

**INDEPENDENT AUDITOR'S REPORT**

To the Members of Chandil Transmission Limited

**Report on the Audit of the Financial Statements**

**Opinion**

1. We have audited the accompanying Standalone Ind AS financial statements of **Chandil Transmission Limited** ("the Company), which comprise the Balance Sheet as at 31st March, 2022, the Statement of Profit and Loss, the Statement of Cash Flows and the statement of changes in equity for the year ended and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the financial statement").
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Ind AS financial statements give the information required by the companies Act, 2013 (The "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the company as at March 31, 2022, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

**Basis for Opinion**

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

**Key Audit Matters**

4. We have determined that there are no key audit matters to communicate in our reports for the Chandil Transmission Limited.

**Information Other than the financial statements and Auditor's Report Thereon**

5. The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises in the Board report including Annexure to





Board's Report and shareholder's Information but does not include the financial statements and our auditor's report thereon.

6. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance/conclusion thereon.
7. In connection with our audit of the standalone Ind AS 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.
8. 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.

### **Responsibilities of Management and Those charged with governance for the Financial Statement**

9. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the position, financial performance and cash flows of the company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
10. 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.
11. The Board of Directors are responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

12. 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

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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.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal 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 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.

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





# R K A A P & ASSOCIATES

## CHARTERED ACCOUNTANTS



our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

15. 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.
16. 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.
17. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Report on Other Legal and Regulatory Requirements

18. 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 A**", a statement on the matters specified in the paragraphs 3 and 4 of the Order.
19. 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 accounts as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c) We have relied upon the financial information provided to us by the management of the company and our opinion is based solely thereon.
  - d) The balance sheet, the statement of profit and loss, the statement of cash flows and the statement of changes in equity and dealt with by this Report are in agreement with the books of accounts;
  - e) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with relevant rule issued thereunder;



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- 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 are 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 over financial reporting of the company and the operating effectiveness of such controls, refer to our separate Report in “**Annexure B**”; and
- h) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- The Company has does not have any pending litigations as on 31<sup>st</sup> March 2022.
  - The company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
  - The provision of transferring the amount to the Investor Education and Protection Fund is not applicable to the company.

20. As per Directions issued by CAG of India under section 143(5) of the companies Act 2013, we report that:

- All the accounting transactions are recorded in tally system. There are no accounting transactions outside IT system.
- There is no restructuring of an existing loan or cases of waiver/ write off of debts/ loans/ interest etc. made by a lender to the company due to the company’s inability to repay the loan.
- There are no funds received/ receivable for specific schemes from Central/State agencies.

For RKAAP & ASSOCIATES  
Chartered Accountants  
FRN 006781N



CA. Ratnesh Kumar Gupta  
(Partner)  
M.No. 085533



Place: New Delhi  
Dated: 08/09/2022

UDIN No.: 22085533ASEMXC1705

### Annexure A to the Independent Auditor's Report

The annexure referred to in paragraph 1 under the heading 'Report on Other Legal and Regulatory Requirements' section of our report of even date to the members of Chandil Transmission Limited on the Ind AS financial statements for the financial year ended on 31<sup>st</sup> March 2022.

1. In respect of its Property, Plant and Equipment
  - (a) The Company does not have any Property, Plant and Equipment except Capital Work in Progress (CWIP). Therefore, clause 3(i) of the order is not applicable to the company.
  - (b) The company has not revalued its assets during the year.
  - (c) The company is not holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder. No Proceedings has been initiated nor pending.
  - (d) The company is not having any intangible asset. Therefore the provisions of clause (i)(a)(B) of paragraph 3 of the order are not applicable to the company.
2. The company does not have any inventory as on date of report. Therefore, the reporting under the clause is not applicable.
- (b) No working capital limit has been sanctioned to the company during the year.
3. In our opinion and according to the information and explanations given to us, the company has not provided any guarantee or security or granted any loans or advances secured or unsecured to the companies/ firms, limited liability partnership or other parties. Accordingly the provisions of clause 3(iii) (a), (b) and (c) of the order are not applicable to the company.
4. In our opinion and according to the information and explanations given to us, the company has not given loans, guarantees, security or made any investments which need to comply with the section 185 and 186 of Companies Act, 2013.
5. According to the information and explanations given to us, the Company has not accepted any deposit during the year within the meaning of section 73 to 76 or any other relevant provisions of the Companies Act, 2013.
6. The Company is not required to maintain cost records which have been specified by the Central Government under sub-section (1) of section 148 of companies act, 2013.
7. (a) According to the records of the company examined by us, in our opinion, the company is regularly depositing undisputed statutory dues including Goods and





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service tax, Excise Duty, Provident Fund, ESI and other statutory dues applicable over the company.

(b) According to the information given to us and as per the books of accounts produced before us, the company has no dues relating to Goods and service tax, sales tax, income tax, custom tax, excise duty, cess as at 31<sup>st</sup> March, 2022.

8. According to the information given to us and as per the books of accounts produced before us, no transactions have been surrendered or disclosed as income during the year in the tax assessment under the Income Tax Act, 1961.

9. Based on our audit procedures and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to a financial institution or bank or debenture holders.

10. (a) The company has not raised any money by way of initial public deposit offer, further public offer (including debt instruments) during the year.

(b) The company has not made any preferential allotment or private placement of shares or convertible debenture during the year.

11. (a) According to the information and explanations given to us, based upon the audit procedures performed and representations made by the management, we report that no fraud on or by the Company has been noticed or reported during course of our audit.

(b) There is no fraud reported during the year accordingly filling of report under sub-section (12) of section 143 of the Act is not required.

(c) According to the information and explanations given to us, no whistle-blower complains received during the year by the company.

12. The company is not a Nidhi company and hence this clause is not applicable.

13. In our opinion and according to information and explanation given to us, all transactions with related parties are in compliance with sections 177 and 188 of Companies Act, 2013 and are disclosed in the financial statements as required by the applicable accounting standards.

14. The company has not appointed an internal auditor for the year and not covered by section 138 of the companies Act, 2013 related to appointment of Internal Auditor.

15. Based on the representation given by the management, the company has not entered into any non-cash transactions with the directors or other persons connected to directors and hence the provision of section 192 of the company's act is not applicable.

16. The company is not required to be registered under section 45-IA of Reserve Bank of India, 1934.



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17. Based on the representation given by the management, the company has not incurred any cash losses during the financial year and immediately preceding financial year.
18. No statutory auditors has resigned during the year.
19. On the basis of financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and management plans, we are in the opinion that no material uncertainty exit as on the date of the audit report that the company is capable of meeting its liabilities existing at the date of the balance sheet as and when they fall due within a period of one year from the balance date.
20. The company has not spent any funds under section 135 of the Act.

For RKAAP & ASSOCIATES  
Chartered Accountants  
FRN 006781N



CA. Ratnesh Kumar Gupta  
(Partner)  
M.No. 085533



Place: New Delhi  
Dated: 08/09/2022

UDIN No.: 22085533ASEMXC1705



### **Annexure B to the Independent Auditor's Report**

Annexure referred to in paragraph 3(f) under the heading 'Report on Other Legal and Regulatory Requirements' section of our report of even date to the members of Chandil Transmission Limited on the financial statements for the financial year ended on 31st March 2022.

### **Report on the Internal Financial Control 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 **Chandil Transmission Limited** ("the Company") as on 31<sup>st</sup> March 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 company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and 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 Ind AS 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 with reference to financial statements.

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### 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 Ind AS 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 Ind AS 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 Ind AS 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<sup>st</sup> March, 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 on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For RKAAP & ASSOCIATES  
Chartered Accountants  
FRN 006781N



CA. Ratnesh Kumar Gupta  
(Partner)  
M.No. 085533



Place: New Delhi  
Dated: 08/09/2022

UDIN No.: 22085533ASEMXC1705





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# CHANDIL TRANSMISSION LIMITED

CIN U40108DL2018GOI330905

## Balance Sheet as at 31 March, 2022

(All amounts in ₹ thousands, unless stated otherwise)

Particulars	Notes	As at 31 March, 2022	As at 31 March, 2021
<b>ASSETS</b>			
<b>Non-current assets</b>			
Capital Work in progress	4	1,983.20	1,983.20
<b>Total non current assets</b>		<b>1,983.20</b>	<b>1,983.20</b>
<b>Current assets</b>			
<b>Financial assets</b>			
Cash and cash equivalents	5	20.00	20.00
Other current assets	6	1,908.62	1,896.62
<b>Total current assets</b>		<b>1,928.62</b>	<b>1,916.62</b>
<b>TOTAL ASSETS</b>		<b>3,911.82</b>	<b>3,899.82</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	7	500.00	500.00
Other equity	8	(22,001.93)	(21,969.82)
<b>Total equity</b>		<b>(21,501.93)</b>	<b>(21,469.82)</b>
<b>Current liabilities</b>			
<b>Financial liabilities</b>			
Other financial liabilities	9	25,406.51	25,366.14
Other current liabilities	10	7.24	3.50
<b>Total current liabilities</b>		<b>25,413.75</b>	<b>25,369.64</b>
<b>Total liabilities</b>		<b>25,413.75</b>	<b>25,369.64</b>
<b>TOTAL EQUITY &amp; LIABILITIES</b>		<b>3,911.82</b>	<b>3,899.82</b>

Summary of significant accounting policies 1 to 3

The accompanying notes from 4 to 22 are integral part of the financial statements.

These are the financial statements referred to in our report of even date.

**For RKAAP & ASSOCIATES**

Chartered Accountants

ICAI Firm Registration No.: 006781N



For and on behalf of Board of Directors of  
**CHANDIL TRANSMISSION LIMITED**

*[Signature]*

**CA. Ratnesh Kumar Gupta**

Partner

Membership No. 085533

Place: New Delhi

Date: 08-09-2022

UDIN: 22085533 ASEM XC 1705

*[Signature]*

**Sanjay Shilendra Kumar Kulshrestha**

Director

DIN No.: 06428038

Place: New Delhi

Date: 08-09-2022

*[Signature]*

**Saurabh Rastogi**

Director

DIN No.: 05317155

Place: New Delhi

Date: 08-09-2022



# CHANDIL TRANSMISSION LIMITED

CIN U40108DL2018GOI330905

## Statement of Profit and Loss for the year ended 31 March, 2022

(All amounts in ₹ thousands, unless stated otherwise)

Particulars	Notes	For the year ended 31 March, 2022	For the year ended 31 March, 2021
<b>Income</b>			
Other income	11	5.70	-
<b>Total Income</b>		<b>5.70</b>	<b>-</b>
<b>Expenses</b>			
Finance costs		-	-
Other expenses	12	37.81	102.40
<b>Total expenses</b>		<b>37.81</b>	<b>102.40</b>
<b>Loss before tax</b>		<b>(32.11)</b>	<b>(102.40)</b>
<b>Tax expense</b>	13		
Current tax		-	-
Deferred tax expense/(credit)		-	-
<b>Total tax expenses</b>		<b>-</b>	<b>-</b>
<b>Net Loss for the year</b>		<b>(32.11)</b>	<b>(102.40)</b>
<b>Other comprehensive loss</b>			
Items that will not be reclassified to profit or loss			
Re-measurement gains/(losses) on defined benefit plans		-	-
Income tax relating to these items		-	-
<b>Other comprehensive income/(loss) for the year</b>		<b>-</b>	<b>-</b>
<b>Total comprehensive income/(loss) for the year</b>		<b>(32.11)</b>	<b>(102.40)</b>
<b>Loss per equity share</b>			
Basic/diluted earnings/ (loss) per share (In ₹)	14	<b>(0.64)</b>	<b>(2.05)</b>

Summary of significant accounting policies 1 to 3

The accompanying notes from 4 to 22 are integral part of the financial statements.

These are the financial statements referred to in our report of even date.

**For RKAAP & ASSOCIATES**

Chartered Accountants

ICAI Firm Registration No.: 006781N



**CA. Ratnesh Kumar Gupta**

Partner

Membership No. 085533

Place: New Delhi

Date: 06-09-2022

UDIN: 22065533ASEMXC1705

For and on behalf of Board of Directors of

**CHANDIL TRANSMISSION LIMITED**

**Sanjay Shilendra Kumar Kulshrestha**

Director

DIN No.: 06428038

Place: New Delhi

Date: 08-09-2022

**Saurabh Rastogi**

Director

DIN No.: 05317155

Place: New Delhi

Date: 08-09-2022

**CHANDIL TRANSMISSION LIMITED**  
CIN U40108DL2018GOI330905

**Statement of changes in equity for the year ended 31 March, 2022**

(All amounts in ₹ thousands, unless stated otherwise)

**A Equity share capital**

Particular	Amount
Balance as at 1 April, 2020	500.00
Changes in equity share capital during the year	-
<b>Balance as at 31 March, 2021</b>	<b>500.00</b>
<b>Balance as at 1 April, 2021</b>	<b>500.00</b>
Changes in equity share capital during the year	-
<b>Balance as at 31 March, 2022</b>	<b>500.00</b>

**B Other equity**

Particulars	31 March 2022	
	Retained earnings	Total
<b>Balance as at 1 April, 2021</b>	<b>(21,969.82)</b>	<b>(21,969.82)</b>
Loss for the year	(32.11)	(32.11)
<b>Balance as at 31 March, 2022</b>	<b>(22,001.93)</b>	<b>(22,001.93)</b>

Particulars	31 March 2021	
	Retained earnings	Total
<b>Balance as at 1 April, 2020</b>	<b>(21,867.42)</b>	<b>(21,867.42)</b>
Loss for the year	(102.40)	(102.40)
<b>Balance as at 31 March, 2021</b>	<b>(21,969.82)</b>	<b>(21,969.82)</b>

**Summary of significant accounting policies 1 to 3**

The accompanying notes from 4 to 22 are integral part of the financial statements.

These are the financial statements referred to in our report of even date.

**For RKAAP & ASSOCIATES**


Chartered Accountants


ICAI Firm Registration No.: 006781N

For and on behalf of Board of Directors of  
**CHANDIL TRANSMISSION LIMITED**

  
**CA. Ratnesh Kumar Gupta**  
Partner  
Membership No. 085533  
Place: New Delhi  
Date: 08-09-2022  
UDIN: 22085533ASEMXC1705



  
**Sanjay Shilendra Kumar Kulshrestha**  
Director  
DIN No.: 06428038  
Place: New Delhi  
Date: 08-09-2022

  
**Saurabh Rastogi**  
Director  
DIN No.: 05317155  
Place: New Delhi  
Date: 08-09-2022



## CHANDIL TRANSMISSION LIMITED

CIN U40108DL2018GOI330905

## Statement of Cash Flows for the year ended 31 March, 2022

(All amounts in ₹ thousands, unless stated otherwise)

Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit / (Loss) before tax	(32.11)	(102.40)
Operating profit before working capital changes	(32.11)	(102.40)
<b>Changes in working capital:</b>		
Adjustments for (increase) / decrease in operating assets:		
Other current assets	(12.00)	(26.85)
Adjustments for increase / (decrease) in operating liabilities:		
Other financial liabilities (current)	40.37	403.03
Other current liabilities	3.74	(273.78)
Movement in operating assets and liabilities	32.11	102.40
<b>Cash generated from operations</b>	(0.00)	-
Less: Tax paid	-	-
<b>Net cash flow from operating activities (A)</b>	(0.00)	-
<b>B. CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Sale/(Purchase) of property, plant and equipment (including capital work-in-progress and intangibles)	-	-
<b>Net cash used in investing activities (B)</b>	-	-
<b>C. CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Issue of share capital	-	-
<b>Net cash flows from financing activities (C)</b>	-	-
<b>Net increase/decrease in cash and cash equivalents (A+B+C)</b>	(0.00)	-
Cash and cash equivalents at the beginning of the year	20.00	20.00
Cash and cash equivalents at the end of the year	20.00	20.00
<b>Reconciliation of cash and cash equivalents as per the cash flow statement</b>	-	-

## Explanatory notes -

Cash and Cash equivalents consists of Bank Balance . The details of Cash and Cash equivalents is as under

	As at 31st March 2022	As at 31st March 2021
Balance held with schedule bank		
-in current account	20.00	20.00

## Summary of significant accounting policies 1 to 3

The accompanying notes from 4 to 22 are integral part of the financial statements.

These are the financial statements referred to in our report of even date.

For RKAAP &amp; ASSOCIATES

Chartered Accountants

ICAI Firm Registration No.: 006781N



CA. Ratnesh Kumar Gupta

Partner

Membership No. 085533

Place: New Delhi

Date: 08-09-2022

UDIN: 22085533/5EM4XC1705

For and on behalf of Board of Directors of  
CHANDIL TRANSMISSION LIMITED


Sanjay Shilendra Kumar Kulshrestha

Director

DIN No.: 06428038

Place: New Delhi

Date: 08-09-2022



Saurabh Rastogi

Director

DIN No.: 05317155

Place: New Delhi

Date: 08-09-2022

## **CHANDIL TRANSMISSION LIMITED**

**Summary of Significant Accounting Policies and other explanatory information for the year ended 31 March 2022**  
**(All amounts in rupees thousand, unless stated otherwise)**

### **1. COMPANY OVERVIEW**

Chandil Transmission Limited ("the Company") was incorporated on **14th March 2018** at New Delhi. The Company is a wholly owned subsidiary of REC Power Development & Consultancy Limited (RECPDCL) (formerly REC Power Distribution Company Limited). Government of Jharkhand vide notification no. 03/06/17/2648 dated 21 August 2017 appointed REC Power Development and Consultancy Limited (formerly REC Power Distribution Company Limited) as a Bid Process Co-coordinator for selection of the developer for different transmission projects. On completion of the bid process, the successful bidder is to acquire one hundred percent (100%) of the equity shares of the company along with all its related assets and liabilities.

REC Transmission Projects Company Limited (RECTPCL) was wholly owned subsidiary of M/s REC Limited, a Government of India Enterprise which has been amalgamated with M/s REC Power Distribution Company Limited (RECPDCL), another wholly owned subsidiary of M/s REC Limited as per MCA order no.24/1/2020-CL-III dated 05.02.2021. Hence, the company, Chandil Transmission Limited is now a wholly owned subsidiary of REC Power Distribution Company Limited (REC PDCL).

Government of Jharkhand vide its letter dated 30.09.2020, has decided to reinstate the bidding process. Hence, the project has been kept in abeyance w.e.f. 01.10.2020.

### **2. BASIS OF PREPARATION, SIGNIFICANT ACCOUNTING POLICIES AND SIGNIFICANT ESTIMATES**

#### **2.1 Basis of preparation and measurement**

##### **(i) Statement of compliance with Indian Accounting Standards (Ind AS)**

These standalone financial statements ("the Financial Statements") have been prepared in accordance with the Indian Accounting Standards ('Ind AS') as notified by Ministry of Corporate Affairs ('MCA') under Section 133 of the Companies Act, 2013 ('Act') read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other relevant provisions of the Act. The Company has uniformly applied the accounting policies for the periods presented in these financial statements.

The financial statements for the year ended March 31, 2022 were authorized and approved for issue by the Board of Directors.

##### **(ii) Functional and presentation currency:**

These financials are presented in Indian Rupees (INR), which is also the Company's functional currency, all amounts have been rounded off to nearest thousands (upto 2 digits), unless otherwise indicated.

##### **(iii) Going concern and basis of measurement**

The financial statements have been prepared on going concern basis under the historical cost convention on accrual basis.





## **CHANDIL TRANSMISSION LIMITED**

### **Summary of Significant Accounting Policies and other explanatory information for the year ended 31 March 2022** **(All amounts in rupees thousand, unless stated otherwise)**

## **2.2 Significant accounting policies**

### **i) Revenue recognition**

Revenue is recognised (as per the five step model laid down under Ind AS 115) to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

### **ii) Property, Plant and Equipment**

Property Plant and Equipment's are carried at cost less accumulated amortization and impairment losses, if any. The cost of Property Plant and Equipment comprises its purchase price, including any import duties and other taxes (other than those subsequently recoverable from the tax authorities), and any directly attributable expenditure on making the asset ready for its intended use and net of any trade discounts and rebates.

Expenditure incurred during development period / project implementation period are treated as Capital work in progress. Accordingly, expenditure incurred on Administration/Interest etc. has been treated as Capital work in progress.

### **iii) 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:**

##### **Initial recognition and measurement**

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

#### **Financial liabilities:**

##### **Initial recognition and measurement**

Financial liabilities are classified, at initial recognition at fair value through profit or loss, loans and borrowings, payables, as appropriate.



## **CHANDIL TRANSMISSION LIMITED**

### **Summary of Significant Accounting Policies and other explanatory information for the year ended 31 March 2022** **(All amounts in rupees thousand, unless stated otherwise)**

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

#### **Subsequent measurement**

Subsequent to initial recognition, financial liabilities are measured at amortised cost using the effective interest method.

#### **De-recognition**

A financial liability is de-recognised when the obligation under the liability is discharged or 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 or loss.

#### **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 realise the assets and settle the liabilities simultaneously.

#### **iv) Fair value measurement**

The Company measures financial instruments at fair value which 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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities;

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimising





## **CHANDIL TRANSMISSION LIMITED**

### **Summary of Significant Accounting Policies and other explanatory information for the year ended 31 March 2022** **(All amounts in rupees thousand, unless stated otherwise)**

the use of unobservable inputs. For assets and liabilities that are recognized in the balance sheet on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

#### **v) Taxation**

Current tax is the amount of tax payable in respect of taxable income for the year and is computed in accordance with the provisions of Income Tax Act, 1961. Current income tax relating to items recognised outside statement of profit or loss is recognised outside statement of profit or loss (either in other comprehensive income or in equity). The current tax is calculated using the tax rate that have been enacted or subsequently enacted by the end of the reporting period.

Deferred tax is recognised in respect of temporary differences between carrying amount of assets and liabilities for financial reporting purposes and corresponding amount used for taxation purposes. Deferred tax assets on unrealised tax loss are recognised to the extent that it is probable that the underlying tax loss will be utilised against future taxable income. This is assessed based on the Company's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss. 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.

#### **vi) Earnings per share**

The Basic Earnings per equity share ('EPS') is computed by dividing the net profit or loss after tax before other comprehensive income for the year attributable to the equity shareholders of the Company by weighted average number of equity shares outstanding during the year.

#### **vii) Cash and cash equivalents**

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term balances, as defined above, net of outstanding cash credits as they are considered an integral part of the Company's cash management.

#### **viii) Borrowing costs**



## **CHANDIL TRANSMISSION LIMITED**

### **Summary of Significant Accounting Policies and other explanatory information for the year ended 31 March 2022**

**(All amounts in rupees thousand, unless stated otherwise)**

Borrowing costs that are directly attributable to the acquisition and/ or construction of a qualifying asset, till the time such a qualifying asset becomes ready for its intended use sale, are capitalized. Borrowing costs consist of interest and other costs that the Company incurred in connection with the borrowing of funds. A qualifying asset is one that necessarily takes a substantial period to get ready for its intended use. All other borrowing costs are charged to the Statement of Profit and Loss on an accrual basis as per the effective interest rate method.

#### **ix) Expenditure incurred by Holding Company**

All the direct expenses incurred by RECPDCL for SPV has been directly booked to the SPV. All Indirect / Common Expenses are allocated to SPV on the proportionate basis from the month of issue of RFQ / RFP (If RFQ stage is not adopted in the Bidding Process) or incorporation of SPV, whichever is earlier, till the month in which tenth day from the date of issue of Letter of Intent (LOI) for the transfer of the SPV falls. Part of the month, if any, is considered as full month for cost allocation. If bid process activity relating to any SPV is kept in abeyance, due to any reason, no cost allocation for such period of abeyance is made to such SPV and no interest is charged. The holding company charges interest on the funds deployed by it for the current year based on the REC interest rate circular for T & D loans for ungraded organisations, as on the beginning of the year. For direct expenses, interest is charged from the month in which the expenditure is incurred whereas for indirect expenses interest is charged for the average period of deployment of funds. Such interest is calculated on monthly basis but recognised at the end of the year.

Government of Jharkhand vide its letter dated 30.09.2020, has decided to reinstate the bidding process. Hence, the project has been kept in abeyance w.e.f. 01.10.2020. Accordingly, Administration and salary expenses have not been done by Holding Co. for the FY 2021-22. Further, interest has not been charged by the Holding Co. for the year ended 31.03.2022.

Expenditure incurred for the SPV by REC Power Development and Consultancy Limited (formerly REC Power Distribution Co. Ltd.), Holding Company, on behalf of the Company is considered as "other financial liabilities" (Current).

The Company is obtaining various licenses with respect to the project such as licenses under section 68, forest clearance and other clearance etc. from agencies concern. Expenses incurred in obtaining the license i.e. all direct expenditures and indirect expenditure are shown under Capital Work In Progress (CWIP) and Statement of Profit and Loss. In the opinion of management, 10% of the indirect expenses are estimated to be incurred in obtaining the license and hence capitalised.

Further, wherever, payments relating to the Company are made by the Holding Company and the ultimate Holding Company, procedural and statutory requirements with regard to deduction of Tax at Source and deposit thereof as applicable are also complied with by the Holding Company and the ultimate Holding Company against payments released on their account.

#### **2.3 Significant management judgment in applying accounting policies and estimation of uncertainty**





## **CHANDIL TRANSMISSION LIMITED**

### **Summary of Significant Accounting Policies and other explanatory information for the year ended 31 March 2022** **(All amounts in rupees thousand, unless stated otherwise)**

The preparation of the Company's financial statements requires management to make judgment's, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the related disclosures. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Such estimates & assumptions are based on management evaluation of relevant facts & circumstances as on date of financial statements. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period; they are recognised in the period of the revision and future periods if the revision affects both current and future periods.

### **3. Significant estimates and judgment's**

The preparation of the Company's financial statements requires management to make judgments, estimates, and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the related disclosures. Actual results may differ from these estimates.

#### ***Significant management judgments***

**Evaluation of indicators for impairment of assets** – The evaluation of the applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

#### ***Significant estimates***

**Useful lives of depreciable/amortizable assets** – Management reviews its estimate of the useful lives of depreciable/amortizable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of assets.

**Fair value measurements** – Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available). This involves developing estimates and assumptions consistent with how market participants would price the instrument. In estimating the fair value of an asset or a liability, the Company uses market-observable data to the extent it is available. In case of non-availability of market-observable data, Level 2 & Level 3 hierarchy is used for fair valuation.

**Income Taxes** – Significant estimates are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions and also in respect of expected future profitability to assess deferred tax asset.



# CHANDIL TRANSMISSION LIMITED

Notes forming part of Financial Statements for the year ending 31 March 2022

(All amounts in ₹ thousands, unless stated otherwise)

## 4 Capital work in progress

Particulars	As at 31 March, 2022	As at 31 March, 2021
Opening Balance	1,983.20	1977.77
Expenses Allocated by Holding Co.		
Salary Expenses Allocated by Holding Company	0.00	5.43
Closing Balance	1,983.20	1,983.20

### Ageing Schedule:-

CWIP	Amount in CWIP for the period of				total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in Progress	-	-	-	-	-
Projects temporarily suspended*		5.43	461.96	1515.81	1983.20
Total					1983.20

## 5 Cash and cash equivalents

Particulars	As at 31 March, 2022	As at 31 March, 2021
Balances with banks:		
- in current accounts	20.00	20.00
	20.00	20.00

## 6 Other current assets

Particulars	As at 31 March, 2022	As at 31 March, 2021
Balances with statutory and government authorities*	1,908.62	1,896.62
	1,908.62	1,896.62

\* Balances with statutory and government authorities includes GST input tax credit, which is reversed in the GST Return due to non payment of liability as per the provisions of GST Act 2017. The same shall be re- claimed upon payment of the liability as per the provisions of GST Act 2017.





# CHANDIL TRANSMISSION LIMITED

Notes forming part of Financial Statements for the year ending 31 March 2022

(All amounts in ₹ thousands, unless stated otherwise)

## 7 Equity share capital

Particulars	As at 31 March, 2022	As at 31 March, 2021
<b>Authorized equity share capital</b>		
50,000 Equity shares of Rs 10 each	500.00	500.00
	<b>500.00</b>	<b>500.00</b>
<b>Issued, subscribed and paid up equity share capital</b>		
50,000 Equity shares of Rs 10 each	500.00	500.00
	<b>500.00</b>	<b>500.00</b>

### i) Terms & Rights attached to equity shares:

The Company has only one class of equity shares having par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation 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 distribution will be in proportion to the number of equity shares held by the shareholders.

### ii) Reconciliation of equity shares outstanding at the beginning and at the end of the year

	As at 31 March, 2022		As at 31 March, 2021	
	No. of shares	(₹ thousand)	No. of shares	(₹ thousand)
<b>Equity share capital of ₹ 10 each fully paid up</b>				
Balance at the beginning of the year	50,000	500.00	50,000	500.00
Add: Issued during the year		-		
<b>Balance at the end of the year</b>	<b>50,000</b>	<b>500.00</b>	<b>50,000</b>	<b>500.00</b>

### iii) Shareholders holding more than 5% of shares of the Company as at balance sheet date:

	As at 31 March, 2022		As at 31 March, 2021	
	No. of shares	% holding	No. of shares	% holding
49,994 Equity Shares held by REC Power Development & Consultancy Limited (formerly REC Power Distribution Company Limited) And Balance 6 Equity Shares through other nominee of REC- PDCL Ltd.	50,000	100.00%	50,000	100.00%

### iv) Shares held by promoter :

	As at 31 March, 2022		As at 31 March, 2021	
	No. of shares	% holding	No. of shares	% holding
49,994 Equity Shares held by REC Power Development & Consultancy Limited (formerly REC Power Distribution Company Limited) And Balance 6 Equity Shares through other nominee of REC- PDCL Ltd.	50,000	100.00%	50,000	100.00%

There is no change in holding of promoter during the financial year 2021-22.

## 8 Other equity

Particulars	As at 31 March, 2022	As at 31 March, 2021
<b>Retained earnings</b>		
Balance at the beginning of the year	(21,969.82)	(21,867.42)
Add : Transferred from statement of profit and loss	(32.11)	(102.40)
Closing Balance at the end of the year	(22,001.93)	(21,969.82)
<b>Total other equity</b>	<b>(22,001.93)</b>	<b>(21,969.82)</b>



**CHANDIL TRANSMISSION LIMITED**

Notes forming part of Financial Statements for the year ending 31 March 2022  
(All amounts in ₹ thousands, unless stated otherwise)

**9 Other financial liabilities (Current)**

Particulars	As at 31 March, 2022	As at 31 March, 2021
Advance from holding company*	25,375.01	25,334.64
Audit fees payable @	31.50	31.50
	<b>25,406.51</b>	<b>25,366.14</b>

\* Refer note 15 on related party transactions

@ Audit Fees ( in Rs)	35,000.00	35,000.00
TDS deducted (in Rs)	(3,500.00)	(3,500.00)
Net Audit Fees payable (in Rs)	31,500.00	31,500.00

**10 Other current liabilities**

Particulars	As at 31 March, 2022	As at 31 March, 2021
Statutory dues (TDS payable)	7.24	3.50
	<b>7.24</b>	<b>3.50</b>





# CHANDIL TRANSMISSION LIMITED

Notes forming part of Financial Statements for the year ending 31 March 2022

(All amounts in ₹ thousands, unless stated otherwise)

## 11 Other income

Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
Liabilities/ Expenses written off	5.70	-
	<b>5.70</b>	<b>-</b>

## 12 Other expenses

Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
Legal & Professional Expenses/MCA & ROC Filings	2.81	17.70
* Auditors remuneration	35.00	35.00
Miscellaneous Expenses	0.00	0.82
Administration Expenses Allocated by Holding Company	-	-
Salary Expenses Allocated by Holding Company	-	48.88
	<b>37.81</b>	<b>102.40</b>

### \*Comprises of following:

As auditors- statutory audit	35.00	35.00
	<b>35.00</b>	<b>35.00</b>

## 13 Tax expense

Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
Current tax		
Tax pertaining to current year	-	-
Tax pertaining to earlier years	-	-
Deferred tax expense/(credit)	-	-

	For the year ended 31 March, 2022	For the year ended 31 March, 2021
Tax expense		
(i) Current tax		
Tax pertaining to current year	0.00	0.00
Tax pertaining to earlier years	0.00	0.00
(ii) Deferred tax expense/(credit)	0.00	0.00
	<b>0.00</b>	<b>0.00</b>

The major components of income tax expense and the reconciliation of expense based on the domestic effective tax rate of at 26% .

Accounting Loss before income tax	(32.11)	(102.40)
At country's statutory income tax rate of 26%	0.00	0.00
Adjustments in respect of taxes earlier years		
(i) Non-deductible expenses for tax purposes	0.00	0.00
(ii) Non-taxable incomes	0.00	0.00
(iii) Earlier year taxes	0.00	0.00
(iv) Deferred tax on allowable provisional expenditure of earlier year	0.00	0.00
(v) Deferred tax change due to rate change	0.00	0.00
	<b>0.00</b>	<b>0.00</b>

In accordance with the notified Indian Accounting Standard 12, "Income Taxes", deferred tax assets on carried forward losses, unabsorbed depreciation and other timing differences have not been accounted in the books. However in the absence of virtual certainty as to its realisation of deferred tax assets (DTA), DTA has not been created

## 14 Basic/diluted earnings/ loss per share

Net profit/(loss) for the year (in Rs thousands)	(32.11)	(102.40)
Weighted average number of equity shares for EPS (in numbers)	50,000	50,000
Par value per share (in ₹)	10	10
Earnings per share - Basic and diluted (in ₹)	(0.64)	(2.05)



# CHANDIL TRANSMISSION LIMITED

Notes forming part of Financial Statements for the year ending 31 March 2022

(All amounts in ₹ thousands, unless stated otherwise)

## 15 Related party transactions

Related Parties as per Indian Accounting Standard – 24 :

### a. Details of related parties:

Description of relationship	Names of related parties
Holding company	REC Power Development & Consultancy Limited (formerly REC Power Distribution Company Limited (RECPDCL) )

Parent's Holding company REC Limited

### Key management personnel (KMP)

The Company is a wholly owned subsidiary of REC Power Development & Consultancy Limited (formerly REC Power Distribution Company Limited RECPDCL), which is further wholly owned by REC Limited. The Key Managerial Personnel of the Company are employees of REC Limited, deployed on part time basis. No managerial remuneration is paid to them by the Company. The details of such Key Managerial Personnel are as below.

Name	Designation	Remarks
Valli Natarajan	Chairman and Director	( till 26.03.2021)
Sanjay Shilendrakumar Kulshrestha	Director	Continuing
	Chairman	w.e.f. 24.01.2022
Mohan Lal Kumawat	Director	Continuing
Saurabh Rastogi	Director	(w.e.f. 25.03.2021 )
	Chairman	(w.e.f. 04.08.2021 )

KMPs / Directors Remuneration	For the year ended 31 March, 2022	For the year ended 31 March, 2021
Remuneration to KMP's	0.00	0.00

### b. Transactions with Holding Company (RECPDCL) are as under:

	Year ended	Holding Company
(i) Transactions during the year		
Interest	Year ended 31 March, 2022	0.00
	Year ended 31 March, 2021	0.00
Reimbursement of expenses	Year ended 31 March, 2022	44.11
	Year ended 31 March, 2021	408.46
(ii) Outstanding Balances at year end		
Advance from Holding Co.	Year ended 31 March, 2022	25,375.01
	Year ended 31 March, 2021	25,334.64





**CHANDIL TRANSMISSION LIMITED**

Notes forming part of Financial Statements for the year ending 31 March, 2022

(All amounts in ₹ thousands, unless stated otherwise)

**16 Financial instruments****i) Financial instruments by category measured at amortized cost:**

Particulars	As at 31 March, 2022	As at 31 March, 2021
<b>Financial assets</b>		
Cash and cash equivalents	20.00	20.00
<b>Total</b>	<b>20.00</b>	<b>20.00</b>
<b>Financial liabilities</b>		
Other financial liabilities	25,406.51	25,366.14
Other current liabilities	7.24	3.50
<b>Total</b>	<b>25,413.75</b>	<b>25,369.64</b>

The carrying amounts of financial assets and liabilities are considered a reasonable approximation of their fair values.

**ii) Fair values hierarchy**

The Company does not have any financial assets or financial liabilities carried at fair value.

The carrying amounts of other financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values.

**iii) All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:**

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities;

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable;

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

**17 Financial risk management****i) Risk management**

The main types of risks to which the Company is exposed in relation to financial instruments are as follows:

**A) Credit risk**

The Company only possess cash and cash equivalents as financial asset as on closing dates, hence credit risk relating to cash and cash equivalents is considered to be negligible as counterparties are banks. The management considers the credit quality of deposits/balances with such banks to be good and reviews the banking relationships on an on-going basis.

**B) Liquidity risk**

Ultimate responsibility for liquidity risk management rests with the Board of Directors. The Company manages liquidity risk by maintaining adequate reserves and by continuously monitoring forecast and actual cash flows, and by anticipating the maturity profiles of financial liabilities. Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. Further the Holding Company also incurs all the expenses on behalf of the Company and provides unconditional liquidity support as an ongoing mechanism basis.

**Maturities of financial liabilities**

The Financial liabilities of the Company comprises of :

- Audit Fees payable - which is paid by Holding Co. on behalf of this Co. and
- Liabilities payable to Holding Co. - The same is discharged by the selected bidder (through TBCB process conducted by Holding Co) which purchases the company by taking over all assets and liabilities of the company. However expected date of the same is not determinable.

**C) Market risk**

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. It comprises of currency risk, interest rate risk and price risk.

**Currency risk**

The company does not have any foreign currency transactions, hence, it is not exposed to currency risk.

**Interest rate risk**

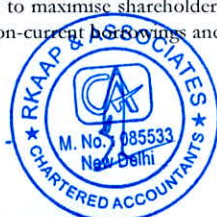
As the Company does not have any third party borrowings outstanding, it is not exposed to interest rate risk.

**Price risk**

The company does not have any financial instrument which exposes it to price risk.

**18 Capital management policies and procedures**

The Company's capital includes issued share capital and all other distributable reserves (except for specific restricted reserves). The primary objective of the Company's capital management is to maximise shareholder value and to maintain an optimal capital structure to reduce the cost of capital. The Company does not have any non-current borrowings and all its capital needs are met by capital or shareholders only.



## 19 Ratios Analysis

S No.	Ratio	Formula	Y.E 31.3.2022	Y.E 31.3.2021	% Variance as compared to preceding year	Explanation for change in ratio by more than 25 %	
1	Current Ratio	Current Assets/ Current Liabilities	0.07	0.07	0.00		
2	Debt-Equity Ratio	Total Debt/ Shareholders Equity	0.00	0.00	0.00	0	
3	Debt Service Coverage Ratio	Earning available for Debt service/debt service	NA	NA	NA	0	
4	Return on Equity Ratio	Net profit after tax-preference dividend/Average shareholder equity	0.00	0.01	0.00	0	
5	Inventory turnover ratio	cost of good sold or sales/Average inventory.	NA	NA	NA	0	
6	Trade Receivables turnover ratio	Net credit sale/ Average Accounts receivables	NA	NA	NA	0	
7	Trade payable turnover ratio	Net credit purchase/ Average trade payable	NA	NA	NA	0	
8	Net Capital turnover Ratio	Net Sales/Average working capital	NA	NA	NA	0	
9	Net Profit Ratio	Net profit/net sales	NA	NA	NA	0	
10	Return on Capital Employed	Earning before interest and taxes/capital employed	0.00	0.01	0.00	0	
11	Return on investment	current value of investment-cost of investment/cost of investment	NA	NA	NA	0	

## 20 Operational Outlook

The company has accumulated losses of Rs. 22,001.92 as at 31 March 2022 (Rs. 21969.81 as at 31 March 2021) resulting in complete decline of the net worth of the company. The ability of the company to continue as a going concern is dependent on the improvement of company's future operations and continued financial support from REC Power Distribution Company Limited (erstwhile REC Transmission Projects Company Limited), holding company. However, the financial statement of the company have been prepared on the basis that the company is going concern as the ultimate holding entity has confirmed to provide such financial support.

## 21 Other notes to accounts

- 21.1 As per the policy of Holding Company the invoice for the services provided is raised at the end of the financial year or on the date of the transfer of the SPV or on the receipt of advance/acquisition price, whichever is earlier.
- 21.2 There is no employee in the roll of the Company. Employees working for the Company are in the roll of the holding company i.e. RECPDCL and ultimate holding company i.e. REC Limited. The employee expenses including contributions in respect of liabilities for employee benefit expense towards leave, provident fund, superannuation and all other benefits as applicable are accounted for by the holding company and ultimate holding company. Hence, disclosure requirements under Ind AS 19 is not applicable.
- 21.3 The code on social security 2020 (Code) relating to employee benefit during employment and post employment benefit received presidential accent in September 2020. The code has been published in the Gazette of India. However, the date on which the code will come in to effect has not been notified. However, there are no employees on roll of company.
- 21.4 The Company is operating in a single segment and therefore disclosure requirements under Ind AS 108 is not applicable.
- 21.5 The capital commitments, contingent liabilities and claims against the company not acknowledged as debt is nil as on 31.03.2022 (previous year nil as on 31.03.2021).
- 21.6 The Company has no outstanding liability towards Micro, Small and Medium Enterprises.
- 21.7 The company has no non material adjustment event after reporting period.
- 21.8 There are no foreign currency transactions during the year. Therefore no disclosures are required under Schedule III of the Companies Act, 2013.
- 21.9 The figures have been regrouped / reclassified / rearranged, wherever necessary for better presentation and to make them comparable.
- 21.10 Negative figures have been shown in bracket.





21.10 Negative figures have been shown in bracket.

22.00 The COVID-19 pandemic has severely impacted businesses around the world and is causing a slowdown of economic activity. The Company has evaluated the impact of this pandemic on its business operations and financial position and based on its review of current indicators of future economic conditions, there is no significant impact on its financial statements as at March 31, 2022. However, the impact assessment of COVID-19 is a continuing process given the uncertainties associated with its nature and duration and accordingly the impact may be different from that estimated as at the date of approval of these financial statements. The Company will continue to monitor any material changes to future economic conditions.

For RKAAP & ASSOCIATES

Chartered Accountants

ICAI Firm Registration No.: 006781N



For and on behalf of Board of Directors of  
CHANDIL TRANSMISSION LIMITED

CA. Ratnesh Kumar Gupta

Partner

Membership No. 085533

Place: New Delhi

Date: 08-09-2022

UDIN: 21065533ASEM XC 1205

Sanjay Shilendra Kumar Kulshrestha

Director

DIN No.: 06428038

Place: New Delhi

Date: 08-09-2022

Saurabh Rastogi

Director

DIN No.: 05317155

Place: New Delhi

Date: 08-09-2022