information and explanations given to us, the Company has not accepted any deposits during the year. Hence, the directives issued by Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act 2013, and the rules framed thereunder are not applicable.
- (vi) According to the information and explanations given to us, the maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013, for any of the activities of the Company as the Company has not commenced its operations.
- (vii)(a) According to the information and explanations given to us, the Company is regular in depositing undisputed statutory dues including provident fund, employees state insurance, income tax, sales tax, service tax/GST, duty of customs, duty of excise, value added tax, cess and any other statutory dues applicable to it with appropriate authorities. According to the information and explanations given to us, there are no undisputed statutory dues outstanding as at 31<sup>st</sup> March, 2023 for a period of more than six months from the date they became payable.
- (b) According to information and explanations given to us, there are no disputed statutory due payable in respect of income tax or service tax or duty of customs, duty of excise or value added tax which are outstanding as at 31<sup>st</sup> March, 2023.
- (viii) As per the information and explanation given to us, 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) In accordance with the decision of the Ministry of Power, the finance agreement allows the company to accept the Commitment Advance from the Power Procuring Utilities as contribution against allotment of specified quota of power, wherein the allotment will take place on completion of the project. Only after completion of the project and successful undertaking of the bid the liability for the outstanding loan and the due interest amount will be recovered from the successful bidder. As per the information provided to us, the projects are terminated by MoP and the amount of liabilities and receivables held by the Company are to be set off as per the directions of MoP dated 23-09-2023 with no fixed schedule for repayment of loans or other borrowings or for the payment of interest.
- (b) As per the explanation provided to us, the company is not declared as willful defaulter by any bank or financial institution or any other lender.
- (c) According to the information provided to us, the loans have been applied for the purposes for which they were obtained.
- (d) According to the information provided to us, no funds were raised by the company on short-term basis during the year.
- (e) According to the information provided to us, no funds have been taken from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- (f) According to the information provided to us, the company has not raised any loans during the year on pledge of securities held in its subsidiaries, associates or joint ventures.
- (x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year, hence clause (x)(a) of paragraph 3 of the Order is not applicable.
- (b) The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year.
- (xi) (a) Based upon the audit procedure performed and information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year under audit.
- (b) As per the information and explanations provided to us, there were no reasons to believe that an offence of fraud is being or has been committed in the company by its officers or employees, hence, no report under sub section (12) of section 143 of the Companies Act has been filed.
- (c) As per the information provided to us, no whistle-blower complaints were received by the company during the year under audit.



- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the company, transaction with the related parties have been entered into by the company in its ordinary course of business on an arm's length basis and therefore the provisions of section 177 and 188 of the Act are not applicable to the company. However, the details of such transactions have been disclosed in the Financial Statements as required by the applicable Indian accounting standards.
- (xiv) As per the provisions of the Companies Act and Companies (Accounts) Rules, the company is not required to appoint an internal auditor for the year under audit and hence reporting under clause (xiv) is not applicable.
- (xv) According to the information and explanation given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Therefore, provisions of section 192 of Companies Act are not applicable.
- (xvi) (a) In our opinion and according to the information and explanation given to us the Company is not required to be registered under Section 45-1A of the Reserve Bank of India Act, 1934.
- (b) According to the information provided to us, the company has not conducted any Non-Banking Financial or Housing Finance activities.
- (c) The company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India, hence, reporting under (c) and (d) of clause (xvi) of the Order is not applicable.
- (xvii) As per the information provided to us, the company has not incurred cash losses in the financial year and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year under audit.
- (xix) On the basis of the financial ratios, ageing and expected dates of realisation 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, especially the consent by the Ministry of Power dt. 02-06-2023 for closure of UMPP and directions to PFCCCL to initiate further action as per Standard Operating Procedure for closure of UMPP and directions dt. 23-09-2022 for meeting out the dues of the Company through its procurers and based on our examination of the evidence supporting the assumptions, nothing more than specified in this clause has come to our attention that any material uncertainty exists as on the date of the audit report indicating that the Company is not capable of meeting its liabilities existing at the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company, as the closure of the UMPP and the final settling of the accounts of the stakeholders/procurers is still pending as on date. We further state that our reporting is

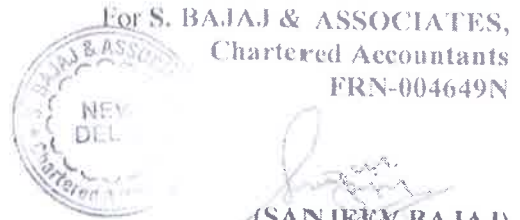


based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due will get discharged by the Company.

(xx) As the provisions of section 135 of the Companies Act, 2013 are not applicable to the company, hence no reporting under clause (xx) of the Order is required.

(xxi) As this audit report is on the Standalone Financial Statements of the Company, hence clause (xxi) of paragraph 3 of the Order is not applicable.

**Place of Signature: New Delhi**  
**Date: 25-09-2023**



**(SANJEEV BAJAJ)**  
**Partner**  
**M. No. 083848**

**UDIN: 23083848B6ZPZB4554**

SANJEEV BAJAJ  
M. No. 083848  
FRN-004649N

**ANNEXURE-B TO THE INDEPENDENT AUDITORS' REPORT OF  
DEOGHAR MEGA POWER LIMITED**

(Referred to paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date on the accounts of Deoghar Mega Power Limited ("the Company") for the year ended March 31, 2023)

**Replies to the Directions issued by Comptroller & Auditor General of India to the Statutory Auditors under Section 143(5) of the Companies Act, 2013 for the year ended 31<sup>st</sup> March, 2023**

<b>S.No</b>	<b>Particulars</b>	<b>Reply</b>
1.	Whether the company has system in place to process all the accounting transaction through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.	Yes, the Company has system in place to process all the accounting transactions through IT system i.e Oracle. In our opinion and to the best of our information and according to the explanations given to us, the company has adequate control system to verify the correctness of the entries posted in Oracle.
2.	Whether there is any restructuring of an existing loan or cases of waiver/write off of debts/loans/interest etc. made by a lender to the Company due to the Company's inability to repay the loan? If yes, the financial impact may be stated. Whether such cases are properly accounted for? (In case, lender is a Government company, then this direction is also applicable for statutory auditor of Lender Company).	There is no restructuring of any existing loan and no cases of waiver/write off of debts/loans/interest etc., hence this clause is not applicable.
3.	Whether funds (grants/subsidy etc.) received/receivable for specific schemes from Central/state Government or its agencies were properly accounted for/ utilized as per its terms and conditions? List the cases of deviation.	There are no funds received/receivable for specific schemes from Central/ state agencies, hence this clause is not applicable.



## **ANNEXURE "C" TO THE INDEPENDENT AUDITORS' REPORT**

(Referred to paragraph 3(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

### **Report on the Internal Financial Controls with reference to Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

1. We have audited the internal financial controls over Financial reporting of Deoghar Mega Power Limited ("the Company") as of 31<sup>st</sup> March, 2023 in conjunction with our audit of the Financial Statements of the Company for the year ended on that date

#### **Management's Responsibility for Internal Financial Controls**

2. The company's management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statement criteria established by the Company considering the essential components of internal control stated in Guidance Note on Audit of 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**

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to financial statement based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over financial reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 with reference to financial statement were established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting with reference to financial statement and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls with reference to financial statement, 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 on the financial statements, whether due to fraud or error.

5. 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 with reference to financial statement.

#### **Meaning of Internal Financial Controls over financial reporting with reference to financial statement**

6. A company's internal financial control over financial reporting with reference to financial statement 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 with reference to financial statement includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised 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 with reference to financial statement**

7. Because of the inherent limitations of internal financial controls with reference to financial statement, 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 with reference to financial statement 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**

8. In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting with reference to financial statement and such internal financial controls over financial reporting with reference to financial statement were operating effectively as at March 31, 2023, based on the internal control over financial reporting with reference to financial statement 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 with reference to financial statement issued by the Institute of Chartered Accountants of India

Place of Signature: New Delhi  
Date: 25-09-2023

For S. BAJAJ & ASSOCIATES,  
& L.  
Chartered Accountants  
FRN-004649N



  
(SANJEEV BAJAJ)  
Partner  
M. No. 083848

UDIN: 23083848 BQ ZP ZB 4554

SANJEEV BAJAJ  
M.No.:083848  
FRN:04649N

**Compliance Certificate**

We have conducted the audit of annual accounts of Deoghar Mega Power Limited for the year ended 31<sup>st</sup> March, 2023 in accordance with the directions / sub directions issued by the C&AG of India under section 143(5) of the Companies Act, 2013 and certify that we have complied with all the directions / sub directions issued to us.

For **S. BAJAJ & ASSOCIATES,**  
**Chartered Accountants**  
**FRN-004649N**

  
**(SANJEEV BAJAJ)**  
**Partner**  
**M.No. 083848**



**SANJEEV BAJAJ**  
**M.No. 083848**  
**FRN-004649N**

**UDIN : 230848BG1ZP2B4554**

**Place: New Delhi**  
**Date: 25-09-2023**



**DEOGHAR MEGA POWER LIMITED**  
(CIN:U40300DL2017GOI234839)

Balance Sheet as at March 31, 2023

(₹ in Hundreds)

Particulars	Note No	As at March 31, 2023	As at March 31, 2022
<b>(I) ASSETS</b>			
<b>(1) Non-current assets</b>			
(a) Property, plant and equipment	4		77.20
(b) Capital work in progress	5		23,50,205.77
(c) Financial assets			
(i) Loans	6		4,87,840.02
<b>Total non-current assets</b>		-	<b>28,38,122.94</b>
<b>(2) Current assets</b>			
(a) Financial assets			
(i) Cash and cash equivalents	7	1,190.39	1,568.39
(ii) Other financial assets	8	12,32,439.81	-
(b) Current tax assets (Net)	9	3,990.70	<b>3,439.17</b>
(c) Other current assets	10	7,950.00	<b>7,950.00</b>
<b>Total current assets</b>		<b>12,45,570.90</b>	<b>12,957.56</b>
<b>Total assets</b>		<b>12,45,570.90</b>	<b>28,51,080.50</b>
<b>(II) EQUITY AND LIABILITIES</b>			
<b>(1) EQUITY</b>			
(a) Equity share capital	11	5,000.00	5,000.00
(b) Other equity	12	(287.64)	(331.97)
<b>Total equity</b>		<b>4,712.36</b>	<b>4,668.03</b>
<b>(2) LIABILITIES</b>			
<b>(A) Non-Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	13	-	23,80,506.98
<b>Total Non-Current Liabilities</b>		-	<b>23,80,506.98</b>
<b>(B) Current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	14	52,405.76	-
(ii) Other financial liabilities	15	11,83,968.98	4,61,312.83
(b) Other current liabilities	16	4,483.81	4,592.66
<b>Total current liabilities</b>		<b>12,40,858.55</b>	<b>4,65,905.49</b>
<b>Total equity and liabilities</b>		<b>12,45,570.90</b>	<b>28,51,080.50</b>

Significant Accounting Policies and notes to the  
Financial Statements

1-37

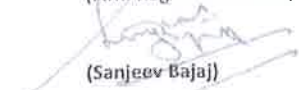
**For and on Behalf of Board of Directors**

  
(P.C. Hembram)  
Director  
DIN:02750881

  
(Rajesh Kr. Agarwal)  
Director  
DIN:09699001

  
(Manoj Sharma)  
Chairman  
DIN: 06822395

As per our report of even date  
For and on behalf of  
**S. Bajaj & Associates**  
(Chartered Accountants)  
(Firm Reg No. : 04649N)

  
(Sanjeev Bajaj)  
Partner  
M. No. : 083848



Place : New Delhi  
Date : 25-09-2023

**SANJEEV BAJAJ**  
M. No. : 083848  
0800044000

UDIN: 23083848B62P204554

DEOGHAR MEGA POWER LIMITED  
(CIN:U40300DL2012GOI234839)

Statement of Profit and Loss for the year ended March 31, 2023

Particulars	Note No.	(₹ in Hundrededs)	
		For the year ended March 31, 2023	For the year ended March 31, 2022
Revenue from operations			
Other income	17	59.24	-
<b>Total income (I)</b>		<b>59.24</b>	-
<b>Expenses</b>			
Other expenses			-
<b>Total expenses (II)</b>			
<b>Profit before tax (I- II =III)</b>		<b>59.24</b>	-
Tax expense: (IV)			
Current tax	19	14.91	-
Deferred tax		-	-
<b>Net Profit after tax (III - IV = V)</b>		<b>44.33</b>	-
<b>Other Comprehensive Income (VI)</b>			
			-
<b>Total Comprehensive Income for the year (V + VI =VII)</b>		<b>44.33</b>	-
Earnings per equity share : (VIII)			
Basic & Diluted (Par value of Rs.10 each)	20	0.09	-


Significant Accounting Policies and notes to the Financial Statements

1-37

For and on Behalf of Board of Directors

  
(P.C. Hembram)  
Director  
DIN:02750881

  
(Rajesh Kr. Agarwal)  
Director  
DIN:09699001

  
(Manoj Sharma)  
Chairman  
DIN: 06822395

As per our report of even date

For and on behalf of  
S. Bajaj & Associates  
(Chartered Accountants)  
(Firm Reg No. : 04649N)

  
(Sanjeev Bajaj)  
Partner  
M. No. : 083848



Place : New Delhi  
Date : 25-09-2023  
SANJEEV BAJAJ  
M. No. : 083848  
FIRM REG NO. 04649N

UDIN: 23083848 BQZP 2B4554

DEOGHAR MEGA POWER LIMITED  
(CIN:U40300DL2012GO1234839)

Statement of Cash Flows for the year ended March 31, 2023

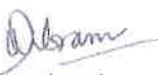
(₹ in Hundreds)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>A. Cash flow from operating activities:</b>		
Net profit/(loss) before tax	59.24	-
<b>Adjustments:</b>		
Adjustment	-	-
<b>Operating Profit/(loss) before Working Capital changes</b>	<b>59.24</b>	-
<b>Adjustments for changes in Working Capital :</b>		
- Increase/(decrease) in other current financial liabilities	2,639.86	(83,250.83)
- Increase/(decrease) in other current financial assets	-	-
- Increase/(decrease) in other current liabilities	(108.85)	1,164.33
- (Increase)/decrease in other current assets	-	-
<b>Cash generated from operating activities</b>	<b>2,590.25</b>	<b>(82,086.50)</b>
Income taxes paid (net of refunds)	(566.44)	(1,480.56)
<b>Net cash from operating activities</b>	<b>2,023.81</b>	<b>(83,567.06)</b>
<b>B. Cash flow from Investing activities:</b>		
Addition in Capital work in progress	-	(5,966.66)
Repayment/(Addition) in loan given	-	92,610.83
Interest income	2,047.00	1,480.56
<b>Net cash from Investing activities</b>	<b>2,047.00</b>	<b>88,124.73</b>
<b>C. Cash flow from Financing Activities:</b>		
Proceeds from borrowings	-	-
Interest expense	(4,448.81)	(4,557.67)
<b>Net cash from financing activities</b>	<b>(4,448.81)</b>	<b>(4,557.67)</b>
<b>Net (Decrease) in cash &amp; cash equivalents</b>	<b>(378.00)</b>	<b>0.00</b>
Cash and cash equivalents as at 1st April (Opening Balance)	1,568.39	1,568.39
Cash and cash equivalents as at 31st March (Closing Balance) (Note-7)	1,190.39	1,568.39
<b>Comprising of:</b>		
Balance with banks in current accounts	1,190.39	1,568.39


Significant Accounting Policies and notes to the Financial Statements

1-37


For and on Behalf of Board of Directors

  
(P.C. Hembram)  
Director  
DIN:02750881

  
(Rajesh Kr. Agarwal)  
Director  
DIN:09699001

  
(Manoj Sharma)  
Chairman  
DIN: 06822395

As per our report of even date  
For and on behalf of  
**S. Bajaj & Associates**  
(Chartered Accountants)  
(Firm Reg No. : 04649N)

  
(Sanjeev Bajaj)  
Partner  
M. No. : 083848



Place : New Delhi  
Date : 25-09-2023

UDIN: 23083848BQZPZB4554

DEOGHAR MEGA POWER LIMITED  
(CIN:U40300DL2012GOI234839)

Statement of Changes in Equity for the year ended March 31, 2023

a. Equity share capital

(1) Current reporting period (FY 2022-23)

(₹ in Hundreds)

Balance as at 1st April 2022	Changes in Equity Share Capital due to prior period errors	Restated balance as at 1st April 2022	Changes in equity share capital during the current year	Balance at the 31st March 2023
5,000.00	-	5,000.00	-	5,000.00

(2) Previous reporting period (FY 2021-22)

(₹ in Hundreds)

Balance as at 1st April 2021	Changes in Equity Share Capital due to prior period errors	Restated balance as at 1st April 2021	Changes in equity share capital during the previous year	Balance at the 31st March 2022
5,000.00	-	5,000.00	-	5,000.00

b. Other Equity

(1) Current reporting period (FY 2022-23)

(₹ in Hundreds)

Particulars	Reserves and Surplus		Total
	Retained earnings	Others	
Balance as at 1st April 2022	(331.97)	-	(331.97)
Changes in accounting policy or prior period errors	-	-	-
Restated balance as at 1st April 2022	(331.97)	-	(331.97)
Total Comprehensive Income for the current year	44.33	-	44.33
Others	-	-	-
Balance at the 31st March 2023	(287.64)	-	(287.64)

(2) Previous reporting period (FY 2021-22)

Particulars	Reserves and Surplus		Total
	Retained earnings	Others	
Balance as at 1st April 2021	(331.97)	-	(331.97)
Changes in accounting policy or prior period errors	-	-	-
Restated balance as at 1st April 2021	(331.97)	-	(331.97)
Total Comprehensive Income for the previous year	-	-	-
Others	-	-	-
Balance as at 31st March 2022	(331.97)	-	(331.97)

Significant Accounting Policies and notes to the Financial Statements

1-37

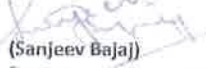
For & on Behalf of Board of Directors

  
(P.C. Hembram)  
Director  
DIN:02750881

  
(Rajesh Kr. Agarwal)  
Director  
DIN:09699001

  
(Manoj Sharma)  
Chairman  
DIN: 06822395

As per our report of even date  
For and on behalf of  
S. Bajaj & Associates  
(Chartered Accountants)  
(Firm Reg No. : 04649N)

  
(Sanjeev Bajaj)  
Partner  
M. No. : 083848



Place : New Delhi  
Date : 25-09-2023

UDIN: 23083848BGZPZB4554



DEOGHAR MEGA POWER LIMITED

(CIN:U40300DL2012GOI234839)

Notes to the Financial Statements for the year ended March 31, 2023

**1 Corporate Information**

DeoGhar Mega Power Limited "the Company" was incorporated on April 25, 2012 under the Companies Act, 1956 as a wholly owned subsidiary of Power Finance Corporation Limited (PFCL), a Govt. of India Undertaking. The registered office of the Company is located at First Floor, Urjanidhi, 1, Barakhamba Lane, Connaught Place, New Delhi -110001. The Company is a special purpose vehicle incorporated to facilitate the acquisition of land and complete preliminary works viz statutory clearances including that of environment, forest, etc. for the purpose of establishing Ultra Mega Power Project of 4000 MW in the state of Jharkhand (Project). The site for the project had been identified at Hussainabad, Devipur Division, District DeoGhar, as recommended by CEA and "in-principle" approved by Govt. of Jharkhand. Dhulia (North) coal block was identified for the project.

Ministry of Power (MoP) vide letter dated 12.11.2021 has conveyed its decision to defer any action on the formulation of UMPPs bidding framework as of now, as the country is making energy transition from fossil fuel to non-fossil fuel. Further the MoP advised to review status of all the UMPPs and take necessary correction for closure etc. in consultation with stakeholders. Various communications has been made with stakeholders in this regard since the project is already delayed. Subsequently, MoP vide OM dated 02.06 2023 has given its consent for closure of UMPP and has directed PFCL to initiate further necessary action as per Standard Operating Procedure (SoP) formulated by MoP for closure of UMPP. Further MoP in its quarterly performance review meeting (QPRM) dated 23.09.2022 (para 10) has decided that all the expenditure incurred on UMPP(s) is to be recovered from the procurers and amount recoverable from a procurer may be adjusted from surplus in any other UMPP(s). Therefore the financial statements have not been prepared on going concern basis. The company will be closed/striking off as per provisions of section 248-252 of the Companies Act, 2013 and relevant rules after obtaining necessary approvals from PFC and MoP, Gol.

**2 General**

**(a) Basis of Preparation and Statement of Compliance**

These financial statements have been prepared on historical cost and accrual basis of accounting and are in compliance with the Indian Accounting Standards (referred to as "Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) and applicable provisions of the Companies Act, 2013. However in view of closure of project, the financial statements have not been prepared on going concern basis.

The Company's financial statements are presented in Indian Rupees (INR), which is its functional currency.

Amounts in these financial statements have been rounded off to 'nearest hundreds upto two decimal points (unless otherwise indicated).

**(b) Use of Estimates**

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of revenue, expense, assets and liabilities and disclosures relating to contingent liabilities on the date of the financial statements. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates is recognised in the period in which the estimate is revised and in any future period affected.

**3 Significant Accounting Policies**

**(a) Recognition of Income/ Expenditure**

Income and expenses (except as stated below) are accounted for on accrual basis.

**(b) Borrowing Cost**

Borrowing Costs that are attributable to the acquisition, construction of property, plant and equipments which take substantial time to get ready for its intended use are capitalized as part of the cost of such assets to the extent they relate to the period till such assets are ready to be put to use. Other borrowing costs are charged to Statement of Profit and Loss in the year in which they are incurred. The borrowing cost recoverable from procurers are charged directly from procurers accounts.

**(c) Capital work-in-progress**

Expenditure incurred during construction period on Survey/ Studies/ Investigation/ Consultancy/ Administration/ Depreciation/Interest etc and other expenditures during construction period is capitalised and treated as Capital-work-in-progress.



- (g) **Property, Plant and Equipment**  
Items of PPE are initially recognised at cost. Subsequent measurement is done at cost less accumulated depreciation and accumulated impairment losses, if any, except for freehold land which is not depreciated. An item of PPE retired from active use and held for disposal is stated at lower of the book value or net realizable value.
- (h) An item of PPE is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of PPE is determined as the difference between the net disposal proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.

- (e) **Depreciation and amortisation**  
Depreciation on items of PPE is provided on Pro-rata basis as per written Down value method considering the useful life and residual value prescribed under the Schedule II of the Companies Act, 2013 or over the shorter useful life as estimated by the Company.  
Amortization is done under straight-line method over the useful life of the assets as estimated by the Company.

- (f) **Prior Period Expenses**  
Material prior period errors are corrected retrospectively by restating the comparative amounts for the prior periods presented in which the error occurred. If the error occurred before the earliest period presented, the opening balances of assets, liabilities and equity for the earliest period presented, are restated.

- (g) **Cash and cash equivalents**  
Cash comprises cash on hand and demand deposits. The Company considers cash equivalents as all short term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

- (h) **Cash Flow Statement**  
Cash flow Statement is prepared in accordance with the indirect method, whereby net profit/(loss) before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the company are segregated.

- (i) **Taxation**  
Income Tax expense comprises of current and deferred tax. It is recognised in Statement of Profit and Loss, except when it relates to an item that is recognised in OCI or directly in equity, in which case, tax is also recognised in OCI or directly in equity.

Current tax is the expected tax payable on taxable income for the year, using tax rates enacted or substantively enacted and as applicable at the reporting date, and any adjustments to tax payable in respect of Previous Years.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable income. Deferred tax is measured at the tax rates based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority.

A deferred tax asset is recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which the deductible temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

The carrying amount of deferred tax assets is reviewed at the end of each financial year and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all parts of the asset to be recovered.

- (j) **Provisions, contingent liabilities and contingent assets**  
i. Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, if it is probable that the Company will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.



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- ii. Where it is not probable that an outflow of economic benefits will be required or the amount cannot be estimated reliably, the obligation is disclosed as contingent liability in notes to accounts, unless the probability of outflow of economic benefits is remote.
- iii. Contingent Assets are not recognised in the financial statements but are disclosed, where an inflow of economic benefit is probable.
- iv. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate.

**(k) Financial instruments**

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instruments.

On initial recognition, financial assets and financial liabilities are recognised at fair value plus/ minus transaction cost that are attributable to the acquisition or issue of financial assets and financial liabilities. In case of financial assets and financial liabilities which are recognised at fair value through profit and loss (FVTPL), it's transaction costs are recognised in Statement of Profit and Loss.

**k.1 Financial assets**

All regular way purchases or sales of financial assets are recognised and derecognised on a settlement date basis.

After initial recognition, financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

**i) Classification and Measurement of Financial assets (other than Equity instruments)**

**a) Financial assets at Amortised Cost:**

Financial assets that meet the following conditions are subsequently measured at amortised cost using Effective Interest Rate method (EIR):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the asset give rise on specified dates to cash flows that are Solely Payments of Principal and Interest (SPPI) on the principal amount outstanding.

**b) Financial assets at Fair Value through Other Comprehensive Income (FVTOCI)**

A financial asset is measured at FVTOCI if both the following conditions are met:

- The objective of the business model is achieved both by collecting contractual cash flows and selling the financial asset; and
- the contractual terms of the asset give rise on specified dates to cash flows that are Solely Payments of Principal and Interest (SPPI) on the principal amount outstanding.

**c) Financial assets at fair value through profit or loss (FVTPL)**

A financial asset is measured at FVTPL unless it is measured at amortised cost or FVTOCI, with all changes in fair value recognised in Statement of Profit and Loss.

**ii) Impairment of financial assets**

**a) Subsequent to initial recognition, the Company recognises expected credit loss (ECL) on financial assets measured at amortised cost. ECL on such financial assets, other than loan assets, is measured at an amount equal to life time expected losses.**

The impairment requirements for the recognition and measurement of ECL are equally applied to Loan asset at FVTOCI except that ECL is recognised in other comprehensive income and is not reduced from the carrying amount in the balance sheet.

**b) Impairment of Loan Assets and commitments under Letter of Comfort (LoC):**

The Company measures ECL on loan assets at an amount equal to the lifetime ECL if there is credit impairment or there has been significant increase in credit risk (SICR) since initial recognition. If there is no SICR as compared to initial recognition, the Company measures ECL at an amount equal to 12-month ECL. When making the assessment of whether there has been a SICR since initial recognition, the Company considers reasonable and supportable information, that is available without undue cost or effort. If the Company measured loss allowance as lifetime ECL in the previous period, but determines in a subsequent period that there has been no SICR since initial recognition due to improvement in credit quality, the Company again measures the loss allowance based on 12-month ECL. ECL is measured on individual basis for credit impaired loan assets, and on other loan assets it is generally measured on collective basis using homogenous groups.

**c) The impairment losses and reversals are recognised in Statement of Profit and Loss.**



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**iii) De-recognition of financial assets**

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable, and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity, is recognised in Statement of Profit and Loss if such gain or loss would have otherwise been recognised in Statement of Profit and Loss on disposal of that financial asset.

**k.2 Financial liabilities**

i) All financial liabilities other than derivatives and financial guarantee contracts are subsequently measured at amortised cost using the effective interest rate (EIR) method.

EIR is determined at the initial recognition of the financial liability. EIR is subsequently updated for financial liabilities having floating interest rate, at the respective reset date, in accordance with the terms of the respective contract.

ii) De-recognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in Statement of Profit and Loss.

**(l) Earnings per share**

Basic earnings per share are computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period. Diluted earnings per shares is computed by dividing the profit after tax by the weighted average number of equity shares considered for deriving basic earnings per shares and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.



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**DEOGHAR MEGA POWER LIMITED**  
**CIN:U40300DL2012GOI234839**

Notes to the Financial Statements for the year ended March 31, 2023

4. Property, plant and equipment

(₹ in Hundreds)

Particulars	Owned	
	Computer & EDP Equipments	Total
<b><u>Cost or deemed cost</u></b>		
Deletions	-	-
<b>Balance as at April 01, 2021</b>	<b>1,544.04</b>	<b>1,544.04</b>
Additions	-	-
Deletions	-	-
<b>Balance as at March 31, 2022</b>	<b>1,544.04</b>	<b>1,544.04</b>
Additions	-	-
Deletions	-	-
<b>Balance as at March 31, 2023</b>	<b>1,544.04</b>	<b>1,544.04</b>
<b><u>Accumulated depreciation and Impairment</u></b>		
<b>Balance as at April 01, 2021</b>	<b>1,466.84</b>	<b>1,466.84</b>
Additions	-	-
Deletions	-	-
<b>Balance as at March 31, 2022</b>	<b>1,466.84</b>	<b>1,466.84</b>
Additions (Note-24(iv))	77.20	77.20
Deletions	-	-
<b>Balance as at March 31, 2023</b>	<b>1,544.04</b>	<b>1,544.04</b>
<b>Carrying amount:</b>		
<b>As at March 31, 2022</b>	<b>77.20</b>	<b>77.20</b>
<b>As at March 31, 2023</b>	<b>-</b>	<b>-</b>



*(Signature)*

DEGHAR MEGA POWER LIMITED  
(CIN:U40300DL2017GD1234839)  
Notes to the Financial Statements for the year ended March 31, 2023

5 Capital work in progress

Particulars	(₹ in thousands)	
	As at March 31, 2023	As at March 31, 2022
Opening Capital work in progress	23,50,205.72	22,58,067.10
Add: Transferred from expenditure during construction period (Note- 18)		92,198.62
	23,50,205.72	23,50,205.72
Less: Adjusted from Procurers balances (Note- 24)	(23,50,205.72)	
	-	23,50,205.72

5.1 CWIP aging schedule:

Particulars	Amount of CWIP for a period				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
<b>As on 31.03.2023</b>					
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	-	-	-	-	-
<b>As on 31.03.2022</b>					
Projects in progress	-	-	-	-	-
Projects temporarily suspended	92,198.62	84,349.42	1,93,019.09	19,80,638.59	23,50,205.72
<b>Total</b>	92,198.62	84,349.42	1,93,019.09	19,80,638.59	23,50,205.72

5.2 CWIP completion schedule:

Particulars	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
<b>As on 31.03.2023</b>					
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	-	-	-	-	-
<b>As on 31.03.2022</b>					
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	23,50,205.72	23,50,205.72
<b>Total</b>	-	-	-	23,50,205.72	23,50,205.72



*[Handwritten Signature]*

DEOGHAR MEGA POWER LIMITED  
(CIN:U40300DL2012GOI234839)

Notes to the Financial Statements for the year ended March 31, 2023

6. Loans (Non current)

Particulars	(₹ in Hundreds)	
	As at March 31, 2023	As at March 31, 2022
<b>Non Current</b>		
<u>Unsecured, considered good</u>		
Loans and Advances to related party	-	3,75,754.60
Interest accrued but not due	-	1,12,085.42
	-	<b>4,87,840.02</b>

6.1 Disclosure in respect of Loans or Advances in the nature of loans are granted to promoters, Directors, KMPs and related parties (as defined under Companies Act, 2013), either severally or jointly with any other person, that are:

Type of Borrower	(₹ in Hundreds)	
	Amount of loan or advance in the nature of loan outstanding	% to the total Loans and Advances in the nature of loans
<u>As at 31st Mar 2023 (Repayable on demand)</u>		
Promoters	-	0.00%
Directors	-	-
KMPs	-	-
Related Parties	-	-
<u>As at 31st March 2022 (Repayable on demand)</u>		
Promoters	4,87,840.02	100.00%
Directors	-	-
KMPs	-	-
Related Parties	-	-

7. Cash and cash equivalents

Particulars	(₹ in Hundreds)	
	As at March 31, 2023	As at March 31, 2022
<b>Balance with Banks:</b>		
in current accounts	1,190.39	1,568.39
	<b>1,190.39</b>	<b>1,568.39</b>

8. Other financial assets

Particulars	(₹ in Hundreds)	
	As at March 31, 2023	As at March 31, 2022
Recoverable from procurers (Note 24)	12,32,439.81	-
	<b>12,32,439.81</b>	-



*[Handwritten Signature]*

9. Current Tax Assets (Net)

Particulars	(₹ in Hundreds)	
	As at March 31, 2023	As at March 31, 2022
Income Tax Refundable	4,005.61	3,439.17
Less: Provision for Income Tax	14.91	-
	3,990.70	3,439.17

10. Other current assets

Particulars	(₹ in Hundreds)	
	As at March 31, 2023	As at March 31, 2022
<u>Unsecured, considered good</u>		
Advances recoverable in cash or in kind	7,950.00	7,950.00
	7,950.00	7,950.00



*[Handwritten signature]*



DEOGHAR MEGA POWER LIMITED  
(CIN: U40300DL2012GOI24839)  
Notes to the Financial Statements for the year ended March 31, 2023

11. Equity share capital

Particulars	[Rs in thousands]	
	As at March 31, 2023	As at March 31, 2022
<b>Authorised share capital</b> 50,000 Equity shares of Rs 10 each (As at March 31, 2022: 50,000 Equity shares of Rs 10 each)	5,000.00	5,000.00
<b>Issued, subscribed and paid up capital comprises:</b> 50,000 Equity shares of Rs 10 each fully paid up (As at March 31, 2022: 50,000 Equity shares of Rs 10 each fully paid up)	5,000.00	5,000.00
	5,000.00	5,000.00

**(i) Reconciliation of the number of shares outstanding at the beginning and at the end of the year:**

Particulars	As at March 31, 2023		As at March 31, 2022	
	Number of shares held	Amount	Number of shares held	Amount
Shares outstanding at the beginning of the year	50,000	5,000.00	50,000	5,000.00
Shares Issued during the year	-	-	-	-
Shares outstanding at the end of the year	50,000	5,000.00	50,000	5,000.00

**(ii) Rights, preferences and restriction attached to equity shares:**

The Company has one class of equity shares having a par value of Rs 10 per share. The holders of the equity shares are entitled to receive dividends as declared from time to time and are entitled to voting rights proportionate to their shareholding at the meeting of the shareholders. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

**(iii) Detail of equity shares held by holding company:**

Particulars	No. of Shares	Amount
<b>As at March 31, 2023</b> Power Finance Corporation Limited*	50,000	5,000.00
<b>As at March 31, 2022</b> Power Finance Corporation Limited*	50,000	5,000.00

**(iv) Details of shares held by each shareholder holding more than 5% shares in the Company:**

Particulars	As at March 31, 2023		As at March 31, 2022	
	Number of shares held	%	Number of shares held	%
<b>Fully paid up equity shares</b> Power Finance Corporation Limited, the Holding Company*	50,000	100%	50,000	100%

\* Equity shares are held by Power Finance Corporation Limited and through its nominees.

**(v) Details of shareholding of Promoters:**

Promoter name	Shares held by promoters at the end of the year		% change during the year
	Number of shares	% of total shares	
<b>As at March 31, 2023</b>			
Power Finance Corporation Limited, the Holding Company	49,400	98.80%	-
Nominees of Power Finance Corporation Limited	600	1.20%	-
<b>As at March 31, 2022</b>			
Power Finance Corporation Limited, the Holding Company	49,400	98.80%	-
Nominees of Power Finance Corporation Limited	600	1.20%	-



*[Handwritten Signature]*

DEOGHAR MEGA POWER LIMITED  
(CIN:U40300DL2012GOI234839)  
Notes to the Financial Statements for the year ended March 31, 2023

12. Other equity

Particulars	(₹ in Hundreds)	
	As at March 31, 2023	As at March 31, 2022
<b>Retained earnings</b>		
Balance at the beginning of the year	(331.97)	(331.97)
Total comprehensive income for the year	44.33	-
<b>Balance at the end of the year</b>	<b>(287.64)</b>	<b>(331.97)</b>

13. Borrowings (Non Current)

Particulars	(₹ in Hundreds)	
	As at March 31, 2023	As at March 31, 2022
Commitment advance (Unsecured)	-	15,15,675.13
Interest accrued but not due on commitment Advance	-	3,66,823.30
(A)	-	<b>18,82,498.43</b>
Interest accrued but not due on borrowings (Related Party)	-	4,98,008.55
(B)	-	4,98,008.55
(A+B)	-	<b>23,80,506.98</b>

14. Borrowings (Current)

Particulars	(₹ in Hundreds)	
	As at March 31, 2023	As at March 31, 2022
<b>Unsecured</b>		
Payable to PFC (including interest)	52,405.76	-
	<b>52,405.76</b>	-

15. Other financial liabilities (Current)

Particulars	(₹ in Hundreds)	
	As at March 31, 2023	As at March 31, 2022
Expenses payable	4,86,491.25	4,61,312.83
Amount payable to procurers (Note: 24)	6,97,477.72	-
	<b>11,83,968.98</b>	<b>4,61,312.83</b>

16. Other current liabilities

Particulars	(₹ in Hundreds)	
	As at March 31, 2023	As at March 31, 2022
Statutory dues payable	4,483.81	4,592.66
	<b>4,483.81</b>	<b>4,592.66</b>



*[Handwritten Signature]*

## 17. Other income

(₹ in Hundreds)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest on Income Tax refund	59.24	-
	59.24	-

## 18. Other expenditure

(₹ in Hundreds)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Payment to Auditors		
- Audit fee	413.00	413.00
Manpower Charges	-	372.54
Outsourcing expenses	-	4,554.69
Legal, Professional and Consultancy Charges	443.70	523.20
Impairment of Property, plant and equipment	77.20	-
Other Administrative expenses	65.52	103.23
<b>Sub-total (A)</b>	<b>999.42</b>	<b>5,966.66</b>
<u>Interest expenses</u>		
Interest on utilised portion	84,678.37	86,231.96
Add: Interest on unutilised portion	20,469.99	14,805.52
Less: Interest receivable from PFC on unutilised portion	(20,469.99)	(14,805.52)
<b>Sub-total (B)</b>	<b>84,678.37</b>	<b>86,231.96</b>
<b>Total (A+B)</b>	<b>85,677.79</b>	<b>92,198.62</b>
Less: Transferred to Capital work in progress (Note 5)	-	92,198.62
Less: Adjusted from Procurers balances (Note 24)	85,677.79	-
<b>Total</b>	<b>-</b>	<b>-</b>

## 19. Income Taxes

(₹ in Hundreds)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Current tax</b>		
In respect of the current year	14.91	-
<b>Deferred tax</b>		
In respect of the current year	-	-
<b>Total income tax expense recognised in the current year</b>	<b>14.91</b>	<b>-</b>
The income tax expense for the year can be reconciled to the accounting profit as follows:		
Profit before tax	59.24	-
Applicable tax rate	25.168%	25.168%
Computed tax expenses	14.91	-
<b>Income tax expense recognised in statement of profit and loss</b>	<b>14.91</b>	<b>-</b>

## 20. Earnings per share

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Basic and diluted Earning Per Share</b>		
Face value per Equity Share (Rs.)	10	10
Net Profit / (Loss) after Tax as per Statement of Profit and Loss attributable to Equity Shareholders used as numerator (Rs. in hundreds)	44.33	-
Weighted Average number of Equity Shares used as denominator for calculating Basic EPS (number)	50,000	50,000
<b>Basic and diluted Earning Per Share (Rs.)</b>	<b>0.09</b>	<b>-</b>
There are no dilutive instruments issued by the company.		



Notes to the Financial Statements for the year ended March 31, 2023

21. Financial instruments

(i) Capital management

The Company manages its capital to ensure that it will be able to meet capital requirements related to acquisition of land and expenses related to preliminary work regarding statutory clearances including that of environment, forest etc. for the purpose of establishing Ultra Mega Power Project of 4000 MW in state of Jharkhand Project. Company funds its operations through amount received as commitment advance.

The entity is not subject to any externally imposed capital requirements.

The Company's board reviews the capital structure on need basis. The funding requirements are met through a mixture of borrowings and advances. The Company's policy is to use short term and long-term borrowings to meet anticipated funding requirements.

(ii) Categories of financial instruments

Particulars	(₹ in Hundreds)	
	As at March 31, 2023	As at March 31, 2022
<b>Financial assets</b>		
Cash and cash equivalents	1,190.39	1,568.39
Loans		4,87,840.02
Other financial assets	12,32,439.81	
<b>Financial liabilities</b>		
Borrowings	52,405.76	23,80,506.98
Other financial liabilities	11,83,968.98	4,61,312.83

(ii) Financial risk management objectives

The Company's corporate treasury function monitors and manages the financial risks relating to the operations of the Company by analyzing exposures by degree and magnitude of risks. These risks include market risk (including currency risk, interest risk and other price risk), credit risk and liquidity risk.

(iii) Market Risk

The Company's activities expose it primarily to the financial risks of changes in interest rates (see note v below).

Market risk exposures are measured using sensitivity analysis.

There has been no change to the Company's exposure to market risks or the manner in which these risks are being managed and measured.

(iv) Foreign Currency risk management

The company does not have transactions denominated in foreign currencies.

(v) Interest rate risk management

The Company is exposed to interest rate risk because it borrow funds at the rate of interest under category of " State Sector Borrowers (Category 'A') as determined from time to time (fluctuating rate of interest) .

The Company's exposures to interest rates on financial assets and financial liabilities are detailed in the liquidity risk management section of this note.

Interest rate sensitivity analysis

The sensitivity analysis below have been determined based on the exposure to interest rates for non-derivative instruments at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

Particulars	(₹ in Hundreds)	
	Year ended March 31, 2023	Year ended March 31, 2022
Impact for Profit or Loss		
Impact for Other comprehensive income		

Since the company is under closure as on 31.03.2023 (in project implementation period in previous year), the interest is being capitalised or recoverable from procurers and further interest on unutilised portion is receivable from PFC and same is payable to procurers on back to back basis, there is no impact on Profit or Loss and other comprehensive income.

(vi) Other price risks

The company is not exposed to price risk as its does not hold any investments .



**RECHAR MEGA POWER LIMITED**  
(CIN:U40300DL2012GO1234839)

Notes to the Financial Statements for the year ended March 31, 2023

21. Financial Instruments

(vii) Credit risk management

Credit risk refers to the risk that a counterparty will not fulfill its contractual obligations resulting in financial loss to the Company.

Company's bank balances are held with a reputed and creditworthy banking institution resulting in limited credit risk from the counterparties.

(viii) Liquidity risk management

The Company manages liquidity risk by maintaining adequate reserves and continuously monitoring forecast and actual cash flows and by matching the maturity profiles of financial assets and liabilities.

The table below provides details regarding the contractual maturities of financial liabilities including as at March 31, 2023;

Particulars	Carrying amount	Due in 1st year	Due in 2-5 year	Due in More than 5 year	Due date not specified	(₹ in Hundreds)
						Total contracted cash flows
<b>Financial Liabilities</b>						
Borrowings	52,405.76	52,405.76	-	-	-	52,405.76
Other financial liabilities	11,83,968.98	11,83,968.98	-	-	-	11,83,968.98

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at March 31, 2022;

Particulars	Carrying amount	Due in 1st year	Due in 2-5 year	Due in More than 5 year	Due date not specified	(₹ in Hundreds)
						Total contracted cash flows
<b>Financial Liabilities</b>						
Borrowings	23,80,506.98	-	-	-	23,80,506.98	23,80,506.98
Other financial liabilities	4,61,312.83	4,61,312.83	-	-	-	4,61,312.83

The table below provides details regarding the contractual maturities of financial assets including estimated interest receipts as at March 31, 2023:

Particulars	Carrying amount	Due in 1st year	Due in 2-5 year	Due in More than 5 year	Due date not specified	(₹ in Hundreds)
						Total contracted cash flows
<b>Financial Assets</b>						
Loans	-	-	-	-	-	-
Other financial assets	12,32,439.81	12,32,439.81	-	-	-	12,32,439.81

The table below provides details regarding the contractual maturities of financial assets including estimated interest receipts as at March 31, 2022:

Particulars	Carrying amount	Due in 1st year	Due in 2-5 year	Due in More than 5 year	Due date not specified	(₹ in Hundreds)
						Total contracted cash flows
<b>Financial Assets</b>						
Loans	4,87,840.02	-	-	-	4,87,840.02	4,87,840.02
Other financial assets	-	-	-	-	-	-

(ix) Fair value of financial assets and financial liabilities:

Particulars	Fair value hierarchy	As at March 31, 2023		As at March 31, 2022	
		Carrying amount	Fair value	Carrying amount	Fair value
		<b>Financial assets</b>			
Cash and cash equivalents	Level 3	1,190.39	1,190.39	1,568.39	1,568.39
Loans	Level 3	-	-	4,87,840.02	4,87,840.02
Other financial assets	Level 3	12,32,439.81	12,32,439.81	-	-
<b>Financial Liabilities</b>					
Borrowings	Level 3	52,405.76	52,405.76	23,80,506.98	23,80,506.98
Other financial liabilities	Level 3	11,83,968.98	11,83,968.98	4,61,312.83	4,61,312.83

The fair value of financial assets and liabilities approximate with the carrying amount recognized in the financial statements. There was no transfer between Level 1, Level 2 and Level 3 in the year. The carrying amount of financial assets and financial liabilities measured at amortised cost in the Ind AS financial statements are a reasonable approximation of their fair value since the Company does not anticipate that carrying value would be significantly different from the values that would eventually be received or settled.



*[Handwritten Signature]*

DEOGHAR MEGA POWER LIMITED  
ICIN U40300DL2012G01248491

Notes to the Financial Statements for the year ended March 31, 2023

22 STATEMENT OF TRANSACTIONS WITH RELATED PARTIES

22.1 Name of related parties and description of relationship:

Holding Company	
1	Power Finance Corporation Limited (PFCL)
Subsidiary of Holding Company (PFCL)	
1	PEC Consulting Limited (PECL)
3	REC Power Development and Consultancy Limited
2	REC Limited (RECL)
4	REC Projects Limited (formerly Coastal Karnataka Power Ltd.) (w.e.f.01.07.2022)
Associate of Holding Company (PFCL)	
1	Bihar Mega Power Limited
3	Orissa Integrated Power Limited
5	Coastal Tamil Nadu Power Limited
7	Sakhigopal Integrated Power Company Limited
9	Deoghhar Infra Limited
11	Chhattisgarh Surguja Power Limited (Striked off from the records of Registrar of Companies on 11.01.2023)
13	Coastal Maharashtra Mega Power Limited (Striked off from the records of Registrar of Companies on 29.09.2022)
2	Jharkhand Infrapower Limited
4	Ghogaipalli Integrated Power Company Limited
6	Odisha Infrapower Limited
8	Bihar Infrapower Limited
10	Cheyyur Infra Limited
12	Tatiya Andhra Mega Power Limited (Striked off from the records of Registrar of Companies on 27.09.2022)
14	Coastal Karnataka Power Ltd. (upto 30.06.2022)
Associate of PFCL	
1	Mohanlalgaonj Transmission Limited (transferred on 30.05.2022)
3	Shongtong Karcham-Wangtoo Transmission Limited (Striked off from the records of Registrar of Companies on 13.01.2023)
5	Bhadla Sikar Transmission Limited (transferred on 28.03.2023)
7	Fatehgarh III Beawar Transmission Limited (incorporated on 05.05.2022 )
9	Slot Transmission Limited (incorporated on 27.04.2022 )
11	Bhadla III Transmission Limited (incorporated on 27.05.2022 )
13	Dharamjalgarh Transmission Limited (incorporated on 18.11.2022 and transferred on 28.03.2023)
15	Khandukhal Rampura Transmission Limited (incorporated on 13.05.2022 and transferred on 07.10.2022)
17	Raipur Pool Dhamtari Transmission Limited (incorporated on 18.11.2022 and transferred on 28.03.2023)
2	Chhatargpur Transmission Limited
4	Bijawar-Vidarbha Transmission Limited (under process of striking off the name from the records of Registrar of Companies)
6	Tanda Transmission Company Limited (Striked off from the records of Registrar of Companies on 13.01.2023)
8	Ananthpuram Kurnool Transmission Limited
10	Khetri-Narela Transmission Limited (transferred on 11.05.2022)
12	Kisltwar Transmission Limited (transferred on 06.12.2022 )
14	Beawar Dausa Transmission Limited (incorporated on 06.05.2022 )
16	Fatehgarh III Transmission Limited (incorporated on 18.05.2022 )
18	Fatehgarh IV Transmission Limited (incorporated on 08.06.2022 )
Associate of RECL	
1	Dumka Transmission Limited
3	Koderma Transmission Limited
5	Mandar Transmission Limited
7	Ranigarh II Transmission Limited (incorporated on 20.04.2022)
9	Sikar Khetri Transmission Limited (incorporated on 06.05.2022)
11	Meerut Shamli Power Transmission Limited (incorporated on 14.12.2022)
13	Khavda II-D Transmission Limited (incorporated on 25.04.2022 and under the process of striking off the name of Company from the records of Registrar of Companies)
15	Neemuch Transmission Limited (incorporated on 12.04.2022 and transferred on 24.08.2022)
17	WRSR Power Transmission Ltd.(incorporated on 22.09.2022 and transferred on 17.01.2023)
19	Khavda II-B Transmission Limited (incorporated on 21.04.2022 and transferred on 21.03.2023)
21	KPS3 Transmission Limited(incorporated on 29.04.2022 and transferred on 21.03.2023)
23	KPS2 Transmission Limited(incorporated on 04.05.2022 and transferred on 21.03.2023)
25	Khavda II-A Transmission Limited(incorporated on 19.04.2022 and transferred on 28.03.2023)
2	Chandil Transmission Limited
4	Bidar Transmission Limited
6	Beawar Transmission Limited (incorporated on 27.04.2022)
8	Luhri Power Transmission Limited (incorporated on 28.10.2022)
10	NERES XVI Power Transmission Limited (incorporated on 10.01.2023)
12	Rajgarh Transmission Limited (transferred on 30.05.2022)
14	ER NER Transmission Limited (transferred on 10.10.2022)
16	MP Power Transmission Package-I Limited (transferred on 21.01.2023)
18	Khavda II-C Transmission Limited (incorporated on 22.04.2022 and transferred on 21.03.2023)
20	Khavda RE Transmission Limited (incorporated on 02.05.2022 and transferred on 21.03.2023)
22	ERSR Power Transmission Ltd.(incorporated on 27.09.2022 and transferred on 21.03.2023)
24	KPS1 Transmission Limited(incorporated on 06.05.2022 and transferred on 20.04.2023)
26	GADAG II-A Transmission Limited(transferred on 18.11.2022)



*[Handwritten signature]*

Key Management Persons (KMP)*				
S. No.	Name	Designation	Date of Appointment	Date of Cessation
1	Shri. Parminder Chopra	Chairperson	21.07.2020	28.06.2023
2	Shri P.C. Hembram	Director	16.10.2017	Continuing
3	Shri Rajesh Kumar Agarwal	Director	09.08.2022	Continuing
4	Shri Kamlesh Kumar Jangid**	Nominee Director	05.12.2016	Continuing
5	Shri A.S. Nanda	Director	16.10.2017	15.07.2022
6	Shri Manoj Sharma	Chairman	28.06.2023	Continuing

\* Employee of the Holding Company (PFC) and deployed on Part Time basis

\*\* From Power Procuring States

## 22.2 Details of Transactions:

### 22.2.1 Transactions with Related Party:

Particulars	[Rs in Hundreds]	
	For the year ended March 31, 2023	For the year ended March 31, 2022
<u>Power Finance Corporation, Holding Company</u>		
Interest Expense	60,660.22	55,460.91
Addition/(Repayment) of loan given	-	92,610.83
Interest income	20,469.99	14,805.52
<u>PFC Consulting Limited, Fellow Subsidiary</u>		
Manpower Charges	-	372.54
Interest expenses	24,018.15	30,771.05
Reimbursement of expenses	586.42	5,181.12

### 22.2.2 Outstanding balances with Related Party:

Particulars	[Rs in Hundreds]	
	As at March 31, 2023	As at March 31, 2022
<u>Power Finance Corporation, Holding Company</u>		
Interest payable/accrued but not due on borrowings	-	4,98,008.55
Loans given (including interest accrued)	-	3,75,754.60
Interest accrued on loans given	-	1,12,085.42
Payable to PFC (including interest accrued)	52,405.76	-
<u>PFC Consulting Limited, Fellow Subsidiary</u>		
Expenses Payable	4,86,113.25	4,60,934.83

### 22.3 Compensation of Key Management Personnel:

The employees in the company are on contractual terms as per agreement entered with the Holding Company (PFC). No sitting fees has been paid to the directors.

22.4 All the work for the Company are executed by PFC Consulting Ltd (PFCCCL). Manpower Charges of Rs.NIL (Previous year Rs. 372.54 hundreds) of PFCCCL employees is charged by PFCCCL on cost to company basis/rate, as determined by the PFCCCL in proportion to the actual man days spent by the employees for the company as per invoice raised by PFCCCL and include Rs. NIL (Previous year Rs. 372.54 hundreds) of Sh. P.C. Hembram.



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**DEOGHAR MEGA POWER LIMITED**  
(CIN:U40300DL2012GG0234839)

Notes to the Financial Statements for the year ended March 31, 2023

23. Pursuant to decision of Ministry of Power, Government of India, the Company was to receive Commitment Advance of Rs. 40,00,000.00 hundreds (Previous year Rs. 40,00,000.00 hundreds) from the Power Procuring Utilities (Procurers), as their contribution against allotment of specified quota of power to be made on completion of the project by way of a Power Purchase Agreement with respective Procurers and successful bidder.

The company has received Commitment advance of Rs. 15,00,000.00 Hundreds (Previous year Rs. 14,00,000.00 Hundreds) from procurers. Further, in view of the Note No. UMPP/2019-20/01 dated 24.02.2020 regarding the adjustment of commitment advance in other UMPP companies, during the financial year 2019-20 an amount of Rs. 2,15,675.13 Hundreds have been credited in procurers account viz. Haryana Rs. 56,955.20 hundreds and Jharkhand Rs. 1,58,719.93 hundreds and therefore balance of commitment advance as on balance sheet date is Rs. 15,15,675.13 Hundreds (Previous year Rs. 15,15,675.13 Hundreds).

The company has been providing for interest payable to PFC Ltd. on the expenses incurred PFC Ltd. for the company from its funds and also to the Procurers on commitment advance bifurcating into fund utilized for the project and funds unutilized at rates as per the policy of the Holding Company/Company. Interest on unutilized portion of commitment advance is receivable from PFC Ltd. and the same is payable to procurers on back to back basis. Interest on utilized portion of commitment advance is recoverable from selected bidder and same is payable to procurers on back to back basis, which was being provided on accrual basis upto FY 2018-19, however it has been decided by the company that from FY 2019-20 and onwards, interest on utilised portion of commitment advance will not be provided and it will be reviewed at the time of transfer of company to successful bidder and if deemed appropriate, the same will be calculated and recovered from the bidder forthwith. The rate of interest charged / paid on the utilized amount of funds is as per PFC Ltd i.e. rate of interest for the Project Loan/Schemes (Generation) for Borrowers under category "State Sector Borrowers (Category 'A') as determined from time to time as per their circular and on unutilized portion of funds, the interest received/paid is on "monthly average short term deposit rate of PFC Ltd".

**In view of proposed closure of project, the interest on utilised portion of commitment advance is no longer recoverable from the selected bidder and therefore the same has been reversed during the year against CWIP and interest payable.**

24. As disclosed in note 1, MoP vide OM dated 02.06.2023 has directed PFCL for closure of UMPP and therefore the financial statements are not prepared on going concern basis. Accordingly, assets and liabilities are recorded on the basis that the entity will be able to realise its assets and discharge its liabilities in the normal course of business and all such assets and liabilities are considered as current. Further as per MoP decision in QPRM dated 23.09.2022, all the expenditure incurred on UMPP(s) is to be recovered from the procurers and amount recoverable from a procurer may be adjusted from surplus in any other UMPP(s). Therefore the capital expenditure of the project has been adjusted against amount payable to procurers. The necessary adjustments in the financial statements have been explained in below notes:

- (i) The expenditure incurred for the project (net of reversal of interest on utilised portion) which was shown as Capital work in progress has been adjusted against the total procurers balances (including interest payable) in proportion to their allocated share of power in the project. Any surplus/deficit after adjustment is to be refunded/called for from the respective procurer. The surplus amount of commitment advance to be refunded has been shown in the Balance Sheet under Other current financial liabilities and receivable amount has been as other current financial assets. The adjustment/recovery/payment of such receivable and liabilities will be made as per MoP directions dated 23.09.2022 and in case of any shortfall, such assets and liabilities will be inter-se adjusted.
- (ii) Pursuant to the Financing Agreement with PFC Ltd. total commitment advance of Rs. 15,15,675.13 Hundreds (Previous year Rs. 15,15,675.13 Hundreds) received from procurers was parked with the Holding Company (PFC Ltd.) to pay out expenditures for the project on behalf of the Company. Interest due thereon is appearing under the head Other non-current assets in the Balance Sheet. Further interest was also payable to PFC Ltd. on initial expenditure incurred by it for the company. Such receivables and payables has been netted off and shown as borrowings (current) payable to PFC Ltd.
- (iii) Other expenditure incurred during the year (Note 18) was previously capitalised in Capital work in progress, however in view of proposed closure and MoP decision as stated above, the expenditure has been adjusted against procurers balances.
- (iv) Property, plant and equipment having carrying value of Rs. 77.20 hundreds, which was being carried at 5% value since FY 2018-19, has been fully impaired during the year.

25. The expenses appearing in Note-18 are mainly allocated by PFCL/PFCL to the company. Direct expenditures related to SPV are allocated on 100% basis and common expenditure are allocated based on sharing of services amongst various SPVs on the basis as decided by PFCL/PFCL. Original Supporting bills in respect of such expenditure incurred by the PFCL/PFCL are in the name of PFCL/PFCL and retained by them of which copies are available with the Company. PFCL/PFCL is complying with all statutory provisions relating to the 'Deduction of tax at source and Goods and Service tax etc. as applicable to these expenses.

26. **Employee benefit plans**  
Since there are no employees in the company, the obligation as per Ind AS- 19 do not arises.

27. **Commitments:**

Particulars	(₹ in Hundreds)	
	As at March 31, 2023	As at March 31, 2022
(a) Estimated amounts of contracts remaining to be executed on capital account, and not provided for (net of advances):	1,33,989.30	1,33,989.30
Other commitments		





28 Contingent Liabilities and Contingent assets

(₹ in Hundreds)

Particulars	As at March 31, 2023	As at March 31, 2022
Contingent liabilities of the company (claims against the company not acknowledged by the company as certified by the management for the period) (interest on unutilised portion of commitment advance not provided for, note 23)		3,78,001.50
Further, No contingent assets and contingent gains are probable to the company.		

29 The Particulars of dues to Micro, Small and Medium Enterprises under Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act"), based on the information available with the Company:

(₹ in Hundreds)

Particulars	As at March 31, 2023	As at March 31, 2022
(a) the principal amount and the interest due thereon remaining unpaid to any supplier at the end of accounting period		
(b) the amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006, along with the amount of the payment made to the supplier beyond the appointed day during the accounting period		
(c) the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the period) but without adding the interest specified under the MSMED Act 2006		
(d) the amount of interest accrued and remaining unpaid at the end of accounting period		
(e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act 2006		

30 Auditors Remuneration

(₹ in Hundreds)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Statutory Audit Fees (including GST)	413.00	413.00
<b>Total</b>	<b>413.00</b>	<b>413.00</b>

31 Segment Information

The board of directors of the Company, which has been identified as being the chief operating decision maker (CODM), evaluates the Company's performance, allocate resources based on the analysis of the various performance indicator of the Company. The Company is mainly incorporated with the objects of generation of power and presently engaged in setting up of power plant and all activities of the Company revolve around this main business as a single unit. Further there are no geographical segments as all the operations of the Company are in India. Therefore, there is no separate reportable segment for the Company as per the requirement of Ind AS 108 "Operating Segments".

32 Other Disclosures:

- (a) Expenditure in foreign currency- NIL
- (b) Income in foreign exchange- NIL

33 The borrowings undertaken by the company are utilised for the specific purpose for which it was taken at the balance sheet date.

34 Other disclosures as stated in revised Schedule III (Division – II) of the Companies Act 2013, which are Nil or not applicable, has not been disclosed in the financial statements.

35 Figures of the previous year have been regrouped/ rearranged wherever necessary, in order to make them comparable with current year classification.



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36 Ratios:

Details of ratios are as under:

Ratio	Numerator	Denominator	31.03.2023	31.03.2022	Variance%
(a) Current Ratio	Current Assets	Current Liabilities	1.09	1.09	2509.28*
(b) Debt Equity Ratio	Total Debt	Shareholder's Equity	0.00	509.00	-100**
(c) Debt Service Coverage Ratio	Earnings available for debt service	Debt Service			
(d) Return on Equity Ratio	Net Profits after taxes	Average Shareholder's Equity	0.01		100**
(e) Inventory Turnover ratio	Cost of goods sold OR sales	Average Inventory			
(f) Trade Receivables turnover ratio	Net Credit Sales	Average Trade Receivables			
(g) Trade payables turnover ratio	Net Credit Purchases of services	Average Trade Payables			
(h) Net capital turnover ratio	Net Sales	Working Capital			
(i) Net profit ratio	Net Profit after taxes	Net Sales			
(j) Return on Capital employed	Earning before interest and taxes	Capital Employed= Tangible Net Worth + Total Debt	0.01257		100**
(k) Return on investment	Return	Investment			

Reason for variance > 25%

\* Assets and liabilities classified as current due to proposed closure of the company.

\*\* Interest received on income tax refund.

37 Approval of financial statements

The Financial Statements for the year ended 31st March 2023 were approved by the Board of Directors and authorised for issue on 25.09.2023.

For and on Behalf of Board of Directors

  
(P.C. Hembram)  
Director  
DIN:02750881

  
(Rajesh Kr. Agarwal)  
Director  
DIN:09699001

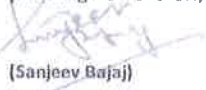
  
(Manoj Sharma)  
Chairman  
DIN: 06822395

As per our report of even date

For and on behalf of

S. Bajaj & Associates  
(Chartered Accountants)  
(Firm Reg No. : 04649N)



  
(Sanjeev Bajaj)  
Partner  
M. No. : 083848

Place : New Delhi

Date : 25-09-2023

UDIN: 23083848BG2P2B4554

# PFC OFFICE (POWER FINANCE CORPORATION LIMITED)

## Deoghar Mega Power Limited

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