

INDEPENDENT AUDITOR'S REPORT

To the Members of Dugar Hydro Power Limited

Report on the Audit of the Ind AS Financial Statements

Opinion

We have audited the accompanying Ind AS financial statements of Dugar Hydro Power Limited ("the Company"), which comprise the Balance sheet as at March 31 2022, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the Ind AS financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid IND AS financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Ind AS 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 Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

Emphasis of matter

We draw attention to note 2(b) relating to decision taken by the management to abandon the project considering the current economic environment. Accordingly, these financial statements have been prepared on the basis that the Company does not continue to be a going concern and therefore, all assets have been valued at their realizable value, where lower than cost and all known liabilities have been fully provided for and recorded in the financial statements on the basis of best estimates of the management.

We further draw attention to Note 3(b) which explains the matter relating to claim of upfront premium fee from Government of Himachal Pradesh (GoHP) and the status of Company's arbitration and High court proceedings with GoHP.

Our opinion is not qualified in respect of the above matters.



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Other Information

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

Our opinion on the Ind AS 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 Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the 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 Management for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the Ind AS 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 Ind AS financial statements.

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

- Identify and assess the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not



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detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Ind AS financial statements, including the disclosures, and whether the Ind AS 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

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;



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- (d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
- (e) The matter described in Emphasis of Matter paragraph above, in our opinion, may have an adverse effect on the functioning of the Company;
- (f) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 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 with reference to these Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in “Annexure 2” to this report;
- (h) The provisions of section 197 read with Schedule V of the Act are not applicable to the Company for the year ended March 31, 2022.
- (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, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements – Refer Note 3(b) to the Ind AS financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person or entity, including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the company from any person or entity, including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and



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- c) Based on such audit procedures that were considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
- v. No dividend has been declared or paid during the year by the Company.

For **S.R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

T. Das Mahapatra

per Tanmoy Dasmahapatra

Partner

Membership Number: 058259

UDIN: 22058259AHJJTL6772

Place of Signature: Chandigarh

Date: April 19, 2022



Annexure 1 referred to in paragraph 1 of under the heading of “Report on other Legal and Regulatory Requirements” of our report of even date

Re: Dugar Hydro Power Limited (“the Company”)

- (j) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) All fixed assets were physically verified by the management in the previous year in accordance with a planned programme of verifying them once in three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given by the management, there are no immovable properties, included in property, plant and equipment of the company and accordingly, the requirements under paragraph 3(i)(c) of the Order are not applicable to the Company.
- (ii) The Company’s business does not involve inventories and accordingly, the requirements under paragraph 3(ii) of the Order are not applicable to the Company.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii) (a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities given in respect of which provisions of section 185 and 186 of the Companies Act 2013 are applicable and hence not commented upon.
- (v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) To the best of our knowledge and as explained, the Company is not in the business of sale of any goods. Therefore, in our opinion, the provisions of clause 3(vi) of the Order are not applicable.
- (vii)(a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including income-tax, goods and service tax, cess and other statutory dues applicable to it. The provisions relating to service tax, provident fund, employees’ state insurance, sales tax, value added tax, duty of custom and duty of excise are not applicable to the Company.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees’ state insurance, income-tax, service tax, sales



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tax, duty of custom, duty of excise, value added tax, goods and service tax, cess and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

- (c) According to the records of the Company, the dues of income-tax on account of any dispute, are as follows:

Name of Statute	Nature of dues	Forum where dispute is pending	Period to which the amount relates	Amount involved (Rs. lacs)
Income tax Act, 1961	Income tax	Commissioner of Income tax (appeals)	AY 2015-16	8.18 (net of amount deposited under protest Rs. 2.04 lacs)

- (viii) The Company did not have any outstanding loans and borrowings dues in respect of a financial institution or bank or to government or dues to debenture holders during the year.
- (ix) According to the information and explanations given by the management, the Company has not raised any money by way of initial public offer / further public offer / debt instruments and term loans hence, reporting under clause is not applicable to the Company and hence not commented upon.
- (x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the Company or no fraud on the Company by the officers and employees of the Company has been noticed or reported during the year.
- (xi) According to the information and explanations given by the management, the provisions of section 197 read with Schedule V of the Act are not applicable to the Company and hence reporting under clause 3(xi) are not applicable and hence not commented upon.
- (xii) In our opinion, the Company is not a Nidhi company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company and hence not commented upon.
- (xiii) Transactions with the related parties are in compliance with sections 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards. The provisions of section 177 are not applicable to the Company and accordingly the requirements to report under clause 3(xiii) of the Order insofar as it relates to section 177 of the Act is not applicable to the Company.
- (xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence,



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reporting requirements under clause 3(xiv) of the Order are not applicable to the Company and, therefore not commented upon.

- (xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.
- (xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For S.R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

T. Das Mahapatra

per Tanmoy Dasmahapatra

Partner

Membership Number: 058259

UDIN: 22058259AHJJTL6772

Place of Signature: Chandigarh

Date: April 19, 2022



S.R. BATLIBOI & Co. LLP

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ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF DUGAR HYDRO POWER LIMITED.

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

We have audited the internal financial controls with reference to financial statements of Dugar Hydro Power Limited ("the Company") as of March 31, 2022 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 the 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. 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 with reference to these financial statements 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 with reference to these financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to these financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls with Reference to these Financial Statements

A company's internal financial controls with reference to these financial statements 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 controls with reference to these financial



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statements 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 with Reference to these Financial Statements

Because of the inherent limitations of internal financial controls with reference to these financial statements, 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 with reference to these financial statements to future periods are subject to the risk that the internal financial control with reference to these financial statements 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, adequate internal financial controls with reference to these financial statements and such internal financial controls with reference to these financial statements were operating effectively as at March 31, 2022, 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 issued by the ICAI.

For **S.R. Batliboi & CO. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

T. Das Mahapatra

per Tanmoy Dasmahapatra

Partner

Membership Number: 058259



UDIN: 22058259AHJJTL6772

Place of Signature: Chandigarh

Date: April 19, 2022

Dugar Hydro Power Limited
Balance Sheet as at March 31, 2022

(Rs in lakhs)

ASSETS	Notes	As at March 31, 2022	As at March 31, 2021
Non-current assets			
(a) Other non-current assets	6	4,840.54	4,842.61
(b) Non current tax assets net	7	2.05	2.05
Total non-current assets		4,842.59	4,844.66
Current assets			
(a) Financial Assets			
(i) Investments	4	1,545.03	1,510.81
(ii) Cash and cash equivalents	5	0.07	0.37
Total current assets		1,545.10	1,511.18
Total assets		6,387.69	6,355.84
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	8	8,685.00	8,685.00
(b) Other Equity	9	(2312.58)	(2344.06)
Total Equity		6,372.42	6,340.94
Liabilities			
Current liabilities			
(a) Financial Liabilities			
(i) Trade Payables	11		
(a) Total outstanding dues of Micro Enterprises and Small Enterprises		0.17	0.17
(b) Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises		4.43	4.27
(b) Provisions	10	10.22	10.22
(c) Other current liabilities	12	0.45	0.24
Total current liabilities		15.27	14.90
Total Liabilities		15.27	14.90
Total Equity and liabilities		6,387.69	6,355.84

Summary of significant accounting policies 2

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

In terms of our report attached

For S.R. Batliboi & Co. LLP
Chartered Accountants
Firm Registration No: 301003E / E300005

per **Tanmoy Dasmahapatra**
Partner
Membership no. 058259



For and on behalf of the Board of Directors

Ajay Kapoor
Chairman

DIN: 00466631
Place: **NOIDA**

Sachin Kaul
Chief Financial Officer

Place: **NOIDA**

Rahul Varshney
Director

DIN: 03516721
Place: **NEW DELHI**

Riya Gupta
Company Secretary

Place: **VAISHALI, CHAZIABAD**

Place: Chandigarh
Date: **19.04.2022**



Dugar Hydro Power Limited
Statement of Profit and Loss for the year ended March 31, 2022

(Rs in lakhs)

Particulars	Notes	For the year ended March 31, 2022	For the year ended March 31, 2021
I Other Income	13	51.92	1627.66
II Total Income		51.92	1627.66
III Expenses			
(a) Other expenses	14	20.44	17.33
Total expenses (III)		20.44	17.33
IV Profit / (loss) before tax (II-III)		31.48	1610.33
V Tax Expense		-	-
VI Profit / (loss) for the year (IV-V)		31.48	1610.33
VII Other Comprehensive Income		-	-
VIII Total Comprehensive Income/(loss) (VI+VII)		31.48	1610.33
Basic and diluted Profit/(loss) per share	17	0.04	1.85
Summary of significant-accounting policies-	2		

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

In terms of our report attached

For S.R. Batliboi & Co. LLP
Chartered Accountants
Firm Registration No: 301003E / E300005

per Tanmoy Dasmahapatra
Partner
Membership no. 058259

Place: Chandigarh
Date: 19.04.2022



For and on behalf of the Board of Directors

Ajay Kapoor
Chairman
DIN: 00466631
Place: NOIDA

Sachin Kaul
Chief Financial Officer
Place: NOIDA

Rahul Varshney
Director
DIN: 03516721
Place: NEW DELHI

Riya Gupta
Company Secretary
Place: VAISHALI,
GHAZIABAD.



Dugar Hydro Power Limited
Statement of changes in equity for the year ended March 31, 2022

Equity Share Capital	(Rs. In Lakhs)
Particulars	Amount -
Balance as at March 31, 2020	8,685.00
Changes in equity share capital during the year ended March 31, 2021	-
Balance as at March 31, 2021	8,685.00
Changes in equity share capital during the year ended March 31, 2022	-
Balance as at March 31, 2022	8,685.00

Other Equity	(Rs. In Lakhs)
Particulars	Amount
<u>Retained earnings</u>	
Balance as at March 31, 2020	(3,954.39)
Profit/(loss) for the year	1,610.33
Balance as at March 31, 2021	(2,344.06)
Profit/(loss) for the year	31.48
Balance as at March 31, 2022	(2,312.58)

Summary of significant accounting policies

2

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

In terms of our report attached

For S.R. Batliboi & Co. LLP
Chartered Accountants
Firm Registration No: 301003E / E300005

T. Das Dasmahapatra
per Tanmoy Dasmahapatra
Partner
Membership no. 058259



Place: Chandigarh
Date: 19.04.2022

For and on behalf of the Board of Directors

Ajay Kapoor

Ajay Kapoor
Chairman
DIN: 00466631

Place: NOIDA

Sachin Kaul

Sachin Kaul
Chief Financial Officer
Place: NOIDA

Rahul Varshney

Rahul Varshney
Director
DIN: 03516721

Place: NEW DELHI

Riya Gupta

Riya Gupta
Company Secretary

Place: VAISHALI
GHAZIABAD.



Dugar Hydro Power Limited

Statement of cash flows for the period ended March 31, 2022

(Rs. In Lakhs)

Particulars	Period ended March 31, 2022	Year ended March 31, 2021
A. Cash flows from operating activities		
Profit/(loss) for the year	31.48	1,610.33
Adjustments for :		
(Profit)/loss on sale of property, plant and equipment	-	-
Net gain on sale of mutual fund	(0.06)	(1.28)
Liability/Assets written back	2.07	-
Net (Gain) /loss on financial asset carried at FVTPL	(51.86)	(26.38)
	(18.37)	1,582.67
Movements in working capital		
Increase/(decrease) in trade payables	-	1.54
Increase/(decrease) in other current liabilities and financial liabilities	0.21	-
Cash used in operations	(18.16)	1,584.21
Income tax paid (Net)	0.00	(120.00)
Net cash used in operating activities (A)	(18.16)	1,464.21
B. Cash flows from investing activities		
Purchase of investment in Mutual Funds	-	(1,639.96)
Proceeds for sale of investments in mutual funds	17.69	175.98
Net Cash (used in) /generated by investing activities (B)	17.69	(1,463.98)
C. Cash flows from financing activities		
Net Cash generated by financing activities (C)	-	-
Net increase in Cash and Cash equivalents (A + B + C)	(0.46)	0.23
Cash and cash equivalents at the beginning of the year	0.37	0.14
Cash and cash equivalents at the end of the year	(0.09)	0.37

Summary of significant accounting policies

2

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

In terms of our report attached

For S.R. Batliboi & Co. LLP

Chartered Accountants

Firm Registration No: 301003E / E300005

per **Tanmoy Dasmahapatra**

Partner

Membership no. 058259



Place: Chandigarh

Date: 19.04.2022

For and on behalf of the Board of Directors

Ajay Kapoor

Chairman

DIN: 00466631

Place: NOIDA

Sachin Kaul

Chief Financial Officer

Place: NOIDA

Rahul Varshney

Director

DIN: 03516721

Place: NEW DELHI

Riya Gupta

Company Secretary

Place: VAISHALI,
CHAZIABAD



Dugar Hydro Power Limited
Notes forming part of the financial statements

1. General Information.

Dugar Hydro Power Limited ("the Company" or "DHPL"), joint venture of The Tata Power Company Limited (TPC) and Statkraft Holding Singapore Pte Limited (formerly known as SN Power Holding Singapore Pte Limited) with an equity shareholding of 50.000001% and 49.999999% respectively, incorporated in India on April 21, 2011 as public limited Company with an objective to develop 449 MW Hydro Electric project on the Chenab River, Near Killar Village, Lahual and Spiti District of Himachal Pradesh, India.

The addresses of its registered office is at Grover Cottage, 2nd Floor, above HDFC Home Loan Chota Shimla-Kasumpti Road Shimla, Shimla-171002, Himachal Pradesh, India and principal place of business is at C/o Statkraft 401, 4th Floor, Salcon Rasvilas building, Saket District Centre, Delhi - 110017.

The financial statements were authorised for issue in accordance with a resolution of the directors on April 19th, 2022.

2. Significant accounting policies

a) Statement of compliance

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) read with section 133 of the Companies Act, 2013.

b) Basis of preparation and presentation

The financial statements have been prepared on a historical cost basis, except for the following assets and liabilities:

- i) Investment in mutual funds are measure at fair value
- ii) In 2011, the Company had entered into an agreement with Government of Himachal Pradesh (GoHP) for setting up Hydro-Electric Power Project (236MW) in district Chamba, Himachal Pradesh on river Chenab, of which the installed capacity has been enhanced to 449MW. In July 2015, the Company had submitted Detailed Project Report (DPR) study to GoHP as per Pre-Implementation Agreement (PIA) milestone and then subsequently to Central Electricity Authority (CEA) in July 2016. During the previous year, on December 20, 2016 and March 23, 2017, CEA meeting was held to consider accord of concurrence to the Project in which the various aspects of the project were examined and given conditional clearance subject to certain other clearances keeping the estimated capital cost of Rs 541,460 lacs with the levelised tariff rate of Rs 7.93 Kwh and with the commencement of commercial operation taken as year 2027.

During the course of meeting and subsequent to the CEA meeting, the Company had made lots of deliberation with the CEA on the increase in tariff cost rate from Rs 7.93 per Kwh to Rs 11.27 per Kwh (market price prevailing at the time of awarding the project) and proposed to allow enter into power purchase agreement (PPA) with Himachal Government considering higher cost involved because of non-readiness of the roads and infrastructure by the State Government and much higher free power offered to the Himachal Government at the time of bidding and along with other technical reasons. However, in the CEA meeting on March 23, 2017, the CEA Chairperson was of the view that market prices were much higher than the present level when bidding was conducted for awarding the project and thus considering the fact that project is likely to be commissioned in 2027, levelised tariff of Rs 7.93 per Kwh based on capital cost is fair and not agreed with the Company's view to increase the tariff level and to enter into PPA.

Considering above decision of CEA and based upon the internal future projections, the Company had decided that the project is not economically viable in the present economic environment and thus decided to abandon the project and accordingly written-off Project and Pre-operative expenses of Rs 3679.55 lacs as on March 31, 2017. Considering above and the objective for which the Company was incorporated, the Company has prepared the accounts with the fundamental assumption of 'Going Concern' being no longer appropriate. Accordingly the assets have been stated at lower of their carrying values and net realizable values, and liabilities have been stated at the values at which they are expected to be discharged.



c) Use of Estimates

The preparation of these financial statements in conformity with the recognition and measurement principles of Ind AS requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosures relating to contingent liabilities as at the date of the financial statements and the reported amounts of income and expense for the periods presented.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected.

d) Dividend and Interest income

Dividend income from investments is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably)

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

e) Leases

Ind AS 116 Leases was notified in March 2019 and it replaces Ind AS 17 Leases. Ind AS 116 is effective for annual periods beginning on or after April 1, 2019. The Company has applied Ind AS 116 'Leases' (Ind AS 116) with a date of initial application of April 1, 2019 using modified retrospective approach, under which the cumulative effect of initial application is recognized as at April 1, 2019.

On transition to Ind AS 116, The company applied practical expedient to apply Ind AS 116 only to the contracts that were previously identified as leases. Contract that were not classified as leases under Ind As 17 were not assessed.

Also, the company has applied exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of leases term or in case of low value assets. The Company recognizes the lease payments associated with these leases as an expense on a straight- line basis over the lease term.

Leasing arrangement

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

The Company as lessee

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases. There are no finance leases.

Rental expense from operating leases is generally recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred



f) Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

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 other than unabsorbed depreciation and carry forward losses to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax 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 relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the entity intends to settle its current tax assets and liabilities on a net basis.

g) Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.



h) Onerous Contracts

Present obligations arising under onerous contracts are recognised and measured as provisions with charge to profit & loss statement. An onerous contract is considered to exist where the Company has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract.

i) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in statement of profit and loss.

(ia) Financial assets

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

Classification of financial assets

Debt instruments that meet the following conditions are subsequently measured at amortised cost (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- The asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- The contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- The asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and
- The contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments in fair value through Profit or loss category are measured at fair value with all changes recognised in Profit and loss

Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for financial assets other than those financial assets classified as at fair value through profit or loss. Interest income is recognised in the Statement of profit and Loss and is included in the "Other income" line item.

Financial Assets at fair value through profit or loss (FVTPL)



Dugar Hydro Power Limited
Notes forming part of the financial statements

Investments in equity instruments are classified as at FVTPL, unless the Group irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investment in equity instruments which are not held for trading.

Debt instruments that do not meet the amortised cost criteria or FVTOCI criteria are measured at FVTPL. In addition, debt instruments that meet the amortised cost criteria or the FVTOCI criteria but are designated as at FVTPL are measured at FVTPL.

A financial asset that meets the amortised cost criteria or debt instruments that meet the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'Other income' line items. Dividend on financial assets at FVTPL is recognised when the Group's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

Derecognition of financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in the Statement of Profit and Loss.

Impairment of financial assets

The Company assesses at each date of balance sheet whether a financial asset or a Company of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognises lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

(ib) Financial Liabilities and Equity Instruments

Classification as debt or equity

Debt and equity instruments issued by a Group entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by an entity are recognised at the proceeds received, net of direct issue costs.

Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at fair value through profit or loss.



Financial Liabilities at fair value through profit or loss

Financial liabilities are classified as at fair value through profit or loss when the financial liability is held for trading or it is designated as at fair value through profit or loss.

A financial liability is classified as held for trading if:

- It has been incurred principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- It is a derivative that is not designated and effective as a hedging instrument.

Financial liabilities subsequently measured at amortised cost

Financial liabilities that are not held-for-trading and are not designated as at fair value through profit or loss are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Derecognition of financial liabilities

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

j) Earnings per share

a) Basic earnings per share

Basic earnings per share is calculated by dividing:

- The profit attributable to owners of the group
- By the weighted average number of equity shares outstanding during the financial year, adjusted for bonus element in equity shares issued during the year and excluding treasury shares.

b) Diluted earnings per share

Diluted earnings per share adjust the figures used in the determination of basic earnings

per share to take into account:

- The after income tax effect of interest and other financing costs associated with dilutive potential equity shares; and
- The weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

k) Cash flow statement

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.



Dugar Hydro Power Limited
Notes forming part of the financial statements

l) Contingent Liabilities

Contingent liabilities are disclosed in the financial statements by way of notes to accounts, unless possibility of an outflow of resources embodying economic benefit is remote.

m) Foreign Currencies

Functional currency

The functional currency of the Company is the Indian rupee. These financial statements are presented in Indian rupees (rounded off to lakhs).

Transaction and translation

In preparing the financial statements of the Company, transactions in currencies other than the Company's functional currency (foreign currencies) are recognised at the rate of exchange prevailing at the dates of transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Exchange differences on monetary items are recognised in statement of profit and loss. Transaction gains or losses realized upon settlement of foreign currency transactions are included in determining net profit/loss for the period in which the transaction is settled.

n) Operating cycle

The Company has not prepared its financial statement on going concern basis thus the rebuttable presumption is followed that all the assets and liabilities are current in nature to the extent it is recorded at net realizable value or the value at which it is expected to be discharged. However, if an asset is not expected to be realized within twelve months from the reporting date, it has been classified as non-current. Similarly, if a liability is not due to be settled within twelve months after the reporting date or if the Company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date, it has been classified as non-current.

3. Critical accounting judgment and key sources of estimation certainty

In the application of Companies accounting policies as mentioned in note 2, the management of the Company is required to make judgments, estimates and assumptions about the carrying amount of assets and liabilities that are not apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future periods.

a) Key sources of estimation certainty

Key sources of estimation uncertainty at the end of the reporting period that may be significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next accounting year.

b) Upfront premium fee:

The Company had submitted an application dated 24th April 2017 to Government of Himachal Pradesh (GoHP) sighting withdrawal of its participation in hydro project due to non-viability of the project and asked for refund of refundable upfront premium deposited as per clause 15 of the Pre Implementation Agreement (PIA). GoHP issued cancellation/termination order in response to DHPL request in September, 2017 showing the ground of failure of the Company to sign Implementation Agreement (IA) within time period allowed in the Pre - implementation agreement (PIA) and



forfeited the amount deposited since Clause 15 is not applicable after submission of detailed project report (DPR).

As per legal opinion, the decision of DOE-HP (Department of Electricity- Himachal Pradesh) in refusing to accept the reasonably and legally tenable stance of the Company and further forfeiting the upfront premium deposit of Rs. 4,720 Lacs deserve to be set aside. The Company has reasonably high chances of succeeding in the Arbitral proceedings against DOE-HP, since:

1. Draft DPR was submitted to GoHP as per modified milestone date of PIA and-CEA (Central Electricity Authority) for examination and concurrence. Duly signed final DPR is yet to be submitted to CEA.
2. DHPL represented at the time of submission of Draft DPR to GoHP that signing of IA will only be possible within two months from issue of TEC (Techno – economic clearance) by CEA and not within 2 months of submission of DPR.
3. DHPL represented regularly (through written correspondence) to GoHP/DOE since 2013 regarding various hurdles being faced by the company in development of the project i.e. increase in environmental flow, road & infrastructure, change in approval process of CEA, regulatory changes & tax structure etc.

During the year 2016-17, the Company filed its application under Section 11 of the Arbitration and Conciliation Act, 1996. The Hon'ble High Court of Himachal Pradesh vide its Order dated 25 July 2018, appointed Hon'ble Mr. Justice Surinder Singh Thakur (Retd.) as the Arbitrator to adjudicate the disputes arising out of termination of the PIA between the Company and GoHP.

During the year 2019-20, the Company has received a favorable award of arbitration vide arbitration order dated January 18, 2020. As per the arbitration award, cancellation of allotment of the project and forfeiture of upfront premium by termination order is wrong and illegal being in contravention with applicable contractual provisions. Accordingly, the Company was awarded with refund of upfront premium amounting Rs. 4,720 lacs along with Interest @ 10% with effect from April 24, 2017 and cost of arbitration.

During the previous year, in an Application is filed by GoHP (claimant) under section 34 of the arbitration Act on 03 July 2020 with the Hon'ble High Court of Himachal Pradesh seeking to set aside the arbitration award. Further, DHPL filed a petition on September 19, 2020 under section 36 of the Arbitration Act read with order 21 Rule 11(2) and section 151 of the Code of civil procedure, 1908 for execution of the arbitral award.

Against the GoHP petition the High court; when the matter was called, GoHP's counsel submitted that the pleadings are complete, and the matter may be listed for final hearing.

During the year, pleadings are complete before the High Court. In its last hearing on 23 December 2021, the High Court directed the matter to be listed for final hearing in March, 2022, however, the matter is yet to be listed for a final hearing. The next date of hearing is yet to be notified.

In view of aforesaid facts & circumstances and pending order of High Court of HP, the Company has classified the upfront premium amount of Rs 4,720 lakhs as "Recoverable from GoHP" in "Other non-current assets" (Note - 6) in the Balance sheet."

c) New and amended standards

(i) Amendments to Ind AS 116: Covid-19- Related Rent Concessions

The amendments provide relief to lessees from applying Ind AS 116 guidance on lease modification accounting for rent concessions arising as a direct consequence of the Covid-19 pandemic. As a practical expedient, a lessee may elect not to assess whether a COVID 19 related rent concession from a lessor is a lease modification. A lessee that makes this election accounts for any change in lease payments resulting from the Covid-19 related rent concession the same way it would account for the change under Ind AS 116, if the change were not a lease modification.



Dugar Hydro Power Limited
Notes forming part of the financial statements

The amendments are applicable for annual reporting periods beginning on or after the 1 April 2020. In case, a lessee has not yet approved the financial statements for issue before the issuance of this amendment, then the same may be applied for annual reporting periods beginning on or after the 1 April 2019. This amendment had no impact on the financial statements of the company

(ii) Amendments to Ind AS 103 Business Combinations

The amendment to Ind AS 103 Business Combinations clarifies that to be considered a business, an integrated set of activities and assets must include, at a minimum, an input and a substantive process that, together, significantly contribute to the ability create output. Furthermore, it clarifies that a business can exist without including all of the inputs and processes needed to create outputs.

These amendments are applicable to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after the 1 April 2020 and to asset acquisitions that occur on or after the beginning of that period. This amendment had no impact on the financial statements of the Company

(iii) Amendments to Ind AS 1 and Ind AS 8: Definition of Material

The amendment provides a new definition of material that states, "information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity. "The amendments clarify that materiality will depend on the nature or magnitude of information, either individually or in combination with other information, in the context of the financial statements. A misstatement of information is material if it could reasonably be expected to influence decisions made by the primary users. These amendments has no impact on the financial statements of, nor is there expected to be any future impact to the Company.

These amendments are applicable prospectively for annual periods beginning on or after the 1 April 2020. The amendments to the definition of material are not expected to have a significant impact on the Company's financial statements.

(iv) Amendments to Ind AS 107 and Ind AS 109: Interest Rate Benchmark Reform

The amendments to Ind AS 109 *Financial Instruments: Recognition and Measurement* provide a number of reliefs, which apply to all hedging relationships that are directly affected by interest rate benchmark reform. A hedging relationship is affected if the reform gives rise to uncertainty about the timing and/or amount of benchmark-based cashflows of the hedged item or the hedging instrument. These amendments have no impact on the financial statements of the Company as it does not have any interest rate hedge relationships.

The amendments to Ind AS 107 prescribe the disclosures which entities are required to make for hedging relationships to which the reliefs as per the amendments in Ind AS 109 are applied. These amendments are applicable for annual periods beginning on or after the 1 April 2020. These amendments are not expected to have a significant impact on the Company's financial statements.



Dugar Hydro Power Limited
Notes forming part of Financial Statements

4. Investments (In Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Current investments		
Investment in mutual funds (Quoted)		
Axis liquid fund - Growth (March 31, 2022 : 19726.403 units , March 31, 2021 - 19726.403 units)	466.35	450.71
TATA Mutual fund - Growth Plan (March 31, 2022 : 13355.345 units , March 31, 2021- 13896.196 units)	448.80	451.24
ICICI Prudential Liquid Fund - Growth Plan (March 31, 2022 : 199799.858 units , March 31, 2021- 199799.858 units)	629.88	608.86
TOTAL CURRENT INVESTMENTS (at fair value)	1,545.03	1,510.81

**4.1 Category-wise other investments-
as per Ind AS 109 classification**

	As at March 31, 2022	As at March 31, 2021
Financial assets carried at fair value through profit or loss (FVTPL)		
Mandatorily measured at FVTPL (unquoted)	1,545.03	1,510.81
	1,545.03	1,510.81



Dugar Hydro Power Limited
Notes forming part of Financial Statements -

5. Cash and cash equivalents

Particulars	(In Lakhs)	
	As at March 31, 2022	As at March 31, 2021
Balances with banks	0.07	0.37
	0.07	0.37
Cash and Cash Equivalents as per Cash Flow Statement	0.07	0.37

6. Other non-current assets

Particulars	As at	As at
	March 31, 2022	March 31, 2021
Tax deducted at source	120.54	120.54
Recoverable from Government of Himachal Pradesh (GoHP)	4,720.00	4,722.07
	4,840.54	4,842.61

7. Non current tax assets

Particulars	As at	As at
	March 31, 2022	March 31, 2021
Deposit under protest	2.05	2.05
	2.05	2.05



Dugar Hydro Power Limited
Notes forming part of Financial Statements

8. Equity Share Capital

Particulars	(In Lakhs)	
	As at March 31, 2022	As at March 31, 2021
Equity share Capital	8,685.00	8,685.00
	8,685.00	8,685.00
Authorised Share Capital		
90,000,000 fully paid equity shares of Re 10 each	9,000.00	9,000.00
Issued and Subscribed capital		
Equity shares of face value of Rs. 10 each fully paid up with voting rights	8,685.00	8,685.00
	8,685.00	8,685.00

(i) Rights, preferences and restrictions attached to the equity shareholders:

The Company has one class of equity shares having a par value of Rs. 10 per share. Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(ii) Details of shares held by each shareholder holding more than 5% and details of share held by the investor

	As at March 31, 2022		As at March 31, 2021	
	Number of shares held	% holding of equity shares	Number of shares held	% holding of equity shares
Fully paid equity shares				
The Tata Power Company Limited	4,34,25,002	50.000001	4,34,25,002	50.000001
Statkraft Holding Singapore Pte Limited	4,34,25,000	49.999999	4,34,25,000	49.999999
Total	8,68,50,002	100	8,68,50,002	100

a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting financial year :

	As at March 31, 2022		As at March 31, 2021	
	No	Amount	No	Amount
At the beginning of the year	8,68,50,002	86,85,00,020	8,68,50,002	86,85,00,020
Add: Issued during the year	-	-	-	-
Outstanding at the end of the year	8,68,50,002	86,85,00,020	8,68,50,002	86,85,00,020



Dugar Hydro Power Limited
Notes forming part of Financial Statements

9. Other equity

(In Lakhs)

Particulars	As at	As at
	March 31, 2022	March 31, 2021
Retained Earnings		
Balance at the beginning of the year	(2,344.06)	(3,954.39)
Profit/(loss) for the year	31.48	1,610.33
	(2,312.58)	(2,344.06)

10. Provisions

Particulars	As at	As at
	March 31, 2022	March 31, 2021
Provision for contingencies	10.22	10.22
	10.22	10.22
Current	10.22	10.22
Total	10.22	10.22

11. Trade Payables

Particulars	As at	As at
	March 31, 2022	March 31, 2021
Trade payables (see note below)		
Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises	4.43	4.27
Total outstanding dues of Micro Enterprises and Small Enterprises	0.17	0.17
	4.60	4.44

Note: Based on the information available with the company, the balance due to micro, small enterprises as defined under the micro, small and medium enterprises development (MSMED) act, 2006 is Rs. 0.17 (in lakhs) (31st March 2021: Rs. 0.17) and no interest has been paid or is payable during the year under the terms of the MSMED Act, 2006. The information provided by the company has been relied upon by the auditors

Trade Payables Ageing schedule as at 31st March , 2022

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade Payables					
a) MSME	0.17	-	-	-	0.17
b) Others	4.43	-	-	-	4.43

Trade Payables Ageing schedule as at 31st March , 2021

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade Payables					
a) MSME	0.17	-	-	-	0.17
b) Others	4.27	-	-	-	4.27

12. Other current liabilities

Particulars	As at	As at
	March 31, 2022	March 31, 2021
Statutory dues	0.45	0.24
	0.45	0.24

