

## INDEPENDENT AUDITOR'S REPORT

To,  
The Members of  
Bihar Mega Power Limited

### Opinion

1. We have audited the accompanying financial statements of **BIHAR MEGA POWER LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the 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.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("IND AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, and its profit and loss (including other comprehensive income), changes in equity and its cash flows for the year then ended.

### Basis for opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act 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 opinion.

### Other Information

4. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board report, but does not include the financial statements and our auditor's report thereon.



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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. *We have been informed that the board report is expected to be made available to us after date of our audit report and therefore, subsequently when we read the board report and if based on the work we have performed, we conclude that there is a material misstatement of the other information we are required to communicate the matter to those charged with the Governance.*

#### **Responsibilities of management and those charged with governance for the financial statements**

5. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and 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 of 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.
6. 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 are also responsible for overseeing the Company's financial reporting process.

#### **Auditor's responsibilities for the audit of the financial statements**

7. 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.
8. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
  - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
  - Obtain an understanding of internal 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, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by 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 the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
  - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
9. 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.
10. 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.

#### **Report on other legal and regulatory requirements**

11. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
12. We are enclosing our reports in terms of section 143(5) of the Act, on the basis of such checks of 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.
13. As required by Section 143(3) of the Act, we report that:
- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books
  - (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the 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 Indian Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014.



- (e) Being a Government Company, pursuant to notification no. GSR 463(E) dated 05<sup>th</sup> June, 2015 issued by Government of India, provisions of Section 164(2) of the Act, regarding disqualification of directors is not applicable to the company.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure C**"
- (g) Being a Government Company, pursuant to notification no. GSR 463(E) dated 05<sup>th</sup> June, 2015 issued by 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 litigations as at March 31, 2021 which would impact its financial position.
- (ii) The Company did not have any long-term contracts, including derivative contracts as at March 31, 2021.
- (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2021.

**For Rastogi Narain & Co**  
**Chartered Accountants**  
**FR No: 008775N**

*Shanti*



**Shanti Narain Kukreja**  
**Partner**  
**M. No: 087370**

Place: New Delhi

Dated: 27-10-2021

UDIN: 21087370AAAAG164399



**Annexure A to Auditor's Report of even date to the members of M/s BIHAR MEGA POWER LIMITED on the Financial Statements as of and for the year ended March 31, 2021**

1	The company has no Property, Plant & Equipment other than Capital Work in Progress. Hence the provision of clause 3 (i) of the Order are not applicable to the company.
2	The company does not hold any inventory. Therefore, the provision of clause (ii) of paragraph 3 of the order is not applicable to the company.
3	The Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (c) of the Order are not applicable to the Company and hence not commented upon.
4	The Company has not given any loans, investment, guarantees and securities which may be covered under section 185 & 186 of the Companies Act, 2013.
5	According to the information and explanations given to us, the Company has not accepted any deposits from the public within the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act 2013 and the rules framed thereunder.
6	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.
7	<p>a) The company is regular in depositing undisputed statutory dues including provident fund, employee's state insurance, income tax, goods and service tax, sales tax, service tax, 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 explanation given to us, no undisputed amounts payable in respect of Provident Fund, ESI, Income Tax, Sales Tax, Service Tax, Custom Duty, Excise Duty, Value Added Tax and Cess were in arrears, as at 31.03.2021 for a period of more than 6 months from the date they became payable.</p> <p>b) According to the information and explanations given to us, there are no dues of Income Tax, Goods and Service Tax, Service Tax, Custom duty, Excise duty, Value Added Tax and Cess which have not been deposited on account of any dispute.</p> <p>c) The company is not required to transfer any amount to the Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 2013 and rules made thereunder has been transferred to such fund within time.</p>
8	The Company has not taken any loan either from banks, financial institutions or from the government and has not issued any debentures.
9	Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.
10	Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
11	Being a Government Company, pursuant to notification no. GSR 463 (E) dated 05 <sup>th</sup> June, 2015 issued by the Government of India, provisions of Section 197 read with Schedule V of the Act, regarding managerial remuneration are not applicable to the company, hence clause (xi) of paragraph 3 of the Order is not applicable to the company.
12	In our opinion and according to the information and explanation given to us, the Company is not a Nidhi Company. Therefore, the provisions of clause 3 (xii) of the Order are not applicable to the Company.
13	According to the information and explanation given to us and based on our examination of the records of the company, transactions 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, and details



	have been disclosed in Financial Statements, as required by the applicable accounting standards.
14	Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.
15	Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
16	In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

**For Rastogi Narain & Co**  
**Chartered Accountants**  
**FR No: 008775N**

*Shanti*



**Shanti Narain Kukreja**  
**Partner**  
**M. No: 087370**

Place: New Delhi

Dated: 27-10-2021

UDIN: 21087370AAAA664399



**Annexure B to Auditor's Report of even date to the members of M/s BIHAR MEGA POWER LIMITED**

The Annexure referred to in our report to the members of Bihar Mega Power Limited ('the Company') for the year ended 31<sup>st</sup> March, 2021

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 transaction outside IT system on the integrity of the accounts 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 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	There are no cases of waiver /write off of debts/loans/interest etc., hence this clause is not applicable.
3.	Whether funds received /receivable for specific schemes from Central/State 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.

**For Rastogi Narain & Co**  
**Chartered Accountants**  
**FR No: 008775N**

*Shanti*



**Shanti Narain Kukreja**  
**Partner**  
**M. No: 087370**

Place: New Delhi  
Dated: 27-10-2021

UDIN: 21087370AAAA664399

## **Annexure C to Independent Auditor's Report of even date to the members of M/s BIHAR MEGA POWER LIMITED**

### **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 Bihar Mega Power Limited ("the Company") as of March 31, 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

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

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

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with 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 authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent 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 March 31, s, 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 Rastogi Narain & Co**  
**Chartered Accountants**  
**FRN: 008775N**

*Shanti*

**Shanti Narain Kukreja**  
**Partner**  
**M. No: 087370**



Place: New Delhi

Dated: 27-10-2021

UDIN: 21087370 AAAAG614399

**BIHAR MEGA POWER LIMITED**  
(CIN:U93000DL2015GOI282653)  
Balance Sheet as at March 31, 2021

(₹ in Hundreds)

Particulars	Note No.	As at March 31, 2021	As at March 31, 2020
<b>(I) ASSETS</b>			
<b>(1) Non-current assets</b>			
(a) Capital work in progress	4	1,378,503.20	1,368,946.06
(b) Financial assets			
(i) Loans	5	3,506,620.96	3,438,219.80
<b>Total non-current assets</b>		<b>4,885,124.16</b>	<b>4,807,165.86</b>
<b>(2) Current assets</b>			
(a) Financial assets			
(i) Cash and cash equivalents	6	1,159.70	1,684.16
(b) Current Tax Assets (Net)	7	5,556.32	5,808.97
(c) Other current assets	8	63,507.68	63,507.68
<b>Total current assets</b>		<b>70,223.70</b>	<b>71,000.81</b>
<b>Total assets</b>		<b>4,955,347.86</b>	<b>4,878,166.67</b>
<b>(II) EQUITY AND LIABILITIES</b>			
<b>(1) EQUITY</b>			
(a) Equity share capital	9	5,000.00	5,000.00
(b) Other equity	10	(243.94)	(275.23)
<b>Total equity</b>		<b>4,756.06</b>	<b>4,724.77</b>
<b>(2) LIABILITIES</b>			
<b>(A) Non - Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	11	4,943,349.85	4,857,782.22
<b>Total Non - Current Liabilities</b>		<b>4,943,349.85</b>	<b>4,857,782.22</b>
<b>(B) Current liabilities</b>			
(a) Financial liabilities			
(i) Other financial liabilities	12	413.00	1,676.66
(b) Other current liabilities	13	6,828.95	13,983.02
<b>Total current liabilities</b>		<b>7,241.95</b>	<b>15,659.68</b>
<b>Total equity and liabilities</b>		<b>4,955,347.86</b>	<b>4,878,166.67</b>

Significant Accounting Policies 1-3  
See accompanying notes to the Financial Statements 1-34

**For & on Behalf of Board of Directors**

  
(Manoj Kr. Rana)  
Director  
DIN:02263302

  
(Sanjay Mehrotra)  
Director  
DIN:02263323

  
(Parminder Chopra)  
Chairperson  
DIN:08530587

As per our report of even date  
For & on behalf of  
**Rastogi Narain & Co.**  
(Chartered Accountants)  
(Firm Reg No. : 008775N)

  
(Shanti Narain Kukreja)  
Partner  
M. No. : 087370  
Place : New Delhi  
Date : 27-10-2021







**BIHAR MEGA POWER LIMITED**  
(CIN:U93000DL2015GOI282653)  
Statement of Profit and Loss for the year ended March 31, 2021

(₹ in Hundreds)

Particulars	Note No.	For the year ended March 31, 2021	For the year ended March 31, 2020
Revenue from operations		-	-
Other income	14	41.81	-
<b>Total income (I)</b>		<b>41.81</b>	<b>-</b>
<b>Expenses</b>			
Other expenses		-	-
<b>Total expenses (II)</b>		<b>-</b>	<b>-</b>
<b>Profit before tax (I- II =III)</b>		<b>41.81</b>	<b>-</b>
Tax expense: (IV)			
Current tax	16	10.52	-
Deferred tax		-	-
<b>Net Profit after tax (III - IV = V)</b>		<b>31.29</b>	<b>-</b>
<b>Other Comprehensive Income (VI)</b>		<b>-</b>	<b>-</b>
<b>Total Comprehensive Income for the year (V + VI =VII)</b>		<b>31.29</b>	<b>-</b>
Earnings per equity share : (VIII)			
Basic & Diluted in Rs. (Par value of Rs.10 each)	17	0.00	-

Significant Accounting Policies

1-3

See accompanying notes to the Financial Statements

1-34

For & on Behalf of Board of Directors

  
(Manoj Kr. Rana)  
Director  
DIN:02263302

  
(Sanjay Mehrotra)  
Director  
DIN:02263323

  
(Parminder Chopra)  
Chairperson  
DIN:08530587

As per our report of even date

For & on behalf of

**Rastogi Narain & Co.**

(Chartered Accountants)

(Firm Reg No. : 008775N)

  
(Shanti Narain Kukreja)  
Partner  
M. No. : 087370



Place : New Delhi

Date : 27-10-2021


Statement of cash flows for the year ended March 31, 2021


(₹ in Hundreds)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
<b>A. Cash flow from operating activities:</b>		
Net profit/(loss) before tax	41.81	-
<b>Adjustments:</b>		
Adjustments	-	-
<b>Operating Profit/(loss) before Working Capital changes</b>	<b>41.81</b>	<b>-</b>
<b>Adjustments for changes in Working Capital :</b>		
- Increase/(decrease) in other current financial liabilities	(1,263.66)	1,334.37
- Increase/(decrease) in other current liabilities	(7,154.07)	(24,574.28)
- (Increase) in other current assets	-	-
<b>Cash generated from operating activities</b>	<b>(8,375.92)</b>	<b>(23,239.91)</b>
Income taxes paid (net of refunds)	242.13	(697.42)
<b>Net cash flow from operating activities</b>	<b>(8,133.79)</b>	<b>(23,937.33)</b>
<b>B. Cash flow from Investing activities:</b>		
Addition in Capital work in progress	(9,557.14)	(142,888.50)
(Increase)/decrease in loan assets	(68,401.16)	41,389.34
<b>Net cash flow from Investing activities</b>	<b>(77,958.30)</b>	<b>(101,499.16)</b>
<b>C. Cash flow from Financing Activities:</b>		
Increase/(decrease) in borrowings	85,567.63	126,735.15
<b>Net cash flow from financing activities</b>	<b>85,567.63</b>	<b>126,735.15</b>
<b>Net Increase/(Decrease) in cash &amp; cash equivalents</b>	<b>(524.46)</b>	<b>1,298.66</b>
<b>Opening Cash and cash equivalents</b>	<b>1,684.16</b>	<b>385.50</b>
<b>Closing Cash and cash equivalents (Note-6)</b>	<b>1,159.70</b>	<b>1,684.16</b>
<b>Comprising of:</b>		
Balance with banks in current accounts	1,159.70	1,684.16

See accompanying notes to the Financial Statements

1-34

For & on Behalf of Board of Directors

  
(Manoj Kr. Rana)  
Director  
DIN:02263302

  
(Sanjay Mehrotra)  
Director  
DIN:02263323

  
(Parminder Chopra)  
Chairperson  
DIN:08530587

As per our report of even date

For & on behalf of

**Rastogi Narain & Co.**

(Chartered Accountants)

(Firm Reg No. : 008775N)

  
(Shanti Narain Kukreja)  
Partner  
M. No. : 087370



Place : New Delhi

Date : 27-10-2021





**BIHAR MEGA POWER LIMITED**  
(CIN:U93000DL2015GOI282653)  
**Statement of Changes in Equity for the year ended March 31, 2021**

**a. Equity share capital**

(₹ in Hundreds)

Particulars	Amount
Balance as at April 01, 2019	5,000.00
Changes in equity share capital during the year	-
<b>Balance as at March 31, 2020</b>	<b>5,000.00</b>
Changes in equity share capital during the year	-
<b>Balance as at March 31, 2021</b>	<b>5,000.00</b>

**b. Other Equity**

(₹ in Hundreds)

Particulars	Amount
<b>Retained earnings</b>	
Balance as at April 01, 2019	(275.23)
Total comprehensive income for the year	-
<b>Balance as at March 31, 2020</b>	<b>(275.23)</b>
Total comprehensive income for the year	31.29
<b>Balance as at March 31, 2021</b>	<b>(243.94)</b>

See accompanying notes to the Financial Statements

1-34

**For & on Behalf of Board of Directors**

  
(Manoj Kr. Rana)  
Director  
DIN:02263302

  
(Sanjay Mehrotra)  
Director  
DIN:02263323

  
(Parminder Chopra)  
Chairperson  
DIN:08530587

As per our report of even date

For & on behalf of

**Rastogi Narain & Co.**

(Chartered Accountants)

(Firm Reg No. : 008775N)

  
(Shanti Narain Kukreja)  
Partner  
M. No. : 087370



Place : New Delhi

Date : 27-10-2021


**BIHAR MEGA POWER LIMITED**  
**(CIN:U93000DL2015GOI282653)**

**Notes to the Financial Statements for the year ended March 31, 2021**

**1 Corporate Information**

Bihar Mega Power Limited "the Company" was incorporated on July 9, 2015 under the Companies Act 2013 as a wholly owned subsidiary of Power Finance Corporation Limited (PFC Ltd.), a Govt. of India Undertaking. The registered office of the company is situated at '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, CRZ etc. for the purpose of establishing Ultra Mega Power Project of 4000 MW in the state of Bihar.

**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.

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.

Fees for advisory and professional services for developing Ultra Mega Power Project payable to PFC/PFCCL is recognised in the year of transfer of the company to the successful bidder.

**(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.

**(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 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.

**(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**

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.

**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.



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**BIHAR MEGA POWER LIMITED**  
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Notes forming part of the financial statements for the year ending March 31, 2021

**4. Capital work in progress**

(₹ in Hundreds)

Particulars	As at March 31, 2021	As at March 31, 2020
Opening Capital work in progress	1,368,946.06	1,270,775.10
Add: Transferred from expenditure during construction period (Note-15)	9,557.14	98,170.96
	<b>1,378,503.20</b>	<b>1,368,946.06</b>

**5. Loans (Non Current)**

(₹ in Hundreds)

Particulars	As at March 31, 2021	As at March 31, 2020
<u>Unsecured, considered good</u>		
Loans to related party	2,666,321.35	2,688,517.77
Interest accrued but not due from related party (Power Finance Corporation Ltd)	840,299.61	749,702.03
	<b>3,506,620.96</b>	<b>3,438,219.80</b>

**6. Cash and cash equivalents**

(₹ in Hundreds)

Particulars	As at March 31, 2021	As at March 31, 2020
Balance with Banks: in current accounts	1,159.70	1,684.16
	<b>1,159.70</b>	<b>1,684.16</b>

**7. Current Tax Assets (Net)**

(₹ in Hundreds)

Particulars	As at March 31, 2021	As at March 31, 2020
Income Tax refundable	5,566.84	5,808.97
Less: Provision for Income Tax	10.52	-
	<b>5,556.32</b>	<b>5,808.97</b>

**8. Other current assets**

(₹ in Hundreds)

Particulars	As at March 31, 2021	As at March 31, 2020
<u>Unsecured, considered good</u>		
Advances recoverable in cash or in kind	63,507.68	63,507.68
	<b>63,507.68</b>	<b>63,507.68</b>





BIHAR MEGA POWER LIMITED  
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Notes forming part of the financial statements for the year ending March 31, 2021

9. Equity share capital

(₹ in Hundreds)

Particulars	As at March 31, 2021	As at March 31, 2020
<b>Authorised share capital</b> 50,000 Equity Shares of Rs. 10 each (As at March 31, 2020: 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, 2020: 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, 2021		As at March 31, 2020	
	Number of shares held	Amount	Number of shares held	Amount
Shares outstanding at the beginning of the year	5,000.00	5,000.00	50,000	5,000.00
Shares Issued during the year	-	-	-	-
Shares outstanding at the end of the year	5,000	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
<b>As at March 31, 2021</b> Power Finance Corporation Limited*	50,000	5,000.00
<b>As at March 31, 2020</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, 2021		As at March 31, 2020	
	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.



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Notes forming part of the financial statements for the year ending March 31, 2021

10. Other equity

(₹ in Hundreds)

Particulars	As at March 31, 2021	As at March 31, 2020
<b>Retained earnings</b>		
Balance at the beginning of the year	(275.23)	(275.23)
Total comprehensive income for the year	31.29	-
<b>Balance at the end of the year</b>	<b>(243.94)</b>	<b>(275.23)</b>

11. Borrowings (Non Current)

(₹ in Hundreds)

Particulars	As at March 31, 2021	As at March 31, 2020
Commitment advance (Unsecured)	4,000,000.00	4,000,000.00
Interest accrued but not due on borrowings	932,094.30	847,870.42
Interest accrued but not due on borrowings (Related Party) (Power Finance Corporation Ltd)	11,255.55	9,911.80
	<b>4,943,349.85</b>	<b>4,857,782.22</b>

Terms of repayment for borrowings: Repayable within 15 days from the date of transfer of the Company to its successful bidder.

12. Other financial liabilities (Current)

(₹ in Hundreds)

Particulars	As at March 31, 2021	As at March 31, 2020
Expenses payable	413.00	1,676.66
	<b>413.00</b>	<b>1,676.66</b>

13. Other current liabilities

(₹ in Hundreds)

Particulars	As at March 31, 2021	As at March 31, 2020
Statutory dues payable	6,828.95	13,983.02
	<b>6,828.95</b>	<b>13,983.02</b>

14. Other Income

(₹ in Hundreds)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Interest on Income Tax refund	41.81	-
	<b>41.81</b>	<b>-</b>





# 15. Expenditure during construction period

(₹ in Hundreds)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Audit Fee	413.00	413.00
Printing & Stationery	-	1,474.09
Tour & Travelling Expenses	-	93.61
Manpower Charges	-	64,219.28
Outsourcing expenses	6,724.90	29,965.19
Misc. Expenses	-	155.53
Vehicle running expenses	-	2,177.99
Telephone Expenses	-	589.00
Legal, Professional and Consultancy Charges	849.38	19,761.51
Administrative expenses	226.11	22,836.37
<b>Sub-total (A)</b>	<b>8,213.39</b>	<b>141,685.57</b>
<u>Interest expenses</u>		
Utilised	1,343.75	1,202.94
Unutilised	91,052.84	139,480.23
Less: Interest receivable from PFC on unutilised portion	(91,052.84)	(139,480.24)
<b>Sub-total (B)</b>	<b>1,343.75</b>	<b>1,202.93</b>
<b>Total (A+B)</b>	<b>9,557.14</b>	<b>142,888.50</b>
Less: Provisions written back	-	44,717.54
<b>Total</b>	<b>9,557.14</b>	<b>98,170.96</b>

# 16. Income Taxes

(₹ in Hundreds)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
<b>Current tax</b>		
In respect of the current year	10.52	-
<b>Deferred tax</b>		
In respect of the current year	-	-
<b>Total income tax expense recognised in the current year</b>	<b>10.52</b>	<b>-</b>
The income tax expense for the year can be reconciled to the accounting profit as follows:		
Profit before tax	41.81	-
Applicable tax rate	25.17%	25.17%
Computed tax expenses	10.52	-
Income tax expense recognised in profit or loss	<b>10.52</b>	<b>-</b>

# 17. Earnings per share

(₹ in Hundreds)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
<b>Basic and diluted Earning Per Share</b>		
Face value per Equity Share	10.00	10.00
Net Profit / (Loss) after Tax as per Statement of Profit and Loss attributable to Equity Shareholders	31.29	-
Weighted Average number of Equity Shares used as denominator for calculating Basic EPS	50,000	50,000
<b>Basic and diluted Earning Per Share in Rs.</b>	<b>0.00</b>	<b>-</b>
There are no dilutive instruments issued by the company.		



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## 18 Financial Instruments

### (1) Capital management

The company manages its capital to ensure that it will be able to meet capital requirement 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 Bihar 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.

### (i) Categories of financial instruments

Particulars	(₹ in Hundreds)	
	As at March 31, 2021	As at March 31, 2020
<b>Financial assets</b>		
Cash and cash equivalents	1,159.70	1,684.16
Loans	3,506,620.96	3,438,219.80
<b>Financial liabilities</b>		
Borrowings	4,943,349.85	4,857,782.22
Other current financial liabilities	413.00	1,676.66

### (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.

### (vi) Interest rate sensitivity analysis

The sensitivity analysis below have been determined based on the exposure to interest rates for both derivatives and 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.

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

Particulars	(₹ in Hundreds)	
	For the year ended March 31, 2021	For the year ended March 31, 2020
Impact for Profit or Loss	-	-
Impact for Other comprehensive income	-	-

The Company's sensitivity to interest rates has decreased during the current year mainly due to the reduction in variable rate debt instruments and the increase in interest rate swaps to swap floating rate debt to fixed rate debt.

### (vii) Other price risks

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

### (viii) 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 has limited exposure to credit risk owing to the balance of loan receivable from PFC as mentioned in Note 5. Company does not have trade receivable. Further the loan receivable is from its Holding company (PFC).

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





**BIHAR MEGA POWER LIMITED**  
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Notes forming part of the financial statements for the year ending March 31, 2021

**18 Financial Instruments**

**(ix) 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 as at March 31, 2021;

(₹ in Hundreds)

Particulars	Carrying amount	Due in 1st year	Due in 2-5 year	Due in More than 5 year	Due date not specified	Total contracted cash flows
<b>Financial Liabilities</b>						
Borrowings	4,943,349.85	-	-	-	4,943,349.85	4,943,349.85
Other financial liabilities	413.00	413.00	-	-	-	413.00

The table below provides details regarding the contractual maturities of financial liabilities as at March 31, 2020;

(₹ in Hundreds)

Particulars	Carrying amount	Due in 1st year	Due in 2-5 year	Due in More than 5 year	Due date not specified	Total contracted cash flows
<b>Financial Liabilities</b>						
Borrowings	4,857,782.22	-	-	-	4,857,782.22	4,857,782.22
Other financial liabilities	1,676.66	1,676.66	-	-	-	1,676.66

The table below provides details regarding the contractual maturities of financial assets as at March 31, 2021:

(₹ in Hundreds)

Particulars	Carrying amount	Due in 1st year	Due in 2-5 year	Due in More than 5 year	Due date not specified	Total contracted cash flows
<b>Loans</b>	3,506,620.96	-	-	-	3,506,620.96	3,506,620.96

The table below provides details regarding the contractual maturities of financial assets as at March 31, 2020:

(₹ in Hundreds)

Particulars	Carrying amount	Due in 1st year	Due in 2-5 year	Due in More than 5 year	Due date not specified	Total contracted cash flows
<b>Loans</b>	3,438,219.80	-	-	-	3,438,219.80	3,438,219.80

**(x) Fair value of financial assets and financial liabilities:**

(₹ in Hundreds)

Particulars	Fair value hierarchy	As at March 31, 2021		As at March 31, 2020	
		Carrying amount	Fair value	Carrying amount	Fair value
<b>Financial assets</b>					
Cash and cash equivalents	Level 3	1,159.70	1,159.70	1,684.16	1,684.16
Loans	Level 3	3,506,620.96	3,506,620.96	3,438,219.80	3,438,219.80
<b>Financial Liabilities</b>					
Borrowings	Level 3	4,943,349.85	4,943,349.85	4,857,782.22	4,857,782.22
Other financial liabilities	Level 3	413.00	413.00	1,676.66	1,676.66

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.



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**BIHAR MEGA POWER LIMITED**  
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Notes forming part of the financial statements for the year ending March 31, 2021

**19 STATEMENT OF TRANSACTIONS WITH RELATED PARTIES**

**19.1 Name of related parties and description of relationship:**

Holding Company			
1	Power Finance Corporation Limited (PFCL)		
Fellow Subsidiary			
1	PFC Consulting Limited (PFCCL)	2	REC Limited (RECL)
3	REC Power Distribution Company Ltd (through RECL)	4	REC Transmission Projects Company Limited
5	Power Equity Capital Advisors (Pvt) Limited (PECAP)*		
Associate of Fellow Subsidiary (PFCCL)			
1	Tanda Transmission Company Limited*	2	Shongtong Karcham-Wangtoo Transmission Limited*
3	Bijawar-Vidarbha Transmission Limited	4	Koppal-Narendra Transmission Limited
5	Karur Transmission Limited	6	Khetri-Narela Transmission Limited
7	Sikar-II Aligarh Transmission Limited	8	Bhadla Sikar Transmission Limited
9	Ananthpuram Kurnool Transmission Limited	10	Vapi II North Lakhimpur Transmission Limited transferred to ATL on 23rd June, 2020
11	Bikaner-II Bhiwadi Transco Limited transferred to PGCIL on 25th March, 2021		
Associate of PFCL			
1	Coastal Maharashtra Mega Power Limited *	2	Sakhigopal Integrated Power Company Limited
3	Ghogarpalli Integrated Power Company Limited	4	Coastal Karnataka Power Limited *
5	Orissa Integrated Power Limited	6	Chhattisgarh Surguja Power Limited *
7	Tatiya Andhra Mega Power Limited *	8	Coastal Tamil Nadu Power Limited
9	Deoghar Infra Limited	10	Cheyur Infra Limited
11	Bihar Infrapower Limited	12	Odisha Infrapower Limited
13	Jharkhand Infrapower Limited	14	Deoghar Mega Power Limited
Associate of RECL			
1	Mandar Transmission Limited	2	Chandil Transmission Limited
3	Koderma Transmission Limited	4	Dumka Transmission Limited
5	Dinchar Transmission Limited	6	Ramgarh New Transmssion Limited transferred to PGCIL on 09th March, 2021
7	Sikar New Transmission Limited	8	MP Power Transmission Package-I Limited
9	MP Power Transmission Package-II Limited	10	Kallam Transmission Limited
11	Gadag Transmission Limited	12	Fatehgarh Badla Transco Limited
13	Rajgarh Transmission Limited	14	Bidar Transmission Limited
Joint Venture of PFCL			
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	Convergence Energy Services Limited (through EESL)



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Key Managerial Persons (KMP)**				
S. No.	Name	Designation	Date of Appointment	Date of Cessation
1	Shri Naveen Bhushan Gupta	Chairman	09.07.2015	30.06.2020
2	Smt. Parminder Chopra***	Chairperson	01.07.2020	Continuing
3	Shri Yogesh Juneja	Director	09.07.2015	14.08.2020
4	Shri P.C. Hembram	Director	13.10.2017	Continuing
5	Shri Subir Mulchandani	Director	16.09.2016	31.08.2020
6	Smt. Shelly Verma	Director	13.10.2017	01.09.2020
7	Shri Manoj Kr. Rana	Director	14.08.2020	Continuing
8	Shri Sanjay Mehrotra	Director	20.10.2020	Continuing
9	Shri V. Packirisamy	Director	20.10.2020	Continuing
10	Shri Sanjiwan Sinha****	Director	16.08.2019	Continuing

\* Under process of striking off

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

\*\*\* Redesignated as Chairman post cessation of Shri N. B. Gupta as Director.

\*\*\*\* from Power Procuring States

## 19.2 Details of Transactions:

### 19.2.1 Transactions with Related Party:

(₹ in Hundreds)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
<u>Power Finance Corporation, Holding Company</u>		
Interest Expense	1,343.75	1,202.94
Interest Income	91,052.84	139,480.24
Loans refund	22,196.42	180,172.18
<u>PFC Consulting Limited, Fellow Subsidiary</u>		
Manpower charges	-	64,219.28
Reimbursement of expenses	7,800.39	77,053.29

### 19.2.2 Outstanding balances with Related Party:

(₹ in Hundreds)

Particulars	As at March 31, 2021	As at March 31, 2020
<u>Power Finance Corporation, Holding Company</u>		
Interest payable/accrued but not due on borrowings	11,255.55	9,911.80
Interest receivable/accrued but not due	840,299.61	749,702.03
Loans given	2,666,321.35	2,688,517.77

## 19.3 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.

19.4 All the work for the Company are executed by PFC Consulting Ltd. (PFCCL). Manpower Charges of Rs. NIL (Previous year Rs. 64,219.28 Hundreds) of PFCCL employees are charged by PFCCL on cost to company basis/rate, as determined by PFCCL in proportion to actual man days spent by the employees for the Company as per invoice raised by PFCCL, and includes charges for Sh. P.C. Hembram (Director) Rs. NIL (Previous year Rs. 38,685.71 Hundreds).



**BIHAR MEGA POWER LIMITED**  
(CIN:U93000DL2015GOI282653)

Notes forming part of the financial statements for the year ending March 31, 2021

- 20 Pursuant to decision of Ministry of Power, Government of India, the Company has received, 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 said Commitment Advance has been shown in the Balance Sheet as Long term borrowings. The Company is under no obligation to pay interest on such advances, in view of the para no. 12 of minutes of meeting of Ministry of Power regarding development of UMPP which states that; "Procurers would provide the Commitment Advance for temporary infusion as equity in the SPV to enable it to leverage these funds to borrow". However, as a prudent accounting policy and as per the decision taken by the company/holding company, interest has been provided on the said Commitment Advance as stated in note 23 below. The said Commitment Advance along with accrued interest as per terms of Financing agreement shall be repayable to the procurers within 15 days from the date of transfer of the company by the Holding Company to its successful bidder.
- 21 Pursuant to the Financing Agreement with PFC Ltd. total commitment advance of Rs. 40,00,000.00 Hundreds (Previous year Rs. 40,00,000.00 Hundreds) received from procurers is parked with the Holding Company (PFC Ltd.) to pay out expenditures for the project on behalf of the company and to invest/ retain remaining unutilized portion of commitment advance as loans and advances and interest due thereon is appearing under the head "Loans" under Financial assets in the Balance Sheet.
- 22 The Company has agreed to pay a sum of Rs. 50,00,000.00 Hundreds plus applicable taxes to PFCL/PFCCL on account of fees for providing advisory & professional services rendered by PFCL/PFCCL. The fees for providing advisory & professional services is payable to PFCL/PFCCL only when successful bidder for the Project will be selected and company will be transferred to successful bidder, therefore no liability has been provided for fees payable to PFCL/PFCCL, since the same will become due in the year of transfer of the company to successful bidder only in the event of transfer of the company.
- 23 The Company pays interest to PFC Ltd. on the expenses incurred by them on behalf of the company from their 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 financial year 2018-19, however it has been decided by the company during financial year 2019-20 that 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".
- 24 The expenses appearing in Note-15 are mainly allocated by PFCL/PFCCL 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 PFC/PFCCL. 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 Service tax etc. as applicable to these expenses.
- 25 Other expenses incurred during the year (Note-15) have been capitalised and shown as Capital work-in-progress.
- 26 **Employee benefit plans**  
Since there are no employees in the company, the obligation as per Ind AS- 19 do not arises.

27 Commitments:		(₹ in Hundreds)	
Particulars		As at March 31, 2021	As at March 31, 2020
(a) Estimated amounts of contracts remaining to be executed on capital account, and not provided for (net of advances):		1,346,000.00	1,346,000.00
(b) Other commitments		-	-

28 Contingent Liabilities and Contingent assets		(₹ in Hundreds)	
Particulars		As at March 31, 2021	As at March 31, 2020
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.		-	-





**BIHAR MEGA POWER LIMITED**  
(CIN:U93000DL2015GOI282653)

Notes forming part of the financial statements for the year ending March 31, 2021

- 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, 2021	As at March 31, 2020
(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, 2021	For the year ended March 31, 2020
Statutory Audit Fees (including GST)	413.00	413.00

- 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 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.

- 33 Other Disclosures:

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

- 34 Approval of financial statements

The Financial Statements for the year ended 31st March 2021 were approved by the Board of Directors and authorised for issue on 27.10.2021

For & on Behalf of Board of Directors

  
(Mahoj K. Rana)  
Director  
DIN:02263302

  
(Sanjay Mehrotra)  
Director  
DIN:02263323

  
(Parminder Chopra)  
Chairperson  
DIN:08530587

As per our report of even date  
For & on behalf of  
**Rastogi Narain & Co.**  
(Firm Reg No. : 008775N)

  
(Shanti Narain Kukreja)  
Partner  
M. No. : 087370



Place : New Delhi

Date : 27-10-2021



