

## **Independent Auditors' Report**

To  
The Members,  
KARANPURA ENERGY LIMITED,  
Ranchi.

### **Report on the Financial Statements**

We have audited the accompanying financial statements of Karanpura Energy Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2020, and the Statement of Profit and Loss for the year then ended and a summary of significant accounting policies and other explanatory information.

### **Management's Responsibility for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate 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.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial



statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

### **Opinion**

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:

- a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2020; and
- b) In the case of the Statement of profit and loss, of the **loss** for the year ended on that date.
- c) In the case of statement of cash flow for the year ended on that date.

### **Report on Other Legal and Regulatory Requirements**

1. As required by the company (Auditors Report) order, 2016 ("the order"), issued by the central Government of India in terms of sub-section (11) of section 143 of the company Act, 2013, we give in the "ANNEXURE A" a statement on the matters specified in paragraphs 3 & 4 of the order to the extent applicable.
2. As required by section 143(3) of the Act, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
  - b. In our opinion, proper books of accounts as required by law have been kept by the Company so far as it appears from the examination of those books.
  - c. The Balance Sheet and the Statement of Profit and Loss and cash flow dealt with by this report are in agreement with the books of accounts.



- d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e. On the basis of the written representations received from the directors as on March 31, 2020, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020, from being appointed as a director in terms of Section 164(2) of the Act.
- f. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position;
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For and on behalf of  
**PRADEEP KUMAR JAIN & ASSOCIATES**  
Chartered Accountants  
Firm Registration No.: 003937C

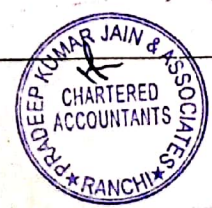
  
(PRADEEP KUMAR JAIN)  
Partner  
Membership No.: 072978  
UDIN - 21072978 AAAADU4010  
Place: Ranchi  
Date: 04/03/2021



**KARANPURA ENERGY LIMITED**  
**RANCHI**

**Annexure A to the Auditors Report**

|       |                                                                                                                                                                                                                                                                                          |                                                                                                                                                                                                                                                                                          |
|-------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| (i)   | (a) (A) whether the company is maintaining proper records showing full particulars, including quantitative details and situation of Fixed Assets;                                                                                                                                        | The Company has generally maintained proper records showing adequate particulars including quantitative details and location of fixed assets.                                                                                                                                            |
|       | (b) whether these fixed assets have been physically verified by the management at reasonable intervals; whether any material discrepancies were noticed on such verification and if so, whether the same have been properly dealt with in the books of account                           | As per the information and explanation supplied by the management, the fixed asset of the company has been physically verified by the management at the close of the year and no discrepancy was found.                                                                                  |
|       | (c) whether the title deeds of all the immovable properties are held in the name of the company. If not, provide the details thereof.                                                                                                                                                    | There are no immovable properties in the name of the company.                                                                                                                                                                                                                            |
| (ii)  | whether physical verification of inventory has been conducted at reasonable intervals by the management and whether any material discrepancies were noticed and if so, whether they have been properly dealt with in the books of account;                                               | There are no inventory of the company during the year of audit hence this question is not applicable.                                                                                                                                                                                    |
| (iii) | whether during the year the company has granted any loans, secured or unsecured to companies, firms, or any other parties covered by clause (76) of Section 2 of the Companies Act, 2013. If so,                                                                                         | The company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013 therefore, clause 3 (iii) of Companies (Auditor's Report) Order, 2016 is not applicable to the company. |
|       | (a) whether the terms and conditions of the grant of such loans are not prejudicial to the company's interest :                                                                                                                                                                          | Not Applicable                                                                                                                                                                                                                                                                           |
|       | (b) whether the schedule of repayment of principal and interest have been stipulated and whether the repayments or receipts are regular,                                                                                                                                                 | Not Applicable                                                                                                                                                                                                                                                                           |
|       | (c) if the amount is overdue, state the amount overdue for more than ninety days, and whether reasonable steps have been taken by the company for recovery of the principal and interest:.                                                                                               | Not Applicable                                                                                                                                                                                                                                                                           |
| (iv)  | In respect of loans, investments, guarantees, and security whether provisions of section 185 and 186 of the Companies Act, 2013 have been complied with. If not, provide the details thereof.                                                                                            | The company has not given any loans, investments, guarantees, and security as defined in the Section 185 and 186 of the Companies Act, 2013 and the rules framed there under and therefore clause 3 (iv) of Companies (Auditor's report Order, 2016 is not applicable to the company.    |
| (v)   | in case the Company has accepted deposits, whether the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed thereunder, where applicable, have been complied with? If | The company has not accepted any deposits from the public during the year as defined in section 73 to 76 of the Companies Act 2013, and the rules framed there under and therefore clause 3 (v) of companies (Auditor's report Order) 2016 is not                                        |



|        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|--------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|        | not, the nature of such contraventions be stated; If an order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal, whether the Same has been complied with or not?                                                                                                                                                                                                                                                                                  | applicable to the company.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| (vi)   | whether maintenance of cost records has been specified by the Central Government under sub-section (1) of section 148 of the Companies Act and whether such accounts and records have been so made and maintained                                                                                                                                                                                                                                                                                                                 | Maintenance of cost records has not been prescribed by the Central Government u/s 148(1) (d) of the Companies Act, 2013.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| (vii)  | (a) whether the company is regular in depositing undisputed statutory dues including Goods and Service 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 and if not, the extent of the arrears of outstanding statutory dues as on the last day of the financial year concerned for a period of more than six months from the date they became payable, shall be indicated; | According to the information and explanations given to us and the books and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that undisputed statutory dues including provident fund, Income tax, Sales tax, Customs Duty, Wealth Tax and other material statutory dues applicable to the company if any, have been generally deposited regularly with the appropriate authorities during the financial year and no such statutory dues were outstanding as at the last day of financial year under review for a period of more than six months from the date they became payable. |
|        | (b) Where dues referred to in sub-clause (a) have not been deposited on account of any dispute, then the amounts involved and the forum where dispute is pending shall be mentioned. (A mere representation to the concerned Department shall not be treated as a dispute).                                                                                                                                                                                                                                                       | According to the information & explanations given to us there are no disputed statutory dues so this clause is not applicable.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| (viii) | (a) Whether the company has defaulted in repayment of loans or other borrowings to financial institutions or bank Govt. or due to debenture holders? If yes, the period and the amount of default to be reported as per the format below:                                                                                                                                                                                                                                                                                         | The company has not obtained any term loans and not issued any debentures as such clause 3 (viii) of the Companies (Auditors Report) Order, 2016 is not applicable.                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| (ix)   | (a) Whether moneys raised by way of initial public offer or further public offer (including debt instruments) during the year were applied for the purposes for which those are raised. If not, the details together with delays or default and subsequent rectification, if any, as may be applicable, be reported;                                                                                                                                                                                                              | According to information and explanations given to us, the company has not raised any money by way of initial public offer or further public offer including debt instruments and term loan as such clause 3 (ix) of the companies (Auditors Report) Order, 2016 is not applicable to the company.                                                                                                                                                                                                                                                                                                                                           |
| (x)    | (a) whether any fraud by the company or any fraud on the Company has been noticed or reported during the year; If yes, the nature and the amount involved is to be indicated;                                                                                                                                                                                                                                                                                                                                                     | As per the information and explanations of the management, we report that no fraud on or by the company has been noticed or reported during the year.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| (xi)   | Whether managerial remuneration has been paid/provided in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V to the                                                                                                                                                                                                                                                                                                                                                           | No managerial remuneration has been paid.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |



|        |                                                                                                                                                                                                                                                                                                                                                                                                                                               |                                                                                                                                                                                                                                                        |
|--------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|        | Companies Act? If not, state the amount involved and steps taken by the company for securing refund of the same.                                                                                                                                                                                                                                                                                                                              |                                                                                                                                                                                                                                                        |
| (xii)  | Whether the Nidhi Company has complied with the Net Owned Funds to Deposits in the ratio of 1:20 to meet out the liability and whether the Nidhi Company is maintain 10% liquid assets to meet out the unencumbered liability.                                                                                                                                                                                                                | The company is not a NIDHI Company as such clause 3 (xii) of the Companies (Auditor's report) Order, 2016 is not applicable to the Company.                                                                                                            |
| (xiii) | whether 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 etc., as required by the applicable accounting standards;                                                                                                                                                                                     | According to information and explanations given to us, the company has no transactions with their related parties, as such clause 3 (xiii) of the companies (Auditor's Report) Order, 2016 is not Applicable to the company.                           |
| (xiv)  | Whether the company has made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and if so, as to whether the requirement of Section 42 of Companies Act, 2013 have been complied and the amount raised have been used for the purposes for which the funds were raised. If not, provide details in respect of the amount involved and nature of non compliance. | According to information and explanations given to us, no preferential allotment or private placement of shares has been done by the company, hence clause 3 (xiv) of the Companies (Auditor's Report) Order, 2016 is not applicable to the company.   |
| (xv)   | Whether the company has entered into any non-cash transactions with directors or persons connected with him and if so, whether the provisions of section 192 of Companies Act have been complied with.                                                                                                                                                                                                                                        | According to information and explanations given to us, no Cash transactions with directors or persons connected with him are done by the company hence clause 3 (xv) of the Companies (Auditor's Report) Order, 2016 is not applicable to the company. |
| (xvi)  | Whether the company is required to be registered under section 45-1A of the Reserve Bank of India Act, 1934 and if so, whether the registration has been obtained.                                                                                                                                                                                                                                                                            | The company is not required to be registered u/s 45(1A) with RBI.                                                                                                                                                                                      |

FOR PRADEEP KUMAR JAIN & ASSOCIATES

CHARTERED ACCOUNTANTS



(PRADEEP KUMAR JAIN)

PARTNER

MNO-072978

DATE: 04/03/2021



# KARANPURA ENERGY LIMITED

Engineering Building, H.E.C., Dhurwa, Ranchi - 834004, Jharkhand

## 28. Components of other comprehensive income (OCI)

The disaggregation of changes to OCI by each type of reserve in equity is shown below:

During the year ended 31 March 2020

| Particulars                                                                                                                                                                      | FVTOCI reserve | Retained Earnings | Total         |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|-------------------|---------------|
| Adjustment for reversal of Panel Interest on Government Loan considered as extra ordinary item in 2018-19                                                                        | 13,386,000.00  | 0.00              | 13,386,000.00 |
| Adjustment for reversal of Panel Interest on Government Loan for 2018-19 considered as Finance Cost in 2018-19                                                                   | 5,354,400.00   |                   | 5,354,400.00  |
| Adjustment for reversal of Interest on Loan Unsecured Loan from JUUNL (Erstwhile JSEB) which was wrongly calculated as compound interest and chrged to Profit & Loss Account     | 56,910,991.00  |                   | 56,910,991.00 |
| Adjustment for reversal of Interest on Loan from Government which was wrongly calculated on 15,52,00,000 in place of Loan of Rs.15,12,00,000 and chrged to Profit & Loss Account | 3,124,274.00   |                   | 3,124,274.00  |
|                                                                                                                                                                                  | 78,775,665.00  | 0.00              | 78,775,665.00 |

During the year ended 31 March 2019

| Particulars                                                                                                                                                                      | FVTOCI reserve | Retained Earnings | Total         |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|-------------------|---------------|
| Adjustment for reversal of Panel Interest on Government Loan considered as extra ordinary item in 2018-19                                                                        | 13,386,000.00  | 0.00              | 13,386,000.00 |
| Adjustment for reversal of Panel Interest on Government Loan for 2018-19 considered as Finance Cost in 2018-19                                                                   | 5,354,400.00   |                   | 5,354,400.00  |
| Adjustment for reversal of Interest on Loan Unsecured Loan from JUUNL (Erstwhile JSEB) which was wrongly calculated as compound interest and chrged to Profit & Loss Account     | 56,910,991.00  |                   | 56,910,991.00 |
| Adjustment for reversal of Interest on Loan from Government which was wrongly calculated on 15,52,00,000 in place of Loan of Rs.15,12,00,000 and chrged to Profit & Loss Account | 3,124,274.00   |                   | 3,124,274.00  |
|                                                                                                                                                                                  | 0.00           | 0.00              | 0.00          |
|                                                                                                                                                                                  | 0.00           | 0.00              | 0.00          |
|                                                                                                                                                                                  | 78,775,665.00  | 0.00              | 78,775,665.00 |

## 28. Components of other comprehensive Expenses (OCE)

The disaggregation of changes to OCE by each type of reserve in equity is shown below:

During the year ended 31 March 2020

|  | FVTOCI reserve | Retained Earnings | Total |
|--|----------------|-------------------|-------|
|  | 0.00           | 0.00              | 0.00  |
|  | 0.00           | 0.00              | 0.00  |

During the year ended 31 March 2019

|  | FVTOCI reserve | Retained Earnings | Total |
|--|----------------|-------------------|-------|
|  | 0.00           | 0.00              | 0.00  |
|  | 0.00           | 0.00              | 0.00  |



For KARANPURA ENERGY LIMITED

*[Signature]*  
Director  
DIN : 01437506

*[Signature]*  
Director  
DIN : 08063574

**General Corporate Information:** Karanpura Energy Limited (the company) is a public limited company domiciled in India and incorporated on 19.09.2008, under the provisions of Companies Act, 1956. The Company is incorporated for development of coal block but the coal block has been deallocated by MOC,GOI, vide its letter dtd.27/12/2019. Thus, the basic objective of the company is now vanished and thus closure needs to be effected, after having the confirmation in this regard from the Board & Members.

#### 11.1 Basis of Accounting

The financial statements of the company have been prepared in accordance with the Indian accounting standards (Ind AS) notified under the companies (Indian Accounting standard) Rules 2015 as amended from time to time.

For all periods up to and including the year 31st March 2020, the company prepare its financial statements in accordance with the accounting standard notified under section 133 of the Companies Act, 2013 read together with paragraph VII of the Companies (Account Rules), 2014 Indian GAAP. These financial statements for the year ended 31st March 2020 are the first financial year, the company has prepared in accordance with Indian accounting standards (Ind AS), consequent to the notification of the Companies (Indian accounting standards) Rules 2015 (the rules) issued by the MCA.

Further, in accordance with the rules the company has restated its balance sheet as on 1st April 2018 and also restated the financial statement for the year ended 31st March 2019 as per IND AS.

For preparation of the opening balance sheet as per IND AS as on 01-04-2019, the company has availed exception and first time adoption policy is in accordance with Ind AS 101 "first time adoption of Indian accounting standards". The financial statements have been prepared on historical cost basis.

#### 11.2 Significant accounting judgments estimates and assumptions

The preparation of the company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amount of revenues and expenses Assets and liabilities and the accompanying disclosures and the disclosures of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

#### 11.3 Estimates and assumptions

The company have made its assumption and estimates on the available parameter in course of preparing financial statements. Existing circumstances and assumptions about future development, however, may change due to market changes or change in circumstances which are beyond the control of the company. All such changes reflected are on the basis of specific assumptions.

#### 11.4 Significant Accounting Policies

**Accounting Convention:** Financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standard) Rules, 2015 as amended by the Companies (Indian Accounting Standards) Amendment Rules, 2016 and in accordance to the relevant provision of the Companies Act, 2013 ("the Act") (to the extent notified). The financial statements have been prepared on an accrual basis and under the historical cost convention.

The preparation of financial statements in conformity with the Indian Accounting Standards require management to make, estimates and assumptions that affect the reported amount of assets and liabilities at the date of the financial statements, and the reported amount of revenues and expenses during the year.

**Historical Cost Convention:** The financial statements have been prepared on a historical cost basis.

**Current and non-current classification:** All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle (twelve months) and other criteria set out in the Schedule III to the Act.

**Trade and other payables:** The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at their fair value and subsequently measured at amortized cost using the effective interest method, wherever necessary.

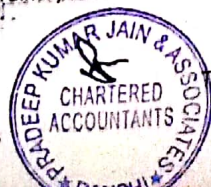
**Use of Estimates:** The preparation of the financial statements in conformity with Ind AS require estimates and assumptions to be made that affect the reported amount of assets and liabilities at the date of the financial statements and reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known / materialized.

#### 23 RELATED PARTY TRANSACTIONS

The related parties as per the terms of Ind AS-24, "Related Party Disclosures", (specified under section 133 of the Companies Act, 2013, read with Rule 7 of Companies (Accounts) Rules, 2015) and description of their relationship and transaction carried out with them during the year in the ordinary course of business are given below:

##### 23.1 Details of Related Parties:

| Name of Related Parties | Type of Relation |
|-------------------------|------------------|
|-------------------------|------------------|



23.2 Details of related party transactions during the year ended 31.03.2020 :

|             |                                                    | (Rs.in Amount) |                        |     |                         |
|-------------|----------------------------------------------------|----------------|------------------------|-----|-------------------------|
| Particulars |                                                    |                | Current Year<br>Amount |     | Previous Year<br>Amount |
| A)          | JUUNL (Earstwhile JSEB)                            |                |                        |     |                         |
|             | Balance Out Standing at the beginning of the year. | Cr.            | 39,326,000.00          | Cr. | 39,326,000.00           |
|             | Amount of services availed from the party :        |                |                        |     |                         |
|             | Balance Outstanding at the close of the year.      | Cr.            | 39,326,000.00          | Cr. | 39,326,000.00           |
| B)          | Government of Jharkhand                            |                |                        |     |                         |
|             | Balance Out Standing at the beginning of the year. | Dr.            | 155,200,000.00         | Cr. | 155,200,000.00          |
|             | Adjustment for Rectification in the Loan Amount    |                | (4,000,000.00)         |     |                         |
|             | Balance Out Standing at the close of the year.     | Dr.            | 151,200,000.00         | Dr. | 155,200,000.00          |



Dr.

Pradeep Kumar Jain

# KARANPURA ENERGY LIMITED

Engineering Building, H.E.C., Dhurwa, Ranchi - 834004, Jharkhand

DISCLOSURES UNDER MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006 (MSMED)

There are no Micro and Small Scale Business Enterprises, to whom the company owes dues, which are outstanding for more than 45 c

## 25 EXPENDITURE IN FOREIGN CURRENCY

| Particulars                   | FY 2019-2020 | FY 2018-2019 |
|-------------------------------|--------------|--------------|
| Purchase of Fixed Asset       | NIL          | NIL          |
| Purchase of Stores and Spares | NIL          | NIL          |

## 26 EARNING IN FOREIGN EXCHANGE

| Particulars | FY 2019-2020 | FY 2018-2019 |
|-------------|--------------|--------------|
|             | NIL          | NIL          |

## 27 VALUE OF IMPORTS (CALCULATED ON CIF BASIS)

| Particulars                   | FY 2019-2020 | FY 2018-2019 |
|-------------------------------|--------------|--------------|
| Purchase of Fixed Asset       | NIL          | NIL          |
| Purchase of Stores and Spares | NIL          | NIL          |

## 28 VALUE OF RAW MATERIALS CONSUMED

| Particulars | FY 2019-2020<br>Rs. In Amount | % | FY 2018-2019<br>Rs. In Amount | % |
|-------------|-------------------------------|---|-------------------------------|---|
| Indegeneous | NIL                           | 0 | NIL                           | 0 |
| Imported    | NIL                           | 0 | NIL                           | 0 |

## 29 VALUE OF STORES/ SPARES & COMPONENTS CONSUMED

| Particulars | FY 2019-2020<br>Rs. In Amount | % | FY 2018-2019<br>Rs. In Amount | % |
|-------------|-------------------------------|---|-------------------------------|---|
| Indegeneous | NIL                           | 0 | NIL                           | 0 |
| Imported    | NIL                           | 0 | NIL                           | 0 |

## 30 CONTINGENT LIABILITY CAPITAL & OTHERS COMMITMENTS (to the extent not provided for)

| Particulars                           | FY 2019-2020 | FY 2018-2019 |
|---------------------------------------|--------------|--------------|
| Contingent Liability Not Provided For | NIL          | NIL          |
| Capital & other Commitments           | NIL          | NIL          |

**Note 30.1** Provision is recognized when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. Disclosure for contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. No provision is recognized or disclosure for contingent liability is made when there is a possible obligation or a present obligation and the likelihood of outflow of resources is remote. Contingent Asset is neither recognized nor disclosed in the financial statements.

## 31 SEGMENT REPORTING

As the Ministry of Coal, Govt. of India vide its letter dated 27.12.2019, deallocated the Coal Block and so the purpose of the Company is no more in existence. Thus closure needs to be effected, after having the confirmation in this regard from the Board of Directors and Members. There are no disclosures to be provided under IND AS 108 i.e. operating segment.

## 32 DISCLOSURE UNDER CLAUSE 32 OF LISTING AGREEMENT

There are no reportable transactions / balance with related parties that requires disclosure as per clause 32 of the Listing Agreement.

## 33 The figures have been rounded off to the nearest rupees upto zero decimal places.

Figures relating to April 1, 2020 (date of transition) has been regrouped/reclassified wherever necessary to make them comparable with the current year figures.



Dr

Ad

# KARANPURA ENERGY LIMITED

Engineering Building, H.E.C., Dhurwa, Ranchi - 834004, Jharkhand

## 34 FAIR VALUE HIERARCHY

The following table provides the fair value measurement hierarchy of the Group's assets :

Quantitative disclosures fair value measurement hierarchy for assets as at March 31, 2020:

(Amount in Rs.)

| Particulars                                                       | Date of Valuation | Fair Value measurement using |                                           |                                         |                                           |
|-------------------------------------------------------------------|-------------------|------------------------------|-------------------------------------------|-----------------------------------------|-------------------------------------------|
|                                                                   |                   | Total                        | Quoted prices in active markets (Level 1) | Significant observable inputs (Level 2) | Significant unobservable inputs (Level 3) |
| Financial Assets<br>Assets measured at fair value:<br>Investments | March 31, 2020    | 0.00                         |                                           |                                         | 0.00                                      |

Quantitative disclosures fair value measurement hierarchy for assets as at March 31, 2019:

(Amount in Rs.)

| Particulars                                                       | Date of Valuation | Fair Value measurement using |                                           |                                         |                                           |
|-------------------------------------------------------------------|-------------------|------------------------------|-------------------------------------------|-----------------------------------------|-------------------------------------------|
|                                                                   |                   | Total                        | Quoted prices in active markets (Level 1) | Significant observable inputs (Level 2) | Significant unobservable inputs (Level 3) |
| Financial Assets<br>Assets measured at fair value:<br>Investments | March 31, 2019    | 0.00                         |                                           |                                         | 0.00                                      |

Quantitative disclosures fair value measurement hierarchy for assets as at March 31, 2018:

(Amount in Rs.)

| Particulars                                                       | Date of Valuation | Fair Value measurement using |                                           |                                         |                                           |
|-------------------------------------------------------------------|-------------------|------------------------------|-------------------------------------------|-----------------------------------------|-------------------------------------------|
|                                                                   |                   | Total                        | Quoted prices in active markets (Level 1) | Significant observable inputs (Level 2) | Significant unobservable inputs (Level 3) |
| Financial Assets<br>Assets measured at fair value:<br>Investments | March 31, 2018    | 0.00                         |                                           |                                         | 0.00                                      |

There are no significant transfers between Level 1, 2 & 3.

## 35 FINANCIAL RISK MANAGEMENT

- > Credit risk
- > Interest risk
- > Liquidity risk
- > Market risk

### CREDIT RISK

Credit Risk is the risk that a counter party will not meet its obligations under a financial instrument or customer contract leading to a financial loss. The Company is exposed to credit risk from its financing

Financial Assets and receivables

Credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to credit risk management. Outstanding advances are regularly monitored.

The impairment analysis is performed at each reporting date on an individual basis. The maximum

Credit risk exposure :

There is no significant credit risk exposure to the company.



# KARANPURA ENERGY LIMITED

Engineering Building, H.E.C., Dhurwa, Ranchi - 834004, Jharkhand

Revenues generated from top customers:

Since the company has not commenced its business yet, there is no revenue generated during the corresponding period.

## Investments

The Company limits its exposure to credit risk by generally keeping the funds in nationalised Banks only. The Company does not expect any losses from non-performance by such institutions.

## INTEREST RATE RISK

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Company does not own interest bearing debt obligations with any other institutions hence is not exposed to significant interest rate risk.

## LIQUIDITY RISK

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at reasonable price. The Company's objective is to at all times maintain optimum levels of liquidity to meet its cash and liquidity requirements. The Company closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate source of financing through the use of short term bank deposits and cash credit facility. Processes and policies related to such risks are overseen by senior management. Management monitors the Company's liquidity position through rolling forecasts on the basis of expected cash flows.

The equity capital of the company contributed by its holding companies is eroded primarily with the reason that the business of the company is not started and the Board of the company decided for closure of the company. The purpose of incorporation of the company was to manage the affairs of coal mine for captive consumption for power plant was defeated as the coal mine allotted to the company is transferred through its holding company to another Government Company. The Company's principal sources of liquidity are cash and cash equivalents. The Company believes that the cash and cash equivalents is sufficient to meet its current requirements. Accordingly no liquidity risk is perceived.

The break-up of cash and cash equivalents is as below.

| Particulars             | (Amount in Rs.)    |                 |
|-------------------------|--------------------|-----------------|
|                         | For the year ended |                 |
|                         | 31st March 2020    | 31st March 2019 |
| Cash & Cash Equivalents | 153,829,403.00     | 158,245,747.00  |
|                         | 153,829,403.00     | 158,245,747.00  |

The table below summarises the maturity profile of the Company's financial liabilities at the reporting date. The amounts are based on contractual undiscounted payments.

| Particulars                 | On Demand | Less than 12 months | 1 to 5 years   | > 5 years |
|-----------------------------|-----------|---------------------|----------------|-----------|
| As at March 31, 2020        |           |                     |                |           |
| Borrowings                  | 0.00      | 0.00                | 181,496,008.00 | 0.00      |
| Trade & other payables      | 0.00      | 0.00                | 0.00           | 0.00      |
| Other financial liabilities | 0.00      | 0.00                | 0.00           | 0.00      |
| As at March 31, 2019        |           |                     |                |           |
| Borrowings                  | 0.00      | 0.00                | 233,294,619.00 | 0.00      |
| Trade & other payables      | 0.00      | 0.00                | 0.00           | 0.00      |
| Other financial liabilities | 0.00      | 0.00                | 0.00           | 0.00      |
| As at March 31, 2018        |           |                     |                |           |
| Borrowings                  | 0.00      | 0.00                | 215,687,572.00 | 0.00      |
| Trade & other payables      | 0.00      | 0.00                | 0.00           | 0.00      |
| Other financial liabilities | 0.00      | 0.00                | 0.00           | 0.00      |

## MARKET RISK

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company does not face exchange risk as it is not engaged in foreign operations.



Dr

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# KARANPURA ENERGY LIMITED

Engineering Building, H.E.C., Dhurwa, Ranchi - 834004, Jharkhand

## Financial Instruments

The accounting classification of each category of financial instruments, their carrying amounts and fair value amounts are set out below

### Financial Assets : March 31, 2020

| (Amount in Rs.)                |                                   |                       |                       |                       |
|--------------------------------|-----------------------------------|-----------------------|-----------------------|-----------------------|
| Particulars                    | Fair Value through Profit or Loss | Amortised Cost        | Total carrying cost   | Total fair value      |
| Investments                    |                                   |                       |                       | 0.00                  |
| Loans                          |                                   |                       |                       | 0.00                  |
| Cash and Cash Equivalents      |                                   | 153,829,403.00        | 153,829,403.00        | 153,829,403.00        |
| Other Current Financial Assets |                                   | 4,024.00              | 4,024.00              | 4,024.00              |
| <b>Total</b>                   | <b>0.00</b>                       | <b>153,829,403.00</b> | <b>153,833,427.00</b> | <b>153,833,427.00</b> |

March 31, 2019

| (Amount in Rs.)                |                                   |                       |                       |                       |
|--------------------------------|-----------------------------------|-----------------------|-----------------------|-----------------------|
| Particulars                    | Fair Value through Profit or Loss | Amortised Cost        | Total carrying cost   | Total fair value      |
| Investments                    |                                   |                       |                       | 0.00                  |
| Loans                          |                                   |                       |                       | 0.00                  |
| Cash and Cash Equivalents      |                                   | 158,245,747.00        | 158,245,747.00        | 158,245,747.00        |
| Other Current Financial Assets | 0.00                              | 2,028.00              | 2,028.00              | 2,028.00              |
| <b>Total</b>                   | <b>0.00</b>                       | <b>158,247,775.00</b> | <b>158,247,775.00</b> | <b>158,247,775.00</b> |

March 31, 2018

| (Amount in Rs.)                |                                   |                       |                       |                       |
|--------------------------------|-----------------------------------|-----------------------|-----------------------|-----------------------|
| Particulars                    | Fair Value through Profit or Loss | Amortised Cost        | Total carrying cost   | Total fair value      |
| Investments                    |                                   |                       |                       | 0.00                  |
| Loans                          |                                   |                       |                       | 0.00                  |
| Cash and Cash Equivalents      |                                   | 158,427,189.00        | 158,427,189.00        | 158,427,189.00        |
| Other Current Financial Assets |                                   | 0.00                  | 0.00                  | 0.00                  |
| <b>Total</b>                   | <b>0.00</b>                       | <b>158,427,189.00</b> | <b>158,427,189.00</b> | <b>158,427,189.00</b> |

### Financial Liabilities : March 31, 2020

| (Amount in Rs.)                     |                                   |                       |                       |                       |
|-------------------------------------|-----------------------------------|-----------------------|-----------------------|-----------------------|
| Particulars                         | Fair Value through Profit or Loss | Amortised Cost        | Total carrying cost   | Total fair value      |
| Borrowings                          |                                   | 332,696,008.00        | 332,696,008.00        | 332,696,008.00        |
| Trade Payables                      |                                   |                       |                       | 0.00                  |
| Other Current Financial Liabilities |                                   | 137,753,556.00        | 137,753,556.00        | 137,753,556.00        |
| <b>Total</b>                        | <b>0.00</b>                       | <b>470,449,564.00</b> | <b>470,449,564.00</b> | <b>470,449,564.00</b> |

March 31, 2019

| (Amount in Rs.)                     |                                   |                       |                       |                       |
|-------------------------------------|-----------------------------------|-----------------------|-----------------------|-----------------------|
| Particulars                         | Fair Value through Profit or Loss | Amortised Cost        | Total carrying cost   | Total fair value      |
| Borrowings                          |                                   | 388,494,619.00        | 388,494,619.00        | 388,494,619.00        |
| Trade Payables                      |                                   |                       |                       | 0.00                  |
| Other Current Financial Liabilities |                                   | 139,962,230.00        | 139,962,230.00        | 139,962,230.00        |
| <b>Total</b>                        | <b>0.00</b>                       | <b>528,456,849.00</b> | <b>528,456,849.00</b> | <b>528,456,849.00</b> |

March 31, 2018

| (Amount in Rs.)                     |                                   |                       |                       |                       |
|-------------------------------------|-----------------------------------|-----------------------|-----------------------|-----------------------|
| Particulars                         | Fair Value through Profit or Loss | Amortised Cost        | Total carrying cost   | Total fair value      |
| Borrowings                          | 0.00                              | 370,887,572.00        | 370,887,572.00        | 370,887,572.00        |
| Trade Payables                      | 0.00                              | 0.00                  | 0.00                  | 0.00                  |
| Other Current Financial Liabilities | 0.00                              | 0.00                  | 0.00                  | 0.00                  |
| <b>Total</b>                        | <b>0.00</b>                       | <b>370,887,572.00</b> | <b>370,887,572.00</b> | <b>370,887,572.00</b> |

- 39 The management was unable to identify and depreciate significant components with different useful lives separately from the principal asset as required by Note 4 of Schedule II of Companies Act 2013 due to lack of technical expertise on the said matter. However, having a reasonable approach, the company assumes that none of the parts of an item of tangible fixed assets have different useful lives from the remaining parts of the asset or the principal asset and as per the past experience of the company, there are no significant components of existing tangible assets that are used/ can be used for a lifespan shorter/longer than life of the principal asset.



For KARANPURA ENERGY LIMITED

*[Signature]*

Director  
DIN : 01437506

*[Signature]*  
Director  
DIN : 08063574

# KARANPURA ENERGY LIMITED

Engineering Building, H.E.C., Dhurwa, Ranchi - 834004, Jharkhand

Footnotes to the Financial Statement as at April 1st, 2018 and March 31, 2019, March 31, 2020 and Profit or loss for the year ended March 31, 2020

The company recognised interest payable on the loan from JUUNL (Erstwhile JSEB) @13% on compounding basis upto the F.Y. 2018-19. In the year of transition to Ind AS i.e 2019-2020 interest is calculated @13% Simple Interest method. The excess interest upto the F.Y. 2018-19 i.e Rs.5,69,10,991/- is considered and OCI during the year.

The Company calculated and charged panel interest @2.5% on the Loan from Government on the basis of default in repayment of interest and installment. Since the repayment of installment against the loan from Government is not due as the amount of lying in the treasury of the Government, hence the entire amount of Panel Interest charged in the accounts upto the F.y. 2018-19 amounting to Rs. 1,87,40,000/- is reversed and considered in OCI during the year.

The interest on Government Loan was calculated and charged in the accounts up to the F.Y. 2018-19 on the outstanding amount of Rs.15,52,00,000/-. During the year 2019-2020 it has come to the notice that the sanctioned amount of Loan was Rs.15,12,00,000/- only and accordingly the amount of loan is corrected and the excess amount of interest charged in accounts up to the F.Y. 2018-19 amounting to Rs.31,24,274/- is reversed and considered as OCI during the year.

The preliminary expenses of Rs. 3,93,26,000/- reflected in the accounts up to the F.Y. 2018-19 was related to the initial survey work, which was paid by the erstwhile JSEB. During the year 2019-2020, it has been charged to Profit & Loss Account and written off in the accounts.

As per our report of even date attached.

For Pradeep Kumar Jain & Associates  
Chartered Accountants  
FRN : 003987C

For KARANPURA ENERGY LIMITED

Director  
DIN : 01437506

Director  
DIN : 08063574

CA. Pradeep Kumar Jain  
Partner  
M. No. 072978



Place : Ranchi  
Date : 04/03/21