

INDEPENDENT AUDITOR'S REPORT

**TO THE MEMBERS OF
COASTAL KARNATAKA POWER LIMITED**

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying Financial Statements of **Coastal Karnataka Power Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss, the statement of changes in equity and the Statement of Cash Flows for the year ended on that date, and a summary of the 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 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India; of the state of affairs of the Company as at March 31, 2020, its loss, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Financial Statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) 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 made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Material Uncertainty related to Going Concern

We draw attention to Note No. 1 and 17 of the accompanying financial statements as per which the Company is a special purpose vehicle incorporated for the purpose of establishing 4000 MW Ultra Mega Power Project, in the state of Karnataka, however pursuant to decision of Government of Karnataka during the year for closure of UMPP and further directions of Ministry of Power, Govt. of India (MoP) as per which PFC/PFCCL has been directed to take necessary action in this regard for closure of the company, accordingly NIL statement of accounts have been prepared for the purpose of striking off the name of the company from records of registrar of companies and therefore the Company is no longer a going concern. Our opinion is not modified in respect of this matter.

Emphasis of Matter

We draw attention to Note - 17 of the financial statements, as per which the company has transferred/adjusted the capital work in Progress during the year to PFC against their liability and has incurred/transferred Rs. 4,791.98 hundreds in the statement of profit & loss for preparing NIL balance sheet and accordingly the accumulated losses of the company equals to its capital. Our opinion is not modified in respect of this matter.



Information other than the financial statements and auditors' report thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Report, but does not include the standalone Financial Statements and our Auditor's Report thereon.

Our opinion on the standalone Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of these Financial Statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the standalone Financial Statements or our knowledge obtained during the course of audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibility of Management's and Those Charged with Governance for the standalone 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, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting standards specified under section 133 of the Act. 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, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

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

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override



of internal controls.

- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the 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 controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditor's Report to the related disclosures in these Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditor's Report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of these Financial Statements, including the disclosures and whether these Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation

We communicate with the management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls that we identify during our audit.

We also provide the management 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.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's report) Order, 2016 ("the Order") issued by the Central Government of India in terms of Sub-section (11) of Section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. We are enclosing our report in terms of section 143(5) of the Act, in the basis of such checks of the books and records of the company as we considered appropriate and according to the information and explanation given to us, in the "Annexure- B" on the direction and sub- direction issued by the 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 purpose of our audit;
 - (b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, Statement of Profit and Loss, the statement of changes in Equity and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with including the Companies (Accounting Standards) Rules, 2006 (as amended from time to time) specified under Section 133 of the Act, read with the Companies (Accounts) Rules, 2014;



- (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 controls over financial reporting of the Company with reference to these Standalone Financial Statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure C" to this report;
- (g) Being a Government Company, pursuant to notification no. G.S.R. 463(E) dated 05.06.2015 issued by the Government of India, provisions 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 does not have any pending litigation which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For SARVAM & ASSOCIATES
Chartered Accountants
FRN: 007146N

C.A.



CA. Ashok Kumar Jha
Partner
M.No. 511326
UDIN: 20511326AAAABA7033

Place: New Delhi
Date: 20.07.2020

ANNEXURE A TO THE AUDITORS' REPORT

The Annexure referred to in our report to the members Coastal Karnataka Power Limited for the year ended 31st March, 2020.

On the basis of the information and explanation given to us during the course of our audit, we report that:

1. The Company has no Fixed Assets other than Capital work in progress. Hence, the provisions of clause (i) of paragraph 3 of the order are not applicable.
2. The Company does not hold any inventories; hence, clause (ii) of paragraph 3 of the order are not applicable.
3. The company has not granted loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
4. In our opinion and according to the information and explanation given to us, the company has not given any loan, guarantees, and 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 provision of section 186 of the Act, with respect to the loans made.
5. Based on our scrutiny of the company's records and according to the information and explanations given to us, in our opinion, the company has not accepted deposit from the public within the provision of section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under.
6. According to the information and explanation 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. Thus reporting under clause (vi) of Para 3 of the order is not applicable.
- 7
 - (a) The company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, goods and service tax, cess and other statutory dues applicable to it with appropriate authorities. According to the information and explanation given to us, there are no undisputed statutory dues outstanding as at 31st March 2020 for the period of more than six months from the date they became payable.
 - (b) According to the information and explanations given to us, there are no material disputed statutory dues in respect of provident fund, employees' state insurance, income-tax, service tax, duty of custom, duty of excise, value added tax, goods and service tax, cess and other statutory dues which are outstanding as at 31st March 2020.
8. According to the information and explanation given to us, the company has not taken any loans from any financial institution, bank or debenture holders. Hence, clause (viii) of paragraph 3 of the Order is not applicable.
9. The company has not raised any money by way of initial public offer or further public offer (including debt instruments) and term loans during the period, hence clause (ix) of paragraph 3 of the Order not applicable.
10. Based upon the audit procedures performed, information and explanations given to us, no fraud by the company or material fraud on the company by the officers or employees has been noticed or reported during the year.
11. In our opinion and according to the information and explanations given to us, the company has not



paid/provided for any managerial remuneration during the year as stipulated to section 197 read with Schedule V of the Act, hence clause (xi) of paragraph 3 of the Order is not applicable.

12. The Company is not a nidhi company hence clause (xii) of paragraph 3 of the Order regarding default is not applicable.
13. According to the information and explanation given to us and based on our examination of the records of the Company, transaction with related parties have been entered into by the company in its ordinary course of business on an arm's length basis and therefore the provision of section 177 and 188 of Companies Act, 2013 are not applicable to the company, however details of such transaction have been disclosed in the Financial Statements as required by the applicable accounting standards;
14. The company hasn't made any preferential allotment or private placement of shares or fully or partly convertible debentures during the period. Therefore, provisions of clause (xiv) of paragraph 3 of the order are not applicable.
15. According to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in Section 192 of Companies Act, 2013. Therefore, provisions of clause (XV) of paragraph 3 of the Order are not applicable.
16. The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For SARVAM & ASSOCIATES

Chartered Accountants



CA. Ashok Kumar Jha
Partner
M.No. 511326

Place: New Delhi

Date: 20.07.2020

Annexure – B

Coastal Karnataka Power Limited

Replies to the Direction issued by Comptroller & Auditor General of India to the Statutory Auditors under Section 143(5) of the Companies Act, 2013 for the year ended 31st March 2020.

S.No	Particulars	Reply
1.	Whether the company has system in place to process all the accounting transactions 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 transaction through IT System. In our opinion and to the best of information and according to explanation given to us, the company has adequate control system to verify the correctness of the entries posted in IT System.
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.	We draw attention to Note No -18 of financial statement as per which company has charged interest up to 31 st December 2019 in view of the closure of company.
3.	Whether funds received/receivable for specific schemes from central/ state agencies were properly accounted for/ utilized as per its term and conditions? List the cases of deviation	There is no fund received/receivable for specific schemes from Central/state agencies, hence this clause is not applicable.

**For SARVAM & ASSOCIATES
Chartered Accountants
FRN: 007146N**



**CA. Ashok Kumar Jha
Partner
M.No. 511326**

**Place: New Delhi
Date: 20.07.2020**

ANNEXURE - C TO THE INDEPENDENT AUDITORS' REPORT COASTAL KARNATAKA POWER LIMITED

The Annexure referred to in our report to the members of Coastal Karnataka Power Limited ('the Company') for the year ended 31st March 2020.

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Coastal Karnataka Power Limited. ("The Company") as of 31 March 2020 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

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external



purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable 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

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For SARVAM & ASSOCIATES
Chartered Accountants
FRN: 007146N



CA. Ashok Kumar Jha
Partner
M.No. 511326

Place: New Delhi
Date: 20.07.2020

Compliance Certificate

We have conducted the audit of annual accounts of Coastal Karnataka Power Limited for the period ended 31st March 2020 in accordance with direction/sub-direction 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 Direction/Sub- directions issued to us.

For SARVAM & ASSOCIATES
Chartered Accountants
FRN: 007146N



CA. Ashok Kumar Jha
Partner
M.No. 511326
UDIN: 20511326AAAABB5593

Place: New Delhi
Date: 20.07.2020

COASTAL KARNATAKA POWER LIMITED
(CIN:U40102DL2006GOI146109)
Balance Sheet as at March 31, 2020

(₹ in Hundreds)

	Particulars	Note No.	As at 31st March 2020	As at 31st March 2019
(I)	ASSETS			
(1)	Non-current assets			
	(a) Capital work in progress	4	-	6,37,036.58
	Total non-current assets		-	6,37,036.58
(2)	Current assets			
	(a) Financial Assets			
	(i) Cash and cash equivalents	5	132.44	132.44
	Total current assets		132.44	132.44
	Total assets		132.44	6,37,169.02
(II)	EQUITY AND LIABILITIES			
(1)	Equity			
	(a) Equity Share Capital	6	5,000.00	5,000.00
	(b) Other Equity	7	(5,000.00)	(208.02)
	Total equity		-	4,791.98
(2)	Liabilities			
(A)	Non - Current Liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	8	132.44	1,65,589.31
	(ii) Other financial liabilities	9	-	4,62,694.72
	Total Non - Current Liabilities		132.44	6,28,284.03
(B)	Current liabilities			
	(a) Financial Liabilities			
	(i) Other financial liabilities	10	-	4,010.15
	(b) Other current Liabilities	11	-	82.86
	Total current liabilities		-	4,093.01
	TOTAL EQUITY AND LIABILITIES		132.44	6,37,169.02

Significant Accounting Policies 1-3
See accompanying notes to the Financial Statements 1-29

For & on Behalf of Board of Directors


P.C. Hembram
Director
DIN:02750881


A. S. Nanda
Director
DIN:07347825


P.K. Singh
Chairman
DIN:035482

As per our report of even date
For & on Behalf of
Sarvam & Associates
(Chartered Accountants)
Firm Reg. No: 007146N


(Ashok Kumar Jha)
Partner
M. No.: 511326



Place : New Delhi
Date : 18/06/2020

COASTAL KARNATAKA POWER LIMITED

(CIN:U40102DL2006GOI146109)

Statement of Profit and Loss for the year ended March 31, 2020

(₹ in Hundreds)

Particulars	Note No.	For the Year ended March 31, 2020	For the Year ended March 31, 2019
Revenue from operations		-	-
Other income		-	-
Total Income (I)		-	-
Expenses			
Other expenses	12	4,791.98	-
Total expenses (II)		4,791.98	-
Profit/(loss) before tax (I- II =III)		(4,791.98)	-
Tax expense: (IV)			
Current tax		-	-
Deferred tax		-	-
Net Profit /(loss) after tax (III - IV = V)		(4,791.98)	-
Other Comprehensive Income (VI)		-	-
Total Comprehensive Income for the period (V + VI =VII)		(4,791.98)	-
Earnings per equity share : (VIII)			
Basic & Diluted in Rs.(Par value of Rs.10 each)	14	(9.58)	-

Significant Accounting Policies

1-3

See accompanying notes to the Financial Statements

1-29

For & on Behalf of Board of Directors



P.C. Hembram
Director
DIN:02750881



A. S. Nanda
Director
DIN:07347825



P.K. Singh
Chairman
DIN:03548218

As per our report of even date

For & on Behalf of

Sarvam & Associates

(Chartered Accountants)

Firm Reg. No: 007146N



(Ashok Kumar Jha)
Partner
M. No.: 511326



Place : New Delhi

Date : 18/06/2020

COASTAL KARNATAKA POWER LIMITED

(CIN:U40102DL2006GOI146109)

Statement of cash flows for the year ended March 31, 2020

(₹ in Hundreds)

	Particulars	For the Year ended March 31, 2020	For the Year ended March 31, 2019
A.	Cash flow from operating activities:		
	Net profit/(loss) before tax	(4,791.98)	-
	Adjustments	-	-
	Operating Profit before Working Capital changes	(4,791.98)	-
	Adjustments for changes in Working Capital :		
	- Increase/(decrease) other current financial liabilities	(4,010.15)	3,335.15
	- Increase/(decrease) other current liabilities	(82.86)	20.36
	Cash generated from operating activities	(8,884.99)	3,355.51
	Income taxes paid	-	-
	Net cash from operating activities	(8,884.99)	3,355.51
B.	Cash flow from Investing activities:		
	Change in Capital Work in Progress	-	(68,670.93)
	Net cash from Investing activities	-	(68,670.93)
C.	Cash flow from Financing Activities:		
	- Increase/(decrease) in borrowings & other financial liabilities	8,884.99	65,358.93
	Net cash from financing activities	8,884.99	65,358.93
	Net Increase/(Decrease) in cash & cash equivalents(A+B+C)	0.00	43.51
	Opening Cash and cash equivalents as at 1st April 2019	132.44	88.93
	Closing Cash and cash equivalents as at 31st March 2020 (Note 5)	132.44	132.44
	Comprising of :		
	Balance with banks		
	in current accounts	132.44	132.44

See accompanying notes to the Financial Statements

1-29

For & on Behalf of Board of Directors



P.C. Hembram
Director
DIN:02750881



A. S. Nanda
Director
DIN:07347825



P.K. Singh
Chairman
DIN:03548218

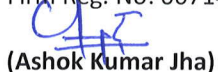
As per our report of even date

For & on Behalf of

Sarvam & Associates

(Chartered Accountants)

Firm Reg. No: 007146N



(Ashok Kumar Jha)
Partner
M. No.: 511326



Place : New Delhi

Date : 18/06/2020

COASTAL KARNATAKA POWER LIMITED

(CIN:U40102DL2006GOI146109)

Statement of Changes in Equity for the year ended March 31, 2020**a. Equity share capital**

(₹ in Hundreds)	
Particulars	Amount
Balance as at April 01, 2018	5,000.00
Changes in equity share capital during the year	-
Balance as at March 31, 2019	5,000.00
Changes in equity share capital during the year	-
Balance at March 31, 2020	5,000.00


b. Other Equity

(₹ in Hundreds)	
Particulars	Amount
Retained earnings	
Balance as at April 01, 2018	(208.02)
Total comprehensive income for the year	-
Balance at March 31, 2019	(208.02)
Total comprehensive income for the year	(4,791.98)
Balance at March 31, 2020	(5,000.00)

See accompanying notes to the Financial Statements

1-29

For & on Behalf of Board of Directors


P.C. Hembram
Director
DIN:02750881


A. S. Nanda
Director
DIN:07347825


P.K. Singh
Chairman
DIN:03548218

As per our report of even date

For & on Behalf of

Sarvam & Associates

(Chartered Accountants)

Firm Reg. No: 007146N


(Ashok Kumar Jha)

Partner

M. No.: 511326



Place : New Delhi

Date : 18/06/2020

Notes to the Financial Statements for the year ended March 31, 2020

1 Corporate Information

Coastal Karnataka Power Limited ("the Company") was incorporated on February 10, 2006 under the Companies Act, 1956 as a wholly owned subsidiary of Power Finance Corporation Limited (PFC), a Govt. of India Undertaking. Certificate for Commencement of Business was issued on November 23, 2006. 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 work regarding statutory clearances including that of environment, forest etc. for the purpose of establishing Ultra Mega Power Project of 4000 MW in the state of Karnataka. Government of Karnataka during the year has decided to close the UMPP/the company vide letter dated 29.08.2019 and thereafter Ministry of Power, Govt of India (MoP) vide office memorandum dated 16.09.2019 has directed PFC/PFCCL for taking necessary action in this regard. As per the directions of MoP, the holding company has taken necessary steps for closure of company and to prepare NIL balance sheet for striking off the name of the company from records of registrar of companies.

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 the fact that the company is to be struck off, the financial statements are not 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 fixed assets 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.

(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. However in view of strike off of the company expenditure has not been capitalized and are charged in statement of P&L account and/or balances of Procurers.

(d) 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.

(e) Cash and cash

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.

(f) 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.

(g) 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.

(h) 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.



- 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.

(i) 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), its transaction costs are recognised in Statement of Profit and Loss.

i.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.

iii) De-recognition of financial assets

i.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.

(j) 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.



COASTAL KARNATAKA POWER LIMITED**(CIN:U40102DL2006GOI146109)****Notes to the Financial Statements for the year ended March 31, 2020****4. Capital work in progress**

(₹ in Hundreds)

Particulars	As at 31st March 2020	As at 31st March 2019
Opening Capital work in progress	6,37,036.58	5,68,365.65
Add: Transferred from expenditure during construction period (Note 13)	71,838.74	68,670.93
Less:- Amount adjusted with borrowings (Note 17)	7,08,875.32	6,37,036.58
	7,08,875.32	-
	-	6,37,036.58

5. Cash and cash equivalents

(₹ in Hundreds)

Particulars	As at 31st March 2020	As at 31st March 2019
Balance with Banks in Current Account	132.44	132.44
	132.44	132.44



6. Equity share capital

(₹ in Hundreds)

Particulars	As at 31st March 2020	As at March 31, 2019
Authorised share capital		
50,000 equity shares of Rs 10 each (As at March 31, 2019: 50,000)	5,000.00	5,000.00
Issued, subscribed and paid up capital comprises:		
50,000 equity shares of Rs 10 each (As at March 31, 2019: 50,000)	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 31st March 2020		As at March 31, 2019	
	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. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. 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
As at March 31, 2020		
Power Finance Corporation Limited*	50,000	5,000.00
As at 31st March 2019		
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 31st March 2020		As at March 31, 2019	
	Number of shares held	%	Number of shares held	%
Fully paid up equity shares				
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.



COASTAL KARNATAKA POWER LIMITED

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Notes to the Financial Statements for the year ended March 31, 2020

7. Other equity

(₹ in Hundreds)

Particulars	As at 31st March 2020	As at 31st March 2019
Retained earnings		
Balance at the beginning of the year	(208.02)	(208.02)
Add: Total comprehensive income for the year	(4,791.98)	-
Balance at the end of the year	(5,000.00)	(208.02)

8. Borrowings (Non Current)

(₹ in Hundreds)

Particulars	As at 31st March 2020	As at 31st March 2019
Unsecured (carried at amortised cost)		
Loans from related parties	132.44	1,65,589.31
	132.44	1,65,589.31

9. Other financial liabilities (Non Current)

(₹ in Hundreds)

Particulars	As at 31st March 2020	As at 31st March 2019
At amortised cost		
Interest accrued but not due	-	4,62,694.72
	-	4,62,694.72

10. Other financial liabilities (Current)

(₹ in Hundreds)

Particulars	As at 31st March 2020	As at 31st March 2019
Expenses payable	-	675.00
Payable to PFCCCL (Including Interest)	-	3,335.15
	-	4,010.15

11. Other current liabilities

(₹ in Hundreds)

Particulars	As at 31st March 2020	As at 31st March 2019
Statutory dues payable	-	82.86
	-	82.86



COASTAL KARNATAKA POWER LIMITED

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Notes to the Financial Statements for the year ended March 31, 2020

12. Other expenses

(₹ in Hundreds)

Particulars	For the Year ended March 31, 2020	For the Year ended March 31, 2019
Legal & Professional Fees	307.06	-
Interest expenses	4,372.96	-
Administrative Expenses	111.96	-
Total expenses (transferred to P&L)	4,791.98	-

13. Expenditure during the construction period

(₹ in Hundreds)

Particulars	For the Year ended March 31, 2020	For the Year ended March 31, 2019
Consultancy Charges & Professional Fee	-	1,369.73
Legal & Professional Fees	-	477.32
Interest Expenses	71,838.74	65,450.03
Bank Charges	-	6.49
Office Maintenance	-	68.99
Audit fee	-	737.50
Administrative Expenses	-	560.87
Total expenses (transferred to CWIP refer note no. 4)	71,838.74	68,670.93

14. Earnings per share

Particulars	For the Year ended March 31, 2020	For the Year ended March 31, 2019
Basic and diluted Earning Per Share		
Face value per Equity Share	10	10
Net Profit / (Loss) after Tax as per Statement of Profit and Loss attributable to Equity Shareholders	(4,791.98)	-
Weighted Average number of Equity Shares used as denominator for calculating Basic EPS	50,000	50,000
Basic and diluted Earning Per Share	(9.58)	-
There are no dilutive instruments issued by the company.		



15 Financial Instruments**(1) Capital Management**

The Company manages its capital to ensure that it will be able to meet the expenses towards the setting up of Ultra Mega Power Project. The capital structure of the Company consists of equity and debt from its holding company. The Company is not subject to any externally imposed capital requirements. The Company's Board reviews the capital structure of the Company on need basis.

(i) Categories of financial instruments

Particulars	(₹ in Hundreds)	
	As at 31st March 2020	As at 31st March 2019
Financial Assets:		
Measured at amortised cost		
(a) Cash and cash equivalents	132.44	132.44
Financial Liabilities:		
Measured at amortised cost		
(a) Borrowings	132.44	1,65,589.31
(b) Other financial liabilities	-	4,66,704.87

(ii) Financial Risk Management Objectives

The Company's financial liabilities comprise of borrowings and other payables. The Company's financial assets comprise mainly of cash and cash equivalents. The Company is exposed to market risk (including currency risk, interest risk and other price risk), credit risk and liquidity risk.

The Company's management monitors and manages the financial risks relating to the operations of the Company by analysing exposures by degree and magnitude of risks. Since the entire operations of the company are in India, the currency risk is not applicable to the company.

(iii) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risks: interest rate risk, currency risk and other price risk. The Company has no exposure from the international market as the Company operations are in India only. Financial instruments affected by interest rate risk includes borrowings. The Company is not exposed to other price risk.

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) Interest Rate Risk Management

The Company is exposed to interest rate risk because it borrow funds at the floating rate of interest charged by Power Finance Corporation Limited (Ultimate Holding Company) under category of "State Sector Borrowers (Category 'A') as determined from time to time.

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

(v) Interest Rate Sensitivity Analysis

The sensitivity analysis below have been determined based on the exposure to interest rates at the end of the financial year. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the financial year 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.

Sensitivity analysis for a 50 basis points fluctuation in interest and all other variables were held constant is explained below:

Particulars	(₹ in Hundreds)	
	As at 31st March 2020	Year ended March 31,2019
Impact for Profit or (Loss)	-	-
Impact for Other comprehensive income	-	-

(vi) Credit Risk Management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company.

The Company's exposure to credit risk arises primarily from receivable from successful bidder.

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



15 Financial Instruments

(vii) 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 estimated interest payments as at March 31, 2020: -

(₹ in Hundreds)						
Particulars	Carrying amount	Due in 1st year	Due in 2-5 year	Due in More Than 5 years	Due Date not specified	Total contracted cash flows
Financial Liabilities						
Borrowings	132.44	132.44	-	-	-	132.44
Other financial liabilities	-	-	-	-	-	-

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at March 31, 2019;

(₹ in Hundreds)						
Particulars	Carrying amount	Due in 1st year	Due in 2-5 year	Due in More Than 5 years	Due Date not specified	Total contracted cash flows
Financial Liabilities						
Borrowings	6,28,284.03	-	-	-	6,28,284.03	6,28,284.03
Other financial liabilities	4,010.15	4,010.15	-	-	-	4,010.15

(ix) Fair value of financial assets and financial liabilities

(₹ in Hundreds)					
Particulars	Fair value hierarchy	As at March 31, 2020		As at March 31, 2019	
		Carrying amount	Fair value	Carrying Amount	Fair Value
Financial assets					
Cash and Cash Equivalents	Level 2	132.44	132.44	132.44	132.44
Loans	Level 2	-	-	-	-
Other financial assets	Level 2	-	-	-	-
Financial Liabilities					
Borrowings	Level 2	132.44	132.44	1,65,589.31	1,65,589.31
Other financial liabilities	Level 3	-	-	4,66,704.87	4,66,704.87

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.



COASTAL KARNATAKA POWER LIMITED
(CIN:U40102DL2006GOI146109)
Notes to the Financial Statements for the year ended March 31, 2020
16 STATEMENT OF TRANSACTIONS WITH RELATED PARTIES
16.1. Name of related parties and description of relationship:

Holding Company			
1	Power Finance Corporation Limited (PFCL)		
Fellow Subsidiary			
1	PFC Consulting Limited	2	REC Limited (RECL)
3	REC Power Distribution Company Ltd (through RECL)	4	REC Transmission Projects Company Limited (through RECL)
5	Power Equity Capital Advisors (Pvt) Limited (PECAP)*		
Associate of Fellow Subsidiary			
1	Tanda Transmission Company Limited	2	Shongtong Karcham-Wangtoo Transmission Limited
3	Bijawar-Vidarbha Transmission Limited	4	Vapi II North Lakhimpur Transmission Limited
5	Karur Transmission Limited	6	Koppal-Narendra Transmission Limited
7	Meerut-Simbhavali Transmission Limited transferred to PGCIL on 19th December, 2019	8	Bikaner-Khetri Transmission Limited transferred to ATL on 19th September, 2019
9	Bhuj-II Transmission Limited transferred to PGCIL on 16th October, 2019	10	Fatehgarh-II Transco Limited transferred to PGCIL on 14th October, 2019
11	Lakadia-Vadodara Transmission Project Limited transferred to Sterlite on 26th November, 2019		
Associate through PFCL			
1	Coastal Maharashtra Mega Power Limited (through PFCL)	2	Sakhigopal Integrated Power Company Limited (through PFCL)
3	Ghogarpalli Integrated Power Company Limited (through PFCL)	4	Coastal Karnataka Power Limited (through PFCL)
5	Orissa Integrated Power Limited (through PFCL)	6	Chhattisgarh Surguja Power Limited (through PFCL)
7	Tatiya Andhra Mega Power Limited (through PFCL)	8	Deoghar Mega Power Limited (through PFCL)
9	Deoghar Infra Limited (through PFCL)	10	Coastal Tamil Nadu Power Limited (through PFCL)
11	Bihar Infrapower Limited (through PFCL)	12	Odisha Infrapower Limited (through PFCL)
13	Jharkhand Infrapower Limited (through PFCL)	14	Bihar Mega Power Limited (through PFCL)
Associate through RECL			
15	Mandar Transmission Limited (through RECL)	16	Chandil Transmission Limited (through RECL)
17	Koderma Transmission Limited (through RECL)	18	Dumka Transmission Limited (through RECL)
19	Dinchang Transmission Limited (through RECL)	20	Bhind-Guna Transmission Limited (through RECL) - transferred to PGCIL on 11th September 2019
21	Ajmer Phagi Transco Limited (through RECL) -transferred to PGCIL on 3rd October, 2019	22	Udupi Kasagode Transmission Limited (through RECL) - transferred to Sterlite Grid on 12th September, 2019
23	WRSS XXI (A) Transco Limited (through RECL) - transferred to Adani Transmission Limited on 14th October, 2019	24	Khetri Transco Limited (through RECL)- transferred to PGCIL on 29th August 2019
25	Lakadia Banaskantha Transco Limited (through RECL) - transferred to Adani Transmission Limited on 13th November, 2019	26	Rampur Shambhal Transco Limited - Incorporated on 02.05.2019 and transferred to Power Grid Corporation of India Limited (PGCIL) on 12th December, 2019
27	Jam Khambaliya Transco Limited (through RECL) - transferred to Adani Transmission Limited on 13th November, 2019		
Joint Venture			
1	Energy Efficiency Services Limited (through PFCL)	2	Creighton Energy Limited (through EESL)
3	EESL EnergyPro Assets Limited (through EESL)	4	Edina Acquisition Limited (through EESL)
5	Anesco Energy Services (South) Limited (through EESL)	6	Edina Limited (through EESL)
7	EPAL Holdings Limited (through EESL)	8	Edina Australia Pty Limited (through EESL)
9	Edina Power Services Limited (through EESL)	10	Stanbeck Limited (through EESL)
11	Edina UK Limited (through EESL)	12	Edina Power Limited (through EESL)
13	Armoura Holdings Limited (through EESL)	14	Edina Manufacturing Limited (through EESL)
15	EPSL Trigenation Private Limited (through EESL)	16	NEESL Private Limited (through EESL)



Key Managerial Persons (KMP)**				
S. No.	Name	Designation	Date of appointment	Date of cessation
1	Shri P.K. Singh	Chairman	04.06.2018	Continuing
2	Shri A.S. Nanda	Director	14.08.2019	Continuing
3	Shri P.C Hembram	Director	24.04.2018	Continuing
4	Shri Alok Sud	Director	15.03.2016	31.07.2019

* Under process of striking off

Strike off from RoC

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

16.2 Details of Transactions:

16.2.1 Transactions with Related Party:

(₹ in Hundreds)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Interest expenses (PFC)	76,211.70	65,450.03
Interest expenses (PFC) adjusted (as per Note 18)	71,414.36	-
Interest expenses (PFCCL)	424.38	-
Borrowings received/re-paid including interest (net) (PFC)	(6,28,151.59)	1,65,589.31
Payable to PFCCL	(3,335.15)	3,151.91

16.2.2 Outstanding balances with Related Party:

(₹ in Hundreds)

Particulars	As at March 31, 2020	As at March 31, 2019
Borrowings	132.44	1,65,589.31
Interest payable on borrowings	-	4,62,694.72
Payable to PFCCL	-	3,335.15

16.2.3 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.



17 As stated in note 1 on Corporate Information, the project for which the company was setup has been discontinued and as per the directions of Ministry of Power (MoP), PFC/PFCCL has to take necessary steps for closure of the same. Therefore as per the directions of MoP, holding company has taken necessary steps for closure of the company and hence the financial statements have not been prepared on going concern basis. The expenditure incurred on the project as appearing in Note-4 (CWIP) along with Interest payable to PFC (as mentioned in Note 18 below) has been adjusted/transferred against/to amount payable of borrowings of holding company to be adjusted by holding company for further adjustment/recovery from the amount payable to procurers in other UMPP companies vide Note no UMPP/2019-20/01 dated 24.02.2020.

18 The expenditures on development of the project were incurred by PFC Ltd./PFC Consulting Limited. The Company pays interest to PFC Ltd./PFC Consulting Ltd. on the expenses incurred by them on behalf of the company. The rate of interest charged / paid on the utilized amount of funds is as applicable in PFC Ltd. for the Project Loan/Schemes (Generation) for Borrowers under category "State Sector Borrowers (Category 'A') as determined from time to time. Total interest amounting to Rs. 76,211.70 (in Hundreds) (Previous Year ₹ 65,450.03/- (in Hundreds)) has been accounted in the books of account out of which Rs. 4,372.96/- (in hundreds) have been charged to statement of profit & loss and remaining interest amount has been adjusted with amount payable of borrowings of holding company to be adjusted by holding company for further adjustment/recovery from the amount payable to procurers in other UMPP as described in note 17 above. Further in view of closure of company, it was decided that the interest on utilised portion (amount funded by PFC) for financial year 2019-20 to be provided upto 31.12.2019.

19 In view of closure of the company, the capitalized expenditure of Rs.71838.74/- (in Hundred) during the year has been adjusted with borrowing and remaining expenses of Rs. 4,372.96/- (in Hundred) incurred during the year has been charged to Statement of Profit & Loss in Note 12 (Other Expenses).

20 The expenses are mainly allocated by PFCL/PFCCL to SPVs. Direct expenditures related to SPV are allocated on 100% basis and common expenditure are allocated based on sharing of services between various SPV's. Original Supporting bills in respect of such expenditure incurred by the PFCL/PFCCL are in the name of PFCL/PFCCL and retained by them of which copies are available with the Company. PFCL/PFCCL is complying with all statutory provisions relating to the 'Deduction of tax at source and GST etc. as applicable to these expenses.

21 Employee benefit plans

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

22 Commitments:

(₹ in Hundreds)

Particulars	As at 31st March 2020	As at 31st March 2019
(a) Estimated amounts of contracts remaining to be executed on capital account, and not provided for (net of advances):	-	-
(b) Other commitments	-	-

23 Contingent Liabilities and Contingent assets

(₹ in Hundreds)

Particulars	As at 31st March 2020	As at 31st March 2019
Contingent liabilities of the company and claims against the company not acknowledged by the company as certified by the management for the period	-	-
Further, No contingent assets and contingent gains are probable to the company.	-	-

24 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, 2020	As at March 31, 2019
(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	-	-

25 Auditors Remuneration

(₹ in Hundreds)

Particulars	For the Year ended March 31, 2020	For the Year ended March 31, 2019
Statutory Audit Fees (including GST)*	737.50	737.50

*Audit fees for FY 2019-20 shall be paid by the Holding Company, since the company is under the process of striking off.

26 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".



27 Other Disclosures:

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

28 **Impact of COVID-19 Global Pandemic outbreak:** The world is facing unprecedented situation in all facets of business and economy with the COVID-19 pandemic. However in view of the management, there will not be any adverse or material impact on the project being undertaken by the company and/or carrying value of its assets. The management also do not estimate and perceive any impact on going concern continuity of the business operations of the company due to COVID-19 pandemic.

29 Approval of financial statements

The Financial Statements for the year ended 31st March 2020 were approved by the Board of Directors and authorised for issue on 18/06/2020

For & on Behalf of Board of Directors



P.C. Hembram
Director
DIN:02750881



A S Nanda
Director
DIN:07347825



P.K. Singh
Chairman
DIN:03548218

As per our report of even date

For & on Behalf of

Sarvam & Associates

(Chartered Accountants)

Firm Reg. No: 007146N



(Ashok Kumar Jha)

Partner

M. No.: 085706



Place : New Delhi

Date : 18/06/2020