

Note 2: Other Key Disclosures**2.1 Restatement relating to earlier period transactions.**

During the year ended 31st March 2024, the company recorded the following key transactions, which resulted in restatement of earlier period balances per the provisions of IND AS 8:

- i. Accounting of corrections as per the CAG observations for the F.Y. 2022-23
- ii. Other corrections due to reconciliation of old balances

The aforesaid reinstatement has been carried out in the following manner:

- a. Restating the opening balances of Assets, Liabilities, and equity as on 1st April, 2022 for items, pertaining to periods earlier or up to 31st March, 2022; and
- b. Restating the comparative amounts for the period of the F.Y. 2022-23.

The summary of changes is provided in the table below:

- a. Summary of restatement of the opening balances of Assets, Liabilities and equity as on 1st April, 2022, for items pertaining to periods earlier or up to 31st March, 2022:

Particulars	Notes to Financial Statement	Amount in ₹lakh				Remarks
		Retained Earnings Dr./ (Cr.)	Assets/ Liabilities Dr./ (Cr.)	Total Dr./ (Cr.)		
Sundry Debtors for Sale of power	8		(6725.40)	(6725.40)	Note (i)	
Plant and Machinery	3A		207.74	207.74	Note (ii)	
Lines and Cable Net Work	3A		830.95	830.95		
Capital Work-in-progress	3B		(1038.69)	(1038.69)		
Dep. on Plant and Machinery	3A		(63.59)	(63.59)		
Dep. on Lines and Cable Net Work	3A		(254.37)	(254.37)		
Board's Working Fund [Security Deposit from Consumer]	9		20190.95	20190.95	Note(iii)	
Security deposits from Consumer (In Cash)	16		(20190.95)	(20190.95)		
Interest payable on Consumers deposits	16		(2351.09)	(2351.09)		
Investment against fund	10		(111.73)	(111.73)	Note(iv)	
Liabilities for O.M. Suppliers/Works	20		1024.59	1024.59	Note(v)	
P.F.C. Loan	14 & 15		1410.10	1410.10		
Sundry Debtors for Sale of power	8		(27646.29)	(27646.29)	Note(vi)	
J.S.E.B. Restructuring Account	13		12395.87	12395.87		
Retained Earning	13	22321.91		22321.91	Notes (i) to (vi)	
Plant and Machinery	3A		120.40	120.40	Note(viii)	
Lines and Cable Net Work	3A		7116.18	7116.18		
Spare Units/Service Units	3A		6.84	6.84		
Capital Work-in-progress [Interest & Finance Charges]	3B		(39459.14)	(39459.14)		
Dep. on Plant and Machinery	3A		(52.30)	(52.30)		
Dep. on Lines and Cable Net Work	3A		(2694.88)	(2694.88)		
Dep on Spare Units/Service Units	3A		(3.17)	(3.17)		
Retained Earning	13	34966.08		34966.08		
Total		57287.99	(57287.99)	-		



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b. Summary of restatement of the amounts of comparative for the period of the F.Y. 2022-23:

Amount in ₹lakh

Particulars	Notes to Financial Statement	Statement of P/L A/c	Assets/ Liabilities	Total	Remarks
		Dr./ (Cr.)	Dr./ (Cr.)	Dr./ (Cr.)	
Deposit for Electrification, Service Connection	20		389.24	389.24	Note (vii)
Receipt from Consumers for capital works	23	(389.24)		(389.24)	
Sundry Debtors for Sale of power	8		(1,910.10)	(1,910.10)	Note (i)
Revenue From Operations	23	1,036.63		1,036.63	
Other Income-Others	25	873.47		873.47	
Board's Working Fund [Security Deposit from Consumer]	9		10,287.84	10,287.84	Note (iii)
Security deposits from Consumer (In Cash)	16		(10,287.84)	(10,287.84)	
Interest on Consumers Security deposit	29	1,912.78		1,912.78	
Interest payable on Consumers deposits	16		(1,912.78)	(1,912.78)	
Ammortisation of Grants, Contribution, Subsidies A/c	25	(225.31)		(225.31)	Note (v)
Grants towards' cost of capital assets' Grant-in-aid received form PFC)	17		225.31	225.31	
P.F.C.Loan	14		5,956.08	5,956.08	
Interest on P.F.C Loan	28	(409.77)		(409.77)	
Grants towards' cost of capital assets' Grant-in-aid received form PFC)	17		(5,546.31)	(5,546.31)	
Capital Work-in-progress [Interest & Finance Charges]	3B		(6,960.80)	(6,960.80)	Note(viii)
Dep. on Plant and Machinery	3A		(5.08)	(5.08)	
Dep. on Lines and Cable Net Work	3A		(300.30)	(300.30)	
Dep on Spare Units/Service Units	3A		(0.29)	(0.29)	
Interest on State Govt. Loan	28	6,960.80		6,960.80	
Depreciation	3A	305.67		305.67	
Total		10,065.03	(10,065.03)	-	

Note:

- The company recasted the bills of M/s Tata Steel Long Products Limited for the period from April 2019 to February 2023. The recasting of the bills resulted in reduction of debtors amounting to ₹8635.51 lakh. The same was not considered while preparing the accounts of the F.Y. 2022-23 which has been considered now. Balances of Trade Receivables, Retained Earnings, Revenue from Operations and Other Income-others have been restated accordingly for the respective years by restatement of Assets, Liabilities & Statement of Profit & Loss.
- The company capitalised certain assets which were in use since the year 2015 but were reflected in the capital work in progress head. Accordingly, the company restated the balances of the ledgers of relevant assets, capital work in progress, depreciation and retained earnings for periods prior to the current year.



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- iii. The company upon reconciliation of fund received electronically, identified that the consumer security deposits received since the year 2018-19 were accounted for under Board's Working Fund [Security Deposit from Consumer] and had not been transferred to Security Deposit liability account in the books of accounts. In order to account for the same, the balances of Board's Working Fund [Security Deposit from Consumer], Security deposits from Consumer were restated. Further, the corresponding interest on such security deposits were also not provided in the books which were calculated and accounted for through restatements of Interest payable on Consumers deposits and retained earnings for period upto 31.03.2022.
- iv. The company reconciled the balances of short-term deposits under the head investment against funds and observed that excess interest was accrued in earlier periods. The same was corrected through restatement of balances of investment against funds and retained earnings. Further, the company also observed that excess expenditure was provisioned in earlier period which were not reversed. The same was also reversed through restatement of balances of Liabilities for O.M. Suppliers/Works and retained earnings.
- v. The PFC vide its letter no. 02:10:IPDS:2021:Utilities:76729 dated 29.04.2022 converted R-APDRP loan under Part A (Scada) to grant. This was not considered in the accounts of the F.Y. 2022-23 and hence, have been accounted for in the current year through restatement. In this respect, the interest payable to PFC and the cost charged till 31.03.2022 have been reversed through restatement of balances. Further, the company also restated the balances of loans, grants and the interest payable and cost charged for the period in the year 2022-23, for the comparative period of the year 2022-23.
- vi. The company recasted the bills of M/s SAIL Bhawnathpur for the period from January 1985 to February 2024. The recasting of the bills resulted in reduction of debtors amounting to ₹28591.73 lakh. Accordingly, the balances of Trade Receivables, Retained Earnings, Revenue from Operations and Other Income-others have been restated accordingly for the respective years by restatement of Assets, Liabilities & Statement of Profit & Loss. The rectification/corrections related to period before January 2014 pertaining to JSEB have been carried out through restatement of balances of Restructuring Account and Trade Receivables.
- vii. The company amortises the consumer contribution amount received under deposit head against the assets created. Upon reconciliation, it was observed that the amortisation for the financial year 2022-23 was short by 389.24 lakh. The same has been corrected by restating the balance of Liabilities under Deposit for Electrification, Service Connection and the corresponding effect of amortisation was given in comparative figures of the statement of profit & loss account during F.Y 2022-23 under Receipt from Consumers for capital works.
- viii. During the year, the company reconciled interest capitalisation on assets created under ADP head since the beginning and identified that the same was not done for the period from the F.Y. 2014-15 till 2017-18. Accordingly, the company calculated and capitalised such interest on the assets so created. This resulted in increase in the value of assets, depreciation charged and also interest expense which were lying under the head CWIP-Interest. As the corrections pertained to earlier period, this is accounted through restatement of earlier period balances of Plant & Machinery, Lines Cable & network, Spares & Tools, Depreciation of corresponding assets and CWIP-Interest.

2.2 Resolution of State Cabinet w.r.t loan received under UDAY Scheme

The State Cabinet, Govt. of Jharkhand vide resolution no. 1610 dated 18.8.2023, accorded approval for conversion of loan ₹613637 Lakh into equity and grant. As per the resolution, the 3/4th of the amount i.e. ₹460228 Lakh to be converted into grant and ₹153409 Lakh will be converted into equity. Further, in the same resolution, GoJ also undertook to compensate the part of losses of the company from the F.Y. 2016-17 to 2020-21 of ₹86181 Lakh through book adjustment of Govt. loan.



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