

# **Hiranmaye Energy Limited**

**(Formerly Known as India Power Corporation (Haldia) Limited)**

## **Annual Accounts 2019-20**

**R Kothari & Co LLP**  
CHARTERED ACCOUNTANTS  
KOLKATA, NEW DELHI

INDEPENDENT AUDITOR'S REPORT

To  
THE MEMBERS OF  
HIRANMAYE ENERGY LIMITED

Auditor's Report on the Audit of the Financial Statements

**Qualified Opinion**

We have audited the accompanying Financial Statements of **HIRANMAYE ENERGY LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, *except for the possible effect of the matter described in the basis for qualified opinion section of our report*, the aforesaid Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended ("Ind AS") and other accounting principles accepted in India, of the state of affairs of the Company as at March 31, 2020, , the loss and total comprehensive loss, changes in equity and its cash flows for the year ended on that date.

**Basis for Qualified Opinion**

*We draw your attention to Note No. 29 to the accompanying Financial Statements regarding non capitalization of Unit 1 & 2 of its power plant from the declared date of commercial operation. The company has not capitalized Unit 1 & 2 of the power plant from the date of declaration of commercial operation by the regulatory authority ( CoD of Unit 1 is 13.08.2017 and CoD of Unit 2 is 31.12.2017) and continued to capitalize the borrowing cost and other revenue expenditure incurred after the declared date of CoD under capital work in progress which would otherwise be charged to statement of profit and loss. The aforesaid accounting treatment is not in accordance with the relevant IndAs 16 (Property, Plant & Equipment) and IndAs 23 (Borrowing Cost). The financial impact of such deviation on the statement of profit and loss for the year, shareholder's fund and other reported financials remain unascertained.*

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Website : [www.rkothari.in](http://www.rkothari.in), Web-mail: [kolkata@rkothari.in](mailto:kolkata@rkothari.in)

R Kothari & Co (a partnership firm with FRN-307069E) converted into R Kothari & Co LLP, (a Limited Liability Partnership with LLP Identification No.AAS-5294 w.e.f 30 June,2020)



We conducted our audit of the Financial Statements 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 there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

**Information other than the Financial Statements and Auditor's Report Thereon**

The Company's Board of Directors is responsible for other information. The other information comprises the information included in the Company's Annual Return but does not include the Financial Statements and our Auditor's report thereon.

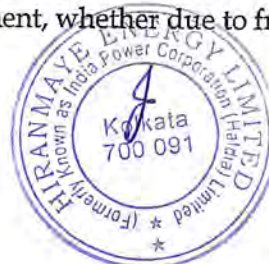
Our opinion on the Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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.

**Responsibility of the Management 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 with respect to the preparation of these financial statements that give a true and fair view of the financial position and financial performance and cash flow of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.



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

The Board of Directors is 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 the material misstatement of the financial statement, 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 financial controls 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 the 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.

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

- I. As required by the Companies (Auditor's Report ) Order, 2016 ("the Order"), issued by the Central Government Of India in terms of sub-section(11) of Section 143 of the 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 applicable.
- II. As required by Section 143(3) of the Act, we report that:
  - a) *Except for the possible effect of the matter described in the basis for qualified opinion section of our report*, 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) *Except for the possible effect of the matter described in the basis for qualified opinion section of our report*, in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss including other comprehensive income, the Cash Flow statement and the statement of changes in equity dealt with by this Report are in agreement with the books of accounts.
  - d) *Except for the possible effect of the matter described in the basis for qualified opinion section of our report*, 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) *The matter described in the basis for qualified opinion section of our report, may have adverse effect on the functioning of the company*



**Continuation Sheet**

- f) On the basis of the written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
- g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- h) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended :

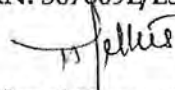
In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

- i) 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:
- a) The Company has disclosed the impact of pending litigations on the financial position in the Financial Statements. *Refer Note 18* to its financial statements.
- b) The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses;
- c) There were no amounts which were required to be transferred by the company to the Investor Education and Protection Fund.

Date: 30.11.2020  
Place: Kolkata  
UDIN: 20064308AAAADM1976

For R KOTHARI & CO LLP  
Chartered Accountants  
FRN: 307069E/E300266



  
CA. Manoj Kumar Sethia  
Partner  
Membership No.:- 064308



**"ANNEXURE A" TO INDEPENDENT AUDITORS' REPORT**

The Annexure A referred to in paragraph I under the heading 'Report on Other Legal & Regulatory Requirements' of our report of even date to the financial statements of the Company for the year ended March 31, 2020, we report that:

- (i) (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of property, plant and equipment.
- (b) The Property, plant and equipment of the Company have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the periodicity of physical verification is reasonable having regard to the size of the company and nature of its assets.
- (c) *The title deeds of the company's immovable properties having book value of Rs. 3257.73 lakhs, as at the balance sheet date being deposited with the lenders REC Limited and Power Finance Corporation Limited. Accordingly, the said documents are not made available for our verification. Photocopies of the title deeds have been verified and found the same held in the name of the company.*
- (ii) The inventories (Coal & Fuel and Project materials under CWIP) have been physically verified by the management during the year at reasonable intervals. In our opinion the frequency of such verification is reasonable. The discrepancies noticed on verification between the physical stocks and the book records were not material having regard to the size of the operation of the Company and the same have been properly dealt with in the books of account.
- (iii) According to the information and explanation given to us and books and records examined by us, 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.
- (iv) According to the information and explanation given to us and books and records examined by us, the Company has not made any investment, advance any loan, given any guarantee or provided any securities to other during the year. Hence, provision of section 185 and 186 of the Companies act 2013 is not applicable.
- (v) The Company has not accepted any deposits from the public and consequently, the directives issued by Reserve Bank of India and provisions of Section 73 to Section 76 or any other relevant provisions of the Companies Act 2013 and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable to the company.



**Continuation Sheet**

- (vi) According to the information and explanation given to us and books and records examined by us, the maintenance of cost records as per provision of section 148(1) of companies act 2013 is not applicable to the company.
- (vii) (a) According to the information and explanation given to us and on the basis of our examination of the books of account, the Company is generally regular in depositing undisputed statutory dues including Provident fund, Employees state insurance fund, income tax, Goods and Services Tax or any other statutory dues during the year with appropriate authorities. However the deposit of statutory dues for certain period was delayed.

According to the information and explanation given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2020 for a period of more than six months from the date on when they become payable.

- (b) *According to the information and explanations given to us and records of the company examined, there were no dues in respect of Provident fund, Employees state insurance fund, income tax, sales tax, service tax, duty of custom, duty of excise, value added tax, Goods and Services Tax, cess or any other statutory dues which have not been deposited with the appropriate authorities on account of any dispute except the followings:*

Sl No.	Name of the statute	Nature of Dues	Period to which the amount relates	Forum where the dispute is pending	Amount of Rs. In lakhs 31.03.2020
1	West Bengal Tax on Entry of Goods into Local Area Act 2012	Entry Taxes	2013-14	West Bengal Appellate & Revisional Board	162.00
2			2014-15		496.11
3			2015-16		552.83
4			2016-17		352.14
5	Income Tax Act 1961	Income Tax	2018-19	CIT (Appeal), Kolkata	1.79
<b>Total</b>					<b>1,564.87</b>

- (viii) *According to the information and explanation given to us and based upon the books and records of the Company examined by us, the Company has defaulted in repayment of loan & interest and on borrowings from financial institutions and details are shown below.*

Overdue principal and interest on term Loan as on 31.03.2020		
Particulars	Rs. in lakhs	
	RECL	PFCL
Interest relating to F.Y. 2017-18 overdue and unpaid	4,864.57	2,838.64
Interest relating to F.Y. 2018-19 overdue and unpaid	21,718.82	11,639.77
Interest relating to F.Y. 2019-20 overdue and unpaid	25,634.52	16,997.34
Principal relating to F.Y. 2018-19 & 2019-20 overdue and	23,772.71	14,382.75
<b>Total Principal &amp; Interest overdue</b>	<b>75,990.62</b>	<b>45,858.50</b>





- (ix) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public issue/ follow-on offer (including debt instruments) and the term loans were applied for the purpose for which those are raised.
- (x) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
- (xi) Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Therefore, the reporting under Paragraph 3 (xii) of the Order is not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us, all transactions with the related parties are in compliance with Section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements as required by the applicable Accounting Standards.
- (xiv) According to the information and explanation given to us and based on our examination of the records of the company, the company has not made any preferential allotment or private placement of shares of fully or partly convertible debentures during the year.
- (xv) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with them.
- (xvi) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934.

For R KOTHARI & CO LLP

Chartered Accountants

FRN: 307069E/E300266



CA. Manoj Kumar Sethia  
Partner

Membership No.:- 064308

Date: 30.11.2020

Place: Kolkata

UDIN: 20064308AAAADM1976



## ANNEXURE B" TO THE INDEPENDENT AUDITORS' REPORT

Report on the Internal Financial Controls Over Financial Reporting 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 HARANMAYE ENERGY LIMITED ("the Company") as of 31st March, 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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

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

**Auditors' Responsibility**

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

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



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

#### Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

#### Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

#### Opinion

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

For R KOTHARI & CO LLP

Chartered Accountants

FRN: 307069E/E300266



CA. Manoj Kumar Sethia  
Partner

Membership No.:- 064308

Date: 30.11.2020

Place: Kolkata

UDIN: 20064308AAAADM1976



**HIRANMAYE ENERGY LIMITED**  
(Formerly known as India Power Corporation (Haldia) Limited)

Balance Sheet as at 31 March 2020

Particulars	Note No.	As at	(₹) In lakhs
		31-Mar-20	As at 31-Mar-19
<b>ASSETS</b>			
<b>Non-current assets</b>			
a) Property, plant and equipment	3	3,670.70	3,755.49
b) Capital work-in-progress	3	4,54,529.97	4,09,755.50
c) Intangibles assets	4	-	-
d) Financial assets			
(i) Loans	5	338.27	323.27
(ii) Other financial assets	6	0.54	0.51
e) Deferred tax assets (net)	7	-	-
f) Other non-current assets	8	2,941.85	2,310.05
<b>Total non-current assets</b>		<b>4,61,481.33</b>	<b>4,16,144.82</b>
<b>Current assets</b>			
a) Financial assets			
(i) Cash and cash equivalents	9	41.60	19.58
(ii) Other bank balances	9	-	10.71
(iii) Loans	5	17.06	6.14
(iv) Other financial assets	6	-	0.16
b) Current tax assets (net)		150.79	149.20
<b>Total current assets</b>		<b>209.45</b>	<b>185.79</b>
<b>Total Assets</b>		<b>4,61,690.78</b>	<b>4,16,330.61</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
a) Equity share capital	10	106.76	106.76
b) Other equity			
i) Compulsorily convertible preference shares classified as equity	10	51,075.70	51,075.70
ii) Fully & compulsorily convertible debentures classified as equity	11	49,046.07	49,046.07
iii) Retained earnings		(39.49)	(45.04)
<b>Total equity</b>		<b>1,00,189.04</b>	<b>1,00,183.49</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
a) Financial liabilities			
(i) Borrowings	11	2,30,597.00	2,30,597.00
(ii) Other financial liabilities	12	11,339.15	11,316.07
b) Provisions	13	198.33	218.89
<b>Total non-current liabilities</b>		<b>2,42,134.48</b>	<b>2,42,131.96</b>
<b>Current liabilities</b>			
a) Financial liabilities			
(i) Borrowings	11	5,876.87	3,988.44
(ii) Other current financial liabilities			
1. Total outstanding dues of micro enterprises and small enterprises	12	87.70	73.77
2. Total outstanding of creditors other than micro enterprises and small enterprises	12	1,13,228.47	69,860.10
b) Other current liabilities	14	153.88	77.49
c) Provisions	13	20.34	15.36
<b>Total current liabilities</b>		<b>1,19,367.26</b>	<b>74,015.16</b>
<b>Total Equity and Liabilities</b>		<b>4,61,690.78</b>	<b>4,16,330.61</b>

The accompanying notes are an integral part of the financial statements.  
In terms of our report of even date

For and on behalf of the Board

For R Kothari & Co LLP

Chartered Accountants

Firm registration number: 307069E/E300266

(Manoj Kumar Sethia)  
Partner

Membership No. 064308

Place: Kolkata

Date: 30th Nov, 2020



Jyotirmay Bhaumik  
Whole-time Director  
(DIN 06852162)

Rajendra Prasad Ritolia  
Director  
(DIN 00119488)

Purushottam Kejriwal  
Chief Financial Officer & Company Secretary

**HIRANMAYE ENERGY LIMITED**

(Formerly known as India Power Corporation (Haldia) Limited)

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

(₹) in lakhs

Particulars	Note No.	For the year ended	
		31-Mar-20	31-Mar-19
Revenue			
Other income	15	16.79	1.18
<b>Total income</b>		<b>16.79</b>	<b>1.18</b>
Expenses			
Other expenses	16	11.24	9.72
<b>Total expenses</b>		<b>11.24</b>	<b>9.72</b>
<b>Profit before tax</b>		<b>5.55</b>	<b>(8.54)</b>
<b>Tax expense:</b>			
Current tax		-	-
Deferred tax charge/(credit)		-	-
<b>Profit/(loss) for the year</b>		<b>5.55</b>	<b>(8.54)</b>
<b>Other comprehensive income</b>			
<b>Total comprehensive income for the year</b>		<b>5.55</b>	<b>(8.54)</b>
Earning per equity share :	23		
Basic		0.52	(0.80)
Diluted		-	-

The accompanying notes are an integral part of the financial statements.

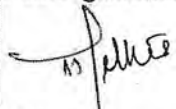
For and on behalf of the Board

In terms of our report of even date

For R Kothari &amp; Co LLP

Chartered Accountants

Firm registration number: 307069E/E300266

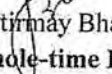
  
(Manoj Kumar Sethia)  
Partner

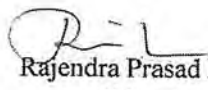
Membership No. 064308

Place: Kolkata

Date: 30th Nov, 2020



  
Jyotirmay Bhaumik  
Whole-time Director  
(DIN 06852162)

  
Rajendra Prasad Ritolia  
Director  
(DIN 00119488)

  
Purushottam Kejriwal  
Chief Financial Officer & Company Secretary



**HIRANMAYE ENERGY LIMITED**  
(Formerly known as India Power Corporation (Haldia) Limited)

**Cash Flow Statement for the year ended 31 March 2020**

(₹) in lakhs

Particulars	Year ended 31 March 2020	Year ended 31 March 2019
<b>Cash Flow from Operating Activities</b>		
Profit before tax from continuing operations	5.55	(8.54)
<b>Changes in assets and liabilities</b>		
Changes in non current financial assets	(15.03)	(223.72)
Changes in provisions	(15.58)	0.04
Changes in current financial assets	(10.76)	16.16
Changes in other non-current assets	(631.79)	212.23
Changes in other financial liabilities	(492.14)	38.77
Changes in other current liabilities	76.39	6.83
<b>Cash generated from operations</b>	<b>(1,083.36)</b>	<b>41.76</b>
Taxes (paid)/ refund received	(1.59)	(0.11)
<b>Net cash flows from operating activities (A)</b>	<b>(1,084.95)</b>	<b>41.65</b>
<b>Cash Flow from Investing Activities</b>		
Purchase of property, plant and equipment	0.94	(8.60)
Addition to capital work in process	(362.73)	(5,505.19)
<b>Net Cash Flow from / (used in) from Investing activities (B)</b>	<b>(361.79)</b>	<b>(5,513.79)</b>
<b>Cash Flow from Financing Activities</b>		
Advance from related party towards equity contribution	19.00	751.00
Payment of finance lease liabilities	4.09	3.89
Proceeds from short term loan	5,876.87	-
Interest & finance charges paid (net)	(453.47)	(465.96)
Increase/(decrease) in cash credit facilities from banks	(3,988.44)	3,988.44
<b>Net Cash Flow from / (used in) Financing Activities (C)</b>	<b>1,458.05</b>	<b>4,277.37</b>
<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents (A+B+C)</b>	<b>11.31</b>	<b>(1,194.77)</b>
Cash and cash equivalents at the beginning of the year	19.58	1,122.49
Opening other bank balances	10.71	102.56
<b>Cash and cash equivalents at year end</b>	<b>41.60</b>	<b>19.58</b>
<b>Other bank balances-closing</b>	<b>-</b>	<b>10.71</b>

The accompanying notes are an integral part of the financial statements.

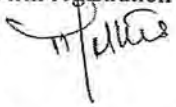
In terms of our report of even date

For and on behalf of the Board

For R Kothari & Co LLP

Chartered Accountants

Firm registration number: 307069E/E300266

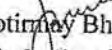
  
(Manoj Kumar Sethia)  
Partner


Membership No. 064308

Place: Kolkata

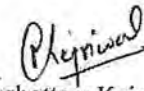
Date: 30th Nov, 2020



  
Jyotirmay Bhaumik  
Whole-time Director  
(DIN 06852162)

  
Rajendra Prasad Ritolia  
Director  
(DIN 00119488)



  
Purushottam Kejrival  
Chief Financial Officer & Company Secretary

**HIRANMAYE ENERGY LIMITED**  
(Formerly known as India Power Corporation (Haldia) Limited)

Statement of Changes in equity for the year ended 31 March 2020

(₹) in lakhs

Particulars	Equity Share Capital	Other Equity			Total
		Retained Earnings	Compulsorily Convertible Preference Shares	Fully and Compulsorily Convertible Debentures	
Balance as at 1 April 2018	106.76	(36.50)	51,075.70	49,046.07	1,00,192.03
Profit for the year	-	(8.54)	-	-	(8.54)
Other Comprehensive Income	-	-	-	-	-
<b>Total Comprehensive Income for the year</b>		(8.54)	-	-	(8.54)
Additions	-	-	-	-	-
<b>Balance as at 31 March 2019</b>	<b>106.76</b>	<b>(45.04)</b>	<b>51,075.70</b>	<b>49,046.07</b>	<b>1,00,183.49</b>
Balance as at 1 April 2019	106.76	(45.04)	51,075.70	49,046.07	1,00,183.49
Profit for the year	-	5.55	-	-	5.55
Other Comprehensive Income	-	-	-	-	-
<b>Total Comprehensive Income for the year</b>		5.55	-	-	5.55
Additions	-	-	-	-	-
<b>Balance as at 31 March 2020</b>	<b>106.76</b>	<b>(39.49)</b>	<b>51,075.70</b>	<b>49,046.07</b>	<b>1,00,189.04</b>

The accompanying notes are an integral part of the financial statements.

In terms of our report of even date

For and on behalf of the Board

For R Kothari & Co LLP

Chartered Accountants

Firm registration number: 307069E/E300266

*Manoj Kumar Sethia*  
(Manoj Kumar Sethia)

Partner

Membership No. 064308

Place: Kolkata

Date: 30th Nov, 2020



*Jyotirmay Bhaumik*  
Jyotirmay Bhaumik  
Whole-time Director  
(DIN 06852162)

*Rajendra Prasad Ritolia*  
Rajendra Prasad Ritolia  
Director  
(DIN 00119488)

*Purushottam Kejriwal*

Purushottam Kejriwal

Chief Financial Officer & Company Secretary



**HIRANMAYE ENERGY LIMITED**  
**(Formerly known as India Power Corporation (Haldia) Limited)**

Notes to Financial Statements for the year ended 31 March 2020

**1 Corporate Information**

Hiranmaye Energy Limited (formerly known as Indian Power Corporation (Haldia) Limited ) (The Company), is a public company domiciled in India and incorporated under the provisions of Companies Act, 1956. The Registered Office of the Company is at Plot X1, 2&3, Block -EP, Sector-V, Salt lake City, Kolkata- 700091.

The Company is setting up a 450 MW(3 X 150 MW) coal based thermal power plant at village-Kashberia, Haldia, East Medinipur, West Bengal. Out of the said 3 units of 150 MW, the Company's 2 units of 150 MW each is under trail run and the construction of the 3rd Unit of 150 MW has been deferred for the time being.

These financial statements were approved and adopted by Board of Directors of the Company in their meeting dated 30th November, 2020

**2 Significant Accounting Policies**

**2.1 Statement of Compliance**

These financial statements have been prepared in accordance with Indian Accounting Standards (referred to as "Ind AS") as per the Companies (Indian Accounting Standards) Rules, 2015, notified under Section 133 of the Companies Act, 2013 (" the Act") and other relevant provisions of the Act, the Regulations issued from time to time by West Bengal Electricity Regulatory Commission (WBERC under the Electricity Act, 2003 (Tariff Regulations).

Accounting Policy has been consistently applied except where a newly introduced Accounting Standard is initially adopted or a revision to an existing accounting standard requires a change in accounting policy hitherto in use.

**2.2 Basis of Preparation**

The financial statements have been prepared on historical cost convention on accrual basis, except for certain financial instruments that are measured at fair values/amortised cost at the end of each reporting period, as explained in the accounting policies provided here in after.

As the operating cycle cannot be identified in normal course, the same has been assumed to have duration of 12 months. All Assets and Liabilities have been classified as current or non-current as per the operating cycle and other criteria set out in Ind AS-1 'Presentation of Financial Statements' and Schedule III to the Companies Act, 2013.

The financial statements are presented in Indian Rupees (₹) , which is the Company's functional and presentation currency and all the amounts are rounded off to nearest lakhs (₹ 00,000) and two decimals thereof, except as stated otherwise.





## HIRANMAYE ENERGY LIMITED

(Formerly known as India Power Corporation (Haldia) Limited)

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

#### 2.3 Use of Estimates

The preparation of the financial statements in conformity with IND AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Differences between the actual results and estimates are recognised in the year in which the results are known / materialized and, if material, their effects are disclosed in the notes to the financial statements.

#### 2.4 Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions.

The Company categorizes assets and liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed in their measurement which are described as follows:

- (a) Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities
- (b) Level 2 inputs are inputs that are observable, either directly or indirectly, other than quoted prices included within level 1 for the asset or liability.
- (c) Level 3 inputs are unobservable inputs for the asset or liability reflecting significant modifications to observable related market data or Company's assumptions about pricing by market participants.

#### 2.5 Property, Plant and Equipment (PPE)

- (i) Freehold land is carried at historical cost. All other items of Properties plant and equipment are stated at their cost of acquisition or construction and is net of accumulated depreciation. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in statement of profit or loss as incurred.
- (ii) All project related expenses via civil works, machinery under erection, construction and erection materials, pre-operative expenditure net of revenue incidental / attributable to the construction of project, borrowing cost incurred prior to the date of commercial operations are shown under Capital Work-In-Progress (CWIP). These expenditures are net of the corresponding recoveries, if any, and the income from project specific borrowed surplus fund.

(iii) Depreciation on property plant and equipment commences when the assets are ready for their intended use.

(iv) Depreciation on PPE is provided on a straight-line basis using the rates and manner specified in West Bengal Electricity Regulatory Commission (WBERC) (Terms & Conditions of Tariff) Regulations, 2007 as amended from time to time for regulated assets. All assets having an original cost below Rs. 5000/- are fully depreciated in the year of purchase.



**HIRANMAYE ENERGY LIMITED**  
**(Formerly known as India Power Corporation (Haldia) Limited)**

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

- (v) The residual values, useful lives and method of depreciation are reviewed at each financial year end and adjusted prospectively, if appropriate.
- (vi) Assets acquired under finance lease are depreciated over shorter of the lease term and their useful lives unless it is reasonably certain that the Company will obtain ownership by the end of the lease term. Freehold land is not depreciated.

**2.6 Derecognition of tangible and intangible assets**

An item of property, plant and equipment and any significant part initially recognised is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognized.

**2.7 Intangible Assets**

*Recognition and initial measurement*

Intangible assets are stated at their cost of acquisition net of amortisation. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use.

Intangible assets (Computer Software) are amortised under straight line method over 3 years.

The amortization period and the amortization method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly.

**2.8 Impairment of non-financial Assets**

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash-generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the statement of profit and loss.

**2.9 Financial Instruments**

Financial assets and financial liabilities (together known as financial instruments) are recognized when Company becomes a party to the contractual provisions of the instruments.

**2.9.1 Financial Assets**

*Initial recognition and measurement*

Financial assets, where applicable are recognised when the Company becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted for transaction costs.

*Subsequent measurement*

**(i) Financial assets at amortised cost –**

Financial assets is measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and



**HIRANMAYE ENERGY LIMITED**  
**(Formerly known as India Power Corporation (Haldia) Limited)**

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

- 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.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. All other debt instruments are measured at Fair Value through other comprehensive income or Fair value through profit and loss based on Company's business model.

*De-recognition of financial assets*

A financial asset is primarily de-recognised when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

**2.9.2 Financial liabilities**

*Initial recognition and measurement*

All financial liabilities are recognised initially at fair value and transaction cost that is attributable to the acquisition of the financial liabilities is also adjusted. These liabilities are classified as amortised cost.

*Subsequent measurement*

Subsequent to initial recognition, these liabilities are measured at amortised cost using the effective interest method. These liabilities include borrowings and deposits.

*De-recognition of financial liabilities*

A financial liability is de-recognised when the obligation under the liability is discharged, cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

**2.9.3 Cash and cash equivalents**

All highly liquid financial instruments, which are readily convertible into determinable amounts of cash and which are subject to an insignificant risk of change in value and are having original maturities of three months or less from the date of purchase, are considered as cash equivalents. Cash and cash equivalents includes balances with banks which are unrestricted for withdrawal and usage.

**2.9.4 Financial guarantee contracts**

Financial guarantee contracts are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified party fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of expected loss allowance determined as per impairment requirements of Ind-AS 109 and the amount recognised less cumulative amortization.



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

**2.9.5 Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

**2.9.6 Impairment of Financial Assets**

A financial asset is assessed for impairment at each reporting date. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

The company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses.

However, for trade receivables or contract assets that result in relation to revenue from contracts with customers, the company measures the loss allowance at an amount equal to lifetime expected credit losses.

**2.10 Post-employment, long term and short term employee benefits**

**Defined contribution plans**

*Provident Fund*

The Company pays provident fund contributions to publicly administered provident funds as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

**Defined benefit plans**

*Gratuity (Unfunded)*

Gratuity is a post-employment benefit and is in the nature of a defined benefit plan. The liability recognised in the financial statement in respect of gratuity is the present value of the defined benefit obligation at the reporting date less the fair value of plan assets, together with adjustments for unrecognized actuarial gains or losses and past service costs. The defined benefit/obligation is calculated at or near the reporting date by an independent actuary using the projected unit credit method.

Actuarial gains and losses arising from past experience and changes in actuarial assumptions are credited or charged to the statement of OCI in the year in which such gains or losses are determined.

*Compensated absences*

Liability in respect of compensated absences is estimated on the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method.

Actuarial gains and losses arising from past experience and changes in actuarial assumptions are charged to statement of profit and loss in the year in which such gains or losses are determined.



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

**Short Term Employee Benefits**

Recognised at the undiscounted amount as expense for the year in which the related service is provided.

**2.11 Earnings per share**

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

**2.12 Leases**

*As a Lessee*

**Finance leases**

Finance leases, which effectively transfer to the lessee substantially all the risks and benefits incidental to ownership of the leased item, are capitalized at the lower of the fair value and present value of the minimum lease payments at the inception of the lease term and disclosed as leased assets. Lease payments are apportioned between the finance charges and reduction of the lease liability based on the implicit rate of return. Finance charges are recognised as an expense. Lease management fees, legal charges and other initial direct costs are capitalized.

**Operating Lease**

All other leases are treated as operating leases. Where the Company is a lessee, payments on operating lease agreements are recognised as an expense on a straight-line basis over the lease term unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. Associated costs, such as maintenance and insurance, are expensed as incurred.

**2.13 Income Tax**

Income tax comprises current and deferred tax. Income tax expense is recognised in the Statement of Profit and Loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

**(i) Current tax**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates and laws that have been enacted or substantively enacted by the end of the reporting period.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amount, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.



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

**(ii) Deferred tax**

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 profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

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

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period

Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognised as deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with asset will be realised.

**2.14 Inventories**

Inventories of stores and spares and fuel are valued at lower of cost and net realizable value. Cost is calculated on weighted average basis and comprises expenditure incurred in the normal course of business in bringing such inventories to their location and condition. Obsolete, slow moving and defective inventories are identified at the time of physical verification of inventories and where necessary, adjustment is made for such items.

**2.15 Foreign Currency Transactions**

Transactions in foreign currencies are translated into the functional currency at the exchange rates prevailing on the date of the transactions. Foreign currency monetary assets and liabilities at the year-end are translated at the year-end exchange rates.

Non-monetary items which are carried in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of transaction. The loss or gain thereon and also on the exchange differences on settlement of the foreign currency transactions during the year are recognized as income or expense in the statement of profit and loss.

Foreign exchange gain/loss to the extent considered as an adjustment to Interest Cost are considered as part of borrowing cost.

**2.16 Revenue Recognition**

Revenue is recognised when it is probable that the economic benefits will flow to the Company and it can be reliably measured. Revenue is measured at the fair value of the consideration received/receivable net of rebates and taxes.



**HIRANMAYE ENERGY LIMITED**  
**(Formerly known as India Power Corporation (Haldia) Limited)**

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

Interest income is recorded using the effective interest rate. Interest income which is not specifically attributable to the construction of the project, is included under the head "other income" in the statement of profit and loss.

**2.17 Borrowing Costs**

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is necessary to complete and prepare the asset for its intended use or sale. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. Capitalization of borrowing costs is suspended in the period during which the active development is delayed due to, other than temporary, interruption. All other borrowing costs are charged to the Statement of Profit and Loss as incurred.

**2.18 Provision, Contingent Liabilities and Contingent Assets**

Provisions are recognized only when there is a present obligation, as a result of past events, and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Provisions are discounted to their present values, where the time value of money is material.

Contingent liability is disclosed for:

- Possible obligations which will be confirmed only by future events not wholly within the control of the Company or
- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made

Contingent Assets are neither recognised nor disclosed in the financial statements. However, when realization of income is virtually certain, related asset is recognized.



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**HIRANMAYE ENERGY LIMITED**  
(Formerly known as India Power Corporation (Haldia) Limited)

Notes to the financial statements for the year ended 31 March 2020

**Note 3 : PROPERTY, PLANT & EQUIPMENT**

	Land-Leasehold*	Land-Freehold	Buildings	Plant and equipment	Furniture and fixtures	Vehicles	Office Equipment	Computers	Total	(₹) In lakhs Capital Work in Progress
<b>For Year ended 31 March 2019</b>										
Gross Carrying Amount										
Opening cost as at 1st April 2018	2,260.25	449.07	871.07	348.23	69.11	103.19	64.43	115.78	4,281.13	3,66,534.23
Additions	-	-	-	-	2.36	-	3.61	2.63	8.60	43,221.27
Disposals/Adjustments	-	-	-	-	-	-	-	-	-	-
Closing Gross Carrying Amount	2,260.25	449.07	871.07	348.23	71.47	103.19	68.04	118.42	4,289.73	4,09,755.50
Opening Accumulated Depreciation	146.18	-	91.37	44.21	25.74	58.22	23.79	45.90	435.42	-
Depreciation charge during the year	24.37	-	20.68	12.53	3.43	16.28	6.65	14.89	98.83	-
Disposals/Adjustments	-	-	-	-	-	-	-	-	-	-
Closing Accumulated Depreciation	170.55	-	112.05	56.74	29.17	74.50	30.44	60.79	534.25	-
Net Carrying Amount as at 31 March 2019	2,089.70	449.07	759.02	291.49	42.30	28.69	37.60	57.63	3,755.49	4,09,755.50
<b>For Year ended 31 March 2020</b>										
Gross Carrying Amount										
Opening as on 1st April, 2019	2,260.25	449.07	871.07	348.23	71.47	103.19	68.04	118.42	4,289.73	4,09,755.50
Additions	-	-	-	-	-	-	-	-	-	44,774.47
Disposals/Adjustments	-	-	(9.36)	-	-	-	-	-	(9.36)	-
Closing Gross Carrying Amount	2,260.25	449.07	861.71	348.23	71.47	103.19	68.05	118.42	4,280.37	4,54,529.97
Accumulated Depreciation and Impairment										
Opening Accumulated Depreciation	170.55	-	112.05	56.74	29.17	74.50	30.44	60.79	534.24	-
Depreciation charge during the year	24.37	-	14.76	12.54	3.28	11.83	5.06	12.03	83.86	-
Disposals/Adjustments	-	-	(8.43)	-	-	-	-	-	(8.43)	-
Closing Accumulated Depreciation and Impairment	194.92	-	118.38	69.28	32.45	86.33	35.50	72.82	609.67	-
Net Carrying Amount as at 31 March 2020	2,065.33	449.07	743.33	278.95	39.02	16.86	32.55	45.60	3,670.70	4,54,529.97

\*Gross carrying amount of leasehold land represents amounts paid under lease deeds to acquire land where the Company has an option to renew the properties on expiry of the lease period.





**HIRANMAYE ENERGY LIMITED**

(Formerly known as India Power Corporation (Haldia) Limited)

Notes to the financial statements for the year ended 31 March 2020

(₹) in lakhs

Note 4 :INTANGIBLE ASSETS	Computer Software
<b>For Year ended 31 March 2019</b>	
Gross Carrying Amount	
Opening cost as at 1st April 2018	65.87
Additions	-
Disposals/Adjustments	-
<b>Closing Gross Carrying Amount</b>	<b>65.87</b>
<b>Opening Accumulated Amortization</b>	<b>65.87</b>
Amortisation for the year	-
Disposals/Adjustments	-
<b>Closing Accumulated Amortisation</b>	<b>65.87</b>
<b>Closing Net Carrying Amount</b>	<b>-</b>
<b>For Year ended 31 March 2020</b>	
Gross Carrying Amount	
Opening as on 1st April, 2019	65.87
Additions	-
Disposals/Adjustments	-
<b>Closing Gross Carrying Amount</b>	<b>65.87</b>
<b>Accumulated amortisation and impairment</b>	
Opening Accumulated Amortization	65.87
Amortisation for the year	-
Disposals/Adjustments	-
<b>Closing Accumulated Amortisation and Impairment</b>	<b>65.87</b>
<b>Closing Net Carrying Amount</b>	<b>-</b>



**HIRANMAYE ENERGY LIMITED**

(Formerly known as India Power Corporation (Haldia) Limited)

**Notes to the financial statements for the year ended 31 March 2020**

	As at 31-March-2020	(₹) in lakhs As at 31 March 19
<b>NOTE 5: FINANCIAL ASSETS - LOANS</b>		
<b>Unsecured, considered good</b>		
<b><u>Non Current</u></b>		
Security Deposits	338.27	323.27
<b>Total</b>	<b>338.27</b>	<b>323.27</b>
<b><u>Current</u></b>		
Loans and Advances to Employees	17.06	6.14
<b>Total</b>	<b>17.06</b>	<b>6.14</b>
<b>NOTE 6: OTHER FINANCIAL ASSETS</b>		
<b><u>Non Current</u></b>		
Bank deposits *	0.50	0.50
Interest Receivable	0.04	0.01
<b>Total</b>	<b>0.54</b>	<b>0.51</b>
Note: *Deposits with a carrying amount of ₹ 0.54 lakhs (₹ 0.51 lakhs) are given as lien to Government Authorities.		
<b><u>Current</u></b>		
Interest Receivable	-	0.16
<b>Total</b>	<b>-</b>	<b>0.16</b>
<b>NOTE 7: DEFERRED TAX ASSETS/ (LIABILITIES) (NET)</b>		
<b>Deferred Tax Liabilities</b>		
<i>For differences arising because of the temporary nature attributable to</i>		
Fixed Assets	(9.63)	(8.90)
<b>Total</b>	<b>(9.63)</b>	<b>(8.90)</b>
<b>Deferred Tax Assets</b>		
<i>For differences arising because of the temporary nature attributable to</i>		
Carry forward losses	9.63	8.90
<b>Total</b>	<b>9.63</b>	<b>8.90</b>
<b>NOTE 8: OTHER ASSETS</b>		
<b><u>Non Current</u></b>		
Capital Advances	2,941.85	2,310.05
<b>Total</b>	<b>2,941.85</b>	<b>2,310.05</b>



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Notes to the financial statements for the year ended 31 March 2020

		(₹) in lakhs	
		As at 31-March-2020	As at 31 March 19
<b>NOTE 9: CASH AND CASH EQUIVALENTS</b>			
<b>Cash and Cash Equivalent</b>			
Balances with banks:-			
In current accounts		41.51	19.32
Cash on hand		0.09	0.26
	<b>Total</b>	<b>41.60</b>	<b>19.58</b>
<b>Other Bank Balances</b>			
Held as margin money *		-	10.71
	<b>Total</b>	<b>-</b>	<b>10.71</b>

Note: \*Margin money represents deposits with a carrying amount of ₹ Nil (₹ 10.87 lakhs) are given as lien to Banks for securing Bank Guarantees/letter of credits or otherwise given as security.



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Notes to the financial statements for the year ended 31 March 2020

**NOTE 10: SHARE CAPITAL:**

	(₹) in lakhs	
	As at 31-March-2020	As at 31 March 19
	Non Current	Non Current
<b>Authorised</b>		
50,92,42,960 (50,92,42,960) Equity Shares of ₹ 10 each	50,924.30	50,924.30
51,07,57,040 ( 51,07,57,040 ) Preference Shares of ₹ 10 each	51,075.70	51,075.70
<b>Total</b>	<b>1,02,000.00</b>	<b>1,02,000.00</b>
<b>Issued, Subscribed &amp; Paid up</b>		
10,67,570 (10,67,570) Equity shares of ₹ 10 each	106.76	106.76
51,07,57,040 (51,07,57,040) 0.01% Compulsorily Convertible Preference Shares of ₹ 10 each	51,075.70	51,075.70
Less : Considered as Other Equity as these are compulsorily convertible into equity for one to one share.	(51,075.70)	(51,075.70)
<b>Total</b>	<b>106.76</b>	<b>106.76</b>

**(a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period**

Description	31-March-2020	31 March 19
<b>Equity shares</b>		
At the beginning of the year:		
Amount in ( ₹ ) lakhs	106.76	106.76
(Nos.)	10,67,570	10,67,570
Issued during the year		
Amount in ( ₹ ) lakhs	-	-
(Nos.)	-	-
Outstanding at the end of the year		
Amount in ( ₹ ) lakhs	106.76	106.76
(Nos.)	10,67,570	10,67,570

**Compulsorily Convertible Preference Shares (CCPS)**

At the beginning of the year			
Amount in ( ₹ ) lakhs	51,075.70	51,075.70	
(Nos.)	51,07,57,040	51,07,57,040	
Issued during the year			
Amount in ( ₹ ) lakhs	-	-	
(Nos.)	-	-	
Outstanding at the end of the year			
Amount in ( ₹ ) lakhs	51,075.70	51,075.70	
(Nos.)	51,07,57,040	51,07,57,040	

**(b) Terms and Rights attached to equity shares**

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share and entitled to dividend, when declared and approved.

In the event of winding-up of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distributions will be in proportion to the number of equity shares held by the shareholders.



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**Notes to the financial statements for the year ended 31 March 2020****(c) Terms of conversion and rights of CCPS**

Each holder of CCPS is entitled to one vote per share only on resolutions placed before the Company which directly affect the rights attached to CCPS holders and carries cumulative dividend @ 0.01% p.a., subject to approval of Board of Directors.

Each CCPS is convertible into one equity shares of the Company at fair market value anytime within 10 years after Closing Date or at the option of the subscriber whichever is earlier. In the event of winding-up of the Company before conversion of CCPS, the holders of CCPS will have priority over equity shares.

**(d) Aggregate number of shares issued for consideration other than cash during the period of five years**

	As at 31-March-2020 (Nos.)	As at 31 March 19 (Nos.)
Total	Nil	Nil

**(e) Details of shareholders holding more than 5% shares in the company**

Name of the shareholder	As at 31-March-2020	As at 31 March 19
<b>Equity shares of ₹ 10 each fully paid</b>		
Power Trust		
(Nos.)	7,90,000	7,90,000
(% holding in the class)	74.00%	74.00%
Bhaskar Silicon Private Limited		
(Nos.)	2,77,570	2,77,570
(% holding in the class)	26.00%	26.00%
<b>CCPS of ₹ 10 each fully paid</b>		
Power Trust		
(Nos.)	20,39,30,000	20,39,30,000
(% holding in the class)	39.93%	39.93%
India Power Corporation Limited (formerly known as DPSC Limited)		
(Nos.)	30,68,27,040	30,68,27,040
(% holding in the class)	60.07%	60.07%

As per records of the Company, including its register of shareholders/members and other declaration received from shareholders regarding beneficial interest, the above shareholding represents legal/beneficial ownership of shares.

\*Pursuant to the scheme of arrangement and amalgamation sanctioned by the Hon'ble High Court at Calcutta vide its order dated 17th April, 2013, India Power Corporation Limited has been amalgamated with India Power Corporation Limited (formerly known as DPSC Limited).

**NOTE 11: BORROWINGS****Secured****Non Current**

Rupee Term Loans from Financial Institutions

**Total**

	(₹) in lakhs	
	As at 31-March-2020	As at 31 March 19
	2,30,597.00	2,30,597.00
<b>Total</b>	<b>2,30,597.00</b>	<b>2,30,597.00</b>



**HIRANMAYE ENERGY LIMITED**

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**Notes to the financial statements for the year ended 31 March 2020****Unsecured****Non Current**

0% Fully & compulsorily convertible debentures	49,046.07	49,046.07
<b>Less :</b>		
Considered as Equity as these are fully and compulsorily convertible into equity at one to one share.	(49,046.07)	(49,046.07)
	-	-
<b>Total</b>	<b>2,30,597.00</b>	<b>2,30,597.00</b>

During the year 2017-18, steps were taken for the restructuring of the terms loans availed from REC Limited and Power Finance Corporation Limited. However, the sanctioned restructuring plan could not be materialised and hence not implemented. Accordingly, the terms and conditions of the earlier common loan agreements duly documented remain effective and valid as on date. As per the earlier sanction, the principal repayment was to be made in 40 quarterly instalments of Rs. 33.68 Crores and Rs. 23.97 Crores beginning from 30th June, 2017 and 15h April, 2017 respectively to REC Limited and Power Finance Corporation Limited. During the current year on 18th April, 2019, the Company has submitted the revised resolution plan for the consideration of the lenders. The restructuring plan is under positive consideration of the lenders, where the repayment of the term loans has been proposed to be shifted to start from the quarter ended 31st December, 2020. Pending the final approval and documentation of the restructuring plan with the lenders, no repayment of the term loan has been shown under current liabilities towards the principal amount repayable within next one year.

As on 31st March, 2020, the Company has defaulted in repayment of dues to Financial Institutions as detailed below:

(₹) in lakhs

Particulars	Amount	Period of default
REC Limited-Principal	23,772.71	For the quarter ended 31.12.2018 to 31.3.2020
REC Limited-Interest	52,217.91	For the period from 01.01.2018 to 31.3.2020
Power Finance Corporation Limited-Principal	14,382.75	For the quarter ended 15.10.2018 & 14.01.2020
Power Finance Corporation Limited-Interest	31,475.97	For the period from 15.01.2018 to 14.01.2020
<b>Total</b>	<b>1,21,849.34</b>	

i. Term loan from REC Limited carries interest rate of 12.90% -14.00% p.a and the Term loan from Power Finance Corporation Limited carries interest rate of 13.15%-13.75% p.a .



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**Notes to the financial statements for the year ended 31 March 2020**

ii. Rupee Term Loan from financial institutions are secured by way of following:

- pari-passu first charge by way of mortgage on all the immovable properties including leasehold land, both present and future pertaining to the project.
- pari-passu first charge created/to be created by way of hypothecation of all assets including the movable plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles, operating cash flows, book debts, receivables, commission and any other revenues of whatsoever nature and wherever arising, both present and future.
- assignment of all project related documents, contracts, rights, interest, insurance contracts and all benefits incidental to project activities.

iii. Each FCCD is convertible into one equity shares of the Company at the time of COD (Commercial Operation Date) of the Project or occurrence of any material event which makes it possible for conversion of FCCD or anytime after Closing Date as permitted under the Companies Act, 2013 whichever is earlier.

(₹) in lakhs

	As at 31-March-2020	As at 31 March 19
<b>Current</b>		
<b>Secured Loan</b>		
Cash Credit facilities from Bank	-	3,988.44
Short Term loan from others	5,876.87	-
<b>Total</b>	<b>5,876.87</b>	<b>3,988.44</b>

i. Cash credit facilities from banks /Short term loan from others are secured by way of following:

- First pari-passu charge with term lenders by way of hypothecation/mortgage on the entire movable/immovable fixed assets of the Company both present & future.
- Pari-passu first charge by way of mortgage on all the immovable properties including leasehold land, both present and future pertaining to the project.

(₹) in lakhs

	As at 31-March-2020	As at 31 March 19
<b>NOTE 12: OTHER FINANCIAL LIABILITIES</b>		
<b>Non Current</b>		
Advance from Power Trust	10,483.12	10,483.12
Advance from related party towards promoters contribution	770.00	751.00
Finance lease obligations	86.03	81.95
<b>Total</b>	<b>11,339.15</b>	<b>11,316.07</b>

**Current**

Interest accrued and due on borrowings/advances	83,694.11	41,061.80
Interest accrued but not due on term loan	3,960.18	3,326.73
<i>Payable towards project liabilities:</i>		
Dues to micro enterprises and small enterprises (refer note below) *Kolkata	87.70	73.77
Dues to creditors other than micro enterprises and small enterprises	25,417.83	25,203.51
Employee related liabilities	156.35	268.06
<b>Total</b>	<b>1,13,316.17</b>	<b>69,933.87</b>

\*Note: Dues to Micro Enterprises and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. For details under Micro, Small and Medium Enterprises Development Act, 2006, please refer note no 22.

**HIRANMAYE ENERGY LIMITED**

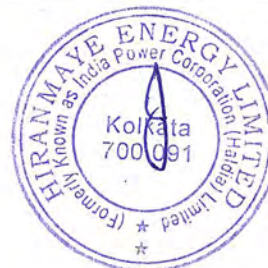
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**Notes to the financial statements for the year ended 31 March 2020**

	(₹) in lakhs	
	As at	As at
	31-March-2020	31 March 19
<b>NOTE 13: PROVISIONS</b>		
<b>Non Current</b>		
<b>Provision for employee benefits</b>		
Leave Encashment	78.49	93.79
Gratuity	119.84	125.10
<b>Total</b>	<b>198.33</b>	<b>218.89</b>
<b>Current</b>		
<b>Provision for employee benefits</b>		
Leave Encashment	5.54	3.50
Gratuity	14.80	11.86
<b>Total</b>	<b>20.34</b>	<b>15.36</b>
<b>NOTE 14: OTHER NON FINANCIAL LIABILITIES</b>		
<b>Current</b>		
Statutory dues payable	153.88	77.49
<b>Total</b>	<b>153.88</b>	<b>77.49</b>



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Notes to the financial statements for the year ended 31 March 2020

Particulars	(₹) in lakhs	
	For the year ended 31 March 2020	For the year ended 31 March 19
<b>NOTE 15: OTHER INCOME</b>		
Interest income	16.79	1.18
<b>Total</b>	<b>16.79</b>	<b>1.18</b>
<b>NOTE 16: OTHER EXPENSES</b>		
Rates and taxes	0.25	0.52
Auditors' remuneration (refer details below)	2.95	3.63
Directors' sitting fees	4.13	3.36
Filing fees	0.08	0.05
Miscellaneous expenses	3.83	2.16
<b>Total</b>	<b>11.24</b>	<b>9.72</b>
<b>Payment to auditor</b>		
<b>As auditor:</b>		
Statutory Audit fee	2.50	2.50
<b>In Other Capacity:</b>		
Certification fees	-	0.58
Reimbursement of expenses (incl. GST)	0.45	0.55
<b>Total</b>	<b>2.95</b>	<b>3.63</b>



*(This space has been left blank intentionally)*



Notes to the financial statements for the year ended 31 March 2020

**NOTE 17: FAIR VALUE MEASUREMENTS**

**(i) FINANCIAL INSTRUMENTS BY CATEGORY**

	31-Mar-20		31-Mar-19		
	FVTPL	FVTOCI	Amortised Cost	FVTPL	
<b>Financial Assets</b>					
Security Deposits			338.27		
Bank Deposits			0.50		323.27
Interest Receivable			0.04		0.50
Loans and Advances			17.06		0.17
Cash and Cash Equivalents			41.60		6.14
Other Bank Balances			-		19.58
<b>Total Financial Assets</b>			<b>397.47</b>		<b>10.71</b>
<b>Financial Liabilities</b>					<b>360.37</b>
Borrowings			2,36,473.87		
Obligations in respect of Finance Leases			86.03		2,34,585.44
Other Financial Liabilities			11,253.12		81.95
Other Current Financial Liabilities			1,13,316.17		11,234.12
<b>Total Financial Liabilities</b>			<b>3,61,129.20</b>		<b>69,933.87</b>
					<b>3,15,835.38</b>

**(ii) FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES MEASURED AT AMORTISED COST**

	31-March-2020		31-Mar-19		
	Carrying Amount	Fair Value	Carrying Amount	Fair Value	
<b>Financial Assets</b>					
Security Deposits	338.27	338.27	323.27	323.27	
Bank Deposits	0.50	0.50	0.50	0.50	
Interest Receivable	0.04	0.04	0.17	0.17	
Loans and Advances	17.06	17.06	6.14	6.14	
Cash and Cash Equivalents	41.60	41.60	19.58	19.58	
Other Bank Balances	-	-	10.71	10.71	
<b>Total Financial Assets</b>	<b>397.47</b>	<b>397.47</b>	<b>360.37</b>	<b>360.37</b>	
<b>Financial Liabilities</b>					
Borrowings	2,36,473.87	2,36,473.87	2,34,585.44	2,34,585.44	
Obligations in respect of Finance Leases	86.03	86.03	81.95	81.95	
Other Financial Liabilities	11,253.12	11,253.12	11,234.12	11,234.12	
Other Current Financial Liabilities	1,13,316.17	1,13,316.17	69,933.87	69,933.87	
<b>Total Financial Liabilities</b>	<b>3,61,129.20</b>	<b>3,61,129.20</b>	<b>3,15,835.38</b>	<b>3,15,835.38</b>	



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Notes to the financial statements for the year ended 31 March 2020

**NOTE 18 : Contingencies and Commitments**

**Contingent liabilities**

**(A) Details of contingent liabilities**

		(₹) in lakhs	
	Particulars	31-March-2020	31 March 2019
(i)	Claims against the Company not acknowledged as debts:-		
(a)	Entry Tax	1,563.08	1,563.08
(b)	Income Tax	1.79	-
(c)	In respect of other litigations	76,412.03	57,393.25
(ii)	Others		
(a)	Dividend payable to CCPS shareholders	34.68	29.57

**(B) Capital and other commitments**

		(₹) in lakhs	
	Particulars	31-March-2020	31 March 2019
A	Capital commitments (for property plant and equipments)	13,721.13	13,901.68

**NOTE 19: EMPLOYEE BENEFIT OBLIGATIONS**

		(₹) in lakhs	
Particulars		31-March-2020	31 March 2019
		Current	Current
	Gratuity (unfunded)	14.80	11.86
	Leave Obligations	5.54	3.50
	<b>Total</b>	<b>20.33</b>	<b>15.36</b>
Particulars		31-March-2020	31 March 2019
		Non-current	Non-current
	Gratuity (unfunded)	119.84	125.10
	Leave Obligations	78.49	93.80
	<b>Total</b>	<b>198.34</b>	<b>218.89</b>

**19.1 Leave Obligations**

The leave obligations cover the Company's liability for earned leaves. The amount of provision of (₹) 5.54 lakhs (31 March 2019 (₹) 3.50 lakhs) is presented as current, since the Company does not have an unconditional right to defer settlement for any of these obligations. However based on past experience, the Company does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months, therefore based on the independent actuarial report, only a certain amount of provision has been presented as current and remaining as non-current.

Movement in the liability recognised in the balance sheet is as under:

		(₹) in lakhs	
Description	31-March-2020	31 March 2019	
Present value of obligation as at the start of the year	97.30	105.16	
Current service cost	14.69	18.27	
Interest cost	7.51	8.20	
Actuarial loss/(gain) recognized during the year	(1.58)	6.84	
Benefits paid	(33.90)	(41.17)	
Present value of defined benefit obligation as at the end of the year	<b>84.03</b>	<b>97.30</b>	



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Notes to the financial statements for the year ended 31 March 2020

**Breakup of Actuarial gain/loss:**

Description	(₹) in lakhs	
	31-March-2020	31 March 2019
Actuarial (gain)/loss on arising from change in demographic assumption	0.08	-
Actuarial (gain)/loss on arising from change in financial assumption	9.12	1.37
Actuarial (gain)/loss on arising from experience adjustment	(10.78)	5.47

**Amount recognised in the CWIP is as under:**

Description	(₹) in lakhs	
	31-March-2020	31 March 2019
Current service cost	14.69	18.27
Interest cost	7.51	8.20
Capitalized during the year	(1.58)	6.84
<b>Amount recognized in the CWIP</b>	<b>20.62</b>	<b>33.31</b>

**Amount recognised in the statement of Other Comprehensive Income**

Description	(₹) in lakhs	
	31-March-2020	31 March 2019
Net Cumulative unrecognised actuarial gain/(loss) opening	Nil	Nil
Actuarial Gain/(Loss) for the year on PBO	Nil	Nil
<b>Unrecognised actuarial Gain/(Loss) at the end of the year</b>	<b>Nil</b>	<b>Nil</b>

**Actuarial assumptions**

Description	31-March-2020	31 March 2019
Discount rate	6.85%	7.70%
Future salary increase	10%	10%

These assumptions were developed by management with the assistance of independent actuarial appraisers. Discount factors are determined close to each year-end by reference to government bonds of relevant economic markets and that have terms to maturity approximating to the terms of the related obligation. Other assumptions are based on management's historical experience.

**Sensitivity analysis for leave liability**

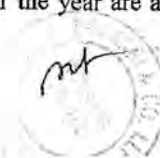
	(₹) in lakhs	
	31-March-2020	31 March 2019
<b>Impact of the change in discount rate</b>		
Present value of obligation at the end of the year		
a) Impact due to increase of 1 %	73.42	84.75
b) Impact due to decrease of 1 %	96.83	112.49
<b>Impact of the change in salary increase</b>		
Present value of obligation at the end of the year		
a) Impact due to increase of 1 %	96.31	112.00
b) Impact due to decrease of 1 %	73.61	84.88

**19.2 Post-Employment Obligations - Gratuity**

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service.

The weighted average duration of the defined benefit obligation as at 31 March 2020 is 12 years (31 March 2019: 13 years).

The amounts recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as follows:



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Notes to the financial statements for the year ended 31 March 2020

	(₹) in lakhs	
	31-March-2020	31 March 2019
<b>Changes in defined benefit obligation</b>		
Present value obligation as at the start of the year	136.95	129.05
Current service cost	21.57	27.86
Interest cost	10.57	10.06
Past service cost	-	-
Benefits paid	(9.92)	(2.36)
Actuarial loss/(gain) on obligations	(24.53)	(27.65)
<b>Present value obligation as at the end of the year</b>	<b>134.64</b>	<b>136.95</b>

**Breakup of Actuarial gain/loss:**

	(₹) in lakhs	
Description	31-March-2020	31 March 2019
Actuarial (gain)/loss on arising from change in demographic assumption	0.08	-
Actuarial (gain)/loss on arising from change in financial assumption	12.72	1.64
Actuarial (gain)/loss on arising from experience adjustment	(37.33)	(29.30)

	(₹) in lakhs	
Amount recognized in CWIP	31-March-2020	31 March 2019
Current service cost	21.57	27.86
Past service cost	-	-
Interest cost	10.57	10.06
<b>Amount recognised in CWIP</b>	<b>32.14</b>	<b>37.92</b>

**Amount recognised in the statement of Other Comprehensive Income/CWIP**

	(₹) in lakhs	
Description	31-March-2020	31 March 2019
Actuarial Gain/(Loss) for the year on PBO	(24.53)	(27.65)
<b>Unrecognised actuarial Gain/(Loss) at the end of the year</b>	<b>(24.53)</b>	<b>(27.65)</b>

Actuarial assumptions	31-March-2020	31 March 2019
Discount rate	6.85%	7.70%
Future salary increase	10.00%	10.00%

These assumptions were developed by management with the assistance of independent actuarial appraisers. Discount factors are determined close to each year-end by reference to government bonds of relevant economic markets and that have terms to maturity approximating to the terms of the related obligation. Other assumptions are based on management's historical experience.

**Sensitivity analysis for gratuity liability**

	(₹) in lakhs	
Description	31-March-2020	31 March 2019
<b>Impact of the change in discount rate</b>		
Present value of obligation at the end of the year		
a) Impact due to increase of 1 %	119.84	121.84
b) Impact due to decrease of 1 %	152.38	155.07
<b>Impact of the change in salary increase</b>		
Present value of obligation at the end of the year		
a) Impact due to increase of 1 %	149.31	151.23
b) Impact due to decrease of 1 %	122.09	124.40



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Notes to the financial statements for the year ended 31 March 2020

**19.3 Defined Contribution Plans**

The Company also has certain defined contribution plans. Contributions are made to provident fund in India for employees at the rate 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the government. The obligations of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognised during the period towards defined contribution plan is (₹) 70.23 lakhs (31 March 2019 (₹) 75.80 lakhs)

**NOTE 20 : CAPITAL WORK IN PROGRESS:**

Particulars	(₹) in lakhs	
	31-March-2020	31 March 2019
Assets under construction	2,33,459.53	2,35,441.98
Add: Pre-operative Expenditures	2,21,070.44	1,74,313.52
<b>Total</b>	<b>4,54,529.97</b>	<b>4,09,755.50</b>

**PRE OPERATIVE EXPENSES**

During the year, the Company has incurred the following expenses relating to ongoing project of the Company, which are accounted as pre-operative expenditures and are grouped under Capital work- in-progress.

Particulars	(₹) in lakhs	
	31-March-2020	31 March 2019
<b>Opening Balance</b>	<b>1,74,313.52</b>	<b>1,32,816.00</b>
Employee benefits expense		
Salaries, bonus, gratuity etc.	1,231.15	1,587.52
Contribution to provident fund, ESI charges etc.	77.60	82.39
Rent	-	4.58
Rates & taxes	41.23	139.66
Insurance	44.43	128.48
Electricity charges	235.25	676.81
Water Charges	-	97.39
Repairs & maintenance:		
- Others	18.57	28.08
Travelling, conveyance & vehicle expenses	102.75	125.64
Professional, consultancy & legal expenses	409.44	252.98
General & administrative charges	49.42	113.39
Security charges	9.19	93.89
Depreciation & amortisation	83.86	98.84
Loss on sale of fixed assets	0.84	-
Other misc trial run expenses	38.00	64.75
Coal & fuel consumption	1,579.77	3,645.11
Consumables	56.19	6.70
UI deviation settlement charges	(1.00)	6.03
Freight outward	5.08	19.00
Revenue from sale of power ( See note below)	(1,113.40)	(2,825.00)
<b>Finance costs:</b>		
Interest Charges	43,868.43	36,906.78
Other finance cost	20.12	244.50
<b>Total</b>	<b>2,21,070.44</b>	<b>1,74,313.52</b>

Note: Tariff Petition in terms of the West Bengal Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations 2011 & amendments thereof have been filed for the financial year 2019-20 (PY 2018-19). Pending approval of such tariff, earnings from sale of electricity for the period from 22nd April, 2019 to 5th May, 2019 ( PY: 8th November, 2018 to 31st March, 2019) has been billed and accounted for on the basis of provisional rate as per Supplementary Power Purchase Agreement dated 6th April, 2018. Revenue for the same will be accounted for on final Tariff approval by the Hon'ble West Bengal Electricity Regulatory Commission.



**HIRANMAYE ENERGY LIMITED**  
(Formerly known as India Power Corporation (Haldia) Limited)

Notes to the financial statements for the year ended 31 March 2020

**NOTE 21: RELATED PARTY INFORMANTION**

a) Names of related parties and related party relationship

Related parties where control exists and also other related party with whom transactions have taken place and relationships:

Holding Company	(i) India Power Corporation Limited (CIN: L40105WB1919PLC003263)
Associate Company	(i) Bhaskar Silicon Private Limited

b) Name of Key Managerial Personnel

Name of Key Managerial Personnel		Designation
1	Mr. Jyoti Kumar Poddar	Director
2	Mr. Jyotirmay Bhaumik	Whole-time director
3	Mr. Purushottam Kejriwal	Chief Financial Officer & Company Secretary ( CS. W.e.f 18th April, 2019)
4	Ms. Barkha Bachhuka	Company Secretary ( up to 31st May, 2018)

Key Managerial Personnel Compensation

(₹) in lakhs

Description	31-March-2020	31-Mar-19
Short term employee benefits	121.03	136.37
<b>Total compensation</b>	<b>121.03</b>	<b>136.37</b>

a) Transactions during the year

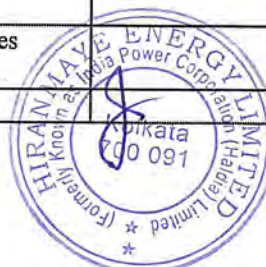
Description	Holding Company	
	31-March-2020	31-Mar-19
Reimbursement of Companies' expenses	12.63	-
Associate Company		
Advance against promoters contribution	19.00	751.00

b) Balance at the end of the year

Description	Balance at the end of the year	
	31-March-2020	31-Mar-19
0% fully and compulsorily convertible debentures-Holding Company	49,046.07	49,046.07
Compulsorily convertible preference shares-Holding Company	30,682.70	30,682.70
Advance from holding company	148.62	135.98
Advance from associate company towards equity contribution	770.00	751.00

**Note 22: Disclosures Under Section 22 Of The Micro, Small And Medium Enterprises Development Act, 2006 And Schedule iii to The Companies Act, 2013:**

Particulars	Rs. In Lakhs	
	As At March 31, 2020	As At March 31, 2019
<b>Balance of Trade Payables as at the end of the year</b>		
- Principal amount due to Micro Enterprises and Small Enterprises	65.14	63.39
- Interest amount due to Micro Enterprises and Small Enterprises	22.57	10.39
	<b>87.70</b>	<b>73.78</b>



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Notes to the financial statements for the year ended 31 March 2020

**Paid during the year**

Principal amount (including interest) paid to Micro Enterprises and Small Enterprises beyond the appointed date		
- Principal amount	-	-
- Interest thereon	-	-
Principal amount (excluding interest) paid to Micro Enterprises and Small Enterprises beyond the appointed date	20.51	
Others		
- The amount of interest accrued and remaining unpaid during the year	22.57	10.39
-The amount of further interest remaining due and payable even in the succeeding years	-	-

**NOTE 23 : Earnings Per Share**

	For the year ended 31-Mar-2020	For the year ended 31- Mar-2019
<b>(a) Basic earnings per share</b>	<b>(₹)</b>	<b>(₹)</b>
From continuing operations attributable to the equity holders of the company	0.52	(0.80)
Total basic earnings per share attributable to the equity holders of the company	0.52	(0.80)
<b>(b) Diluted earnings per share</b>		
From continuing operations attributable to the equity holders of the company	0.00	(0.00)
Total diluted earnings per share attributable to the equity holders of the company	0.00	(0.00)

**(c) Reconciliations of earnings used in calculating earnings per share**

	(₹) in lakhs	
	31-Mar-2020	31-Mar-2019
<b>Basic earnings per share</b>		
Profit attributable to the equity holders of the company used in calculating basic earnings per share:		
From continuing operations	5.55	(8.54)
<b>Diluted earnings per share</b>		
Profit from continuing operations attributable to the equity holders of the company:		
Used in calculating basic earnings per share	5.55	(8.54)
Add: interest savings on convertible bonds	-	-
Used in calculating diluted earnings per share	5.55	(8.54)
<b>Profit attributable to the equity holders of the company used in calculating diluted earnings per share</b>	<b>5.55</b>	<b>(8.54)</b>

**(d) Weighted average number of shares used as the denominator**

	31-Mar-20	31-Mar-19
Weighted average number of equity shares used as the denominator in calculating basic earnings per share	10,67,570	10,67,570
Weighted average number of equity shares and potential equity shares used as the denominator in calculating diluted earnings per share	1,00,22,85,270	1,00,22,85,270





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Notes to the financial statements for the year ended 31 March 2020

**NOTE 24: Leases**

**Finance leases – Assets taken on lease**

Land lease for the period of 90 years. Carrying value as at 31 March 2020 (₹) 2065.33 lakhs (previous year 31 March 2019 (₹) 2089.71 lakhs).

Particulars	(₹) in lakhs		
	Within one year	After one year but not later than five years	More than five years
<b>As on 31 March 2020</b>			
Present Value of Outstanding Lease Liability	7.33	33.15	7,818.24
Present Value of Minimum Lease Payments	2.34	7.75	21.15
<b>As on 31 March 2019</b>			
Present Value of Outstanding Lease Liability	6.98	31.57	7,827.15
Present Value of Minimum Lease Payments	2.53	8.37	22.87

**NOTE 25: FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES**

**25.1 Financial risk factors**

The Company's activities expose it to a variety of financial risks : market risk, credit risk and liquidity risk. The Company's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance.

**25.1 (a) Market risk**

The company operates only in India and has not entered in to any foreign exchange or commodity derivative contracts. Accordingly there is no exposure to market risk.

**(b) Credit risk**

Credit risk arises from the possibility that the counter party may not be able to settle their obligations as agreed. The Company has no trade receivable as it has not yet commenced any business operations. Accordingly, no credit risk of default is perceived.

**(c) Liquidity Risk**

(i) The company objective is to at all times maintain optimum level of liquidity to meet its cash and collateral requirement at all times. The Company relies on Borrowing to meet its need for fund. The current committed lines of credit are sufficient to meet its short to medium term expansion needs and hence evaluates the concentration of risk with respect to liquidity as low . The Company monitors rolling forecasts of its liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining headroom on its undrawn committed borrowing facilities at all times so that the Company does not breach borrowing limits or covenants (where applicable ) on any of its borrowing facilities.

(ii) The table provides undiscounted cash flow towards non -derivative financial liabilities into relevant maturity based on the remaining period at balance sheet date to contractual maturity date.

(iii) The company is required to maintain debt equity ratio as mentioned in the loan agreements at specified levels. In the event to meet any ratios these become callable at the option of the lenders, except where exception is provided by lender.



**HIRANMAYE ENERGY LIMITED**

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Notes to the financial statements for the year ended 31 March 2020

**(iv) Contractual Maturities of financial liabilities**

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

**Contractual maturities of financial liabilities**

Particulars	Carrying Amount	On demand	6 to 12 Months	Above 12 months	(₹) in lakhs
					Total
<b>As at 31 March 2020</b>					
Interest bearing Borrowings (Including Current Maturity)	2,36,473.87	5,876.87	-	2,30,597.00	2,36,473.87
Obligation under finance lease	-	-	-	-	-
Trade and Other payables	25,661.88	156.35	25,505.53	-	25,661.88
Other Financial Liabilities	11,253.12	-	-	11,253.12	11,253.12
<b>Total</b>	<b>2,73,388.87</b>	<b>6,033.22</b>	<b>25,505.53</b>	<b>2,41,850.12</b>	<b>2,73,388.87</b>
<b>As at 31 March 2019</b>					
Interest bearing Borrowings (Including Current Maturity)	2,34,585.44	3,988.44	38,155.46	1,92,441.54	2,34,585.44
Obligation under finance lease	-	-	-	-	-
Trade and Other payables	25,545.34	268.06	25,277.28	-	25,545.34
Other Financial Liabilities	11,234.12	-	-	11,234.12	11,234.12
<b>Total</b>	<b>2,71,364.90</b>	<b>4,256.50</b>	<b>63,432.74</b>	<b>2,03,675.67</b>	<b>2,71,364.90</b>

**Unused Lines of Credit**

Particulars	(₹) in lakhs	
	As at 31st March 2020	As at 31st March 2019
Secured	-	2,511.56
Unsecured	-	-
<b>Total</b>	<b>-</b>	<b>2,511.56</b>

**Interest Rate of Borrowing**

Particulars	Total Borrowing	Floating Rate Borrowings	Fixed Rate Borrowing	(₹) in lakhs
				Weighted average Interest Rate
<b>As at 31 March 2020</b>				
Secured	2,36,473.87	2,30,597.00	5,876.87	12.83%
Unsecured	-	-	-	-
<b>Total</b>	<b>2,36,473.87</b>	<b>2,30,597.00</b>	<b>5,876.87</b>	
<b>As at 31 March 2019</b>				
Secured	2,34,585.44	2,34,585.44	-	15.73%
Unsecured	-	-	-	-
<b>Total</b>	<b>2,34,585.44</b>	<b>2,34,585.44</b>	<b>-</b>	



**HIRANMAYE ENERGY LIMITED**  
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Notes to the financial statements for the year ended 31 March 2020

**(d) Interest rate risk**

**(i) Interest rate risk exposure**

Interest rate exposure of the Company is mainly on Borrowing from Bank/FI, which is linked to their prime lending rate and the Company does not foresee any risk on the same.

The exposure of the Company's borrowing to interest rate changes at the end of the reporting period are as follows:

	(₹) in lakhs	
	31-Mar-20	31-Mar-19
Variable rate borrowings	2,30,597.00	2,34,585.44
Fixed rate borrowings	5,876.87	-
<b>Total borrowings</b>	<b>2,36,473.87</b>	<b>2,34,585.44</b>

**(ii) Sensitivity**

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates.

	Impact on profit after tax (₹) in lakhs .	
	31-Mar-20	31-Mar-19
Interest rates – increase by 50 basis points (50 bps) *	874.95	809.32
Interest rates – decrease by 50 basis points (50 bps) *	874.95	809.32

**Note 25.2: Capital Management**

**Risk Management**

The Company's strategy is to maintain a gearing ratio within 2.36. The gearing ratios were as follows:

	31-Mar-20	31-Mar-19
Net debt - (₹) in lakhs	2,36,473.87	2,34,585.44
Total equity- (₹) in lakhs	1,00,228.53	1,00,228.53
<b>Net debt to equity ratio</b>	<b>2.36</b>	<b>2.34</b>



**HIRANMAYE ENERGY LIMITED**  
(Formerly known as India Power Corporation (Haldia) Limited)

Notes to the financial statements for the year ended 31 March 2020

**NOTE 26: Segmental Reporting:**

As the company's business activity falls within a single business segment viz "generation and sale of electricity" and a single geographical segment viz "operations within India", hence disclosure as per Ind AS 108 have not been given.

		(₹) in lakhs	
NOTE 27: Foreign Exchange Earnings and out go:		For the year ended 31st March, 2020	For the year ended 31st March, 2019
a)	Earnings	Nil	Nil
b)	Expenditure in foreign currency during the financial year on account of travelling expenses	Nil	Nil

**NOTE 28:** With effect from 15th January, 2018, the name of the Company was changed from India Power Corporation (Haldia) Limited to Hiranmaye Energy Limited.

**NOTE 29:** Company has not capitalised Unit 1 & 2 of its power plant from the declared date of commercial operation, which is 13th August, 2017 and 31st December, 2017 respectively for unit 1 & unit 2. The Company has declared these CODs to fulfil certain requirements under the State Electricity Regulations. Though the company has declared CODs, even as on balance sheet date, the units could not run for 14 days trial run which also includes 72 hours trial operation under full load condition due to issues in Turbines. Bharat Heavy Electricals Limited (BHEL) is unable to sort out the problems and is not cooperating in the matter and an arbitration is going with them. Since machines are still not stabilised and both the units are not in a position to start its operations on commercial level, the management is of the view that Unit 1 & 2 of the power plant can be said to be operational once all these issues are resolved and plant runs for continuous 72 hours on full load. These issues are expected to be resolved during the current financial year 2020-21 and consequently, the company will declared COD of Unit 1 & 2 in the financial year 2020-21 when it actually starts the commercial production.

In view of the same, cost of Unit 1 & 2 of the power plant and relevant Balance of Plants (BOPs) is considered as project costs and accordingly the Company has capitalised indirect expenditure and borrowing costs incurred during the year 2019-20 and also had not charged depreciation for the year 2019-20 in the financial statements for the year ended March 31, 2020.

**NOTE 30:** Previous year's figures have been regrouped wherever considered necessary.

The accompanying notes are an integral part of the financial statements.

**For and on behalf of the board of directors of  
Hiranmaye Energy Limited**

In terms of our report of even date

**For R Kothari & Co LLP**

Chartered Accountants

Firm registration number: 307069E/E300266



**(Manoj Kumar Sethia)**


Partner

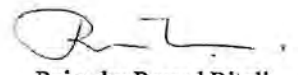
Membership No. 064308

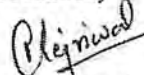
Place: Kolkata

Date: 30th Nov, 2020



  
Jyotirmay Bhaumik  
Whole-time Director  
(DIN 06852162)

  
Rajendra Prasad Ritolia  
Director  
(DIN 00119488)

  
Purushottam Kejriwal

**Chief Financial Officer & Company Secretary**