

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

**12<sup>TH</sup> ANNUAL REPORT**  
**(2023-24)**

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## Corporate Information

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

## DEOGHAR MEGA POWER LIMITED

(A wholly owned subsidiary of Power Finance Corporation Limited)

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

### NOTICE

Notice is hereby given that the 12<sup>th</sup> Annual General Meeting of Deoghar Mega Power Limited will be held on Thursday, the 26<sup>th</sup> Day of September, 2024 at 02:15 p.m. at Urjanidhi, 1 Barakhamba Lane, Connaught Place, New Delhi-110001, at a shorter notice to transact the following business(s):-

#### ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31<sup>st</sup> March, 2024, along with the Auditor's Report and Director's Report thereon.
2. To appoint a Director in place of Shri Rajesh kumar Agrawal (DIN 09699001) who retires by rotation and being eligible, offers himself for re-appointment.
3. To authorize Board of Directors of the Company to fix remuneration of the Statutory Auditor(s) of the Company in terms of the provisions of section 142(1) of the Companies Act, 2013 and in this regard to consider and, if thought fit, to pass with or without modification(s) the following resolution as an **Ordinary Resolution**:-

"RESOLVED THAT the Board of Directors of the Company be and is hereby authorized to decide and fix the remuneration of the Statutory Auditor(s) of the Company appointed/to be appointed by Comptroller and Auditor General of India for the Financial Year 2024-25, as may be deemed fit by the Board."

#### SPECIAL BUSINESS

4. **Appointment of Shri Pradeep Kumar as Director of the Company**

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

"RESOLVED THAT in accordance with the provisions of section 161(1) and other applicable provisions, if any, of the Companies Act, 2013, Shri Pradeep Kumar (DIN 10772246), who was appointed as an Additional Director w.e.f. 24<sup>th</sup> September, 2024 and who hold office up to the date of ensuing Annual General Meeting, be and is hereby appointed as a Director of the Company."

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



(Manoj Sharma)

Chairman

DIN:06822395

Date: 24.09.2024

Place: New Delhi

**Notes:**

1. The relevant details as required under Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, of the person seeking appointment/re-appointment as Director under item No. 2 & 4 of the Notice are also annexed.
2. **A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend the meeting and vote instead of him/her and such proxy need not be a member of the Company.** Pursuant to the provisions of the Companies Act, 2013, a person can act as a proxy on behalf of not more than fifty members and holding in aggregate not more than ten percent of the total share capital of the Company. Further, a Member holding more than ten percent of the total share capital carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or Member. Proxy form duly completed must be deposited at the registered office of the Company, not less than forty eight hours before the commencement of the Annual General Meeting. Proxy so appointed shall not have any right to speak at the meeting.
3. The relative Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("Act") setting out material facts concerning the business under Item No. 4 of the Notice is annexed hereto.
4. The Statutory Registers and other records under the Companies Act, 2013 and rules made thereunder, will be available for inspection by Members at the venue of AGM.
5. Pursuant to Section 139(5) of Companies Act, 2013 the Auditors of a Government Company are to be appointed or re-appointed by the Comptroller and Auditor General of India (C&AG) within a period of 180 days from the commencement of the financial year and in terms of section 142(1) of the Companies Act, 2013, their remuneration has to be fixed by the Company in Annual General Meeting. The members may authorize the Board of Directors of the Company to fix an appropriate remuneration of auditors appointed by the Comptroller and Auditor General of India for the financial year 2024-25.
6. In accordance with the provisions of Companies Act, 2013 and SS-2- Secretarial Standard on General Meetings, the request for consenting to shorter notice of the members for calling the Annual General Meeting is enclosed with the Notice. Further, the Annual General Meeting of the company shall be held, if the consent is received from not less than ninety five percent of the Members entitled to vote thereat.

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

Item No. 4

PFC vide its office order dated 03.09.2024 nominated Shri Pradeep Kumar, CGM, PFC as the Director on the Board of the Company in place of Shri P. C. Hembram, Director who was superannuated from the services of PFC w.e.f 31.08.2024. Shri Pradeep Kumar has been appointed as Additional Director on the Board of the Company w.e.f. 24<sup>th</sup> September, 2024.

Pursuant to the provision of section 161(1) and other applicable provisions of the Companies Act, 2013, Shri Pradeep Kumar will hold office till the date of ensuing Annual General Meeting. The compliance with respect to the provisions of Section 160 of the Companies Act 2013 has been made for the appointment of Shri Pradeep Kumar as Director of the company.

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

Shri Pradeep Kumar is interested in this resolution to the extent of his appointment as a Director of the Company. No other Director of the Company is in anyway concerned /interested in the proposed resolution.

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



(Manoj Sharma)

Chairman

DIN:06822395

Date: 24.09.2024

Place: New Delhi

**DETAILS OF DIRECTOR(S) SEEKING RE- APPOINTMENT /APPOINTMENT AT THE FORTHCOMING ANNUAL GENERAL MEETING OF DEOGHAR INFRA LIMITED**

<b>Name of Director</b>	<b>Shri Rajesh kumar Agrawal</b>	<b>Shri Pradeep Kumar</b>
<b>Date of Birth</b>	08.03.1972	08.02.1973
<b>Date of Appointment</b>	09.08.2022	24.09.2024
<b>Relationship with Directors</b>	NIL	NIL
<b>• Qualification</b>	<b>• ICWA</b>	<b>• B.Tech. and MBA</b>
<b>Experience</b>	Shri Rajesh Kumar Agarwal has a vast experience of more than 25 years of working in power sector.  Presently, Shri Rajesh kumar Agrawal is holding the position of Chief General Manager, Power Finance Corporation Limited.	Shri Pradeep Kumar is working with PFC since 2009.  Presently, Shri Pradeep Kumar is holding the position of Chief General Manager, Power Finance Corporation Limited.
<b>Directorships in other companies as on 31<sup>st</sup> March 2024</b>	<b>• Deoghar Mega Power Limited</b>	NIL
<b>Chairman/ Membership of Committees across all public companies</b>	NIL	NIL
<b>Number of Share held in the company as on 31<sup>st</sup> March 2024</b>	NIL	NIL

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

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

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

I, ....., S/o ....., R/o ..... holding .....  
Equity Shares of Rs. 10/- each in the company, do hereby give consent for calling the 12<sup>th</sup> Annual  
General Meeting on Thursday, the 26<sup>th</sup> day of September, 2024 at 02:15 p.m. at a shorter notice,  
pursuant to the proviso of Section 101 of the Companies Act, 2013.

Signature \_\_\_\_\_

Name: .....

Date:



# DEOGHAR MEGA POWER LIMITED

(A wholly owned subsidiary of Power Finance Corporation Limited)

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

## NOTICE

Notice is hereby given that the adjourned 12<sup>th</sup> Annual General Meeting of Deoghar Mega Power Limited will be held on **Thursday the 21<sup>st</sup> day of November, 2024 at 04:15 P.M.** at Urjanidhi, 1 Barakhamba Lane, Connaught Place, New Delhi-110001, or at a shorter notice to transact the following business(s):-

### ORDINARY BUSINESS

1. To receive, consider and adopt the Board's Report for the financial year 2023-24 incorporating the Comments of Comptroller & Auditor General of India.

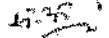
By order of the Board of Directors  
For Deoghar Mega Power Limited



(Manoj Sharma)

Chairman

DIN:06822395



Date: 28.10.2024

Place: New Delhi

Notes:

1. A copy of Financial Statements for the year ended 31<sup>st</sup> March, 2024 along with Reports of Directors and Auditors thereon as already sent to you vide AGM Notice dated 24.09.2024 may kindly be brought by you at the adjourned 12<sup>th</sup> AGM scheduled for 21<sup>st</sup> day of November, 2024.
2. The Financial Statements for the year 2023-24 have been forwarded to the Comptroller and Auditor General of India (CAG) u/s 143(a) of the Companies Act, 2013. The comments of the CAG which could not be released earlier and therefore, it were not placed before the AGM scheduled for 26.09.2024, have now been received and forming part of this Notice.
3. **A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend the meeting and vote instead of him/her and such proxy need not be a member of the Company.** Pursuant to the provisions of the Companies Act, 2013, a person can act as a proxy on behalf of not more than fifty members and holding in aggregate not more than ten percent of the total share capital of the Company. Further, a Member holding more than ten percent of the total share capital carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or Member. Proxy form duly completed must be deposited at the registered office of the Company, not less than forty eight hours before the commencement of the Annual General Meeting. Proxy so appointed shall not have any right to speak at the meeting.
4. The Statutory Registers and other records under the Companies Act, 2013 and rules made thereunder, will be available for inspection by Members at the venue of AGM.

## **Board's Report 2023-24**

### **DEOGHAR MEGA POWER LIMITED** **(A Wholly Owned Subsidiary of Power Finance Corporation Limited)**

#### **BOARD'S REPORT** **(Financial Year 2023-24)**

**To,**  
**THE MEMBERS,**

Your Directors take great pleasure in presenting the 12<sup>th</sup> Annual Report on the business and operations of your Company together with Audited Financial Statements and Auditors' Report thereon for the Financial Year ended March 31, 2024.

#### **CORPORATE PROFILE**

The Company was incorporated on 26.04.2012 as a wholly owned subsidiary of Power Finance Corporation Limited (PFC) for development of second Ultra Mega Power Project (UMPP) in the State of Jharkhand.

#### **FINANCIAL PERFORMANCE**

During the year under review (F.Y. 2023-24) the Company has spent an amount of ₹ 1,01,62,123/- towards interest expenses, professional, legal & consultancy charges, audit fees etc. The total expenditure including cost of land (if any) incurred by the Company till 31st March, 2024 is ₹25.38 Crore.

#### **OPERATIONAL HIGHLIGHTS**

Ministry of Power (MoP) vide letter dated 12.11.2021 its decision to defer any action on formulation of UMPPs Bidding framework as of now as the country is making energy transition from fossil fuel to non-fossil fuel. Further, MoP vide OM dated 02.06.2023 has conveyed its decision for closure of UMPP. There after which Board of Directors of the Company has decided to initiate the process for closure of company.

Accordingly, Process for closure of DMPL is initiated.

#### **CORPORATE INFORMATION**

- **Corporate Status**

The Company has status of a Subsidiary Company as defined under Section 2(87) (ii) of the Companies Act, 2013.

- **Directors**

During the period under review till date, following changes took place:

1. Shri Pradeep Kumar was appointed as Additional Director of the Company w.e.f 24.09.2024 and was appointed as Director w.e.f 26.09.2024.
2. Shri P.C. Hembram vacated from the Board of the Company w.e.f 31.08.2024.

## Board's Report 2023-24

Presently, the Board of Directors of the Company comprises of the following:

S.No	Name	Designation
1.	Shri Manoj Sharma	Chairman
2.	Shri Rajesh Kumar Agarwal	Director
4.	Shri Pradeep Kumar	Director
3.	Shri Kamlesh Kr. Jangid	Nominee Director

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

- **Number of Board Meetings**

During the financial year 2023-24, Five (5) Board Meetings were held. The details of Board Meetings are given below:

S.No	Date of Board Meeting	Board Strength	No. of Directors Present
1	28 <sup>th</sup> June, 2023	4	3
2	25 <sup>th</sup> September, 2023	4	4
3	26 <sup>th</sup> September, 2023	4	3
4	27 <sup>th</sup> December, 2023	4	3
5	18 <sup>th</sup> March, 2024	4	4

- **Statutory Auditors**

M/s. S. K. Gulati & Associates, Chartered Accountants, were appointed as the Statutory Auditors of the Company for the financial year 2023-24 by the Comptroller & Auditor General of India. There are no adverse comments, observation or qualification in the Auditor's Report on the accounts of the Company.

- **Share Capital Structure**

The Share Capital of the Company is as follows:

<b>Authorized Capital</b>	INR 5,00,000 (50,000 Equity Shares of INR 10 each)
<b>Issued, Subscribed and Paid up Capital</b>	INR 5,00,000 (50,000 Equity Shares of INR 10 each)

- **Personnel**

Your Company has not appointed any permanent employees during the year. Some of the employees of the holding company i.e. Power Finance Corporation Ltd. have been assigned additional duty to carry out day to day work of the Company.

## **Board's Report 2023-24**

- **Official Language**

The use of Hindi in Company's official work is emphasized.

### **DISCLOSURE UNDER COMPANIES ACT, 2013**

- **Extract of Annual Return**

Pursuant to the amendment to Section 134(3)(a) and Section 92(3) of the Companies Act 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014, Company does not have website, so there is no requirement to give web link of the Annual Return and attach extract of Annual Return in Form MGT-9.

- **Directors Responsibility Statement**

Pursuant to section 134(5) of the Companies Act 2013, it is confirmed that:

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

- **Statement on Compliance of Applicable Secretarial Standards**

During the year, Company has complied with the provisions of applicable secretarial standards.

- **Explanations or comments by the Board on every qualification, reservation, or adverse remark or disclaimer made by Auditor in his report**

There are no adverse comments, observation or qualification in the Auditor's Report on the accounts of the Company.

- **Comptroller And Auditor General Review**

C&AG vide their letter dated 16<sup>th</sup> October, 2024 mentioned that it has decided not to conduct the supplementary audit of the financial statements of the company for the year ended 31<sup>st</sup> March, 2024 under Section 143(6)(a) of the Companies Act, 2013. A copy of the letter issued by C&AG in this regard is placed at **Annexure -I**.

## Board's Report 2023-24

• **Particulars of loans, Investments and Guarantees made under Section 186 of the Companies Act, 2013**

During the F.Y. 2023-24, the Company has not given any loan, guarantee, provides any security and made any investment to any person or body corporate pursuant to Section 186 of the Companies Act, 2013 and the same has been disclosed in the notes to Financial Statements.

• **Particulars of Contracts or Arrangements with related parties as referred under Section 188 (1) of the Companies Act, 2013.**

The Company has not entered in any contracts or arrangement with the Related Parties as referred in Sub-section (1) of Section 188 of the Companies Act, 2013. Moreover, the disclosure of transactions with related party for the year, as per Accounting Standard -18 (Related Party Disclosures) is disclosed in the Financial Statements for the year ended on 31<sup>st</sup> March, 2024.

Further, Information on transactions with related parties pursuant to Section 134(3)(h) of the Act read with rule 8(2) of the Companies (Accounts) Rules, 2014 are given in Annexure II in Form AOC-2 and the same forms part of this report.

• **Dividend / Transfer To Reserves**

The Board of Directors have not recommended any dividend for the Financial Year 2023-24 and consequently no amount has been proposed to be carried on to any reserves.

• **Material changes and commitments occurred between the end of the financial year of the company to which the financial statements relate and the date of the report**

The process for closure of the company is initiated.

• **The details of difference between the amount of valuation at the time of one-time settlement and the valuation done at the time of taking a loan from the banks or financial institutions along with the reasons thereof**

There were no transaction requiring disclosure or reporting in respect of matter relating to instance of onetime settlement with any bank or financial institution.

• **Corporate Resolution Process initiated under IBC Code, 2016**

During the year under review and till the signing of this report of Board of Directors, your Company has not filed any application for corporate insolvency under the IBC before NCLT and no creditor (financial or operational) has filed any application for corporate insolvency under the IBC before NCLT against the Company.

• **Conservation of Energy, technology absorption, foreign exchange earnings and outgo.**

S.No.	Particular	Disclosure
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## Board's Report 2023-24

1	Conservation of Energy	There are no significant particulars relating to conservation of energy. However, energy conservation continues to receive priority attention at all levels. All efforts are made to conserve and optimize use of energy.
2	Technology Absorption	There are no significant particulars relating to technology absorption under the Companies (Accounts) Rules, 2014 as your Company does not own any manufacturing related activity.
3	Foreign Exchange Earnings and Outgo	During the year under review, there is no foreign exchange earnings & outgo.

- **Statement Indicating development and implementation of a risk management policy for the Company including identification therein of elements of Risk, if any, which in opinion of Board may threaten the existence of the Company.**

Ministry of Power (MoP) vide letter dated 12.11.2021 its decision to defer any action on formulation of UMPPs Bidding framework as of now as the country is making energy transition from fossil fuel to non-fossil fuel. Further, MoP vide OM dated 02.06.2023 has conveyed its decision for closure of UMPP. There after which Board of Directors of the Company has decided to initiate the process for closure of company.

Accordingly, Process for closure of DMPL is initiated.

- **Details about the Policy developed and implemented by the Company on Corporate Social Responsibility initiatives taken during the year.**

Provisions of Section 135 of the Companies Act, 2013 are not applicable on the Company and hence the company has not developed and implemented Corporate Social Responsibility Policy.

- **Change in the nature of business**

There has been no change in the nature of business during the period under review.

- **The Companies which have become or ceased to be its subsidiaries, joint ventures or associate companies during the year.**

The Company is wholly owned subsidiary of Power Finance Corporation Limited (PFC). Since Incorporation, the Company has no subsidiary, associate or joint venture Company.

- **Details relating to deposits covered under Chapter V of the Act and details of deposits which are not in Compliance with requirement of Chapter V of the Act:**

The Company has not accepted any public deposit during the year ended 31<sup>st</sup> March, 2024 as covered under the provisions of Section 76 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014.

- **Details of significant and material order passed by regulators or courts, or tribunals impacting the going concern status and Company's operations in future.**

## Board's Report 2023-24

There has been no significant and material order passed by regulators or courts, or tribunals impacting the going concern status and Company's operations in future. However, the Board has decided to initiate the process of the closure of the SPV.

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

The Policy of the Holding Company i.e. Power Finance Corporation Limited ensures compliance as per the Act for the subsidiary company.

### PROVISIONS UNDER COMPANIES ACT, 2013 WHICH ARE NOT APPLICABLE TO THE COMPANY AND HENCE NOT FORMING PART OF THE BOARD'S REPORT

- ✓ Disclosure on Corporate Social Responsibility.
- ✓ Statement of declaration by Independent Director under sub section (6) of section 149.
- ✓ Particulars of Employees u/s 134 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.
- ✓ Details of the Establishment of the Vigil Mechanism
- ✓ Secretarial Audit Report
- ✓ Explanation or comments by the Board on every qualification, reservation or adverse remark or disclaimer made by Company Secretary in Practice in his Secretarial Audit Report.

### STATUTORY AND OTHER INFORMATION REQUIREMENTS


Other Information required to be furnished as per Companies Act, 2013, DPE Guidelines, and other statutory provisions is annexed to this report as under:

Particulars	Annexure
Comments of C&AG on the Financial Statements	I
Form AOC-II	II

### Acknowledgement

The Directors place on record their gratitude to the Central Government, State Governments and their respective agencies for the assistance, co-operation and encouragement they extended to the Company. The Company, in particular, is thankful to Power Finance Corporation Limited, Ministry of Power, DPE, State Procurers, C&AG, Statutory Auditors for their unstinted co-operation and guidance.

For and on behalf of the Board of Directors

  
(Manoj Sharma)  
Chairman  
DIN: 06822395

Place: New Delhi

Date: 28.10.2024





DC(A (Energy)) Rep/0-195/Sec DMFL/2024-25/DIS-211-282

Annexure - I

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

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

7/11/24  
19/11/24

Dated: 18/11/24

सेवा में

अध्यक्ष,  
देवघर मेगा पावर लिमिटेड,  
नई दिल्ली।

विषय: 31 मार्च 2024 को समाप्त वर्ष के लिए देवघर मेगा पावर लिमिटेड, नई दिल्ली के वर्ष 2023-24 के वार्षिक लेखाओं पर कम्पनी अधिनियम, 2013 की धारा 143(6)(b) के अन्तर्गत भारत के नियन्त्रक एवं महालेखापरीक्षक की टिप्पणियाँ।

महोदय,

मैं, देवघर मेगा पावर लिमिटेड, नई दिल्ली के 31 मार्च 2024 को समाप्त वर्ष के लेखाओं पर कम्पनी अधिनियम, 2013 की धारा 143(6)(b) के अन्तर्गत भारत के नियन्त्रक एवं महालेखापरीक्षक की टिप्पणियाँ अंग्रेजित कर रहा हूँ।

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

संलग्नक:- यथापरि।

भारतीय,

(गुलजारी लाल)  
महानिदेशक

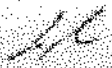
COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(B) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF DEOGHAR MEGA POWER LIMITED FOR THE YEAR ENDED 31 MARCH 2024

The preparation of financial statements of Deochar Mega Power Limited for the year ended 31 March 2024 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditor appointed by the Comptroller and Auditor General of India under section 139(5) of the Act is responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 145(1) of the Act. This is stated to have been done by them vide their Audit Report dated 24 September 2024.

I, on behalf of the Comptroller and Auditor General of India, have decided not to conduct the supplementary audit of the financial statements of Deochar Mega Power Limited for the year ended 31 March 2024 under Section 143(6)(a) of the Act.

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

Place: New Delhi  
Date: 16/10/2024

  
(Gajari Lal)  
Director General of Audit (Energy)

## Board's Report 2023-24

Annexure - II

### FORM AOC-2

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

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

#### **1. Details of contracts or arrangements or transactions not at arm's length basis:**

Deoghar Mega Power Limited (DMPL) has not entered into any contract or arrangement or transaction with its related parties which is not at arm's length basis during the Financial Year 2023-24.

#### **2. Details of contracts or arrangements or transactions not in ordinary course of business:**

Deoghar Mega Power Limited (DMPL) has not entered into any contract or arrangement or transaction with its related parties which is not in ordinary course of business during the Financial Year 2023-24.

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

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

Name of the Company	Nature of Relationship
Power Finance Corporation Limited	Holding Company
PFC Consulting Limited	Subsidiary of the Holding Company

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

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

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

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

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

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

For and on behalf of the Board of Directors

  
(Manoj Sharma)  
Chairman  
DIN: 06822395

45/25



# S.K. Gulati & Associates

CHARTERED ACCOUNTANTS

## INDEPENDENT AUDITOR'S REPORT

To the Members of **M/S DEOGHAR MEGA POWER LIMITED**

### REPORT ON THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

#### OPINION

We have audited the financial statements of **M/s Deoghar Mega Power Limited** ("the Company"), which comprise the balance sheet as at 31st March 2024, the statement of Profit and Loss, the Statement of Changes in Equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2024, its profit/loss, changes in equity and its cash flows for the year ended on that date.

#### BASIS FOR OPINION

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### 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 Board's Report including Annexures to Board's 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 during the course of our audit or otherwise appears to be materially misstated.

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



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website: www.cskca.com

## EMPHASIS OF MATTER

We draw attention to the fact of material uncertainty related to going concern of the company. Our opinion is not modified in respect of this matter.

## MATERIAL UNCERTAINTY RELATED TO GOING CONCERN

We draw your attention to Note No. 1 and 22 of the accompanying standalone financial statements with regard to management's intention to close the company as the desired activities for which the company (SPV) was formed are not progressing since its inception. Ministry of Power (MoP) vide letter dated 12.11.2021 has conveyed its decision to defer any action on the formulation of UMPPs bidding framework as of now, as the country is making energy transition from fossil fuel to non-fossil fuel. Further the MoP advised to review status of all the UMPPs and take necessary correction for closure etc. in consultation with stakeholders. Various communications have been made with stakeholders in this regard since the project is already delayed. Subsequently, MoP vide OM dated 02.06.2023 has given its consent for closure of UMPP and has directed PFCCCL to initiate further necessary action as per Standard Operating Procedure (SoP) formulated by MoP for closure of UMPP. Further MoP in its quarterly performance review meeting (QPRM) dated 23.09.2022 (para 10) has decided that all the expenditure incurred on UMPP(s) is to be recovered from the procurers and amount recoverable from a procurer may be adjusted from surplus in any other UMPP(s). Therefore, the financial statements have not been prepared on going concern basis. The company will be closed/strike off as per provisions of section 248-252 of the Companies Act, 2013 and relevant rules after obtaining necessary approvals from PFC, MoP etc.

## RESPONSIBILITIES OF MANAGEMENT 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 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 Indian 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.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

## AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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



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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

#### REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the 'Annexure A', a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent



2. We are enclosing our report in terms of section 143(5) of the act on the basis of such checks of the books and records of the company as we considered appropriate and according to information and explanations given to us, in the Annexure-B on the directions and sub-directions Issued by Comptroller and Auditor General of India.
3. As required by Section 143 (3) of the Act, we report that:
- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss, the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid financial statements comply with the India Accounting Standards specified under Section 133 of the Act and rules made thereunder.
  - e) Being a Government Company, pursuant to notification No. GSR 463(E) dated 05.06.2015 issued by Ministry of Corporate Affairs, Government of India, provisions 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 with reference to financial statements 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. 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 has disclosed the impact of pending litigations on its financial position in its financial statements.
    - ii. The Company has made provisions, as required under the applicable law and Indian accounting standards, for material foreseeable losses, if any on long term contracts including derivative contracts.
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
    - iv. (a) The management has represented that, to the best of it's knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;




(b) The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(c) Based on such audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material mis-statement.

- v. No dividend has been declared or paid during the year by the company.
- vi. Based on our examination which included test checks, the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

For S. K. GULATI AND ASSOCIATES  
Chartered Accountants  
FRN: 0003069N



  
SUSHIL KUMAR GULATI  
(PARTNER)  
Membership No. 081477

Place:-NEW DELHI

Date: 24-09-2024

UDIN: 24081477BKFA6787353

Generated on 25-09-2024



The Annexure referred to in paragraph 1 of Our Report on "Other Legal and Regulatory Requirements".

We report that:

- (i)
    - (a) (A) The company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment;
    - (B) The Company does not have any intangible assets. Accordingly, clause 3(i)(a)(B) of the Order is not applicable to the Company.
  - (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, no property, plant and machinery is held by the company and has been fully impaired during the year as the same did not hold any realizable value and offered no future economic benefits to the company.
  - (c) As explained to us, the company does not own any immovable property.
  - (d) All the property, plant and machinery of the company held by it have been already impaired and hence no revaluation made during the year.
  - (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- (ii)
    - (a) The company does not have any inventory; hence clause (ii)(a) is not applicable.
    - (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has not been sanctioned during any point of time of the year, working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable.
  - (iii) According to the information and explanations given to us and on the basis of our examination of the records of the company, the company has not made investments in, nor provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year. However as per its agreement with holding company wherein it has parked the unutilized commitment advance along with interest accrued on this advance with the Holding company is to be refunded as per the MOP direction dated 23.09.2022. The same is now treated as other current financial liabilities (net).



- (a) According to the information and explanations given to us and on the basis of our examination of the records of the company, during the year the company has not provided loans or provided advances in the nature of loans, or stood guarantee, or provided security to other entities:
- (b) In consideration of loan agreement and the financial policies of the company along with the representations and disclosures made by the company, none of the terms and conditions of the grant of the loans and advances are prejudicial to the company's interest.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no stipulation of schedule of repayment of principal and payment of interest as all liabilities have been realized as current financial liabilities as there is no going concern.
- (d) No comment as specified in sub-clause C above as there is no schedule of repayment of principal and payment of interest.
- (e) As explained to us, no loan or advance in nature of loan granted which has fallen due during the year has been renewed or extended and no fresh loan granted to settle the over dues of existing loan.
- (f) All the loans and advances granted by the company as per agreement with holding company are now realized as current financial receivable due to absence of Going Concern, are to be simply adjusted as per directions of MoP dated 23.09.2022.
- (iv) According to the information and explanations given to us and on the basis of our examination of the records, the company has not given any loan, guarantee or security to and on behalf of its directors as stipulated under section 185 of the act and the company has complied with the provisions of section 186 of the Act.
- (v) The company has not accepted any deposits or amounts which are deemed to be deposits covered under sections 73 to 76 of the Companies Act, 2013. Accordingly, clause 3(v) of the Order is not applicable.
- (vi) As per information & explanation given by the management, maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the company, the company is regular in depositing undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities. According to the information and explanation given to us there were no outstanding statutory dues as on 31st of March, 2024 for a period of more than six months from the date they became payable.



- (b) According to the information and explanations given to us and on the basis of our examination of the records of the company, there is no statutory dues referred to in sub-clause (a) that have not been deposited on account of any dispute.
- (viii) According to the information and explanations given to us and on the basis of our examination of the records of the company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.
- (ix) (a) In Accordance with the decision of Ministry of Power, the finance agreement allows the company to accept the commitment advance from the Power Procuring utilized as contribution against allotment of specified quota of power, wherein the allotment will take place on completion of the project and successful undertaking of the bid the liability of the outstanding loan and the due interest amount will be recovered from the successful bidder. As per the information provided to us, the projects are terminated by MoP and the amount of liabilities and receivable held by the company are to be set off as per directions of MoP dated 23.09.2022 with no fixed schedule for repayment of loans and other borrowings or for the payment of interest.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the company, the company has not been declared a willful defaulter by any bank or financial institution or other lender;
- (c) According to the information and explanations given to us by the management, the Company has utilized the money obtained by way of term loans during the year for the purposes for which they were obtained.
- (d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short term basis have been used for long term purposes by the company.
- (e) In our opinion and according to the information and explanations given by the management, the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures. Accordingly, clause 3(ix)(e) is not applicable.
- (f) In our opinion and according to the information and explanations given by the management, the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Accordingly, clause 3(ix)(f) is not applicable.
- (x) (a) The company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, clause 3(x)(a) of the Order is not applicable.



- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.
- (xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the company or any fraud on the company has been noticed or reported during the course of audit.
- (b) According to the information and explanations given to us, no report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government;
- (c) According to the information and explanations given to us by the management, no whistle-blower complaints had been received by the company
- (xii) The company is not a Nidhi Company. Accordingly, clause 3(xii)(a), 3(xii)(b) and 3(xii)(c) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, where applicable and the details have been disclosed in the financial statements, as required by the applicable accounting standards;
- (xiv) In our opinion and based on our examination, the company does not require to have an internal audit system. Accordingly, clause 3(xiv) of the Order is not applicable
- (xv) In our opinion and 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 and hence, provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company
- (xvi) (a) In our Opinion and based on our examination, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934). Accordingly, clause 3(xvi)(a) of the Order is not applicable.
- (b) In our Opinion and based on our examination, the Company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable. ,
- (c) In our Opinion and based on our examination, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
- (d) According to the information and explanations given by the management, the Group does not have any CIC as part of the Group.



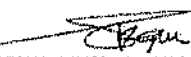
- (xvii) Based on our examination, the company has not incurred cash losses in the financial year and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.
- (xix) On the basis of financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and management plans, specially the consent by the Ministry of Power dated 02.06.2023 for closure of UMPP and directions to PFCCCL to initiate further action as per Standard Operating Procedure for closure of UMPP and directions dated 23.09.2022 for meeting out the dues of the company through its procurers and based on our examinations of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.
- (xx) Based on our examination, the provision of section 135 are not applicable on the company. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.
- (xxi) The company is not required to prepare Consolidate financial statement hence this clause is not applicable.

Place:-NEW DELHI  
Date: 24-09-2024  
UDIN: 24081477BKFAGR7353

Generated on 25-09-2024



For S. K. GULATI AND ASSOCIATES  
Chartered Accountants  
FRN: 0003069N

  
SUSHIL KUMAR GULATI  
(PARTNER)  
Membership No. 081477

**Replies to the directions issued by Comptroller & Auditor General of India to the Statutory Auditor under section 143(5) of the Company Act, 2013 for the year ending as on 31.03.2024**

Sr. 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 transactions through IT system i.e. Oracle. In our opinion and to the best of our information and explanations given to us, the company has adequate control system to verify the correctness of the entries posted in Oracle.
2.	Whether there is any restructuring of an existing loan or cases of waiver/write off of debts/loans/interest etc. made by a lender to the company due to the company's inability to repay the loan? If yes, the financial impact may be stated. Whether such cases are properly accounted for? (In case, lender is a Government company, then this direction is also applicable for statutory auditor of lender company).	There is no restructuring of any existing loan and no cases of waiver/write off of debts/loans /interest etc. hence this clause is not applicable.
3.	Whether funds (grants/subsidy etc.) received/receivable for specific schemes from Central/State Government or its agencies were properly accounted for/utilized as per its term 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.



***Report on Internal Financial Controls with reference to financial statements***

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 M/s Deoghar Mega Power Limited ("the Company") as of March 31, 2024 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. 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 judgement, 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 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

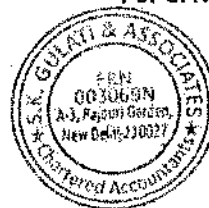
In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria 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.

Place:-NEW DELHI

Date: 24-09-2024

UDIN: 24081477BKFA67353


Generated on 25-09-2024



For S. K. GULATI AND ASSOCIATES

Chartered Accountants

FRN: 0003069N

  
SUSHIL KUMAR GULATI  
(PARTNER)

Membership No. 081477





# S.K. Gulati & Associates

CHARTERED ACCOUNTANTS

## Compliance Certificate

We have conducted the audit of annual accounts of Deoghar Mega Power Limited for the year ended 31st March, 2024 in accordance with the directions/sub-directions issued by the C&AG of India under section 143(5) of the Companies Act, 2013 and certify that we have complied with all the Directions/ Sub-directions issued to us.

Place:-NEW DELHI

Date: 24.09.2024

UDIN: 24081477BKFA967353

Generated on 24-09-2024



For S. K. GULATI AND ASSOCIATES  
Chartered Accountants  
FRN: 0003069N

SUSHIL KUMAR GULATI  
(PARTNER)

Membership No. 081477

A-3, Rajouri Garden, New Delhi-110027  
Tel: 011-261427601 Fax: 26069699702  
E-mail: skgass@emil.com  
website: www.cakgja.com

**DEOGHAR MEGA POWER LIMITED**  
(CIN:U40300DL2012GD1234839)


Balance Sheet as at March 31, 2024


(₹ in Hundreds)

Particulars		Note No.	As at March 31, 2024.	As at March 31, 2023
(I)	<b>ASSETS</b>			
(1)	<b>Non-current assets</b>			
	(a) Property, plant and equipment	4	-	-
	(b) Capital work in progress	5	-	-
	<b>Total non-current assets</b>		-	-
(2)	<b>Current assets</b>			
	(a) Financial assets			
	(i) Cash and cash equivalents	6	486.71	1,190.39
	(ii) Other financial assets	7	13,34,243.47	12,32,439.81
	(b) Current tax assets (Net)	8	6,555.23	3,990.70
	(c) Other current assets	9	7,950.00	7,950.00
	<b>Total current assets</b>		<b>13,49,235.41</b>	<b>12,45,570.90</b>
	<b>Total assets</b>		<b>13,49,235.41</b>	<b>12,45,570.90</b>
(II)	<b>EQUITY AND LIABILITIES</b>			
(1)	<b>EQUITY</b>			
	(a) Equity share capital	10	5,000.00	5,000.00
	(b) Other equity	11	(287.64)	(287.64)
	<b>Total equity</b>		<b>4,712.36</b>	<b>4,712.36</b>
(2)	<b>LIABILITIES</b>			
(A)	<b>Current liabilities</b>			
	(a) Financial liabilities			
	(i) Borrowings	12	1,46,367.14	52,405.76
	(ii) Other financial liabilities	13	11,92,717.23	11,83,968.98
	(b) Other current liabilities	14	5,438.69	4,483.81
	<b>Total current liabilities</b>		<b>13,44,523.06</b>	<b>12,40,858.55</b>
	<b>Total equity and liabilities</b>		<b>13,49,235.41</b>	<b>12,45,570.90</b>


See accompanying notes to the Financial Statements 1-35

For and on behalf of Board of Directors

  
(Rajesh Kumar Agarwal)  
Director  
DIN:09699001

  
(Manoj Sharma)  
Chairman  
DIN: 06822395

As per our report of even date  
For and on behalf of  
S.K. Gulati & Associates  
Chartered Accountants  
Firm Regn. No. : 003069N

  
(Sushil Kumar Gulati)  
Partner  
M. No. : 081477



Place : New Delhi  
Date : 24-09-2024

UDIN: 24081477BKFA967353  
Generated on 25-09-2024


DEOGHAR MEGA POWER LIMITED  
(CIN:U40300DL2012GOI234839)


Statement of Profit and Loss for the year ended March 31, 2024

Particulars	Note No.	₹ in Hundreds	
		For the year ended March 31, 2024	For the year ended March 31, 2023
Revenue from operations		-	-
Other income	15	25,640.72	20,529.23
<b>Total income (I)</b>		<b>25,640.72</b>	<b>20,529.23</b>
Expenses			
Finance costs	16	25,640.72	20,469.99
Other expenses	17	-	-
<b>Total expenses (II)</b>		<b>25,640.72</b>	<b>20,469.99</b>
<b>Profit before tax (I - II = III)</b>		<b>-</b>	<b>59.24</b>
Tax expense: (IV)			
Current tax	18	-	14.91
Deferred tax		-	-
<b>Net Profit after tax (III - IV = V)</b>		<b>-</b>	<b>44.33</b>
Other Comprehensive Income (VI)		-	-
<b>Total Comprehensive Income for the year (V + VI = VII)</b>		<b>-</b>	<b>44.33</b>
Earnings per equity share: (VIII)			
Basic & Diluted (Par value of Rs.10 each)	19	-	0.09

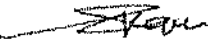
See accompanying notes to the Financial Statements: 1-35

For and on behalf of Board of Directors

  
(Rajesh Kumar Agarwal)  
Director  
DIN:09699001

  
(Manoj Sharma)  
Chairman  
DIN: 06822395

As per our report of even date  
For and on behalf of  
S.K. Gulati & Associates  
Chartered Accountants  
Firm Regn. No. : 003069N

  
(Sushil Kumar Gulati)  
Partner  
M. No. : 081477



Place : New Delhi  
Date : 24-09-2024  
UDIN: 24081477BKPAQB7353  
Generated on 25-09-2024



DEOGHAR MEGA POWER LIMITED  
(CIN:U40300DL2012GOI234839)

Statement of cash flows for the year ended March 31, 2024


		[In Hundreds]	
Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023	
<b>A. Cash flow from operating activities:</b>			
Net profit/(loss) before tax		59.24	
<b>Adjustments:</b>			
Interest income (unutilised portion)	(25,640.72)	(20,469.99)	
Interest expenses (unutilised portion)	25,640.72	20,469.99	
<b>Operating Profit/(loss) before Working Capital changes</b>		<b>59.24</b>	
<b>Adjustments for changes in Working Capital :</b>			
- Increase/(decrease) in other current financial liabilities	4,489.31	2,639.86	
- Increase/(decrease) in other current financial assets	(744.17)		
- Increase/(decrease) in other current liabilities	954.88	(108.85)	
- (Increase)/decrease in other current assets			
<b>Cash generated from operating activities</b>	<b>4,700.02</b>	<b>2,590.25</b>	
Income taxes paid (net of refunds)	(2,564.53)	(566.44)	
<b>Net cash from operating activities</b>	<b>2,135.49</b>	<b>2,023.81</b>	
<b>B. Cash flow from Investing activities:</b>			
Interest income	2,564.53	2,047.00	
<b>Net cash from Investing activities</b>	<b>2,564.53</b>	<b>2,047.00</b>	
<b>C. Cash flow from Financing Activities:</b>			
Proceeds from borrowings			
Interest expense	(5,403.69)	(4,448.81)	
<b>Net cash from financing activities</b>	<b>(5,403.69)</b>	<b>(4,448.81)</b>	
<b>Net (Decrease) in cash &amp; cash equivalents</b>	<b>(703.68)</b>	<b>(378.00)</b>	
Opening Cash and cash equivalents	1,190.39	1,568.39	
Closing Cash and cash equivalents (Note-6)	486.71	1,190.39	
<b>Comprising of:</b>			
Balance with banks in current accounts	486.71	1,190.39	

See accompanying notes to the Financial Statements

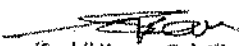
1-35

For and on behalf of Board of Directors

  
(Rajesh Kumar Agarwal)  
Director  
DIN:09699001

  
(Mahoj Sharma)  
Chairman  
DIN: 06822395

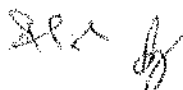
As per our report of even date  
For and on behalf of  
S.K. Gulati & Associates  
Chartered Accountants  
Firm Regn. No. : 003069N

  
(Sushil Kumar Gulati)  
Partner  
M. No. : 081477



Place : New Delhi  
Date : 24-09-2024

UDIN: 24081477BKFAGB7353  
Generated on 25-09-2024



**DEDGHAR MEGA POWER LIMITED**  
(CIN:U40300DL2012GOI234839)

Statement of Changes in Equity for the year ended March 31, 2024

**a. Equity share capital**

**(1) Current reporting period (FY 2023-24)**

(₹ in Hundreds)

Balance as at 1st April 2023	Changes in Equity Share Capital due to prior period errors	Restated balance as at 1st April 2023	Changes in equity share capital during the current year	Balance at the 31st March 2024
5,000.00	-	5,000.00	-	5,000.00

**(2) Previous reporting period (FY 2022-23)**

(₹ in Hundreds)

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

**b. Other Equity**

**(1) Current reporting period (FY 2023-24)**

(₹ in Hundreds)

Particulars	Reserves and Surplus		Total
	Retained earnings	Others	
Balance as at 1st April 2023	(287.64)	-	(287.64)
Changes in accounting policy or prior period errors	-	-	-
Restated balance as at 1st April 2023	(287.64)	-	(287.64)
Total Comprehensive Income for the current year	-	-	-
Others	-	-	-
Balance at the 31st March 2024	(287.64)	-	(287.64)

**(2) Previous reporting period (FY 2022-23)**

(₹ in Hundreds)


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

See accompanying notes to the Financial Statements

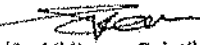
1-35

For and on behalf of Board of Directors

  
(Rajesh Kumar Agarwal)  
Director  
DIN: 09699001

  
(Manoj Sharma)  
Chairman  
DIN: 06822395

As per our report of even date  
For and on behalf of  
S.K. Gulati & Associates  
Chartered Accountants  
Firm Regn. No.: 003069N

  
(Sushil Kumar Gulati)  
Partner  
M. No.: 081477



Place: New Delhi  
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UDIN: 24081477BKFA467353  
Generated on 25.09.2024

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

Notes to the Financial Statements for the year ended March 31, 2024

**1 Corporate Information**

Deochar Mega Power Limited "the Company" was incorporated on April 26, 2012 under the Companies Act, 1956 as a wholly owned subsidiary of Power Finance Corporation Limited (PFCL), a Govt. of India Undertaking. The registered office of the Company is located at First Floor, Ujjanidhi, 1, Barakhamba Lane, Connaught Place, New Delhi -110001. The Company is a special purpose vehicle incorporated to facilitate the acquisition of land and complete preliminary works viz statutory clearances including that of environment, forest, etc. for the purpose of establishing Ultra Mega Power Project of 4000 MW in the state of Jharkhand (Project). The site for the project had been identified at Hussainabad, Devipur Division, District Deochar, as recommended by CEA and "in-principle" approved by Govt. of Jharkhand. Dhulia (North) coal block was identified for the project.

Ministry of Power (MoP) vide letter dated 12.11.2021 has conveyed its decision to defer any action on the formulation of UMPPs bidding framework as of now, as the country is making energy transition from fossil fuel to non-fossil fuel. Further the MoP advised to review status of all the UMPPs and take necessary correction for closure etc. in consultation with stakeholders. Various communications has been made with stakeholders in this regard since the project is already delayed.

Subsequently, MoP vide OM dated 02.06.2023 has given its consent for closure of UMPP and has directed PFCCL to initiate further necessary action as per Standard Operating Procedure (SoP) formulated by MoP for closure of UMPP. Further MoP in its quarterly performance review meeting (QPRM) dated 23.09.2022 (para 10) has decided that all the expenditure incurred on UMPP(s) is to be recovered from the procurers and amount recoverable from a procurer may be adjusted from surplus in any other UMPP(s). Therefore the financial statements have not been prepared on going concern basis. The company will be closed/struck off as per provisions of section 248-252 of the Companies Act, 2013 and relevant rules after obtaining necessary approvals from PFC, MoP etc.

**2 General**

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

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

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

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

**(b) Use of Estimates**

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

**3 Significant Accounting Policies**

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

Income and expenses are accounted for on accrual basis.

**(b) Borrowing Cost**

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



- (c) **Capital work-in-progress**  
Expenditure incurred during construction period on Survey/ Studies/ Investigation/ Consultancy/ Administration/ Depreciation/Interest etc and other expenditures during construction period is capitalised and treated as Capital-work-in-progress.
- (d) **Property, Plant and Equipment**
- i. Items of PPE are initially recognised at cost. Subsequent measurement is done at cost less accumulated depreciation and accumulated impairment losses, if any, except for freehold land which is not depreciated. An item of PPE retired from active use and held for disposal is stated at lower of the book value or net realizable value.
  - ii. An item of PPE is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of PPE is determined as the difference between the net disposal proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.
- (e) **Depreciation and amortisation**  
Depreciation on items of PPE is provided on Pro-rata basis as per written Down value method considering the useful life and residual value prescribed under the Schedule II of the Companies Act, 2013 or over the shorter useful life as estimated by the Company.  
Amortization is done under straight-line method over the useful life of the assets as estimated by the Company.
- (f) **Prior Period Expenses**  
Material prior period errors are corrected retrospectively by restating the comparative amounts for the prior periods presented in which the error occurred. If the error occurred before the earliest period presented, the opening balances of assets, liabilities and equity for the earliest period presented, are restated.
- (g) **Cash and cash equivalents**  
Cash comprises cash on hand and demand deposits. The Company considers cash equivalents as all short term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.
- (h) **Cash Flow Statement**  
Cash flow Statement is prepared in accordance with the indirect method, whereby net profit/(loss) before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the company are segregated.
- (i) **Taxation**  
Income Tax expense comprises of current and deferred tax. It is recognised in Statement of Profit and Loss, except when it relates to an item that is recognised in OCI or directly in equity, in which case, tax is also recognised in OCI or directly in equity.

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

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

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

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



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- (j) **Provisions, contingent liabilities and contingent assets**  
 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.
- (k) **Financial Instruments**  
 Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instruments.  
 On initial recognition, financial assets and financial liabilities are recognised at fair value plus/ minus transaction cost that are attributable to the acquisition or issue of financial assets and financial liabilities. In case of financial assets and financial liabilities which are recognised at fair value through profit and loss (FVTPL), it's transaction costs are recognised in Statement of Profit and Loss.

**k.1 Financial assets**

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

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

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

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

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

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

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

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

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

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

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



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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 homogeneous 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.

k.2 **Financial liabilities**

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

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

ii) **De-recognition of financial liabilities**

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

(l) **Earnings per share**

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



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**DEOGHAR MEGA POWER LIMITED**  
CIN:U40300DL2012GOI234839

Notes to the Financial Statements for the year ended March 31, 2024

4. Property, plant and equipment

(₹ in Hundreds)

Particulars	Owned	
	Computer & EDP Equipments	Total
<b>Cost or deemed cost</b>		
Balance as at April 01, 2022	1,544.04	1,544.04
Additions	-	-
Deletions	-	-
Balance as at March 31, 2023	1,544.04	1,544.04
Additions	-	-
Deletions	-	-
Balance as at March 31, 2024	1,544.04	1,544.04
<b>Accumulated depreciation and impairment</b>		
Balance as at April 01, 2022	1,466.84	1,466.84
Additions	77.20	77.20
Deletions	-	-
Balance as at March 31, 2023	1,544.04	1,544.04
Additions	-	-
Deletions	-	-
Balance as at March 31, 2024	1,544.04	1,544.04
Carrying amount:		
As at March 31, 2023	-	-
As at March 31, 2024	-	-



/s/

**DEOGHAR MEGA POWER LIMITED**  
(CIN:U40300DL2012GOI234839)  
Notes to the Financial Statements for the year ended March 31, 2024

5. Capital work in progress

Particulars	(₹ in Hundreds)	
	As at March 31, 2024	As at March 31, 2023
Opening Capital work in progress	-	23,50,205.72
Less: Adjusted from Procurers balances (Note- 22)	-	(23,50,205.72)
	-	-

6. Cash and cash equivalents

Particulars	(₹ in Hundreds)	
	As at March 31, 2024	As at March 31, 2023
Balance with Banks: in current accounts	486.71	1,190.39
	486.71	1,190.39

7. Other financial assets

Particulars	(₹ in Hundreds)	
	As at March 31, 2024	As at March 31, 2023
Recoverable from procurers (Note 22 and 24)	13,34,243.47	12,32,439.81
	13,34,243.47	12,32,439.81

8. Current Tax Assets (Net)

Particulars	(₹ in Hundreds)	
	As at March 31, 2024	As at March 31, 2023
Income Tax Refundable	6,555.23	4,005.61
Less: Provision for Income Tax	-	14.91
	6,555.23	3,990.70

9. Other current assets

Particulars	(₹ in Hundreds)	
	As at March 31, 2024	As at March 31, 2023
Unsecured, considered good Advances recoverable in cash or in kind	7,950.00	7,950.00
	7,950.00	7,950.00



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DEOGHAR MEGA POWER LIMITED  
(CIN:U40300DL2012GOI234839)  
Notes to the Financial Statements for the year ended March 31, 2024

10. Equity share capital

Particulars	(₹ in thousands)	
	As at March 31, 2024	As at March 31, 2023
Authorised share capital 50,000 Equity shares of Rs 10 each (As at March 31, 2023: 50,000 Equity shares of Rs 10 each)	5,000.00	5,000.00
Issued, subscribed and paid up capital comprises: 50,000 Equity shares of Rs 10 each fully paid up (As at March 31, 2023: 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, 2024		As at March 31, 2023	
	Number of shares held	Amount	Number of shares held	Amount
Shares outstanding at the beginning of the year	50,000	5,000.00	50,000	5,000.00
Shares issued during the year				
Shares outstanding at the end of the year	50,000	5,000.00	50,000	5,000.00

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

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

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

Particulars	No. of Shares	Amount
As at March 31, 2024 Power Finance Corporation Limited*	50,000	5,000.00
As at March 31, 2023 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, 2024		As at March 31, 2023	
	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.

(v) Details of shareholding of Promoters:

Promoter name	Shares held by promoters at the end of the year		% change during the year
	Number of shares	% of total shares	
As at March 31, 2024			
Power Finance Corporation Limited, the Holding Company	49,400	98.80%	-
Nominees of Power Finance Corporation Limited	600	1.20%	
As at March 31, 2023			
Power Finance Corporation Limited, the Holding Company	49,400	98.80%	
Nominees of Power Finance Corporation Limited	600	1.20%	-



/s/

DEOGHAR MEGA POWER LIMITED  
(CIN:U40300DL2012GO/234839)

Notes to the Financial Statements for the year ended March 31, 2024

11. Other equity

(₹ in Hundreds)

Particulars	As at March 31, 2024	As at March 31, 2023
<u>Retained earnings</u>		
Balance at the beginning of the year	(287.64)	(331.97)
Total comprehensive income for the year	-	44.33
Balance at the end of the year	(287.64)	(287.64)

12. Borrowings (Current)

(₹ in Hundreds)

Particulars	As at March 31, 2024	As at March 31, 2023
<u>Unsecured</u>		
Payable to PFC (including interest)	1,46,367.14	52,405.76
	1,46,367.14	52,405.76

13. Other financial liabilities (Current)

(₹ in Hundreds)

Particulars	As at March 31, 2024	As at March 31, 2023
Expenses payable	5,23,190.56	4,86,491.25
Amount payable to procurers (Note: 22 and 24)	6,69,526.67	6,97,477.72
	11,92,717.23	11,83,968.98

14. Other current liabilities

(₹ in Hundreds)

Particulars	As at March 31, 2024	As at March 31, 2023
Statutory dues payable	5,438.69	4,483.81
	5,438.69	4,483.81

15. Other Income

(₹ in Hundreds)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest on Income Tax refund	-	59.24
Interest receivable from PFC on unutilised portion	25,640.72	20,469.99
	25,640.72	20,529.23

16. Finance costs

(₹ in Hundreds)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest expense on utilised portion	1,00,542.71	84,678.37
Interest expense on unutilised portion	25,640.72	20,469.99
	1,26,183.43	1,05,148.36
Less: Interest expense on utilised portion-adjusted from Procurers balances (Note: 22)	1,00,542.71	84,678.37
	25,640.72	20,469.99



/s/

17. Other expenses

(₹ in Hundreds)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Payment to Auditors		
- Audit Fee	413.00	413.00
Tour & Travelling Expenses	304.44	-
Legal and Professional Charges	361.08	443.70
Impairment of Property, plant and equipment	-	77.20
Other Administrative expenses	-	65.52
<b>Total</b>	<b>1,078.52</b>	<b>999.42</b>
<b>Interest expenses</b>		
Less: Adjusted from Procurers balances (Note 22 and 24)	1,078.52	999.42
<b>Total</b>	<b>-</b>	<b>-</b>

18. Income Taxes

(₹ in Hundreds)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Current tax</b>		
In respect of the current year	-	14.91
<b>Deferred tax</b>		
In respect of the current year	-	-
<b>Total income tax expense recognised in the current year</b>	<b>-</b>	<b>14.91</b>
The income tax expense for the year can be reconciled to the accounting profit as follows:		
Profit before tax	-	59.24
Applicable tax rate	25.17%	25.17%
Computed tax expenses	-	14.91
Income tax expense recognised in statement of profit and loss	-	14.91

19. Earnings per share

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Basic and diluted Earning Per Share</b>		
Face value per Equity Share (Rs.)	10	10
Net Profit / (Loss) after Tax as per Statement of Profit and Loss attributable to Equity Shareholders used as numerator (Rs. in hundreds)	-	44.33
Weighted Average number of Equity Shares used as denominator for calculating Basic EPS (number)	50,000	50,000
<b>Basic and diluted Earning Per Share (Rs.)</b>	<b>-</b>	<b>0.09</b>
There are no dilutive instruments issued by the company.		



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**DEOGHAR MEGA POWER LIMITED**  
(CIN:U40309DL2012GOI234839)  
Notes to the Financial Statements for the year ended March 31, 2024

**20. Financial Instruments**

**(i) Capital management**

The company manages its capital to ensure that it will be able to meet its capital. Company funds its operations through amount received as commitment advance.

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

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

**(ii) Categories of financial instruments**

Particulars	(₹ in Hundreds)	
	As at March 31, 2024	As at March 31, 2023
<b>Financial assets</b>		
Cash and cash equivalents	486.71	1,190.39
Other financial assets	13,70,243.47	12,52,439.81
<b>Financial liabilities</b>		
Borrowings	1,46,367.04	52,405.76
Other financial liabilities	11,92,717.23	11,83,968.98

**(ii) Financial risk management objectives**

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

**(iii) Market Risk**

The Company's activities expose it primarily to the financial risks of changes in interest rates (see note v below). Market risk exposures are measured using sensitivity analysis.

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

**(iv) Foreign Currency risk management**

The company does not have transactions denominated in foreign currencies.

**(v) Interest rate risk management**

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

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

**Interest rate sensitivity analysis**

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

Particulars	(₹ in Hundreds)	
	Year ended March 31, 2024	Year ended March 31, 2023
Impact for Profit or Loss		
Impact for Other comprehensive income		

Since the company is under closure, the interest is being capitalised or recoverable from procurers and further interest on unutilised portion is receivable from PFC and same is payable to procurers on back to back basis, there is no impact on Profit or Loss and other comprehensive income.

**(vi) Other price risks**

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



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

Notes to the Financial Statements for the year ended March 31, 2024

**20. Financial Instruments**

**(vii) 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.

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

**(viii) Liquidity risk management**

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

The table below provides details regarding the contractual maturities of financial liabilities including as at March 31, 2024:

Particulars	Carrying amount	Due in 1st year	Due in 2-5 year	Due in More than 5 year	Due date not specified	(% in Hundreds)
						Total contracted cash flows
<b>Financial Liabilities</b>						
Borrowings	1,46,367.14	1,46,367.14	-	-	-	1,46,367.14
Other financial liabilities	11,92,717.23	11,92,717.23	-	-	-	11,92,717.23

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

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

The table below provides details regarding the contractual maturities of financial assets including estimated interest receipts as at March 31, 2024:

Particulars	Carrying amount	Due in 1st year	Due in 2-5 year	Due in More than 5 year	Due date not specified	(% in Hundreds)
						Total contracted cash flows
Other financial assets	13,34,243.47	13,34,243.47	-	-	-	13,34,243.47

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

Particulars	Carrying amount	Due in 1st year	Due in 2-5 year	Due in More than 5 year	Due date not specified	(% in Hundreds)
						Total contracted cash flows
Other financial assets	12,32,439.81	12,32,439.81	-	-	-	12,32,439.81

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

Particulars	Fair value hierarchy	As at March 31, 2024		As at March 31, 2023	
		Carrying amount	Fair value	Carrying amount	Fair value
		<b>Financial assets</b>			
Cash and cash equivalents	Level 3	486.71	486.71	1,190.39	1,190.39
Other financial assets	Level 3	13,34,243.47	13,34,243.47	12,32,439.81	12,32,439.81
<b>Financial liabilities</b>					
Borrowings	Level 3	1,46,367.14	1,46,367.14	52,405.76	52,405.76
Other financial liabilities	Level 3	11,92,717.23	11,92,717.23	11,83,968.98	11,83,968.98

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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DEOGHAR MEGA POWER LIMITED  
(CIN:U99300DL2012GOI234839)

Notes to the Financial Statements for the year ended March 31, 2024

21 STATEMENT OF TRANSACTIONS WITH RELATED PARTIES

21.1 Name of related parties and description of relationship:

Holding Company		
1	Power Finance Corporation Limited (PFCL)	
Subsidiary of Holding Company (PFCL)		
1	PFCL Consulting Limited (PFCLCL)	2
3	PFCL Power Development and Consultancy Limited	4
5	PFCL Infra Finance (PFCLIFL)	
		REC Limited (RECL)
		PFCL Projects Limited (formerly Coastal Karnataka Power Ltd.) (w.e.f 01.07.2021)
Associate of Holding Company (PFCL)		
1	Bihar Mega Power Limited	2
3	Orissa Integrated Power Limited	4
5	Bharkhand Infrapower Limited	6
7	Coastal Tamil Nadu Power Limited	8
9	Chennai Infrapower Limited	10
		Sakhigopal Integrated Power Company Limited
		Ghogarpali Integrated Power Company Limited
		Odisha Infrapower Limited
		Bihar Infrapower Limited
		Deoghar Infra Limited
Associate of PFCLCL		
1	Bijawar-Vidarbha Transmission Limited (Striked off from the records of Registrar of Companies on 13-03-2024)	2
3	Chhatrapur Transmission Limited	4
5	Fatehgarh III Beawar Transmission Limited (transferred on 01-08-2023)	6
7	Fatehgarh III Transmission Limited (transferred on 02-08-2023)	8
9	Fatehgarh IV Transmission Limited (transferred on 02-08-2023)	10
11	Bikaner III Neemrana Transmission Limited (incorporated on 08-06-2023 & transferred on 27-12-2023)	12
13	Bikaner III Neemrana II Transmission Limited (incorporated on 13-06-2023 & transferred on 27-12-2023)	14
15	Joda Barhi Transmission Limited (incorporated on 20-06-2023)	16
17	Koppal II Gadag II Transmission Limited (incorporated on 21-07-2023 & transferred on 26-12-2023)	18
19	Halvad Transmission Limited (incorporated on 31-10-2023 & transferred on 26-12-2023)	20
21	Paradeep Transmission Limited (incorporated on 30-11-2023)	22
23	Solapur Transmission Limited (incorporated on 14-12-2023 & transferred on 20-03-2024)	24
25	Angul Sondargarh Transmission Limited (incorporated on 01-03-2024)	26
27	Beawar - Mandasor Transmission Limited (incorporated on 19-01-2024)	28
29	Bhuj II Transmission Limited (incorporated on 01-03-2024)	30
31	Kps III Hvd Transmission Limited (incorporated on 18-01-2024)	32
33	Sirohi Transmission Limited (incorporated on 19-01-2024)	34
		Ananthpuram Kurnoor Transmission Limited (transferred on 27-09-2023)
		Siet Transmission Limited
		Beawar Dausa Transmission Limited (transferred on 30-10-2023)
		Bhadla III Transmission Limited (transferred on 27-09-2023)
		Tirwa Transmission Limited (incorporated on 14-06-2023 & transferred on 07-03-2024)
		Negmrana II Kotputli Transmission Limited (incorporated on 11-06-2023 & transferred on 27-12-2023)
		Neemrana II Bareilly Transmission Limited (incorporated on 08-06-2023 & transferred on 27-12-2023)
		Jewar Transmission Limited (incorporated on 06-07-2023 & transferred on 07-03-2024)
		Gola B - Ramgarh B Transmission Limited (incorporated on 06-12-2023)
		Khamla PS1 And 2 Transmission Limited (incorporated on 22-12-2023)
		Ramakantli B - Panagarh Transmission Limited (incorporated on 21-11-2023)
		Vatanan Transmission Limited (incorporated on 15-11-2023 & transferred on 26-12-2023)
		Barmer I Transmission Limited (incorporated on 18-01-2024)
		Bhadla-II & Bikaner-III Transmission Limited (incorporated on 06-02-2024)
		Jamnagar Transmission Limited (incorporated on 06-02-2024)
		Pune- III Transmission Limited (incorporated on 16-01-2024)
		South Odisha Transmission Limited (incorporated on 19-01-2024)



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Associate of IICL			
1	Omara Transmission Limited	2	Pachara Khajuri Power Transmission Limited (Incorporated on 25.06.2023 and transferred on 05.04.2024)
3	Dinika Transmission Limited	4	Kallam Transco Limited (Incorporated on 15.09.2023 and transferred on 05.04.2024)
5	Mandar Transmission Limited	6	Rajasthan Part I Power Transmission Limited (Incorporated on 30.07.2023)
7	Koderma Transmission Limited	8	Shoujlong Power Transmission Limited (Incorporated on 16.06.2023)
9	Luhel Power Transmission Limited	10	Khavda IV C Power Transmission Limited (Incorporated on 27.09.2023)
11	NERES XVI Power Transmission Limited	12	Khavda IV-E2 Power Transmission Limited (Incorporated on 05.10.2023)
13	Khavda II-D Transmission Limited (under the process of striking off the name of Company from the records of Registrar of Companies)	14	Khavda IVA Power Transmission Limited (Incorporated on 09.10.2023)
15	KPS1 Transmission Limited (transferred on 20.04.2023)	16	Khavda V-A Power Transmission Limited (Incorporated on 10.10.2023)
17	Beawar Transmission Limited (transferred on 20.09.2023)	18	Rajasthan IV A Power Transmission Limited (Incorporated on 10.10.2023)
19	Ramgarh B Transmission Limited (transferred on 26.10.2023)	20	Rajasthan IV C Power Transmission Limited (Incorporated on 11.10.2023)
21	Bidar Transmission Limited (transferred on 09.02.2024)	22	Rajasthan IV H1 Power Transmission Limited (Incorporated on 13.10.2023)
23	Sikar Khatri Transmission Limited (transferred on 09.02.2024)	24	Rajasthan IV E Power Transmission Limited (Incorporated on 14.10.2023)
25	Meerut Shanti Power Transmission Limited (transferred on 06.04.2024)	26	Jumkoi-III REZ Power Transmission Limited (Incorporated on 12.12.2023)
27	Dhule Power Transmission Limited (Incorporated on 08.06.2023 and transferred on 09.02.2024)	28	NERGS-I Power Transmission Limited (Incorporated on 13.12.2023)
29	Ishanagar Power Transmission Limited (Incorporated on 09.06.2023 and transferred on 09.02.2024)	30	Kankani Power Transmission Limited (Incorporated on 18.12.2023)
31	Karera Power Transmission Limited (Incorporated on 14.06.2023 and transferred on 09.02.2024)	32	ERES-XXXIX POWER TRANSMISSION LIMITED (Incorporated on 27.03.2024)
33	Pachara Power Transmission Limited (Incorporated on 20.07.2023 and transferred on 14.02.2024)		



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Key Managerial Persons (KMP)*				
S. No.	Name	Designation	Date of Appointment	Date of Cessation
1	Smt. Parvati Choudhary	Chairperson	01.07.2020	30.06.2023
2	Sri Manoj Sharma	Chairman	28.06.2023	Continuing
3	Sri Rakesh Kumar Agarwal	Director	09.08.2022	Continuing
4	Sri Kamlesh Kumar Jangra**	Nominee Director	05.12.2016	Continuing

\* KMP are employee of the Holding Company (PFC) (other than Nominee Director) and deployed on Part Time Basis.

\*\* from Power Procuring Status

## 21.2 Details of Transactions:

### 21.2.1 Transactions with Related Party:

Particulars	[₹ in Hundreds]	
	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Power Finance Corporation, Holding Company</b>		
Interest Expense	72,146.56	60,660.22
Interest income	25,640.72	20,469.99
Borrowings transferred by Infra SPV	40,891.01	-
<b>PFC Consulting Limited, subsidiary of Holding Company</b>		
Interest expenses	28,396.16	29,018.15
Reimbursement of expenses	665.52	586.42
Expenses payable transferred by Infra-SPV	6,319.12	-
<b>Deaghar Infra Limited, associate of Holding Company</b>		
Assets transferred	51,210.13	-
Liabilities transferred	51,210.13	-

### 21.2.2 Outstanding balances with Related Party:

Particulars	[₹ in Hundreds]	
	As at March 31, 2024	As at March 31, 2023
<b>Power Finance Corporation, Holding Company</b>		
Payable to PFC (including interest accrued)	1,46,367.14	52,405.76
<b>PFC Consulting Limited, Fellow Subsidiary</b>		
Expenses Payable	5,22,537.56	4,86,113.25

### 21.3 Compensation of Key Management Personnel:

The KMPs (other than nominee) are employees of Holding Company (PFC). No sitting fees has been paid to the directors.



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**DEOGHAR MEGA-POWER LIMITED**  
(CIN:U40300DL2012GG1234839)

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

22. As disclosed in note 1, MoP vide OM dated 02.05.2023 has directed PFCCl for closure of Deoghar UMPP and therefore from previous financial year 2022-23, the financial statements are not prepared on going concern basis. Accordingly, assets and liabilities are recorded on the basis that the entity will be able to realise its assets and discharge its liabilities in the normal course of business and all such assets and liabilities are considered as current. Further as per MoP decision in (PRM dated 23.09.2022, all the expenditure incurred on UMPP(s) is to be recovered from the procurers and amount recoverable from a procurer may be adjusted from surplus in any other UMPP(s). Accordingly from previous financial year 2022-23 the financial statements are not prepared on going concern basis. Therefore the capital expenditure of the project has been adjusted against amount payable to procurers. The necessary adjustments in the financial statements have been explained in below notes:-
- (i) The expenditure incurred for the project (net of reversal of interest on utilised portion) which was shown as Capital work in progress has been adjusted against the total procurers balances (including interest payable) in proportion to their allocated share of power in the project. Any surplus/deficit after adjustment is to be refunded/called for from the respective procurer. The surplus amount of commitment advance to be refunded has been shown in the Balance Sheet under Other current financial liabilities and receivable amount has been as other current financial assets. The adjustment/recovery/payment of such receivable and liabilities will be made as per MoP directions dated 23.09.2022 and in case of any shortfall, such assets and liabilities will be inter se adjusted.
- (ii) Pursuant to the Financing Agreement with PFC Ltd. total commitment advance of Rs. 15,15,675.13 Hundreds (Previous year Rs. 15,15,675.13 Hundreds) received from procurers was parked with the Holding Company (PFC Ltd.) to pay out expenditures for the project on behalf of the Company. Interest due thereon is appearing under the head Other non-current assets in the Balance Sheet. Further interest was also payable to PFC Ltd. on initial expenditure incurred by it for the company. Such receivables and payables has been netted off and shown as borrowings (current) payable to PFC Ltd.
- (iii) Other expenditure incurred during the year (Note 16 and 17) was previously capitalised in Capital work in progress, however in view of proposed closure and MoP decision as stated above, the expenditure has been adjusted against procurers balances.
23. The company has received Commitment advance of Rs. 13,00,000.00 Hundreds (Previous year Rs. 13,00,000.00 Hundreds) from procurers. Further, in view of the Note No. UMPP/2019-20/01 dated 24.02.2020 regarding the adjustment of commitment advance in other UMPP companies, during the financial year 2019-20 an amount of Rs.2,15,675.13 Hundreds have been credited in procurers account viz. Haryana Rs. 56,955.20 hundreds and Jharkhand Rs. 1,58,719.93 hundreds and therefore balance of commitment advance as on balance sheet date is Rs. 15,15,675.13 Hundreds (Previous year Rs. 15,15,675.13 Hundreds).

The company has been providing for interest payable to PFC Ltd. on the expenses incurred PFC Ltd. for the company from its funds and also to the procurers on commitment advance bifurcating into fund utilized for the project and funds unutilized at rates as per the policy of the Holding Company/Company. Interest on unutilized portion of commitment advance is receivable from PFC Ltd. and the same is payable to procurers on back to back basis. 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. In view of proposed closure of UMPP as per MoP directions, the infra SPV incorporated for holding land, coal blocks etc. for UMPP namely Deoghar Infra Limited is also required to be closed. The Board of Directors of the company in its meeting dated 28.06.2023 has given its consent to takeover the assets and corresponding liabilities of the Infra company for facilitation of closure of Infra company, which has also been approved by the Board of Infra Company. Therefore during the year assets of Rs. 51,210.13 hundreds and corresponding liabilities of Rs.51,210.13 hundreds have been transferred to the company by Infra Company for further adjustment with procurers balances.
25. The expenses appearing in Note-17 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 PFCL/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 Goods and Service tax etc. as applicable to these expenses.
26. **Employer 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	As at
	March 31, 2024	March 31, 2023
(a) Estimated amounts of contracts remaining to be executed on capital account, and not provided for (net of advances)*	1,33,989.30	1,33,989.30
(b) Other commitments		

\*the company is in the process of closure of all contracts and any financial implication due to closure of such contracts as on balance sheet is not ascertainable and the same will be accounted for in subsequent financial year.



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28 **Contingent Liabilities and Contingent assets**

(₹ in hundreds)

Particulars	As at March 31, 2024	As at March 31, 2023
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.		

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, 2024	As at March 31, 2023
(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	As at March 31, 2024	For the year ended March 31, 2023
Statutory Audit Fees (including GST)	413.00	413.00
<b>Total</b>	<b>413.00</b>	<b>413.00</b>

31 **Segment Information**

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

32 **Other Disclosures:**

- (a) Expenditure in foreign currency- NIL  
 (b) Income in foreign exchange- NIL  
 (c) Additional disclosures as per Division II of Schedule III of Companies Act 2013

S.No.	Particulars	As at 31 March 2024	As at 31 March 2023
a)	Title deeds of immovable properties not held in the name of the Company	Not Applicable	Not Applicable
b)	Detail of Revaluation of investment property, property plant & equipment, intangible assets	Not Applicable	Not Applicable
c)	Detail of any loan given to promoters, director & KMP which is repayable on demand or without specifying terms / period of repayment	NIL	NIL
d)	Details of intangible assets under development	Not Applicable	Not Applicable
e)	Details of Benami property held	NIL	NIL
f)	Details for Willful defaulter	NIL	NIL
g)	Detail of pending registration of charge or satisfaction with Registrar of Companies (ROC)	NIL	NIL
h)	Detail of quarterly return or statements of current asset filed by company with banks or financial institution	NIL	NIL
i)	Relationship with struck off Companies	NIL	NIL
j)	Compliance with number of layers of company	NIL	NIL
k)	Compliance with approved scheme of arrangement	NIL	NIL
l)	Details of Utilization of Borrowed fund and Share premium advanced to ore received from Intermediary	NIL	NIL



*[Handwritten Signature]*

33 Ratios:

Details of ratios are as under:-

Ratio	Numerator	Denominator	31.03.2024	31.03.2023	Variance %
(a) Current Ratio	Current Assets	Current Liabilities	1.00	1.00	0.00%
(b) Debt-Equity Ratio	Total Debt	Shareholder's Equity	0.00	0.00	0.00%
(c) Debt Service Coverage Ratio	Earnings available for debt service	Debt Service			
(d) Return on Equity Ratio	Net Profits after taxes	Average Shareholder's Equity		0.01	100*
(e) Inventory turnover ratio	Cost of goods sold OR sales	Average Inventory			
(f) Trade Receivables turnover ratio	Net Credit Sales	Average Trade Receivables			
(g) Trade payables turnover ratio	Net Credit Purchases of services	Average Trade Payables			
(h) Net capital turnover ratio	Net Sales	Working Capital			
(i) Net profit ratio	Net Profit after taxes	Net Sales			
(j) Return on Capital employed	Earning before interest and taxes	Capital Employed= Tangible Net Worth + Total Debt		0.01	100*
(k) Return on investment	Return	Investment			

Reason for variance > 25%


\* Interest received on income tax refund.


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

35 Approval of financial statements


The Financial Statements for the year ended 31st March 2024 were approved by the Board of Directors and authorised for issue on \_\_\_\_\_.

For and on Behalf of Board of Directors

  
 (Rajesh Kumar Agarwal)  
 Director  
 DIN: 09699001

  
 (Manoj Sharma)  
 Chairman  
 DIN: 06822395

As per our report of even date  
 For and on behalf of  
 S.K. Gulati & Associates  
 Chartered Accountants  
 Firm Regn. No. : 003069N

  
 (Sushil Kumar Gulati)  
 Partner  
 M. No. : 081477



Place : New Delhi  
 Date : 24-09-2024

UDIN: 2408147701KFAQB7353  
 Generated on 25-09-2024





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PFC OFFICE (POWER FINANCE CORPORATION LIMITED)  
Deochar Mega Power Limited

